



MEETINGS SCHEDULED FOR NOVEMBER

Location:

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

THURSDAY, NOVEMBER 7, 2013

Regular Board Meeting
State Street
10:00 a.m.

THURSDAY, NOVEMBER 21, 2013

Finance and Audit Committee Meeting
Room TBA
10:30 a.m.

Regular Board Meeting
State Street

****NOTE TIME CHANGE****

2:00 p.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, November 7, 2013.

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.

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Equal Opportunity Housing and Equal Opportunity Employment

A G E N D A

Minnesota Housing Finance Agency

Board Meeting

Thursday, November 7, 2013

10:00 a.m.

State Street Conference Room – 1st Floor
400 Sibley Street, St. Paul, MN 55101

- 1. Call to Order**
- 2. Roll Call**
- 3. Agenda Review**
- 4. Approval of Minutes**
 - A. Regular Meeting of October 24, 2013
- 5. Reports**
 - A. Chair
 - B. Commissioner
 - C. Committee
- 6. Consent Agenda**
 - A. Annual Action Plan Approvals, 2014 Plan and Amendment to the 2013 Plan
- 7. Action Items**
 - A. Housing Trust Fund (HTF) Rental Assistance for Highly Mobile Students Initiative
 - B. 2013 Consolidated Request for Proposals
 - C. Single Family Selections, Community Homeownership Impact Fund (formerly known as Community Revitalization Fund)
 - D. Multifamily Selections, Deferred Loans and Grants, Low and Moderate Income Rental (LMIR), Housing Tax Credit (HTC) Program, 2014 Round 1
 - Approvals Related to Multifamily Selections
 - o Resolution approving Selection/Authorization to Close Loans /Grants
 - o Resolution Allocating Federal Low Income Housing Credits for Calendar Year 2014 to Certain Qualified Low Income Housing Buildings
 - o Resolution Approving Mortgage Commitment Preservation Affordable Rental Investment Fund (PARIF) Program
- 8. Discussion Items**
- 9. Informational Items**
- 10. Other Business**
- 11. Adjournment**

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MINUTES

MINNESOTA HOUSING FINANCE AGENCY BOARD MEETING**Thursday, October 24, 2013**

1:00 p.m.

Jelatis Conference Room – 3rd Floor
400 Sibley Street, St. Paul, MN 55101**1. Call to Order.**

Chair Ken 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: John DeCramer, Joe Johnson, Ken Johnson, Stephanie Klinzing, and State Auditor Rebecca Otto. Absent: Gloria Bostrom and Steve Johnson

Minnesota Housing staff present: Bill Kapphahn, Don Wyszynski, Leslee Post, Anne Heitlinger, Will Thompson, Paula Beck, Tal Anderson, Beth Haukebo, Rose Carr, Karen Johnson, Diana Lund, Jennifer Wille, Mary Tingerthal, Becky Schack, Terry Schwartz.

Others present: Cory Hoepfner, RBC Capital Markets; Paul Rebholz, Wells Fargo; Melanie Lien, Piper Jaffray; Bob Foggio, Morgan Stanley; Michelle Adams, Kutak Rock; Sean Cullen, RBC Capital Markets; Chip Halbach, Minnesota Housing Partnership; Celeste Grant, Office of the State Auditor; Tom O’Hern, Assistant Attorney General.

3. Agenda Review

There were no changes to the agenda.

4. Approval of the Minutes.**A. Regular Meeting of September 26, 2013**

Auditor Otto moved approval of the minutes. Stephanie Klinzing seconded the motion. Motion carries 5-0.

5. Reports**A. Chair**

There was no chairman’s report.

B. Commissioner

Commissioner Tingerthal reported that a number of staff had just returned from the National Council of State Housing Agencies’ annual conference, where the Agency received a “Best in Management Innovation Technology” award for the community profiles program. Peers were especially impressed by the timeline for the development of the tool, which was just two months. Also at the conference, HUD Secretary Shaun Donovan presented a plaque to participants in the Federal Alignment Inspections program, which was designed to eliminate multiple inspections of properties with funding from multiple sources. The project, which was facilitated by a memorandum of understanding between the US Department of the Treasury, HUD, and USDA-Rural Development, allowed the use of a single inspection for all funding sources. While the program did not eliminate as many inspections as hoped for; it will be extended beyond the pilot group.

In general, the conference was a good experience. It appears that HFAs have finally turned the corner following the economic downturn. Some HFAs that were hit particularly hard have just rolled out Single Family products for the first time since the end of the New Issue Bond Program. All attendees were feeling more upbeat than in past years, except for the bankers, who have learned that many HFAs are now using the TBA market.

Commissioner Tingerthal extended an invitation to board members to attend the Agency's silent auction benefiting the State of Minnesota's combined charities campaign.

Commissioner Tingerthal asked that the board convene a finance and audit committee meeting prior to the November 21 meeting. At this committee meeting, members will have an opportunity to meet with organizations that have responded to the investment banking RFP. Members will be provided with the submitted proposals in advance of the committee meeting, which will include a presentation about the candidates, a series of presentations from the candidates and a discussion period. The committee meeting is expected to last three hours and the regular November meeting will commence at 2:00 p.m. Following the November regular meeting, staff are planning an event in recognition of National Hunger and Homelessness Awareness Week, which would include a brief presentation by a number of our partners. Commissioner Tingerthal invited members to stay if they would be able to and acknowledged that November 21 would be a long day.

The following employee introductions were made:

- Tal Anderson introduced Karen Johnson, a program manager in the Single Family Community Development area working on NSP and relationship loans, which are a number of loans the Agency has made to local non-profits that allow these organizations to do their work. Karen comes from the Twin Cities Community Land bank and has worked at the Washington County HRA, as well as NRC in Minneapolis.
- Beth Haukebo introduced Rose Carr, a consultant on the SHAPE project. Rose graduated from DePaul University, majoring in public policy with a minor in Journalism and also attended the Humphrey Institute for Public Policy. Rose comes from the City of Lakes Community Land Trust where she was a program manager, working with homebuyers through the process and also did marketing and communications. Rose has an active volunteer life and is involved with the Emerging Leaders in Community Development group and also an organization that is working on the effects of AIDS in Kenya.
- Diana Lund introduced Jennifer Wille, who will work on the first mortgage products on the Federal side, including HUD Risk Share and initiation of the MAP lending program. Jennifer has 12 years of banking experience and was most recently a housing coordinator at CommonBond.

C. Committee

There were no committee Reports

6. Consent Agenda

- A. **Debt Restructure - Valley Square Commons, Golden Valley, D2920**
- B. **Modification, Preservation Affordable Rental Investment Fund (PARIF) Program - Community Improvement Program (CIP) Scattered Site 2012, Various, D7606**
- C. **Resolutions Delegating Certain Authorities to the Commissioner**

Mr. DeCramer moved approval of the consent agenda. Auditor Otto seconded the motion. Motion carries 5-0.

7. Action Items

- A. **Resolution Relating to Multifamily Housing Revenue bonds, Series 2013 (Eastport Apartments Project); Authorizing the Issuance and Sale Thereof**

Don Wyszynski presented this request for approval of the issuance and sale of bonds, the proceeds of which will be used for the acquisition and rehabilitation of a development in Mankato. For this project, the Agency is acting as a conduit issuer to allow the developer to receive 4% tax credits. In order to receive the credits, a portion of the project must be financed with tax-exempt bonds until the project is completed and placed into service. Projects must be within the jurisdiction of the issuer and the city of Mankato and Benson County are not keyed up to be conduit issuers and, as a statewide issuer, the project is within the jurisdiction of the Agency. The developer is paying all costs associate with the issuance and the Agency will receive minor fees for its role as issuer. The Agency has no legal or moral obligation to bondholders in the event of a default. Michelle Adams of Kutak Rock reviewed the parameters of the resolution, noting that the borrower must provide a cash collateral deposit to the indenture. In response to a question from Ms. Klinzing, Mr. Wyszynski stated that the agency has acted as a conduit issuer for a project in 2006 and had no issues with the experience. **MOTION:** Ms. Klinzing moved approval. Mr. DeCramer seconded the motion. Motion carries 5-0.

8. Discussion Items

- A. **Request for Proposals for Investment Banking Services**

Don Wyszynski discussed this RFP with the board, stating that the Agency's policy is to go out every four years and take proposals, with contracts entered into each time bonds are sold. The notice of the RFP appeared in the October 24 Bond Buyer and responses are due on November 14. Staff will prepare a shortlist of respondents who will meet with the board on November 21, at which time the board will select a team. Chair Johnson added that the format for the meeting would be as follows: Each proposing banker group will have 15 minutes for presentation, 10 minutes for questions and answers and following each presentation and question and answer session, the board will have 5 minutes in private to debrief. The board will meet only with proposing bankers from the staff shortlist. Discussion item, no action needed.

9. Informational Items

- A. **Conflict of Interest Disclosure Reporting**

Information item; no action needed.

- B. **Post-Sale Report, Rental Housing Bonds 2013 Series A-1; A-2; B-1; and B-2**

Information item; no action needed.

- C. **Post-Sale Report, State Appropriation Bonds (Housing Infrastructure) 2013 Series A and B**

Information item; no action needed.

10. Other Business

A. Auditor Rotation Policy

During her report, Commissioner Tingerthal stated that the Agency will, over the course of the next month, be preparing and RFP for auditing services. The RFP will be presented to the board for its approval at the November 21 board meeting. The idea has been put forward that the RFP can indicate that the current incumbent would not be allowed to bid. This would satisfy a desire to rotate between a different set of auditors. Staff has indicated that if the intent is to not award to the incumbent, that fact should be made clear in the RFP so that other firms can see that it is truly an open RFP.

Chair Johnson stated that the Agency has had the current firm for 15 years and that he thinks it generally is a good practice to rotate auditors once in a while, adding that he has been involved in three securities litigations and each time one of the first questions asked is about the relationship with the auditors.

Auditor Otto inquired if the agency can exclude parties and be in compliance with state contracting rules. Auditor Otto added that she is not opposed to rotation, but the incumbent has honored the principle by rotating the team. Otto also stated that there has in the past been concern that the Agency may not see the skill set needed and did not exclude the incumbent to ensure there would be an applicant with the experience to audit the Agency and the resources on its balance sheet but did require that the incumbent demonstrate a way to overcome the rotation issue, which they have done by rotating the audit team. Chair Johnson stated that he was familiar with the concept of a Chinese wall, but in terms of litigation, it would not be considered.

In response to Auditor Otto's concerns about receiving proposals from qualified firms, Bill Kappahn stated that the Agency would require that a selected firm must be recognizable by the investment community and that size and reputation is important. The Agency has had a number of the same firms bid the last few times. While there is no direct evidence, it appeared we were getting bid fatigue and have had some concern that we will not get a real sharp pencil if they see the incumbent is allowed to bid; other firms may think it is just a process we are going through because it is required. Auditor Otto suggested that the incumbent could be excluded from the first RFP and if no qualified proposals are received the Agency could issue another RFP that would allow the incumbent.

Ms. Klinzing stated she agreed with the statements regarding rotation but asked that Counsel provide an opinion about how the incumbent can be excluded and if there may be legal ramifications, specifically if the board is on firm legal ground to bar someone from bidding on a public contract. Mr. O'Hern stated that, as long as there is a reasonable basis for barring them, it is fine. The reasoning to bar the incumbent is because it is a prudent business practice to rotate auditors. If a situation arises where the bidders who respond are not sufficient to perform the job, the board may then reconsider their criteria for eligible bidders. It is important to make

clear to both the incumbent and the public that the action of barring the incumbent from bidding is not intended as a penalty but to ensure prudent business practices.

Ms. Klinzing stated that it was important to have on the record and requested that a policy be created that states the parameters that will be used for receiving bids for auditing services. Mr. Joe Johnson stated that he was comfortable that the board issue an RFP that does not allow bids by the incumbent and if no satisfactory bids are received, the RFP be issued again as open for all firms, including the incumbent. Mr. DeCramer concurred that it is a prudent decision to get fresh eyes.

Chair Johnson moved to exclude from the RFP the present auditors based on the desire of the board to have good management decisions and business practices by a rotation of auditors. Commissioner Tingerthal stated that when the RFP is shared at the next meeting, it will include criteria that, for the reason of prudent business practice, the current auditors would not meet selection criteria.

Ms. Klinzing seconded the motion, provided it would not preclude the board from republishing the RFP and allowing the incumbent to bid if needed. Mr. DeCramer offered an amendment to Ms. Klinzing's amendment that a new solicitation would be for the purpose of good business practices. Chair Johnson accepted both Ms. Klinzing and Mr. DeCramer's offered amendments. Ms. Klinzing accepted Mr. DeCramer's offered amendment.

Mr. O'Hern requested that the board clarify if it were requesting a policy be created, stating that the board has never before had a written policy but it was a good idea to have a written policy on which future board can rely.

Ms. Klinzing clarified that the motion offered today is appropriate and Chair Johnson further clarified that the board was today passing an action to govern the current process and that in the future the board would like to have a policy for adoption.

Auditor Otto suggested that an actual policy may not be needed and that future boards would know that rotation is a good practice, particularly because an auditor sits on the board. Ms. Klinzing stated that future boards can have a 15-year limitation, but she feels that the board is put on better footing if there is a policy. Commissioner Tingerthal stated that the policy would be a good point for discussion and that it can generally be a guideline for the board to not renew more than three times, but can still reserve the right to amend the policy if no other acceptable firms submit bids.

Chair Johnson stated that, as Auditor Otto pointed out; future boards could overturn or amend any policy. Mr. O'Hern stated he would put together a draft policy regarding auditor rotation and clarified that, for the current award, it is a four-year term but is really a one year contract with three renewals. The board is not locking itself into four years; but rather one year that can

be renewed three times. There is always the ability to not renew with the incumbent firm and go out for bids again. **MOTION:** Chair Johnson amended the motion on the floor to state that, for the current process, proposals be restricted to new firms for the reasons discussed and asked that counsel bring forward a general policy for the board that the retention of auditors shall not exceed 12 years. Ms. Klinzing seconded the amended motion. Motion carries 5-0.

11. Adjournment.

The meeting was adjourned at 1:43 p.m.



AGENDA ITEM: 6.A.
MINNESOTA HOUSING BOARD MEETING
November 7, 2013

ITEM: Annual Action Plan Approvals, 2014 Plan and Amendment to the 2013 Plan

CONTACT: James Cegla, 651-297-3126 Tonja Orr, 651-296-9820
 jim.cegla@state.mn.us tonja.orr@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 Annual Action Plan is prepared and submitted to HUD by the Department of Employment and Economic Development, Human Services, and Minnesota Housing as a condition of receiving each agency's formula grants. We request the board approve an amendment to the 2013 Annual Action Plan to permit Minnesota Housing to use HOME funds for rental new construction in addition to rehabilitation; and approve Minnesota Housing's sections of the 2014 Annual Action Plan. The 2014 Action Plan is consistent with the Affordable Housing Plan in its allocation of HOME and HOPWA funds, but also gives the agency flexibility to finance new rental construction if it so chooses and the AHP is appropriately modified. No public comments were received on the 2014 Plan. The comment period on the amendment to the 2013 plan ends November 5. Any comments that may be received and staff responses will be brought to the meeting for discussion.

FISCAL IMPACT:

Approval of the 2014 Action Plan is required to permit the agency to receive HOME funding in 2014 in the estimated amount of \$5.9 million and HOPWA funding in the estimated amount of \$139,000.

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):

- Amendment to 2013 Annual Action Plan
- Pertinent pages of the 2014 Annual Action Plan

AMENDMENT TO 2013 ACTION PLAN

AP-25 Allocation Priorities

Introduction

HOME funds are not allocated to local units of government or to nonprofits to administer. The Minnesota Housing Finance Agency awards HOME funds directly to owners and loan applicants for constructing new affordable rental developments, rehabilitating privately-owned federally-assisted rental housing, and ~~purchases~~ downpayment assistance loans to first-time homebuyers. The programs are available throughout the state.

Reason for Allocation Priorities

HOME: Many federally assisted housing developments need rehabilitation to preserve their federal rent subsidy and, hence, the affordability of their units. There is a growing need for affordable rental housing. First time homebuyers have difficulty assembling downpayment and closing costs. Supporting first time homebuyers and encouraging them to purchase houses in foreclosure-impacted areas helps support local housing markets and achieves homeownership.

How will the proposed distribution of funds address the priority needs and specific objectives described in the Consolidated Plan?

For HOME, the consolidated plan ranks very low-income renters of every type as a high priority need; tenants with incomes between 51% and 80% as a medium priority need. Targeting the HOME ~~rental rehabilitation~~ funds for rehabilitating ~~to~~ federally-subsidized developments that already are populated with low- and very-low income tenants and constructing new units that are affordable to low-income families at these income levels ensures that HOME addresses the priority needs of this group renters. Deferred loan funding enhances affordability by ~~preserving the units through rehabilitation, and~~ reducing the need for amortizing debt, which could force owners to increase rents to repay the loans. Downpayment and closing cost assistance is necessary to help first-time homebuyers overcome entrance cost barriers to homeownership and, with higher downpayments than they may otherwise achieve, require less amortizing debt and a lower mortgage payment. Downpayment assistance is made in conjunction with tax-exempt mortgage financing, which ensures a fixed market or below-market interest rate and a stable principal and interest payment over the mortgage term.

MINNESOTA ANNUAL ACTION PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT 2014



DRAFT: July 30, 2014

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Minnesota Interagency Council on Homelessness (MICH)	Minnesota has a statewide plan to end homelessness which includes all CoCs in the state. This plan is coordinated by the MICH, in which DHS staff participate. The MN Plan to End Homelessness encompasses all of the affordable housing and suitable living environment goals of the Strategic Plan.
Local Units of Gov't	DEED	Consulted with many units of local gov't when preparing the action plan. All are Ok with process and use of funds. The question above needs to be rewritten or clarified.
Non-profits/for profits.	DEED	Consulted with in June and September, most concern was the reduction in funding from HUD. They like our program as it is easy to administer.
Affordable Housing Plan	Minnesota Housing	All of Minnesota Housing's investments each year are guided by an "Affordable Housing Plan," (AHP). The AHP is developed with input from stakeholders and staff who are familiar with housing needs around the state from their work during the year. A draft is made available on Minnesota Housing's website for a 14 day public comment period ending August 30, and notice of its availability is made to the public and stakeholders. The AHP is reviewed twice by the Minnesota Housing Board and, once approved, prescribes the amounts and uses of all the agency resources, which may not be deviated from without the Board's approval.

Table 1 - Other local / regional / federal planning efforts

Narrative

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The HOME match requirement is met through tenant-based rental assistance from Minnesota Housing's Bridges program, which provides a rent subsidy for up to five years to persons with mental illness until they can obtain a permanent rent subsidy; and the Housing Trust Fund program. The CDBG match will be a mix of private, local, and state resources such as loans from local banks, weatherization funds, Minnesota Housing rehabilitation loans, and The Department of Health's Lead Hazard Control Grant funds. CDBG-Economic Development match is through local initiatives, local banks, and owner equity. The ESG match will be met with subgrantee resources. Each program funded is responsible for meeting the match requirement for the amount of funds their agency receives.

Minnesota Housing's HOME HELP program of downpayment assistance leverages Minnesota Housing first mortgage financing. The Affordable Rental preservation program (HOME) leverages other agency, private, and low-income housing tax credit investment.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

Not applicable

Discussion

Not applicable

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Preserve Existing Affordable Housing Stock	2012	2016	Affordable Housing	TARGET AREA HOUSING REHAB	Housing Rehabilitation Homeowner Housing Rehabilitation Rental Homeownership assistance	CDBG: \$90,000,000 HOME: \$7,380,869	Rental units constructed: 0 Household Housing Unit Rental units rehabilitated: 542 Household Housing Unit Homeowner Housing Rehabilitated: 400 Household Housing Unit Direct Financial Assistance to Homebuyers: 5 Households Assisted
2	Create Economic Opportunities-Commercial	2012	2016	Non-Housing Community Development	SLUM AND BLIGHT COMMERCIAL DISTRICT	Commercial Rehabilitation	CDBG: \$2,800,000	Facade treatment/business building rehabilitation: 90 Business
3	Create Economic Opportunities-Public Facilities	2012	2016	Non-Housing Community Development	CITYWIDE PUBLIC FACILITIES	Public Facilities	CDBG: \$2,940,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 5084 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 3 Households Assisted
4	Create Economic Opportunities-Jobs	2012	2016	Non-Housing Community Development	Economic Development	Economic Development	CDBG: \$1,000,000	Jobs created/retained: 75 Jobs

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Not applicable	n/a	n/a	n/a	n/a	n/a	n/a	n/a
6	Enhance affordable housing opportunities	2012	2016	Affordable Housing	Balance of State	Housing Rehabilitation Homeowner Housing Rehabilitation Rental Homeownership assistance	CDBG: \$100,000 HOME: \$3,400,000	Rental units rehabilitated: 246 Household Housing Unit Direct Financial Assistance to Homebuyers: 321 Households Assisted
7	Prevent homelessness	2012	2016	Homeless	Balance of State	Homelessness	HOPWA: \$140,098 ESG: \$2,223,294	Tenant-based rental assistance / Rapid Rehousing: 230 Households Assisted Homeless Person Overnight Shelter: 12158 Persons Assisted Homelessness Prevention: 380 Persons Assisted

Table 2 – Goals Summary

Goal Descriptions

1	Goal Name	Preserve Existing Affordable Housing Stock
	Goal Description	In 2014, CDBG plans to rehab 400 Owner occupied units, rental rehab of 50(combination of single family, duplexes and 3 or more of multifamily) of the 542. The remaining rental of 492 is with HOME funds. It is Minnesota Housing's preference to use its HOME funds for rental preservation; however, a portion of HOME funds may be redirected to rental new construction under the goal "Enhance Affordable Housing Opportunities," depending on the type of applications received in response to Minnesota Housing's Consolidated RFP and the relative need for new construction or preservation.
2	Goal Name	Create Economic Opportunities-Commercial
	Goal Description	Target area slum and blight districts in small towns (usually a downtown area), the state proposes 90 units for \$2.8 million.
3	Goal Name	Create Economic Opportunities-Public Facilities
	Goal Description	CDBG: For water and sewer improvements to communities, the state proposes 5084 persons of which 3069 are LMI for approx. \$2.9 million. For general PF improvements to LMI communities by census or survey, the state proposes 3 units for approx. \$40,000

4	Goal Name	Create Economic Opportunities-Jobs
	Goal Description	
5	Goal Name	Not applicable
	Goal Description	Not applicable
6	Goal Name	Enhance affordable housing opportunities
	Goal Description	In partnering efforts between CDBG and Minnesota Housing, DEED invests approx. 300,000 a year for rehab of large rental properties. For 2014 DEED plans to invest 100,000 for 16 units in collaboration with MH. Minnesota Housing estimates that it will invest in the rehabilitation or new construction of 492 rental housing units in 2014. Because the preference is for preservation, no new construction units are estimated at this time. Minnesota Housing provides direct downpayment and closing cost assistance to homebuyers and estimates it will assist 321 households in 2014.
7	Goal Name	Prevent homelessness
	Goal Description	230 of the 380 persons assisted with homelessness prevention will be attributable to the Emergency Solutions Grant Program (ESG). The remaining 150 persons will be served under the Housing Opportunities for Persons with AIDS (HOPWA) program. The ESG program will also assist approximately 230 households with rapid re-housing using tenant-based rental assistance, and 12,158 persons in ESG-funded emergency shelter.

Funding Allocation Priorities

	Preserve Existing Affordable Housing Stock (%)	Create Economic Opportunities-Commercial (%)	Create Economic Opportunities-Public Facilities (%)	Create Economic Opportunities-Jobs (%)	Enhance affordable housing opportunities (%)	Prevent homelessness (%)	Total (%)
CDBG	45	15	20	5	15	0	100
HOME	68	0	0	0	32	0	100
HOPWA	0	0	0	0	0	100	100
ESG	0	0	0	0	0	0	0

Table 3 – Funding Allocation Priorities

Reason for Allocation Priorities

Percentages include administration costs. Allocation priorities are based needs in market study, needs assessment and public input.

CDBG: Seventy percent of the HUD funds will serve low to moderate income persons, categories includes housing rehabilitation or public facilities. The remaining thirty percent will be spent on ED for jobs, commercial slum and blight or urgent threat, including administration dollars.

HOPWA: Federal regulations dictate both the geography in which HOPWA funds may be used and the beneficiaries. Because only 15% of persons living with

HIV/AIDS live in counties outside the seven-county Twin Cities metropolitan area and most are already housed, preventing homelessness is a more rational approach than housing development or tenant-based rent assistance.

HOME: Many federally assisted housing developments need rehabilitation to preserve their federal rent subsidy and, hence, the affordability of their units. There is a growing need for affordable rental housing. First time homebuyers have difficulty assembling downpayment and closing costs. Supporting first time homebuyers and encouraging them to purchase houses in foreclosure-impacted areas helps support local housing markets and achieves homeownership.

ESG: The majority of shelter beds in the state of Minnesota are located with-in ESG entitlement areas, however, the balance is shifting gradually towards more shelter beds in non-entitlement areas. ESG shelter funds will be targeted to non-entitlement areas, but some ESG funding of shelters in entitlement areas will continue. ESG rehousing activities will be funded in non-entitlement areas only. Indicators of rehousing need such as poverty, housing burden and public assistance use show a need that is commensurate with federal ESG formula allocation of ESG funds.

How will the proposed distribution of funds address the priority needs and specific objectives described in the Consolidated Plan?

For CDBG, the distribution of funds address the high needs of housing by providing safe, stable and affordable housing to low to moderate income households. In creating economic opportunities, the rehabilitation of commercial property eliminates slum and blight, for assistance to businesses there is job creation for low to moderate persons.

For HOME, the consolidated plan ranks very low-income renters of every type as a high priority need and tenants with incomes between 51% and 80% as a medium priority need. Targeting the HOME funds for rental new construction or rehabilitating rental developments that are already populated with tenants at these income levels ensures that HOME addresses the priority needs of renters. Deferred loan funding enhances affordability by reducing the need for amortizing debt, which could force owners to increase rents to repay the loans. Downpayment and closing cost assistance is necessary to help first-time homebuyers overcome entrance cost barriers to homeownership and, with higher downpayments than they may otherwise be able to assemble, require less amortizing debt and a lower mortgage payment. Downpayment assistance is made in conjunction with tax-exempt mortgage financing, which ensures a fixed market or below-market interest rate and a stable principal and interest payment over the mortgage term.

Minnesota uses its HOPWA resources to maintain persons with HIV/AIDS in their current housing by providing emergency assistance because that is the most pressing need identified for this population.

ESG funds will meet the specific objectives of providing shelter to 12,158 individuals and rehousing services to 460 individuals as outlined in the and families as stated in the Goals, Objectives and Strategies section of the Consolidated Plan.

3	State Program Name:	Minnesota Housing-HOME
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	<p><u>HOME Homeowner Entry Loan Program (HOME HELP)</u> HOME HELP provides interest-free, deferred funding to eligible homebuyers for downpayment and closing costs. The program supports first-time homebuyers receiving a Minnesota Housing "Start Up" first mortgage loan. The first mortgage lender also takes the HOME HELP loan application and makes the loan. This federally funded program includes a provision to forgive 50 percent of the loan after six years of owner occupancy. HOME HELP aids low- and-moderate income households in overcoming wealth barriers to homeownership.</p> <p>When necessary, HOME funds will be recaptured due to a unit's noncompliance with HOME affordability requirements. Affordability is ensured through a Homebuyer Written Agreement and by a lien filed on the property. To ensure affordability, Minnesota Housing has chosen the recapture provision over the resale option as discussed in HOME Investment Partnerships Program, found in 24 CFR 92.254(a)(5).</p> <p>Recapture Guidelines: HOME HELP will enforce affordability restrictions by a 0 percent interest rate deferred payment subordinate mortgage that requires repayment of some or all of the HOME assistance if the home is sold or ceases to be the borrower's principal residence. Funds that are repaid during the first five years of the loan are classified as "recapture funds". Amounts that are repaid after the first five years of the loan are program income and not recaptured. The amount that is subject to repayment is reduced from 100 percent to 50 percent of the original amount of assistance after the sixth anniversary of the loan.</p> <p>The amount that is subject to recapture or repayment at any time during the term of the mortgage is limited to the amount of net proceeds available (sales price minus payment of superior claims against the property and closing costs). Net proceeds are first used to repay downpayment assistance before distributing the balance to the homeowner or other claimants.</p> <p><u>Affordable Rental Preservation (ARP)</u> This is a statewide program that provides deferred loans to help cover financing gaps of rehabilitating or acquiring and rehabilitating qualified affordable rental housing for the purpose of preserving rental subsidies or the affordability of non-federally-assisted housing. Assistance will generally be in the form of a 0 percent interest rate, 30 year deferred loan due and payable at the end of the term. Minnesota Housing provides the loans directly to the owners. While rehabilitation is a priority for Minnesota Housing, a portion of funds allocated to ARP may be redirected to rental new construction, depending on the types of applications received in response to the consolidated RFP and the relative need for new construction or preservation.</p>

4	State Program Name:	Minnesota Housing-HOPWA
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	Grant funds are currently awarded to the Minnesota AIDS Project (MAP), which provides the assistance to low-income persons diagnosed with HIV/AIDS, and their families. MAP is the only HOPWA formula project sponsor in Minnesota outside of the metropolitan area, and works in partnership with over 1,000 volunteers in community and outreach efforts. MAP provides a range of support services for persons with HIV, works to prevent the spread of HIV, and collaborates with a number of community organizations.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	With limited funding, renewal of existing grants is a priority.

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	150
Tenant-based rental assistance	0
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	150

**HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.320(k)(2)**

- 1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:**

None

- 2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:**

HOME Homeowner Entry Loan Program (HOME HELP) Recapture Guidelines: HOME HELP will enforce affordability restrictions by a written agreement with the homebuyer and a 0 percent interest rate deferred payment loan note and subordinate mortgage that requires repayment of some or all of the HOME assistance if the home is sold or ceases to be the borrower's principal residence. The amount that is subject to repayment is reduced from 100 percent to 50 percent of the original amount of assistance after the sixth anniversary of the loan.

The amount that is subject to repayment at any time during the term of the mortgage is limited to the amount of net proceeds available (sales price minus payment of superior claims against the property and closing costs). Net proceeds are first used to repay downpayment assistance before distributing the balance to the homeowner or other claimants.

- 3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:**

See 2 above

- 4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:**

There are no plans for using HOME to refinance existing debt.



AGENDA ITEM: 7.A.
MINNESOTA HOUSING BOARD MEETING
November 7, 2013

ITEM: Housing Trust Fund (HTF) Rental Assistance for Highly Mobile Students Initiative

CONTACT: Elaine Vollbrecht, 651-296-9953
 elaine.vollbrecht@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 the attached Resolution authorizing \$2 million from the Housing Trust Fund (HTF) for rental assistance grants for the term of January 1, 2014 to December 31, 2015. This will fund grants providing short-term rental assistance for homeless and highly mobile families with at least one child in grades K-12.

FISCAL IMPACT:

The requested HTF funds are state appropriations designated for this initiative and therefore do not adversely impact the Agency's financial position.

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
- HTF Rental Assistance Funding Recommendations
- Resolution

Background

In May 2013, the Minnesota Legislature approved funding of the Rental Assistance for Highly Mobile Students Initiative in the amount of \$2 million for the 2014-15 biennium. The initiative provides short-term and time-limited rental assistance for up to 24 months, as well as supportive services for families with school-aged children who move frequently. The goal of the initiative is to allow children to attend the same school without interruption through the school year. Research shows that students who move frequently have low attendance rates, which impacts student achievement, leads to truancy, and is a precursor to dropping out of school. Minnesota Housing is collaborating with the Minnesota Department of Education to implement this initiative. Measures of performance will include housing stability and increased school attendance. There is an expectation of parental commitment to school attendance. The long-term goal is for school achievement to improve.

The Agency solicited proposals via a competitive Request for Proposals for this initiative, with applications due October 14, 2013. Eligible applicants included current administrators of HTF Program rental assistance. The Agency received 5 applications totaling requests for \$2.8 million and proposing to provide rental assistance for up to 167 households.

Agency staff reviewed the applications, applying the following criteria:

- Priority for applicants who:
 1. Demonstrated commitment by a school or school district to collaborate with the rental assistance administrator on an initiative, particularly with respect to referrals, services, and data collection for purposes of evaluation.
 2. Provide or coordinate the support services necessary to stabilize families in housing.
 3. Target in whole or in part one or more of the following populations:
 - a. Families with students with the most significant educational deficits,
 - b. Families with children in grades K-5, and/or
 - c. Students who are custodial parents.
- Assessment and transition planning
- Applicant performance and capacity
- Demonstrated need for funding in the proposed geographic area
- Financial feasibility

As approved by the Minnesota Housing Board in July, 2013, up to \$30,000 in Family Homeless Prevention Assistance Program (FHPAP) funds may be accessed to provide housing tenancy supports to recipients of the funds, with a maximum limit of \$10,000 per grant. Minnesota Housing will solicit requests for the FHPAP funds from applicants approved for the HTF initiative funding. Applicants were required to submit a two year budget and narrative including other sources of service funding for the proposed program.

Program Funding Recommendations

Staff recommends funding three of the five proposals, representing \$2 million in funding to serve up to 130 households. The three recommended proposals best address the priorities of the program. The two non-selected proposals did not fully meet these priorities. The funds will be administered under the HTF Program and will provide rent subsidies for up to 24 months, as well as security deposits and other housing and administrative related expenses.

- Clay County HRA in collaboration with Moorhead Public Schools District 152

- Clay County and District 152 have a long history of collaborating to serve households with school age children who are experiencing homelessness. The school district will provide referrals, services and data collection. The HRA will use coordinated assessment to determine the supports necessary and work with partnering service providers to ensure housing stability and improved school attendance.
- Project for Pride in Living (PPL) in collaboration with Northside Achievement Zone (NAZ), a federal Promise Neighborhood in North Minneapolis
 - PPL is an Anchor Partner of NAZ. NAZ is a collaboration of organizations and schools currently partnering with families to prepare children to graduate from high school ready for college. Families and children move through a “cradle to career” pipeline that provides comprehensive support from pre-natal through college to career. The short-term rental assistance will combine with funding from other sources to provide housing stability.
- Amherst A. Wilder Foundation in collaboration with the St. Paul Promise Neighborhood (SPPN).
 - Ongoing supportive services will be provided by SPPN “Community Navigators” currently working in the community and on-site at three schools in the SPPN. Each of these schools has an on-site Family Resource Center where the Community Navigators work closely with families to stabilize their lives and improve student achievement.

All recommended proposals meet the initiative priorities and other Agency criteria. Twenty-three percent of the housing opportunities recommended are in Greater Minnesota, and seventy-seven percent are in the metro area. A breakdown of the funding is included in this report.

Funding Recommendations
Housing Trust Fund Short-Term Rental Assistance for Homeless and Highly Mobile Families

	D5967 Clay County	D6194 PPL	D3859 Wilder
Funding Requested	\$321,517	\$800,000	\$1,124,045
Number of Households	30	50	50
Funding Recommended	\$325,000	\$800,000	\$875,000
Families with students with the most significant educational deficits	X	X	X
Families with children in grades K-5	X		X
Students who are custodial parents	X		
Geographic Area	Western 1/4 Clay County; but any family with child attending school in district is eligible	Northside Achievement Zone (NAZ), a federal Promise Neighborhood in North Minneapolis	St. Paul Promise Neighborhood (SPPN)
Collaborating School(s) / District	Moorhead Public Schools District 152	Ascension Catholic Elizabeth Hall International Elementary Harvest Prep. & Seed Academy KIPP Stand Academy Nellie Stone Johnson School North High School Patrick Henry High School PYC Arts & Technical High Sojourner Truth Academy Elementary	Jackson Preparatory Magnet Maxfield Magnet Elementary St. Paul City School

MINNESOTA HOUSING FINANCE AGENCY**400 Sibley Street, Suite 300
St. Paul, Minnesota 55101****RESOLUTION NO. MHFA 13-****RESOLUTION APPROVING SELECTION/AUTHORIZATION TO FUND HOUSING TRUST FUND (HTF)
RENTAL ASSISTANCE GRANTS**

WHEREAS, the Minnesota Housing Finance Agency (Agency) has received applications to provide funds for short-term rental assistance programs for homeless and highly mobile families with at least one child in grades K-12.

WHEREAS, the Agency staff has reviewed the applications and determined that they are in compliance under the Agency's rules, regulations and policies; that such 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.

NOW THEREFORE, BE IT RESOLVED:

THAT, the Board hereby authorizes Agency staff to enter into grant agreements using State resources and in compliance with applicable statutes and regulations as set forth, subject to changes allowable under the multifamily funding modification policy, upon the following conditions:

1. The Agency staff shall review and approve the following Grantees the total recommended amounts for two years;

• Clay County	D5967	\$325,000
• Project for Pride In Living	D6194	\$800,000
• Amherst H. Wilder Foundation	D3859	\$875,000
2. The issuance of grant agreements in form and substance acceptable to the Agency staff and the closing of the individual grants shall occur no later than six months from the adoption date of this Resolution; and
3. The sponsors and such other parties shall execute all such documents relating to said grants, to the security therefore, as the Agency, in its sole discretion, deems necessary.

Adopted this 7th day of November, 2013.

CHAIRMAN

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AGENDA ITEM: 7.B.
MINNESOTA HOUSING BOARD MEETING
November 7, 2013

ITEM: 2013 Consolidated Request for Proposals

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

Marcia Kolb, 651-296-3028
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REQUEST:

Approval Discussion Information

TYPE(S):

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

Other:

ACTION:

Motion Resolution No Action Required

SUMMARY REQUEST:

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

FISCAL IMPACT:

Funds committed under the RFP are from a variety of sources that have been budgeted under the 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
November 7, 2013

ITEM: Single Family Selections, Community Homeownership Impact Fund (formerly known as Community Revitalization 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 2014 (AHP) includes Single Family Interim Lending, Housing and Economic Development Challenge (EDHC) Program funds, and Housing and Jobs Growth Initiative resources 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
- 2013 Single Family Consolidated RFP Summary Spreadsheet
- 2013 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 on July 11, 2013. The application process used a common application form and procedure. The primary program offered through the Consolidated RFP is the Agency's Community Homeownership Impact Fund (Impact Fund), formerly known as the Community Revitalization Fund.

Through the Impact Fund "umbrella," applicants may apply for single family resources under a number of programs. Currently, three funding resources are offered under the Impact Fund: 1) EDHC, including the Indian housing set aside; 2) Housing and Jobs Growth Initiative resources; and 3) single family interim lending funds. The EDHC Fund and Housing and Job Growth Initiative resources are also used to fund Multifamily proposals.

A total of 44 single family proposals were received, requesting \$15,894,424 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 in the consolidated RFP total \$21,082,627 and include, on the single family homeownership side, a total of \$8,000,225, consisting of:

- Minnesota Housing Impact Funds: \$7,379,725
- Greater Minnesota Housing Fund: \$320,500
- Metropolitan Council: \$300,000

Of the 44 Single Family applications received, staff recommends funding, in conjunction with the funding partners, for 33 applications for the following activities:

- EDHC funding to support 30 applications for 256 units, totaling just over \$6.05 million. This includes two Indian housing applications.
- Housing and Jobs Growth Initiative resources to support three applications to assist Greater Minnesota communities with 18 workforce housing units, totaling \$724,555.
- Interim construction loans to support three applications (in conjunction with EDHC-funded units) for five units, totaling \$604,720.

Impact Fund Eligible Activities

The Impact Fund program is used throughout the State as demonstrated by 42 administrators implementing 84 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. 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, usually targeted in neighborhoods with the greatest need of community stabilization;
- 2) Down payment assistance programs that effectively serve underserved populations and target communities with other needs or 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 44 applications requesting Impact Fund resources (including all three types of funds under the “umbrella” discussed above), 77% of the resources requested were from seven-county Twin Cities metropolitan area proposals (\$11.7 million), and nearly 23% of the resources requested were from Greater Minnesota proposals (\$3.47 million).

Of the 33 applications recommended for funding, 20 are for programs in the Twin Cities metro area totaling over \$4.5 million, or 61% of Impact Fund resources. Sixteen of the Twin Cities metro area projects are located in the cities of Minneapolis or Saint Paul, one is in a suburban location, and three serve multi-jurisdictional areas incorporating both central cities and suburbs.¹ Thirteen of the proposed projects or programs are located in Greater Minnesota with a funding recommendation of almost \$2.88 million, or 39% of the Agency’s available Impact Fund resources.

Adherence to Agency Funding Priorities

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 meet or exceed a 10% sheriff sales rate. These are almost entirely areas in the Twin Cities metro where foreclosures are most concentrated, with 105 units directly supporting this Agency priority in the metro. Examples include acquisition-rehabilitation-resale and new construction activities recommended for the Jordan neighborhood of Minneapolis (respectively, \$200,000 to PRG, Inc. for 8 units; and \$147,000 to Twin Cities Habitat for Humanity for three units), as well as broader activities in the Frogtown and East Side neighborhoods of St. Paul (St. Paul HRA, Greater Frogtown CDC, Twin Cities Community Land Bank, Dayton’s Bluff Neighborhood Housing Services, and Rebuilding Together).

In Greater Minnesota, 24 units directly support the foreclosure remediation priority, examples of which include Southwest Minnesota Housing Partnership’s proposal for new construction in Worthington, and Three Rivers Community Action’s proposal for an expanded owner-occupied rehabilitation program in

¹ Proposals serving both central cities and suburbs included Build Wealth; GMHC’s new construction proposal in Minneapolis and Richfield; and Hennepin County HRA’s Home Accessibility Ramp Program.

Northfield. Refer to the attachment entitled 2013 Single Family Consolidated RFP Summary Spreadsheet which indicates all proposals that meet this priority.

Proposals that address the Agency priority of supporting community recovery are those that address areas which achieve 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 168 units directly support this Agency priority. Examples include Rebuilding Together's owner-occupied rehabilitation program serving low-income homeowners in Dayton's Bluff and Frogtown, Southwest Minnesota Housing Partnership's Regional Gap Pool serving homeowners in multiple cities, and Habitat for Humanity of Minnesota's new construction activity in 23 counties across the state. Again, refer to the 2013 Single Family Consolidated RFP Summary Spreadsheet which provides more details.

Other Program Priorities

The Impact Fund supports applications that demonstrate an ability to serve underserved populations. Recommendations include: One Roof's acquisition/rehab/resale proposals serving households earning up to 80% of area median income in four neighborhoods in Duluth and three in Cloquet; a fifth phase of Build Wealth's financial literacy programming and affordability gap assistance to predominantly emerging market households, and an award targeting four tribal member households of the Lower Sioux Indian Community for a contract-for-deed pool to support the purchase of modular units.

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 Northwest Community Action's proposal for new construction in the cities of Badger, Greenbush, Roseau, and Warroad in northwest Minnesota.

New Funding Source for Single-Family Activity

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, approximately 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 three single family proposals recommended for funding via the Housing and Jobs Growth Initiative set aside are:

- Northwest Community Action, Inc.'s project to acquire, demolish and rebuild five homes in four cities in Roseau County. The County has experienced workforce housing shortages amidst job expansions among area employers such as Marvin Windows and Doors, and Polaris Industries;
- One Roof's At Home in Duluth acquisition-rehab-resale project to on acquire, rehabilitate and resell eight vacant homes in Duluth, in a region where workers have faced long commutes amidst recent job growth; and
- Southwest Minnesota Housing Partnership's proposal for five new construction units in Worthington, with units to be placed into a community land trust administered by SWMHP. Worthington's workforce has faced long commutes and job growth among employers such as JBS Swift.

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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: \$600,000.00

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) is requesting affordability gap funds for its Homebuyer Initiated Program (HIP) in the City of Minneapolis. HIP is a buyer-driven homeownership model that allows the homebuyer to locate the home for acquisition as long as it falls within HIP guidelines. CLCLT will work with the homebuyer to develop a scope of work to repair deferred maintenance, mechanicals, safety deficiencies, code violations, environmental concerns and energy efficiency issues in the existing property. The homebuyer will purchase the home under the community land trust model and the rehabilitation work will be performed post purchase. The average affordability gap supported by the Impact Fund will be \$30,000 per home.

Justification

HIP uses traditional home buying channels to create permanently affordable single-family homes and includes a rehabilitation component. The program features a buyer-initiated approach to home sales and has been successful in selling foreclosed and non-foreclosed homes to first-time buyers. Through HIP, 66 homeowners have been served to date. City of Lakes Community Land Trust markets to and works with underserved populations. Of the 66 low income households served through HIP, 47% were by non-Caucasian households and 62% were single female head of households.

Selection Standards

Project Feasibility

CLCLT's homeownership model is designed to provide households access to sustainable homeownership opportunities while maintaining the long-term affordability of the home. The CLCLT serves a niche first-time homebuyer market where incomes are too low to be served under the traditional mortgage programs without the infusion of additional subsidy. CLCLT will leverage \$30,000 per unit in Impact Fund assistance for affordability gap and use City of Minneapolis, Metropolitan Council Local Housing Incentive Account (LHIA), and Hennepin County Affordable Housing Incentive Fund (AHIF) resources for rehabilitation costs.

Organizational Capacity

CLCLT provides quality affordable housing for low and moderate income families throughout Minneapolis while fostering long-term residence and community stewardship through a community land trust model. To date, CLCLT has successfully assisted 160 households into homeownership. CLCLT is responsible for marketing HIP to prospective buyers, confirms buyer eligibility, coordinates rehabilitation activities if needed, and manages the land trust. CLCLT has a strong track record working in heavily impacted foreclosure remediation areas. CLCLT has been funded 13 times through the Impact Fund to create 80 affordable homes throughout Minneapolis. This organization is a very seasoned administrator that has shown great capacity.

Board Agenda Item: 7.C.
Attachment: Project Summaries

Financial Worksheet

11-2013 Impact Fund RFP

Report Date: 10/21/2013

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

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

Typical Unit Hard Costs

Land Acquisition	\$54,000.00
Structure Acquisition	\$98,000.00
Rehab Hard Costs	\$30,000.00
Total Hard Costs	\$182,000.00

Typical Unit Soft Costs

Holding Costs	\$0.00
Architect Fee	\$0.00
Legal Fees	\$300.00
Developer Fees	\$3,500.00
Contingency	\$2,500.00
Other Fees	\$0.00
Total Soft Costs	\$6,300.00

Typical Total Development Cost (TDC)

Typical Per-Unit TDC	\$188,300.00
TDC per Sq. Foot	\$138.66
RFP Funded Units	6
Estimated Project TDC	\$1,129,800.00

Sales Price Information

Appraised Value of Similar	\$130,000.00
Recent Sales Price of Similar	\$130,000.00
Anticipated Appraised Value	\$130,000.00
Anticipated Sale Price	\$130,000.00
Anticipated Mortgage Amount	\$98,000.00

Affordability Gap

Anticipated Affordability Gap	\$32,000.00
Impact Fund Aff. Gap Per Unit	\$30,000.00
Number of Units	6
Impact Fund Total Aff. Gap	\$180,000.00
Maximum Gap Amount	
Average Gap Amount	\$30,000.00

Value Gap

Anticipated Value Gap	\$58,300.00
Impact Fund Value Gap Per Unit	\$0.00
Number of Units	6
Impact Fund Total Value Gap	\$0.00

Board Agenda Item: 7.C.
Attachment: Project Summaries

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
City Leverage	Minneapolis CPED	
Cash Committed	\$500,000.00	In Kind Committed
Cash Pending		In Kind Pending
State Leverage	Metropolitan Council LHIA	
Cash Committed	\$95,000.00	In Kind Committed
Cash Pending		In Kind Pending
County Leverage	Hennepin County AHIF	
Cash Committed	\$73,500.00	In Kind Committed
Cash Pending		In Kind Pending
Cash Committed	\$668,500.00	In Kind Committed
Cash Pending		In Kind Pending

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Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name: City of Lakes Community Land Trust
City of Applicant: Minneapolis
Name of Proposal: CLCLT/UDA Affordable Homeownership Project
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: Minneapolis
County: Hennepin
RHAG Region: Metro
Max Request: \$500,000.00

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) is requesting affordability gap funds for its Homebuyer Initiated Program (HIP) for homebuyers wanting to purchase a home specifically in the Cedar-Riverside, Marcy-Homes, Prospect Park, and Southeast Como neighborhoods of Minneapolis. HIP is a buyer-driven homeownership model that allows the homebuyer to locate the home for acquisition as long as it falls within HIP guidelines. CLCLT will work with the homebuyer to develop a scope of work to repair deferred maintenance, mechanicals, safety deficiencies, code violations, environmental concerns and energy efficiency issues in the existing property. The homebuyer will purchase the home under the community land trust model and the rehabilitation work will be performed post purchase. CLCLT will be partnering with University District Alliance (UDA) which is an organization consisting of neighborhood organizations, business associations, graduate and undergraduate students, the City of Minneapolis and the University of Minnesota and Augsburg College. The UDA's primary roll will be to inform and educate neighborhoods, facilitate CLCLT orientations, market the program to employers, and identify potential properties in these neighborhoods.

Justification

The four neighborhoods have a very low homeownership rate (approximately 14.7%) and a very high investor-owned rental property rate (approximately 85%). Rehabilitating existing homes in these neighborhoods creates permanently affordable ownership opportunities along transit corridors and near employers such as the University of Minnesota, Fairview Health Systems, and Augsburg College.

Selection Standards

Project Feasibility

CLCLT's homeownership model is designed to provide households access to sustainable homeownership opportunities while maintaining the long-term affordability of the home. The CLCLT serves a niche first-time homebuyer market where incomes are too low to be served under traditional mortgage programs without the infusion of additional subsidy. Higher home prices and an income restriction to 80% of area median income (AMI) necessitates subsidy for these homebuyers of \$100,000 in affordability gap which will be supported by the Impact Fund and an additional \$34,000 in value gap that will be supported by city, county and Metropolitan Council leverage sources.

Organizational Capacity

CLCLT provides quality affordable housing for low and moderate income families throughout Minneapolis while fostering long-term residence and community stewardship through a community land trust model. To date, CLCLT has successfully assisted 160 households into homeownership. CLCLT is responsible for marketing HIP to prospective buyers, confirms buyer eligibility, coordinates rehabilitation activities if needed, and manages the land trust. CLCLT has a strong track record working in heavily impacted foreclosure remediation areas. CLCLT has been funded 13 times through the Impact Fund to create 80 affordable homes throughout Minneapolis. This organization is a very seasoned administrator that has shown great capacity.

Board Agenda Item: 7.C.
Attachment: Project Summaries

Financial Worksheet

11-2013 Impact Fund RFP

Report Date: 10/21/2013

Applicant Name: City of Lakes Community Land Trust

Project Title: CLCLT/UDA Affordable Homeownership Project

Location: Buyer Initiated

Typical Unit Information

Unit Style 2+ Story

Ownership Type Community Land Trust

Finished SF 1358

Typical Unit Stories 2

Bedrooms 3

Bathrooms 1

Garage? # of Stalls 1

Typical Lot Size

Lot Width 52

Lot Depth 100

Lot SF 5200

General Information

Institutional Correctional Work Crew (IWCW) being used

Applicant Name: City of Lakes Community Land Trust
Project Title: CLCLT/UDA Affordable Homeownership Project

Typical Unit Hard Costs	
Land Acquisition	\$100,000.00
Structure Acquisition	\$98,000.00
Rehab Hard Costs	\$30,000.00
Total Hard Costs	\$228,000.00

Typical Unit Soft Costs	
Holding Costs	\$0.00
Architect Fee	\$0.00
Legal Fees	\$300.00
Developer Fees	\$3,500.00
Contingency	\$2,500.00
Other Fees	\$0.00
Total Soft Costs	\$6,300.00

Typical Total Development Cost (TDC)	
Typical Per-Unit TDC	\$234,300.00
TDC per Sq. Foot	\$172.53
RFP Funded Units	2
Estimated Project TDC	\$468,600.00

Sales Price Information	
Appraised Value of Similar	\$200,000.00
Recent Sales Price of Similar	\$200,000.00
Anticipated Appraised Value	\$200,000.00
Anticipated Sale Price	\$200,000.00
Anticipated Mortgage Amount	\$98,000.00

Affordability Gap	
Anticipated Affordability Gap	\$102,000.00
Impact Fund Aff. Gap Per Unit	\$100,000.00
Number of Units	2
Impact Fund Total Aff. Gap	\$200,000.00
Maximum Gap Amount	\$100,000.00
Average Gap Amount	\$100,000.00

Value Gap	
Anticipated Value Gap	\$34,300.00
Impact Fund Value Gap Per Unit	\$0.00
Number of Units	2
Impact Fund Total Value Gap	\$0.00

Financial & Regulatory Leverage

Applicant Name City of Lakes Community Land Trust

Project Title CLCLT/UDA Affordable Homeownership Project

Financial Leverage

Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
City Leverage		
	Minneapolis CPED	
Cash Committed	\$500,000.00	In Kind Committed
Cash Pending		In Kind Pending
County Leverage		
	Hennepin County AHIF	
Cash Committed	\$73,500.00	In Kind Committed
Cash Pending		In Kind Pending
State Leverage		
	Metropolitan Council LHIA	
Cash Committed	\$95,000.00	In Kind Committed
Cash Pending		In Kind Pending
Cash Committed	\$668,500.00	In Kind Committed
Cash Pending		In Kind Pending

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Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name: City of Lakes Community Land Trust
City of Applicant: Minneapolis
Name of Proposal: 2105 Willow Avenue N Duplex - CLCLT/Alliance Housing
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: Minneapolis
County: Hennepin
RHAG Region: Metro
Max Request: \$82,100.00

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) is requesting affordability gap and value gap funds to acquire and rehabilitate a duplex located at 2105 Willow Ave N. in Minneapolis. The duplex is a large turn-of-the-century, classic upper-lower level duplex with approximately 1,200 square feet on each level. The property has been vacant for several years, suffered damage from the 2011 tornado, and will be condemned and ordered torn down if not acquired. The duplex is located in the Jordan Neighborhood one block northeast of the intersection of Penn Avenue N and West Broadway Avenue. Following acquisition and rehabilitation, CLCLT will require purchase by an owner-occupant pursuant to the Land Trust Ground Lease. Subsequent re-sales must also meet the affordability requirement that states each homebuyer must earn less than 80% of area median income (AMI). The initial property owner will be required to complete landlord training and will work with Alliance Housing, a rental property developer and manager, to provide support in screening potential renters, share lease documents, and ensure sufficient reserves are being collected. This is a CLCLCT pilot initiative for potential development of a duplex-rehabilitation program for their organization.

Justification

The duplex is located close to area businesses, one block from a mass transit stop and close to the central business district of Minneapolis. Integrating owner-occupied and rental housing in a duplex is a good way to ensure rental units are maintained properly and prevents additional investor owned rental units in an area where less than one-half of homes are owner occupied. This proposal supports the City of Minneapolis' need to provide affordable housing to a broad range of incomes and supports long term affordable housing.

Selection Standards

Project Feasibility

CLCLT's homeownership model is designed to provide households access to sustainable homeownership opportunities while maintaining the long-term affordability of the home. The CLCLT serves a niche first-time homebuyer market where incomes are too low to be served under traditional mortgage programs without the infusion of additional subsidy. CLCLT received a \$120,000 commitment from the City of Minneapolis' Neighborhood Stabilization Program which will fund the rehabilitation costs associated with the duplex. Through the Ground Lease signed by the homeowner, they will be required contribute to a reserve fund to cover unexpected repairs and maintenance of the rental unit.

Organizational Capacity

CLCLT provides quality affordable housing for low and moderate income families throughout Minneapolis while fostering long-term residence and community stewardship through a community land trust model. To date, CLCLT has successfully assisted 160 households into homeownership. CLCLT markets the homes they rehabilitate to prospective buyers, confirms buyer eligibility, coordinates rehabilitation activities if needed, and manages the land trust. CLCLT has a strong track record working in heavily impacted foreclosure remediation areas. CLCLT has been funded 13 times through the Impact Fund to create 80 affordable homes throughout Minneapolis. This organization is a very seasoned administrator that has shown great capacity.

Financial Worksheet

11-2013 Impact Fund RFP

Report Date: 10/21/2013

Applicant Name: City of Lakes Community Land Trust**Project Title:** 2105 Willow Avenue N Duplex - CLCLT/Alliance Housing

Location: 2105 Willow Ave North, Minneapolis, MN 55411 (Duplex)

Typical Unit Information

Unit Style 2+ Story

Ownership Type Community Land Trust

Finished SF 2300

Typical Unit Stories 2

Bedrooms 6

Bathrooms 2

 Garage? # of Stalls 2**Typical Lot Size**

Lot Width 112

Lot Depth 50

Lot SF 5600

General Information Institutional Correctional Work Crew (IWCW) being used

Applicant Name: City of Lakes Community Land Trust**Project Title:** 2105 Willow Avenue N Duplex - CLCLT/Alliance Housing**Typical Unit Hard Costs**

Land Acquisition	\$10,000.00
Structure Acquisition	\$45,400.00
Rehab Hard Costs	\$214,700.00
Total Hard Costs	\$270,100.00

Typical Unit Soft Costs

Holding Costs	\$9,292.00
Architect Fee	\$1,000.00
Legal Fees	\$300.00
Developer Fees	\$26,408.00
Contingency	\$15,000.00
Other Fees	\$8,000.00
Total Soft Costs	\$60,000.00

Typical Total Development Cost (TDC)

Typical Per-Unit TDC	\$330,100.00
TDC per Sq. Foot	\$143.52
RFP Funded Units	1
Estimated Project TDC	\$330,100.00

Sales Price Information

Appraised Value of Similar	\$50,000.00
Recent Sales Price of Similar	\$80,000.00
Anticipated Appraised Value	\$200,000.00
Anticipated Sale Price	\$120,000.00
Anticipated Mortgage Amount	\$120,000.00

Affordability Gap

Anticipated Affordability Gap	\$80,000.00
Impact Fund Aff. Gap Per Unit	\$80,000.00
Number of Units	1
Impact Fund Total Aff. Gap	\$80,000.00
Maximum Gap Amount	\$80,000.00
Average Gap Amount	\$41,050.00

Value Gap

Anticipated Value Gap	\$130,100.00
Impact Fund Value Gap Per Unit	\$2,100.00
Number of Units	1
Impact Fund Total Value Gap	\$2,100.00

Financial & Regulatory Leverage

Applicant Name City of Lakes Community Land Trust

Project Title 2105 Willow Avenue N Duplex - CLCLT/Alliance Housing

Financial Leverage

Activity Funded: Interim Construction Financing

Source of Leverage	Organization Name	Est. Appr. Date
Other	Twin Cities Community Land Bank	
Cash Committed		In Kind Committed
Cash Pending	\$120,000.00	In Kind Pending

Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
County Leverage	Hennepin County Lead Funds	
Cash Committed		In Kind Committed
Cash Pending	\$8,000.00	In Kind Pending

Federal Leverage NSP 3

Cash Committed	\$120,000.00	In Kind Committed
Cash Pending		In Kind Pending
Cash Committed	\$120,000.00	In Kind Committed
Cash Pending	\$128,000.00	In Kind Pending

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Applicant Name: City of Minneapolis Department of Community Planning and Economic Development
City of Applicant: Minneapolis
Name of Proposal: Green Homes North 3
Activity Type: New Construction
City/Cities: North Minneapolis
County: Hennepin
RHAG Region: Metro
Max Request: \$1,000,000.00

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

Project Description

The City of Minneapolis Department of Community Planning & Economic Development (CPED) is requesting grant funds for value gap to create five new construction units in North Minneapolis, as part of a third phase of the City of Minneapolis' Green Homes North initiative. There will be an average, per unit subsidy of \$97,618, \$50,000 of which will be supported by the Impact Fund.

Justification

While North Minneapolis continues to see a high but declining number of foreclosures, there are still 400 vacant lots on the North Side, in addition to vacant homes. Though median sales prices vary by neighborhood, with Harrison on the higher end (\$174,000) and Jordan on the lower end (\$116,000), housing values remain low, and prices continue to decline in some neighborhoods.

Selection Standards

Project Feasibility

The Total Development Cost is \$267,618/unit, including a \$210,000 general construction cost, and \$49,000 in soft costs. Ultimate value gaps are uncertain given the range of possible appraisals: if homes appraise at \$150,000, it translates into a total value gap of \$117,618; if homes appraise at \$200,000, it translates into a total value gap of \$67,618. The Impact Fund will cover \$50,000 in either case. Construction of homes under phases 1 and 2 of Green Homes North began in the late summer of 2013 after developers signed contracts, consisting of 12 and 15 units each. A unique aspect of phase three is an accelerated timeline, with CPED issuing a Request for Qualifications from interested developers in the summer of 2013, which will allow for construction to commence earlier in the Spring of 2014.

Organizational Capacity

CPED has received multiple Impact Fund/Community Revitalization (CRV) awards in the past, with considerable progress on a 2010 North Minneapolis-focused Tornado Relief and Rehabilitation project (51 of 38 units completed to-date) and a 2011 Enhanced Rehabilitation award, focused on North Minneapolis, Central and Phillips (11 of 17 units completed to-date). Both of these awards provide deferred loans. Regarding Green Homes North (GHN) phase 1, CPED expects to expend 75 percent of its funds to by the end of 2013, for a total of 12 homes. CPED staff has background in law, homeownership, and home improvement program administration. Implementing partners to-date have consisted of five nonprofit developers and two private developers including Artspace, Greater Metropolitan Housing Corporation (GMHC), Powderhorn Residents Group, Inc., PPL, Twin Cities Habitat for Humanity, Peyser LLC, and TVM Development. GMHC administers the Minneapolis Advantage down payment assistance program (a parallel open award) as well as first mortgage products. Homebuyer educator partners are many.

Financial Worksheet

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

Project Title: Green Homes North 3

Location: North Minneapolis (various)

Typical Unit Information

Unit Style	2+ Story	
Ownership Type	Fee Simple	
Finished SF	1700	
Typical Unit Stories	2	
Bedrooms	3	
Bathrooms	3	
<input checked="" type="checkbox"/> Garage?	# of Stalls	2

Typical Lot Size Information

Lot Width	120
Lot Depth	40
Lot SF	4800

General Information

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

Applicant Name City of Minneapolis Department of Community Planning and Economic Developme**Project Title:** Green Homes North 3**Typical Unit Hard Costs**

Land Acquisition	\$3,541.00
Structure Acquisition	\$0.00
Demolition	\$0.00
Site Preparation	\$0.00
General Construction	\$210,000.00
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	\$5,000.00
Other Hard Costs	\$0.00
Total Hard Costs	\$218,541.00

Typical Unit Soft Costs

Holding Costs	\$18,753.00
Architect Fee	\$900.00
Legal Fees	\$0.00
Developer Fees	\$19,824.00
Other Fees	\$9,600.00
Total Soft Costs	\$49,077.00

Typical Total Development Cost (TDC)

Typical Per-Unit TDC	\$267,618.00
RFP Funded Units	5
Est. Project TDC	\$1,338,090.00

Sales Price Information

Appraised Value of Similar	\$150,000.00
Recent Sales Price of Similar	\$135,000.00
Anticipated Appraised Value	\$170,000.00
Anticipated Sale Price	\$170,000.00
Anticipated Mortgage Amount	\$155,000.00

Applicant Name City of Minneapolis Department of Community Planning and Economic Developme
Project Title: Green Homes North 3

Affordability Gap		Value Gap	
Anticipated Affordability Gap	\$15,000.00	Anticipated Value Gap	\$97,618.00
Impact Fund Aff. Gap per Unit		Impact Fund Value Gap per Unit	\$50,000.00
Number of Units		Number of Units	5
Impact Fund Total Aff. Gap		Impact Fund Total Value Gap	\$250,000.00
Maximum Amount			
Average Amount			

Financial & Regulatory Leverage

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

Project Title Green Homes North 3

Financial Leverage

Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
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Philanthropic Leverage	Family Housing Fund	
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Cash Committed		In Kind Committed
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Cash Pending	\$200,000.00	In Kind Pending
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City Leverage	General Fund - City of Minneapolis	12/1/2013
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Cash Committed		In Kind Committed
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Cash Pending	\$500,000.00	In Kind Pending
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Cash Committed		In Kind Committed
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Cash Pending	\$700,000.00	In Kind Pending
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Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name: City of Minneapolis Department of Community Planning and Economic Development
City of Applicant: Minneapolis
Name of Proposal: Rehab Support Program
Activity Type: Owner-Occupied Rehabilitation
City/Cities: Minneapolis
County: Hennepin
RHAG Region: Metro
Max Request: \$600,000.00

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

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 Minneapolis neighborhoods. These neighborhoods include Shingle Creek, Lind-Bohanon, Webber-Camden, Cleveland, Folwell, McKinley, Beltrami, Jordan, Hawthorne, Willard-Hay, Harrison, Central, and Midtown Phillips. CPED's average loan amount will be \$13,000 with a maximum loan amount of \$20,000 per household.

Justification

The 13 neighborhoods selected as the target area have a strong need for community recovery and foreclosure remediation. The City's Cooperatively Developed Plan has a high priority to rehabilitate 90 owner-occupied housing units over the next five years. This proposal will sustain funding for an existing program to allow additional homeowners to complete repairs and improvements to their homes, enhancing housing values.

Selection Standards

Project Feasibility

The Greater Metropolitan Housing Corporation (GMHC) and Center for Energy and Environment (CEE) will act as lenders and rehabilitation consultants to identify the health and safety repair items which must be included in the construction bids. The homeowner must match the Impact Fund resources 1:1 through leverage sources of the homeowner's choosing. Borrowers' matching funds may come from personal accounts, Minneapolis Neighborhood Revitalization Program (NRP) funds, or a mortgage lender. Both Webber-Camden and Folwell Neighborhood Associations have allocated \$20,000 each to assist residents of their neighborhoods match funds to Agency resources. CPED has developed RSP loan underwriting criteria.

Organizational Capacity

Minneapolis has offered lending programs since the 1960s, and first mortgage financing combined with affordability and closing cost assistance to homebuyers since 1977. CPED is responsible for contract administration, program guidelines development, and ongoing business decisions on fund usage, including any set asides to distribute the funds more evenly across neighborhoods. GMHC has extensive experience and is currently under contract with the City to administer similar programs. CEE will also administer the funds to boost capacity to complete loans. GMHC and CEE will serve as program administrators, reviewing applications against established City program guidelines and Minnesota Housing procedures.

Board Agenda Item: 7.C.
Attachment: Project Summaries

Financial & Regulatory Leverage

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

Project Title Rehab Support Program

Financial Leverage

Activity Funded: Deferred Loan

Source of Leverage	Organization Name	Est. Appr. Date
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Other	Homebuyer's Choosing	
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Cash Committed	\$600,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Cash Committed	\$600,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name: Greater Metropolitan Housing Corporation
City of Applicant: Minneapolis
Name of Proposal: Minneapolis Community Revitalization Project
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: Minneapolis NSP Areas
County: Hennepin
RHAG Region: Metro
Max Request: \$795,376.12

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 funds to support value gap for the acquisition and rehabilitation of 5 homes located in the City of Minneapolis' Neighborhood Stabilization Program areas (NSP2 and NSP3), which includes both northern and southern portions of Minneapolis. The average total per unit subsidy is \$90,384, \$56,812 of which will be supported by the Impact Fund.

Justification

The proposed units are in parts of Minneapolis where there is substantial need for community recovery in the wake of the foreclosure crisis.

Selection Standards

Project Feasibility

GMHC's approach for acquisition/rehab/resale properties is to address extreme deferred maintenance items on homes with a sound structure, meaning high total development costs of \$238,000 per unit, and correspondingly high value gaps. However, for a similar award made to GMHC in 2012, the average value gap amount supported to-date by the Impact Fund has been \$43,000 and median gap has been \$39,000. The post-rehabilitation sales price for the proposed homes will be \$148,000, which is reasonable given the range of values in north and south Minneapolis. GMHC already owns 19 units, supporting the development readiness of this project.

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 Minneapolis, Brooklyn Center, and Richfield. GMHC has made progress on a \$2.56 million Impact Fund award from 2012, using most of the funds and completing 55 units of that award. Program staff has capacity for implementing the entire process, including acquiring property, developing cost estimates and managing bids, construction and sales. GMHC partners with Counselor Realty to market properties, and uses SHOP Home Mortgage as its mortgage lender.

Financial Worksheet

11-2013 Impact Fund RFP

Report Date: 10/17/2013

Applicant Name: Greater Metropolitan Housing Corporation**Project Title:** Minneapolis Community Revitalization ProjectLocation: **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="1300"/>
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

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

General Information Institutional Correctional Work Crew (IWCW) being used

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

Typical Unit Hard Costs	
Land Acquisition	\$0.00
Structure Acquisition	\$56,382.00
Rehab Hard Costs	\$126,385.00
Total Hard Costs	\$182,767.00

Typical Unit Soft Costs	
Holding Costs	\$15,300.00
Architect Fee	\$1,000.00
Legal Fees	\$0.00
Developer Fees	\$17,909.00
Contingency	\$10,000.00
Other Fees	\$11,408.00
Total Soft Costs	\$55,617.00

Typical Total Development Cost (TDC)	
Typical Per-Unit TDC	\$238,384.00
TDC per Sq. Foot	\$183.37
RFP Funded Units	14
Estimated Project TDC	\$3,337,376.00

Sales Price Information	
Appraised Value of Similar	\$145,000.00
Recent Sales Price of Similar	\$145,000.00
Anticipated Appraised Value	\$148,000.00
Anticipated Sale Price	\$148,000.00
Anticipated Mortgage Amount	

Affordability Gap	
Anticipated Affordability Gap	
Impact Fund Aff. Gap Per Unit	
Number of Units	
Impact Fund Total Aff. Gap	
Maximum Gap Amount	
Average Gap Amount	

Value Gap	
Anticipated Value Gap	\$90,384.00
Impact Fund Value Gap Per Unit	\$56,812.00
Number of Units	5
Impact Fund Total Value Gap	\$284,060.00

Financial & Regulatory Leverage

Applicant Name Greater Metropolitan Housing Corporation

Project Title Minneapolis Community Revitalization Project

Financial Leverage

Activity Funded: Interim Construction Financing

Source of Leverage	Organization Name	Est. Appr. Date
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Other	US Bank Line of Credit	
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Cash Committed	\$5,000,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Other	Strategic Acquisition Fund/Home Prosperity Fund	
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Cash Committed	\$12,000,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
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City Leverage	City of Minneapolis - HOW	
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Cash Committed	\$50,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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City Leverage	City of Minneapolis - NSP3	
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Cash Committed		In Kind Committed
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Cash Pending	\$120,000.00	In Kind Pending
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City Leverage	City of Minneapolis - NSP2	
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Cash Committed		In Kind Committed
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Cash Pending	\$300,000.00	In Kind Pending
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Cash Committed	\$17,050,000.00	In Kind Committed
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Cash Pending	\$420,000.00	In Kind Pending
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Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name: Greater Metropolitan Housing Corporation
City of Applicant: Minneapolis
Name of Proposal: Minneapolis Richfield Community Revitalization Project
Activity Type: New Construction
City/Cities: Minneapolis, Richfield
County: Hennepin
RHAG Region: Metro
Max Request: \$277,850.00

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
- Community Recovery
- Foreclosure Remediation
- 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 funds to support the value gap on three new homes located in the City of Minneapolis' Neighborhood Stabilization Program areas (NSP2 and NSP3), which includes both northern and southern areas of Minneapolis and two new homes on vacant lots in the City of Richfield. In Minneapolis, homes will be sold to homebuyers earning up to 115% of area median income (AMI), with an average per-unit value gap to be filled using Impact Funds of \$39,202. In Richfield, homes will be sold to homebuyers earning up to 80% of AMI, with an average per-unit value gap to be filled using Impact Funds of \$41,042. The request also includes \$80,000 in deferred loan funds to be used as affordability gap for the two Richfield homes.

Justification

The proposed units are in areas of Minneapolis where there is still substantial need for community recovery in the wake of the foreclosure crisis. In Richfield, there is also a demand for affordable ownership housing.

Selection Standards

Project Feasibility

GMHC's main focus has been in acquisition/rehab/resale activities that address deferred maintenance items on homes with a sound structure. However it also has considerable new construction experience. The proposed sales price for the Minneapolis units is 215,000, but will vary with the range of appraised values in north and south Minneapolis (\$140,000-\$260,000). The total value gap is \$86,702, with the Impact Fund proposed to support \$39,202. The Richfield units will include a discounted property acquisition cost, with a proposed sale price to end buyers of \$240,000 and a total value gap of \$41,042 and will be supported entirely by the Impact Fund. In addition, \$40,000 per unit in affordability gap is requested from the Impact Fund for the Richfield units. GMHC already owns the Minneapolis properties, and will purchase the lots from Richfield.

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 Minneapolis, Brooklyn Center, and Richfield. The last new construction award made to GMHC was in 2003 for four units in Columbia Heights and Minneapolis. Program staff have capacity for implementing the entire process, including acquiring property, developing cost estimates and managing bids, construction and sales. GMHC partners with Counselor Realty to market properties, and uses SHOP Home Mortgage for loans to qualified buyers.

Financial Worksheet

Applicant Name Greater Metropolitan Housing Corporation

Project Title: Minneapolis Richfield Community Revitalization Project

Location: Three properties in North and/or South Minneapolis (Two Richfield properties not reflected here)

Typical Unit Information

Unit Style	2+ Story	
Ownership Type	Fee Simple	
Finished SF	1650	
Typical Unit Stories	2	
Bedrooms	3	
Bathrooms	3	
<input checked="" type="checkbox"/> Garage?	# of Stalls	2

Typical Lot Size Information

Lot Width	130
Lot Depth	45
Lot SF	5850

General Information

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

Applicant Name Greater Metropolitan Housing Corporation**Project Title:** Minneapolis Richfield Community Revitalization Project**Typical Unit Hard Costs**

Land Acquisition	\$0.00
Structure Acquisition	\$19,211.00
Demolition	\$10,000.00
Site Preparation	\$21,050.00
General Construction	\$77,900.00
Interior Finishing	\$39,500.00
Exterior Finishing	\$11,600.00
Roofing	\$3,500.00
Electrical	\$10,600.00
Plumbing	\$12,500.00
Heating & Ventilation	\$10,500.00
Energy Conservation	\$0.00
Accessibility	\$0.00
Garage Construction	\$10,000.00
Lead Abatement	\$0.00
Contingency	\$14,000.00
Other Hard Costs	\$7,200.00
Total Hard Costs	\$247,561.00

Typical Unit Soft Costs

Holding Costs	\$15,750.00
Architect Fee	\$500.00
Legal Fees	\$0.00
Developer Fees	\$22,341.00
Other Fees	\$15,550.00
Total Soft Costs	\$54,141.00

Typical Total Development Cost (TDC)

Typical Per-Unit TDC	\$301,702.00
RFP Funded Units	3
Est. Project TDC	\$905,106.00

Sales Price Information

Appraised Value of Similar	\$215,000.00
Recent Sales Price of Similar	\$215,000.00
Anticipated Appraised Value	\$215,000.00
Anticipated Sale Price	\$215,000.00
Anticipated Mortgage Amount	\$215,000.00

Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name Greater Metropolitan Housing Corporation

Project Title: Minneapolis Richfield Community Revitalization Project

Affordability Gap		Value Gap	
Anticipated Affordability Gap	\$0.00	Anticipated Value Gap	\$86,702.00
Impact Fund Aff. Gap per Unit	\$0.00	Impact Fund Value Gap per Unit	\$39,202.00
Number of Units	0	Number of Units	3
Impact Fund Total Aff. Gap	\$0.00	Impact Fund Total Value Gap	\$117,606.00
Maximum Amount	\$0.00		
Average Amount	\$0.00		

Financial & Regulatory Leverage

Applicant Name Greater Metropolitan Housing Corporation

Project Title Minneapolis Richfield Community Revitalization Project

Financial Leverage

Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
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City Leverage	City of Minneapolis - NSP3	
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Cash Committed		In Kind Committed
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Cash Pending	\$70,000.00	In Kind Pending
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City Leverage	City of Minneapolis - NSP2	
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Cash Committed		In Kind Committed
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Cash Pending	\$120,000.00	In Kind Pending
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Cash Committed		In Kind Committed
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Cash Pending	\$190,000.00	In Kind Pending
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Applicant Name: PRG, Inc.
City of Applicant: Minneapolis
Name of Proposal: PRG Foreclosure Recovery Program III
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: Minneapolis
County: Hennepin
RHAG Region: Metro
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
- Community Recovery
- Foreclosure Remediation
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

PRG, Inc. (PRG) is requesting grant funds for the acquisition, rehabilitation and resale of eight foreclosed, abandoned, or tax-forfeiture single family properties in the 55411 zip code of Minneapolis. There will be an average, per unit subsidy of \$75,000, \$25,000 of which will be supported by the Impact Fund.

Justification

The 55411 zip code includes the neighborhoods of Jordan, Hawthorne, Near North, and Willard-Hay. The area has a 41 percent homeownership rate and the median age of the housing stock is 67 years. This foreclosure remediation and community recovery project will continue to address blighted single family homes and provide high quality affordable housing for low- and moderate-income, owner-occupied households.

Selection Standards

Project Feasibility

While median sales prices have increased in the 55411 zip code of Minneapolis from \$47,050 in June 2010 to \$109,600 in June 2013, there are still many REO properties. Total development costs are reasonable, at \$200,000 per unit, while a relatively low proposed \$25,000 per unit subsidy will be supported by the Impact Fund along with \$50,000 per unit in leverage from the Minneapolis HOW program. Eight units are feasible in 20 months, given past performance by PRG.

Organizational Capacity

PRG has received many value-gap awards from the Community Revitalization/Impact Fund in the past and they have typically been completed on schedule with a few minor extensions. The organization has developed over 500 units of affordable housing and acquired and rehabilitated 56 units in three years. They have a great deal of experience in North Minneapolis (Harrison and Jordan Neighborhoods), South Minneapolis (the Phillips Neighborhood) and in Brooklyn Park. The team includes two project managers to acquire property, develop cost estimates and scopes of work, oversee bidding, monitor construction, and ensure compliance. PRG, Inc. also has in-house homebuyer educators and real estate and marketing staff with more than 10 years of experience.

Financial Worksheet

11-2013 Impact Fund RFP

Report Date: 10/17/2013

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

Location: Existing homes in the 55411 zip code

Typical Unit Information

Unit Style	2+ Story	
Ownership Type	Fee Simple	
Finished SF	1400	
Typical Unit Stories	2	
Bedrooms	3	
Bathrooms	1.5	
<input checked="" type="checkbox"/> Garage?	# of Stalls	2

Typical Lot Size

Lot Width	125
Lot Depth	40
Lot SF	5000

General Information Institutional Correctional Work Crew (IWCW) being used

Applicant Name: PRG, Inc.**Project Title:** PRG Foreclosure Recovery Program III**Typical Unit Hard Costs**

Land Acquisition	\$3,000.00
Structure Acquisition	\$47,000.00
Rehab Hard Costs	\$100,000.00
Total Hard Costs	\$150,000.00

Typical Unit Soft Costs

Holding Costs	\$7,750.00
Architect Fee	\$1,500.00
Legal Fees	\$0.00
Developer Fees	\$14,750.00
Contingency	\$10,000.00
Other Fees	\$16,000.00
Total Soft Costs	\$50,000.00

Typical Total Development Cost (TDC)

Typical Per-Unit TDC	\$200,000.00
TDC per Sq. Foot	\$142.86
RFP Funded Units	8
Estimated Project TDC	\$1,600,000.00

Sales Price Information

Appraised Value of Similar	\$60,000.00
Recent Sales Price of Similar	\$50,000.00
Anticipated Appraised Value	\$125,000.00
Anticipated Sale Price	\$125,000.00
Anticipated Mortgage Amount	\$125,000.00

Affordability Gap

Anticipated Affordability Gap	\$0.00
Impact Fund Aff. Gap Per Unit	
Number of Units	0
Impact Fund Total Aff. Gap	
Maximum Gap Amount	
Average Gap Amount	

Value Gap

Anticipated Value Gap	\$75,000.00
Impact Fund Value Gap Per Unit	\$25,000.00
Number of Units	8
Impact Fund Total Value Gap	\$200,000.00

Financial & Regulatory Leverage

Applicant Name PRG, Inc.

Project Title PRG Foreclosure Recovery Program III

Financial Leverage

Activity Funded: Value Gap Financing

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

Incentive	Cost Savings per Unit	# of Units in Project	Total Project Cost Savings	Approval Date
Other (Specify)	\$447.70	8	\$3,581.60	
Other (Specify)	\$6,948.00	8	\$55,584.00	
Total		16	\$59,165.60	

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Applicant Name: Project for Pride in Living
City of Applicant: Minneapolis
Name of Proposal: PPL Lowry Avenue North Rowhouses
Activity Type: New Construction
City/Cities: Minneapolis
County: Hennepin
RHAG Region: Metro
Max Request: \$902,160.00

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

Project for Pride in Living (PPL) is requesting \$96,000 for value gap and \$204,720 of interim construction financing to build two attached townhomes along Lowry Avenue North in the Folwell Neighborhood of Minneapolis. This proposal represents a phased approach to the originally requested six units. Depending on feasibility and time constraints, the two funded units may be flexible live/work units with bedrooms on the second floor and commercial space on the first floor. The remaining four units will be strictly residential units and have three bedrooms in each unit. Attached 2-stall garages will be located on the north side of the townhomes and small, private outdoor spaces will be provided for each home. PPL is targeting families earning up to 80% of area median income (AMI) and will charge a developer fee of \$21,390 for each unit. Funding for the additional four units in this project will be requested by PPL in future Impact Fund applications.

Justification

Minneapolis' North Side needs a diversity of quality affordable homeownership opportunities and the vast majority of housing available is single-family detached, most of which is over 100 years old. This project is well-conceptualized to meet the needs of households interested in a lower-maintenance option. The parcels are appropriately sized for townhome style development and the location of the sites allows the project to serve as a good transition from the commercial uses at the intersection of Lowry and Freemont Avenues. Further, the project supports the viability of neighboring properties while it creates new homeownership opportunities.

Selection Standards**Project Feasibility**

As detailed in the Lowry Avenue Strategic Plan, the study area boundaries include the sites designated for this project. As required by the plan, these units will add to diversity of housing design available to low and middle income homebuyers and serve to further stabilize the neighborhood following the foreclosure crisis and the North Minneapolis Tornado. In addition these rowhouses will be constructed on infill lots owned by the city with access to several major bus routes. Lastly, these units and the units that will follow preserve the stock of affordable housing in an area that may see increasing gentrification as a result of the redevelopment of the Lowry Avenue corridor. PPL anticipates approximately \$115,533 in financial leverage from various public and private sources by October 2014.

Organizational Capacity

PPL has developed in excess of 2,000 units of low and moderate income housing in the Twin Cities Metropolitan Area since 1972. They currently manage more than 1,000 supportive housing units in the Twin Cities Metropolitan Area. PPL has worked with the Neighborhood Stabilization Program as well as the Impact Fund in new construction and acquisition, rehabilitation, and re-sale of both single family owner-occupied and rental housing projects. They have received several awards for excellence in community development since 2005 and the staff has over 200 years of collective experience in the affordable housing/supportive housing field, and all are long-term PPL employees.

Financial Worksheet

Applicant Name Project for Pride in Living

Project Title: PPL Lowry Avenue North Rowhouses

Location: 1300 & 1324 Lowry Avenue North, Minneapolis MN

Typical Unit Information

Unit Style	Multi-Unit/Condo	
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 Information

Lot Width	90
Lot Depth	31.667
Lot SF	2850.03

General Information

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

Applicant Name Project for Pride in Living**Project Title:** PPL Lowry Avenue North Rowhouses**Typical Unit Hard Costs**

Land Acquisition	\$9,500.00
Structure Acquisition	\$0.00
Demolition	\$0.00
Site Preparation	\$9,000.00
General Construction	\$106,000.00
Interior Finishing	\$21,000.00
Exterior Finishing	\$18,000.00
Roofing	\$17,000.00
Electrical	\$11,000.00
Plumbing	\$10,000.00
Heating & Ventilation	\$8,000.00
Energy Conservation	\$2,000.00
Accessibility	\$2,000.00
Garage Construction	\$9,000.00
Lead Abatement	\$0.00
Contingency	\$10,200.00
Other Hard Costs	\$0.00
Total Hard Costs	\$232,700.00

Typical Unit Soft Costs

Holding Costs	\$5,900.00
Architect Fee	\$11,200.00
Legal Fees	\$1,300.00
Developer Fees	\$21,390.00
Other Fees	\$16,343.00
Total Soft Costs	\$56,133.00

Typical Total Development Cost (TDC)

Typical Per-Unit TDC	\$288,833.00
RFP Funded Units	2
Est. Project TDC	\$577,666.00

Sales Price Information

Appraised Value of Similar	\$130,000.00
Recent Sales Price of Similar	\$130,000.00
Anticipated Appraised Value	\$130,000.00
Anticipated Sale Price	\$130,000.00
Anticipated Mortgage Amount	\$124,800.00

Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name Project for Pride in Living

Project Title: PPL Lowry Avenue North Rowhouses

Affordability Gap		Value Gap	
Anticipated Affordability Gap	\$5,200.00	Anticipated Value Gap	\$158,833.00
Impact Fund Aff. Gap per Unit	\$0.00	Impact Fund Value Gap per Unit	\$48,000.00
Number of Units	0	Number of Units	2
Impact Fund Total Aff. Gap	\$0.00	Impact Fund Total Value Gap	\$96,000.00
Maximum Amount	\$0.00		
Average Amount	\$0.00		

Financial & Regulatory Leverage

Applicant Name Project for Pride in Living
Project Title PPL Lowry Avenue North Rowhouses

Financial Leverage

Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
Federal Leverage	Federal Home Loan Bank Affordable Housing Program	10/1/2014
Cash Committed	In Kind Committed	
Cash Pending	\$30,000.00 In Kind Pending	
County Leverage	Hennepin County Transit Oriented Development Program	6/1/2014
Cash Committed	In Kind Committed	
Cash Pending	\$20,000.00 In Kind Pending	
City Leverage	Minneapolis HOW	10/1/2014
Cash Committed	In Kind Committed	
Cash Pending	\$50,000.00 In Kind Pending	
Philanthropic Leverage	Wells Fargo Housing Foundation + Green Communities Charrette Grant	10/1/2014
Cash Committed	In Kind Committed	
Cash Pending	\$10,833.00 In Kind Pending	
Philanthropic Leverage	Federal Home Loan Bank Affordable Housing Program	10/1/2014
Cash Committed	In Kind Committed	
Cash Pending	\$30,000.00 In Kind Pending	
County Leverage	Hennepin County Transit-Oriented Development Program	6/1/2014
Cash Committed	In Kind Committed	
Cash Pending	\$20,000.00 In Kind Pending	
City Leverage	City of Minneapolis Home Ownership Works (HOW) Program	11/1/2013
Cash Committed	In Kind Committed	
Cash Pending	\$50,000.00 In Kind Pending	

Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name Project for Pride in Living
Project Title PPL Lowry Avenue North Rowhouses

Activity Funded: Value Gap Grant

Source of Leverage	Organization Name	Est. Appr. Date
City Leverage	City of Minneapolis Home Ownership Works (HOW) Program	10/1/2014
Cash Committed		In Kind Committed
Cash Pending	\$4,700.00	In Kind Pending
Cash Committed		In Kind Committed
Cash Pending	\$215,533.00	In Kind Pending

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Applicant Name: Twin Cities Habitat for Humanity
City of Applicant: Minneapolis
Name of Proposal: Jordan Area Neighborhood Revitalization Initiative
Activity Type: New Construction
City/Cities: North Minneapolis
County: Hennepin
RHAG Region: Metro
Max Request: \$196,000.00

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 Habitat for Humanity (TCHFH) is requesting funds for value gap to assist with the construction of four homes in the Jordan Neighborhood in North Minneapolis. The 1500 sq. ft., three-bedroom homes will be built on vacant lots on Logan Avenue North and Morgan Avenue North. Two of the lots are currently vacant. The other two lots have blighted homes that will be demolished by the City of Minneapolis prior to the sale to TCHFH. The average per unit required subsidy to be supported by the Impact Fund is \$49,000. The total development cost of each home is \$179,000. The homes are appraised for \$130,000 and each will be sold at that price. Buyers will be required to attend 20 hours of homebuyer education classes prior to the purchase.

Justification

In January 2012 TCHFH began discussions with the Jordan Area Community Council (JACC) to develop a neighborhood-led plan for redevelopment. TCHFH worked with both JACC and the Northside Community Response Team (NCRT), which was formed to assess and address the effects of the 2011 tornado, to generate the initial findings and guide the target area selection. Working in a narrowly defined geographic target area and partnering with local community organizations and residents will assist TCHFH to develop broader, integrated housing strategies.

Selection Standards

Project Feasibility

According to Community Profiles, between 2000 and 2011 the Jordan Neighborhood lost over 150 residents, a 12% decline. TCHFH plans to build 10-12 single family homes on vacant lots between 2013 and 2015. By focusing on Logan and Morgan Avenue North, TCHFH's work will have significant impact. TCHFH will leverage Impact Funds with the Neighborhood Revitalization Initiative (NRI) to support the priorities identified by the Jordan community: new construction, stabilization of property values and increasing residency in the area. The target area was selected in collaboration with the Jordan community in order to address the aging housing stock in the area as well as repair damage from the 2011 tornado.

Organizational Capacity

Since 1985, TCHFH has built and sold homes to nearly one thousand families in the seven-county Twin Cities metro area through its homeownership program. TCHFH builds or rehabilitates and sells fifty-five homes annually. One of TCHFH's core strengths is its ability to carry out the development, construction, and marketing functions. Habitat recruits volunteers to build and sponsor its homes, employing subcontractors as needed for reasons of professional licensure or specialized skills. In the last four years, TCHFH has built and sold 11 homes in the Jordan and neighboring Hawthorne neighborhoods. TCHFH homebuyers are required to contribute 300 to 500 hours of sweat equity on their home and other homes in production.

Financial Worksheet

Applicant Name Twin Cities Habitat for Humanity

Project Title: Jordan Area Neighborhood Revitalization Initiative

Location: 3015 Morgan, 3022 Morgan, 3102 Logan, and 3026 Logan Avenue North

Typical Unit Information

Unit Style	2+ Story	
Ownership Type	Fee Simple	
Finished SF	1500	
Typical Unit Stories	2	
Bedrooms	3	
Bathrooms	1.5	
<input checked="" type="checkbox"/> Garage?	# of Stalls	1

Typical Lot Size Information

Lot Width	40
Lot Depth	120
Lot SF	4800

General Information

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

Applicant Name Twin Cities Habitat for Humanity**Project Title:** Jordan Area Neighborhood Revitalization Initiative**Typical Unit Hard Costs**

Land Acquisition	\$2,800.00
Structure Acquisition	\$0.00
Demolition	\$0.00
Site Preparation	\$7,800.00
General Construction	\$64,500.00
Interior Finishing	\$17,000.00
Exterior Finishing	\$6,500.00
Roofing	\$8,700.00
Electrical	\$7,800.00
Plumbing	\$7,200.00
Heating & Ventilation	\$9,000.00
Energy Conservation	\$0.00
Accessibility	\$0.00
Garage Construction	\$0.00
Lead Abatement	\$0.00
Contingency	\$6,300.00
Other Hard Costs	\$1,500.00
Total Hard Costs	\$139,100.00

Typical Unit Soft Costs

Holding Costs	\$900.00
Architect Fee	\$0.00
Legal Fees	\$0.00
Developer Fees	\$35,000.00
Other Fees	\$4,000.00
Total Soft Costs	\$39,900.00

Typical Total Development Cost (TDC)

Typical Per-Unit TDC	\$179,000.00
RFP Funded Units	4
Est. Project TDC	\$716,000.00

Sales Price Information

Appraised Value of Similar	\$130,000.00
Recent Sales Price of Similar	\$130,000.00
Anticipated Appraised Value	\$130,000.00
Anticipated Sale Price	\$130,000.00
Anticipated Mortgage Amount	

Applicant Name Twin Cities Habitat for Humanity

Project Title: Jordan Area Neighborhood Revitalization Initiative

Affordability Gap		Value Gap	
Anticipated Affordability Gap		Anticipated Value Gap	\$49,000.00
Impact Fund Aff. Gap per Unit	\$0.00	Impact Fund Value Gap per Unit	\$49,000.00
Number of Units		Number of Units	4
Impact Fund Total Aff. Gap		Impact Fund Total Value Gap	\$196,000.00
Maximum Amount			
Average Amount			

Financial & Regulatory Leverage

Applicant Name Twin Cities Habitat for Humanity

Project Title Jordan Area Neighborhood Revitalization Initiative

Financial Leverage

Activity Funded: Interim Construction Financing

Source of Leverage	Organization Name	Est. Appr. Date
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Philanthropic Leverage	TCHFH Sponsorships/Annual Fundraising/ mortgage collections	
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Cash Committed	\$272,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Philanthropic Leverage	TCHFH In-Kind Materials donation	
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Cash Committed		In Kind Committed	\$48,000.00
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Cash Pending		In Kind Pending	
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Philanthropic Leverage	Anderson Foundation Pledge	
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Cash Committed	\$200,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Cash Committed	\$472,000.00	In Kind Committed	\$48,000.00
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Cash Pending		In Kind Pending	
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Board Agenda Item: 7.C.
Attachment: Project Summaries

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: \$600,000.00

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

Daytons Bluff Neighborhood Housing Service (DBNHS) is requesting value gap in the amount of \$46,154 per unit for each of five units to be constructed on in-fill lots on Rivoli Street on 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. The Village on Rivoli 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 will charge an 8% developer fee per unit. The Impact Fund portion of the developer fee will be approximately \$3,409 per unit.

Justification

This proposal is well designed to serve community recovery efforts in Railroad Island on St. Paul's East Side. Leverage sources are significant, and will directly match the Impact Fund contribution of \$46,154.00 per unit. The value gap will support costs for site clean-up, soil remediation and hazardous material mitigation that resulted from years of uncontrolled dumping on the vacant site. DBNHS together with the City of St. Paul and the Railroad Island Task Force began the site development plan, clean-up and soil remediation in 2005 and completed the work in 2008 at a cost of \$40,370 per lot.

Selection Standards**Project Feasibility**

DBNHS reports there is a strong demand among low and moderate-income homebuyers for single family homes with more than three bedrooms in the target area. According to the St. Paul Area Association of Realtors' April 2013 Market Update, of the 93 houses on the market at that time, only three had more than three bedrooms. The target area, Rivoli Street, is located on Railroad Island on St. Paul's East Side and is one of the oldest and poorest neighborhoods in the city, containing slightly more than 750 housing units in approximately 373 structures. The area contains approximately 37% owner-occupied housing and 63% rental housing. The same report also states that 2013 year-to-date, the average number of days on the market is 102 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. Given the 102 days on the market in the area, DBNHS history as to number of units completed and sold from 2010 through 2012, and the economy of the area as noted in the Community Profiles report, a reasonable number of units to award is five for completion and sale within the 20-month time period allowed under the Impact Fund.

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 2012, DBNHS has been responsible for the rehabilitation, construction and assisted purchase of 2,966 affordable housing units at a cost of \$213,591,835, most of which are 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: 660 Rivoli Street, St. Paul MN

Typical Unit Information

Unit Style	2+ Story	
Ownership Type	Fee Simple	
Finished SF	1800	
Typical Unit Stories	2	
Bedrooms	4	
Bathrooms	2	
<input checked="" type="checkbox"/> Garage?	# of Stalls	2

Typical Lot Size Information

Lot Width	120
Lot Depth	40
Lot SF	4800

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		Typical Unit Soft Costs	
Land Acquisition	\$0.00	Holding Costs	\$9,380.00
Structure Acquisition	\$0.00	Architect Fee	\$6,000.00
Demolition	\$0.00	Legal Fees	\$0.00
Site Preparation	\$40,370.00	Developer Fees	\$21,175.00
General Construction	\$102,960.00	Other Fees	\$18,900.00
Interior Finishing	\$28,210.00	Total Soft Costs	\$55,455.00
Exterior Finishing	\$10,060.00		
Roofing	\$6,850.00	Typical Total Development Cost (TDC)	
Electrical	\$6,670.00	Typical Per-Unit TDC	\$285,880.00
Plumbing	\$10,570.00	RFP Funded Units	5
Heating & Ventilation	\$8,245.00	Est. Project TDC	\$1,429,400.00
Energy Conservation	\$2,760.00		
Accessibility	\$0.00		
Garage Construction	\$0.00		
Lead Abatement	\$0.00		
Contingency	\$9,000.00		
Other Hard Costs	\$4,730.00		
Total Hard Costs	\$230,425.00		

Sales Price Information

Appraised Value of Similar	\$172,500.00
Recent Sales Price of Similar	\$172,500.00
Anticipated Appraised Value	\$175,000.00
Anticipated Sale Price	\$175,000.00
Anticipated Mortgage Amount	

Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name Dayton's Bluff Neighborhood Housing Services

Project Title: The Village on Rivoli

Affordability Gap	Value Gap
Anticipated Affordability Gap	Anticipated Value Gap \$110,880.00
Impact Fund Aff. Gap per Unit	Impact Fund Value Gap per Unit \$46,154.00
Number of Units	Number of Units 5
Impact Fund Total Aff. Gap	Impact Fund Total Value Gap \$230,770.00
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: New Construction Value Gap

Source of Leverage	Organization Name	Est. Appr. Date
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City and Philanthropic Leverage	City of St. Paul and DBNHS	
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Cash Committed	\$841,440.00	In Kind Committed
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Cash Pending		In Kind Pending
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Cash Committed	\$841,440.00	In Kind Committed
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Cash Pending		In Kind Pending
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Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name: St. Paul Housing and Redevelopment Authority
City of Applicant: St. Paul
Name of Proposal: Saint Paul Neighborhood Investment Fund
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: St Paul
County: Ramsey
RHAG Region: Metro
Max Request: \$680,000.00

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

The St. Paul Housing and Redevelopment Authority (the HRA) is requesting value gap to support the acquisition, rehabilitation and re-sale of thirteen units in the St. Paul neighborhoods of Dayton's Bluff, Frogtown, and Payne-Phalen. There will be an average total per unit subsidy of \$111,500, \$40,000 of which will be supported by the Impact Fund.

Justification

Dayton's Bluff and Payne-Phalen have been identified as Foreclosure Priority Areas and a significant number of St. Paul's foreclosures has occurred in Frogtown. All of the properties that the HRA intends to rehabilitate were 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 the units. The HRA expects there will be interest in Payne-Phalen due to new commercial developments and a growth of businesses in the area. It expects that proximity to the new Green Line light rail will attract new residents to Frogtown. It also recognizes the need to preserve affordable housing in a neighborhood that may see increasing gentrification as a result of the Green Line light rail.

Selection Standards

Project Feasibility

The HRA's model is to rehabilitate already acquired three to four bedroom single family homes and sell to families below 115% area median income (AMI). The Impact Fund investment represents on average 35.8% of the total value gap per unit. Additional pending leverage includes funds from the Neighborhood Stabilization Program (NSP), Community Development Block Grant (CDBG), Wells Fargo Foundation, and other banks and developers. The HRA will issue a competitive RFP to solicit developers. Many of the developers that the HRA has worked with in the past are both developers and general contractors. This will result in improved efficiency in completing the units. Finally, community members have expressed a need for larger family homes that will accommodate extended families. These thirteen units will address this need.

Organizational Capacity

St. Paul HRA has approximately 30 years of experience in the housing industry. It has provided value gap financing since the 1980's and has implemented the Invest St. Paul (ISP) and Neighborhood Stabilization Program (NSP) since 2006. There are six staff dedicated to the HRA's housing programs. Combined, they have experience in planning, project management, architecture, real estate, and financial analysis. St. Paul HRA has had difficulty completing projects in the past, including ISP, a similar project which Minnesota Housing funded in 2007 with its Community Revitalization Fund (CRV). The HRA has received extensions for ISP, which has yet to be completed. Despite this, it has shown progress with other Minnesota Housing CRV awards.

Financial Worksheet

11-2013 Impact Fund RFP

Report Date: 10/11/2013

Applicant Name: St. Paul HRA**Project Title:** Saint Paul Neighborhood Investment Fund

Location: St. Paul's Dayton's Bluff, Frogtown, and Payne-Phalen Neighborhoods

Typical Unit Information

Unit Style	2+ Story	
Ownership Type	Fee Simple	
Finished SF	1400	
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 HRA
Project Title: Saint Paul Neighborhood Investment Fund

Typical Unit Hard Costs	
Land Acquisition	\$10,000.00
Structure Acquisition	\$50,000.00
Rehab Hard Costs	\$130,000.00
Total Hard Costs	\$190,000.00

Typical Unit Soft Costs	
Holding Costs	\$4,000.00
Architect Fee	\$5,000.00
Legal Fees	\$500.00
Developer Fees	\$12,000.00
Contingency	\$13,000.00
Other Fees	\$12,000.00
Total Soft Costs	\$46,500.00

Typical Total Development Cost (TDC)	
Typical Per-Unit TDC	\$236,500.00
TDC per Sq. Foot	\$168.93
RFP Funded Units	13
Estimated Project TDC	\$3,074,500.00

Sales Price Information	
Appraised Value of Similar	\$125,000.00
Recent Sales Price of Similar	\$125,000.00
Anticipated Appraised Value	\$125,000.00
Anticipated Sale Price	\$125,000.00
Anticipated Mortgage Amount	\$120,000.00

Affordability Gap	
Anticipated Affordability Gap	\$5,000.00
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	\$111,500.00
Impact Fund Value Gap Per Unit	\$40,000.00
Number of Units	13
Impact Fund Total Value Gap	\$520,000.00

Financial & Regulatory Leverage

Applicant Name St. Paul Housing and Redevelopment Authority

Project Title Saint Paul Neighborhood Investment Fund

Financial Leverage

Activity Funded: Affordability Gap

Source of Leverage	Organization Name	Est. Appr. Date
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Philanthropic Leverage	Wells Fargo Foundation	
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Cash Committed		In Kind Committed
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Cash Pending	\$16,000.00	In Kind Pending
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Federal Leverage	Neighborhood Stabilization Program/HUD	
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Cash Committed		In Kind Committed
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Cash Pending	\$24,000.00	In Kind Pending
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Activity Funded: Interim Construction Financing

Source of Leverage	Organization Name	Est. Appr. Date
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Other	Local Banks/Developers	10/1/2013
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Cash Committed		In Kind Committed
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Cash Pending	\$2,292,620.00	In Kind Pending
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Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
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Federal Leverage	Community Development Block Grant/HUD	7/24/2013
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Cash Committed		In Kind Committed
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Cash Pending	\$130,000.00	In Kind Pending
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City Leverage	St. Paul HRA Invest St. Paul Initiative	7/24/2013
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Cash Committed		In Kind Committed
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Cash Pending	\$686,000.00	In Kind Pending
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Federal Leverage	Neighborhood Stabilization Program/HUD	
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Cash Committed		In Kind Committed
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Cash Pending	\$124,000.00	In Kind Pending
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Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name: St. Paul Housing and Redevelopment Authority
City of Applicant: St. Paul
Name of Proposal: Saint Paul Neighborhood Investment Fund
Activity Type: New Construction
City/Cities: St Paul
County: Ramsey
RHAG Region: Metro
Max Request: \$480,000.00

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

The St. Paul Housing and Redevelopment Authority (the HRA) is requesting value gap to support new construction of eight units in the St. Paul neighborhoods of Frogtown and Payne-Phalen. There will be an average total per unit subsidy of \$122,500, \$40,000 of which will be supported by the Impact Fund.

Justification

Payne-Phalen has been identified as a Foreclosure Priority Area and a significant number of St. Paul's foreclosures has occurred in Frogtown. All of the vacant lots that 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. It expects that proximity to the new Green Line light rail will attract new residents to Frogtown. It also recognizes the need to increase affordable housing in a neighborhood that may see increasing gentrification as a result of the Green Line light rail.

Selection Standards

Project Feasibility

The HRA's new construction model is to build three bedroom single family homes on already acquired land and sell to families below 115% area median income (AMI). The Impact Fund investment represents on average 33% of the total value gap per unit. Twin Cities Habitat intends to complete two of the eight units on behalf of the HRA. The HRA will issue a competitive RFP to solicit developers for the other five units. Many of the developers that the HRA has worked with in the past are both developers and general contractors. This will result in improved efficiency in completing the units. Finally, community members have expressed a need for larger homes that will accommodate extended families. These eight units will address this need.

Organizational Capacity

St. Paul HRA has approximately 30 years of experience in the housing industry. It has provided value gap financing since the 1980's and has implemented the Invest St. Paul (ISP) and Neighborhood Stabilization Program (NSP) since 2006. There are six staff dedicated to the HRA's housing programs. Combined, they have experience in planning, project management, architecture, real estate, and financial analysis. St. Paul HRA has had difficulty completing projects in the past, including ISP, a similar project which Minnesota Housing funded in 2007 with its Community Revitalization Fund (CRV). The HRA has received extensions for ISP, which has yet to be completed. Despite this, it has shown progress with other Minnesota Housing CRV awards.

Financial Worksheet

Applicant Name St. Paul HRA

Project Title: Saint Paul Neighborhood Investment Fund

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 HRA**Project Title:** Saint Paul Neighborhood Investment Fund**Typical Unit Hard Costs**

Land Acquisition	\$10,000.00
Structure Acquisition	\$5,000.00
Demolition	\$10,000.00
Site Preparation	\$5,000.00
General Construction	\$20,000.00
Interior Finishing	\$20,000.00
Exterior Finishing	\$20,000.00
Roofing	\$10,000.00
Electrical	\$20,000.00
Plumbing	\$20,000.00
Heating & Ventilation	\$25,000.00
Energy Conservation	\$15,000.00
Accessibility	\$10,000.00
Garage Construction	\$15,000.00
Lead Abatement	\$0.00
Contingency	\$10,000.00
Other Hard Costs	\$10,000.00
Total Hard Costs	\$225,000.00

Typical Unit Soft Costs

Holding Costs	\$4,000.00
Architect Fee	\$6,000.00
Legal Fees	\$500.00
Developer Fees	\$12,000.00
Other Fees	\$15,000.00
Total Soft Costs	\$37,500.00

Typical Total Development Cost (TDC)

Typical Per-Unit TDC	\$262,500.00
RFP Funded Units	8
Est. Project TDC	\$2,100,000.00

Sales Price Information

Appraised Value of Similar	\$140,000.00
Recent Sales Price of Similar	\$140,000.00
Anticipated Appraised Value	\$140,000.00
Anticipated Sale Price	\$140,000.00
Anticipated Mortgage Amount	\$135,000.00

Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name St. Paul HRA

Project Title: Saint Paul Neighborhood Investment Fund

Affordability Gap		Value Gap	
Anticipated Affordability Gap	\$5,000.00	Anticipated Value Gap	\$122,500.00
Impact Fund Aff. Gap per Unit	\$0.00	Impact Fund Value Gap per Unit	\$40,000.00
Number of Units	0	Number of Units	8
Impact Fund Total Aff. Gap	\$0.00	Impact Fund Total Value Gap	\$320,000.00
Maximum Amount	\$0.00		
Average Amount	\$0.00		

Financial & Regulatory Leverage

Applicant Name St. Paul Housing and Redevelopment Authority

Project Title Saint Paul Neighborhood Investment Fund

Financial Leverage

Activity Funded: Affordability Gap

Source of Leverage	Organization Name	Est. Appr. Date
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Federal Leverage	Neighborhood Stabilization Program/HUD	
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Cash Committed		In Kind Committed
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Cash Pending	\$24,000.00	In Kind Pending
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Philanthropic Leverage	Wells Fargo Foundation	
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Cash Committed		In Kind Committed
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Cash Pending	\$16,000.00	In Kind Pending
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Activity Funded: Interim Construction Financing

Source of Leverage	Organization Name	Est. Appr. Date
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Other	Local Banks/Developers	10/1/2013
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Cash Committed		In Kind Committed
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Cash Pending	\$1,124,000.00	In Kind Pending
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Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
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Federal Leverage	Community Development Block Grant/HUD	7/24/2013
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Cash Committed		In Kind Committed
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Cash Pending	\$193,000.00	In Kind Pending
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City Leverage	St. Paul HRA Invest St. Paul Initiative	7/24/2013
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Cash Committed	\$24,000.00	In Kind Committed
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Cash Pending	\$164,000.00	In Kind Pending
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County Leverage	Ramsey County	
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Cash Committed		In Kind Committed
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Cash Pending	\$45,000.00	In Kind Pending
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Applicant Name: Greater Frogtown Community Development Corporation
City of Applicant: St. Paul
Name of Proposal: Frogtown Facelift Rehab Fund
Activity Type: Owner-Occupied Rehabilitation
City/Cities: St Paul
County: Ramsey
RHAG Region: Metro
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

Greater Frogtown Community Development Corporation (GFCDC) is requesting deferred loan funds for an owner-occupied rehabilitation program in District 6 (North End) and/or District 8 (Aurora St. Anthony Neighborhood) in St. Paul. GFCDC's Face Lift Rehab program offers loans to eligible homeowners who are unable to qualify for a home improvement loan from a traditional lending source. The maximum Face Lift Rehab loan may not exceed \$30,000, of which \$18,000, on average, will be supported by the Impact Fund. In addition to Impact Funds, each property and homeowner will be reviewed to see if they qualify for other local programs to further upgrade their home with window replacement and energy improvements. Both the North End and Aurora St. Anthony Neighborhoods have been severely impacted by the foreclosure crisis. Homes in these neighborhoods have lost up to 63% of their market value in the last few years. To be eligible for the Facelift Rehab program, a homeowner must be current on their mortgage(s), property taxes, and have proof of current property insurance. GFCDC will offer the program on a first come, first served basis.

Justification

This program fills an important need for both neighborhoods. Both the North End and Aurora St. Anthony are characterized by older housing stock, low income homeowners, a high percentage of emerging market residents and high foreclosure rates. With the proximity to downtown St. Paul, helping existing homeowners preserve and maintain their homes justifies prudent public investment and meets transit priorities.

Selection Standards

Project Feasibility

Targeting resources in specific neighborhoods maximizes the impact in neighborhoods that have the greatest need. There are 7,846 homes within the target neighborhoods. Eighty-five percent are in need of some repair. A commitment in the amount of \$450,000 from the City of St. Paul's Capital Improvement Budget is pending and, when committed, will further this award.

Organizational Capacity

GFCDC has been in operation for 18 years with direct experience administering home improvement programs since 1997 and has completed more than 500 home improvement projects. GFCDC performs marketing, client intake, underwriting, home inspections, and outlines the scope of work as part of their home improvement program process. Their rehabilitation advisor conducts a health and safety inspection to ensure the scope is appropriately developed. Oversight continues through the bidding process and rehabilitation phase of each project.

Board Agenda Item: 7.C.
Attachment: Project Summaries

Financial & Regulatory Leverage

Applicant Name Greater Frogtown Community Development Corporation

Project Title Frogtown Facelift Rehab Fund

Financial Leverage

Activity Funded: Deferred Loan

Source of Leverage	Organization Name	Est. Appr. Date
Capital Improvement Budget	City of St Paul	11/13/2013

Cash Committed		In Kind Committed
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Cash Pending	\$450,000.00	In Kind Pending
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Cash Committed		In Kind Committed
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Cash Pending	\$450,000.00	In Kind Pending
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Applicant Name: Neighborhood Development Alliance
City of Applicant: St. Paul
Name of Proposal: NeDA Homes
Activity Type: New Construction
City/Cities: St. Paul
County: Ramsey
RHAG Region: Metro
Max Request: \$385,000.00

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

Neighborhood Development Alliance, Inc. (NeDA) is requesting funds of \$65,000 for value gap, \$20,000 of deferred loan funds for affordability gap and \$300,000 in the form of a 2% interim construction loan to construct two, 1400 sq. ft., three bedroom, two bath homes on two vacant lots on St. Paul's West Side. The lots are located at 403 Curtice East and 272 Belvidere East. NeDA has site control of both sites. Construction will begin in March, 2014 and each home will be completed and sold in Summer/Fall 2014. Total development costs of the homes are \$268,000 and \$263,000, respectively. Each home will have a purchase price of \$180,000.

Justification

This project is part of NeDA's work to invest in housing stock on St. Paul's West Side to keep the neighborhood strong. The organization's goal is to build stable communities by providing low- and moderate income families with quality housing and counseling services. NeDA believes that providing multiple services (counseling, home rehab and development) increases the chance of maximizing the impact of public and private investment.

Selection Standards**Project Feasibility**

New home development on the West Side of Saint Paul, such as this project, supports slowly increasing appraised values for homes in the target area. Reinvestment in the neighborhood also encourages residents to remain in the community and maintain or improve their homes. This project subdivides the lot located at 272 Belvidere East into two buildable lots, providing the opportunity to add to the supply of affordable housing in the area.

Organizational Capacity

NeDA has constructed or rehabilitated 200 housing units, 107 of which are affordable rental units and 93 of which are owner-occupied single family housing. Between the year 2000 and 2005 NeDA built 19 single-family detached homes; 16 within the proposed target area. While NeDA's housing and economic development activities remain focused in St. Paul, its housing and financial counseling programs serve the Seven-County metro area.

Financial Worksheet

Applicant Name Neighborhood Development Alliance

Project Title: NeDA Homes

Location: 403 Curtice East St Paul

Typical Unit Information

Unit Style	2+ Story	
Ownership Type	Fee Simple	
Finished SF	1400	
Typical Unit Stories	2	
Bedrooms	3	
Bathrooms	2	
<input type="checkbox"/> Garage?	# of Stalls	1

Typical Lot Size Information

Lot Width	123
Lot Depth	38
Lot SF	4674

General Information

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

Applicant Name Neighborhood Development Alliance**Project Title:** NeDA Homes**Typical Unit Hard Costs**

Land Acquisition	\$18,500.00
Structure Acquisition	\$0.00
Demolition	\$0.00
Site Preparation	\$2,000.00
General Construction	\$195,000.00
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	\$9,500.00
Other Hard Costs	\$2,000.00
Total Hard Costs	\$227,000.00

Typical Unit Soft Costs

Holding Costs	\$2,500.00
Architect Fee	\$6,000.00
Legal Fees	\$0.00
Developer Fees	\$8,000.00
Other Fees	\$24,500.00
Total Soft Costs	\$41,000.00

Typical Total Development Cost (TDC)

Typical Per-Unit TDC	\$268,000.00
RFP Funded Units	2
Est. Project TDC	\$536,000.00

Sales Price Information

Appraised Value of Similar	\$200,000.00
Recent Sales Price of Similar	
Anticipated Appraised Value	\$180,000.00
Anticipated Sale Price	\$180,000.00
Anticipated Mortgage Amount	\$170,000.00

Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name Neighborhood Development Alliance

Project Title: NeDA Homes

Affordability Gap		Value Gap	
Anticipated Affordability Gap	\$10,000.00	Anticipated Value Gap	\$88,000.00
Impact Fund Aff. Gap per Unit	\$10,000.00	Impact Fund Value Gap per Unit	\$32,500.00
Number of Units	2	Number of Units	2
Impact Fund Total Aff. Gap	\$20,000.00	Impact Fund Total Value Gap	\$65,000.00
Maximum Amount	\$10,000.00		
Average Amount	\$10,000.00		

Financial & Regulatory Leverage

Applicant Name Neighborhood Development Alliance

Project Title NeDA Homes

Financial Leverage

Activity Funded: Value Gap Financing

Source of Leverage	Organization Name		Est. Appr. Date
City Leverage	City of St. Paul		
Cash Committed	\$75,000.00	In Kind Committed	
Cash Pending		In Kind Pending	
Philanthropic	Wells Fargo Foundation		10/1/2013
Cash Committed	\$10,000.00	In Kind Committed	
Cash Pending		In Kind Pending	\$21,000.00
Philanthropic Leverage	NeDA / other		10/1/2013
Cash Committed		In Kind Committed	
Cash Pending	\$65,000.00	In Kind Pending	
Cash Committed	\$85,000.00	In Kind Committed	
Cash Pending	\$65,000.00	In Kind Pending	\$21,000.00

Applicant Name: Rebuilding Together Twin Cities
City of Applicant: Minneapolis
Name of Proposal: Community Build in Payne-Phalen and Dayton's Bluff Neighborhoods St. Paul
Activity Type: Owner-Occupied Rehabilitation
City/Cities: St Paul
County: Ramsey
RHAG Region: Metro
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:

Meeting Agency Priorities

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

Meeting Funding Priorities

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

Project Description

Rebuilding Together is requesting grant funds for an owner-occupied rehabilitation program targeted towards basic home repairs in the Payne-Phalen and Dayton's Bluff neighborhoods of Saint Paul. Households must earn below 50 percent of the area median income (AMI), but the majority of households served will likely earn at or below 30 percent of the AMI. The average loan amount will be \$5,500 per unit with a maximum loan amount of \$7,500. Impact Fund investments below \$5,000 will take the form of a grant, while investments of \$5,000 or more will take the form of an interest-free, five-year deferred loan to the household that is forgiven 1/60th per month as long as the household maintains owner occupancy.

Justification

The two neighborhoods targeted all exhibit an aging housing stock and a need for community stabilization.

Selection Standards

Project Feasibility

When qualified homeowners are not able to make needed repairs to their homes, Rebuilding Together coordinates volunteers and skilled labor, and provides tools and supplies necessary for the repairs. 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. Households must meet income limits, own their home and be current on their mortgage. One resident of the household must: be an older adult (age 55 plus); live with a disability; have a child under the age of 18; or be an active or retired member of the military. On average, households served in the program have owned their home for 23 years. Rebuilding Together currently has 15 eligible homeowner applications on file for the target geographic area.

Organizational Capacity

Rebuilding Together's Twin Cities chapter is a local affiliate of a national organization that has existed since 1997, coordinating more than 6,500 volunteers in the repair of 344 homes in the Twin Cities. Recently it has focused its efforts on North Minneapolis and the surrounding area. It partners with the Builder's Association of the Twin Cities Foundation and Dunwoody Institute of Technology (the latter of which incorporates these activities as part of a service learning educational requirement). 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.

Board Agenda Item: 7.C.
Attachment: Project Summaries

Financial & Regulatory Leverage

Applicant Name Rebuilding Together Twin Cities

Project Title Community Build in Payne-Phalen and Dayton's Bluff Neighborhoods St. Paul

Financial Leverage

Activity Funded: Deferred Loan

Source of Leverage	Organization Name	Est. Appr. Date
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Philanthropic Leverage	McNeely Foundation	
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Cash Committed		In Kind Committed
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Cash Pending	\$10,000.00	In Kind Pending
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Philanthropic Leverage	Federal Home Loan Bank of Des Moines	
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Cash Committed		In Kind Committed
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Cash Pending	\$80,000.00	In Kind Pending
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Cash Committed		In Kind Committed
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Cash Pending	\$90,000.00	In Kind Pending
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Applicant Name: Twin Cities Community Land Bank LLC
City of Applicant: Minneapolis
Name of Proposal: Strategic acquisition of vacant and abandoned property in Frogtown Rondo Home Fund area
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: St. Paul
County: Ramsey
RHAG Region: Metro
Max Request: \$531,750.00

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
- Community Recovery
- Foreclosure Remediation
- 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 (TCCLB) is requesting funds for value gap in the acquisition of five properties in the Frogtown neighborhood of Saint Paul. The acquisition will be located in the Frogtown Rondo Home Fund (FRHF) area, which is bounded by Lexington Parkway, Pierce Butler Route, Marion Street, and Selby Avenue. A maximum of \$35,450 per unit will be used to acquire each of the five properties. TCCLB will hold the properties until they are transferred to an approved developer. Value gap funds received from the Impact Fund will finance the \$34,000 property purchase price and \$1,450 of the holding costs associated with each property.

Justification

Acquiring these properties in Frogtown now rather than later will avoid the impact of current and future investor speculation on home prices within one-half mile of the Green line light rail. This measure will prevent investors from reducing the stock of affordable housing in the area by driving up the price of owner-occupied single family homes beyond the reach of low-income households.

Selection Standards

Project Feasibility

There are 97 privately-owned lots and 151 properties on the "vacant/boarded housing list" in the FRHF area, and vacant properties represent seven percent of the total units in Frogtown. Area household incomes are low, with a median income of \$28,354, and one-fifth of residents earn less than \$10,000 per year. Total development costs do not include ultimate rehabilitation or redevelopment costs. The project has a target of 32% of work hours being completed by people of color. Leverage sources are Fannie Mae and TCCLB equity.

Organizational Capacity

TCCLB was established in 2009 as a tool for government, community-based organizations and developers to further economic development and affordable housing goals through strategic land banking activity. It has acquired and held over 114 properties for future redevelopment in the Twin Cities metro area, impacting 475 housing units. It has no previous Impact Fund awards, but has received funds at 5% interest from Minnesota Housing to support land banking activity in foreclosure-impacted neighborhoods of the Twin Cities. Staff capacity includes expertise in law, real estate management, construction, project management and lending. Partners include 44 TCCLB-approved, socially-responsible nonprofit and for-profit developers that will purchase land from TCCLB and renovate or redevelop properties.

Financial Worksheet

11-2013 Impact Fund RFP

Report Date: 10/25/2013

Applicant Name: Twin Cities Community Land Bank LLC**Project Title:** Strategic acquisition of vacant and abandoned property in Frogtown Rondo HoLocation: **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="1300"/>
Typical Unit Stories	<input type="text" value="2"/>
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" value="0"/>
Lot Depth	<input type="text" value="120"/>
Lot SF	<input type="text" value="0"/>

General Information Institutional Correctional Work Crew (IWCW) being used

Applicant Name: Twin Cities Community Land Bank LLC
Project Title: Strategic acquisition of vacant and abandoned property in Frogtown Rondo Ho

Typical Unit Hard Costs	
Land Acquisition	\$12,000.00
Structure Acquisition	\$22,000.00
Rehab Hard Costs	\$0.00
Total Hard Costs	\$34,000.00

Typical Unit Soft Costs	
Holding Costs	\$4,000.00
Architect Fee	\$0.00
Legal Fees	\$0.00
Developer Fees	\$0.00
Contingency	\$0.00
Other Fees	\$450.00
Total Soft Costs	\$4,450.00

Typical Total Development Cost (TDC)	
Typical Per-Unit TDC	\$38,450.00
TDC per Sq. Foot	\$29.58
RFP Funded Units	5
Estimated Project TDC	\$192,250.00

Sales Price Information	
Appraised Value of Similar	
Recent Sales Price of Similar	
Anticipated Appraised Value	\$0.00
Anticipated Sale Price	
Anticipated Mortgage Amount	

Affordability Gap	
Anticipated Affordability Gap	
Impact Fund Aff. Gap Per Unit	
Number of Units	
Impact Fund Total Aff. Gap	
Maximum Gap Amount	
Average Gap Amount	

Value Gap	
Anticipated Value Gap	\$38,450.00
Impact Fund Value Gap Per Unit	\$35,450.00
Number of Units	5
Impact Fund Total Value Gap	\$177,250.00

Financial & Regulatory Leverage

Applicant Name Twin Cities Community Land Bank LLC

Project Title Strategic acquisition of vacant and abandoned property in Frogtown Rondo Hom

Financial Leverage

Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
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Other	TCCLB land bank equity	
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Cash Committed	\$22,500.00	In Kind Committed
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Cash Pending		In Kind Pending
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Other	Fannie Mae	
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Cash Committed	\$22,500.00	In Kind Committed
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Cash Pending		In Kind Pending
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Cash Committed	\$45,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Applicant Name: Build Wealth Minnesota, Inc.
City of Applicant: Minneapolis
Name of Proposal: Family Stabilization Plan HOME Initiative
Activity Type: Affordability Gap/Downpayment Program
City/Cities: North Minneapolis
County: Hennepin
RHAG Region: Metro
Max Request: \$384,000.00

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

Build Wealth Minnesota (BWM) is requesting funds for affordability gap loans for homebuyers participating in its Family Stabilization Program (FSP). The Family Stabilization Program is an intensive, two-year financial literacy, social, and economic wealth accumulation strategy to better position the participant to become a successful homeowner. BWM works with developers and community partners to prepare potential homebuyers for homeownership, providing down payment assistance loans to homebuyers purchasing properties in the Twin Cities Seven County Metro Area. Average affordability gap loan amounts will be \$10,000 per unit, with a maximum loan amount of \$15,000 per unit. Funds may also be used to assist existing homeowners with mortgage modifications to help avoid foreclosures.

Justification

BWM provides tools that encourage potential homeowners and their families to take a more active role in increasing their economic and social wealth via home ownership. BWM reaches underserved populations, with 93 percent of homebuyers assisted via an Impact Fund award being African-American-headed households.

Selection Standards

Project Feasibility

The target areas of North Minneapolis and parts of St. Paul (as well as Brooklyn Park and Brooklyn Center) are selected due to the availability of client families and an interest in BWM's services. Investing in affordable housing in these communities will stabilize neighborhoods and provide participating families that have historically paid an excessive percentage of their income toward housing costs with affordable monthly payments. BWM is currently working with 79 families interested in becoming homeowners. BWM has raised over \$305,000 from philanthropic organizations and local employer resources towards this mission.

Organizational Capacity

BWM has received Impact Fund awards in four funding rounds since 2008, assisting 30 families to date. BWM has partnered with multiple social service providers and community developers which provide assistance in listing, rehabilitating, developing, and selling affordable housing. Partners include the Twin Cities Community Land Bank, Urban Homeworks, the Greater Metropolitan Housing Corporation, Powderhorn Residents Group, Ethnic Homes, Dayton's Bluff Neighborhood Housing Services, Project for Pride in Living, City of Lakes Community Land Trust, and others.

Financial & Regulatory Leverage

Applicant Name Build Wealth Minnesota, Inc.

Project Title Family Stabilization Plan HOME Initiative

Financial Leverage

Activity Funded: Other

Source of Leverage	Organization Name	Est. Appr. Date
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Philanthropic Leverage	McKnight Foundation	
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Cash Committed	\$130,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Philanthropic Leverage	Minneapolis Area Association of Realtors (MAAR)	
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Cash Committed	\$5,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Local Employer Leverage	Wells Fargo	
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Cash Committed	\$20,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Philanthropic Leverage	Northwest Area Foundation	
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Cash Committed	\$150,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Cash Committed	\$305,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Board Agenda Item: 7.C.
Attachment: Project Summaries

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:
County: Hennepin & Ramsey
RHAG Region: Metro
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
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Hennepin County Housing and Redevelopment Authority (HCHRA) is requesting grant funds to cover the costs associated with construction of up to 35 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 (Ramp 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. HCHRA is also seeking to partner with the Courage Center.

Justification

For many years, the Ramp Program has been a cost-effective way to preserve affordable housing for people with disabilities. Income targeting under this program successfully targets households earning less than 50% of area median income (AMI) even though the program serves incomes up to 115% AMI. The request for ramps and steps continues to grow each year. Elderly individuals or those who have physically limiting disabilities often have difficulty with ingress and egress in older housing. Minnesota Housing has supported the Ramp Program since 1999.

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. Many individuals who have physical limitations are unable to live full and independent lives if they are unable to remain in their homes. The Ramp Program promotes and supports successful homeownership and stabilizes the lives of those who have limited mobility.

Organizational Capacity

The HRA in partnership with Tree Trust Landscape Service (Tree Trust) has built and/or repaired 292 modular ramps and long-tread, low-riser steps in Hennepin and Ramsey Counties between 1999 and 2012. HCHRA has 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's goal is 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

Source of Leverage	Organization Name	Est. Appr. Date
Local Employer Leverage	Tree Trust	
Cash Committed	\$5,141.00	In Kind Committed \$18,000.00
Cash Pending		In Kind Pending
County Leverage	Hennepin county HRA	
Cash Committed		In Kind Committed \$4,550.00
Cash Pending		In Kind Pending
Cash Committed	\$5,141.00	In Kind Committed \$22,550.00
Cash Pending		In Kind Pending

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Board Agenda Item: 7.C.
Attachment: Project Summaries

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:
County: Hennepin
RHAG Region: Metro
Max Request: \$380,000.00

Funding Recommendations

Amount: \$266,000.00

Number of Units: 7

Incomes Served Less than 50% of AMI 50% to 80% of AMI 80% to 115% of AMI**Co-Funder Info**

Name: Metropolitan Council

Amount Requested: \$76,000.00

Amount Recommended: \$100,000.00

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

West Hennepin Affordable Housing Land Trust (WHAHLT) is requesting value gap in the amount of \$266,000 through their Homes Within Reach Program (HWR). WHAHLT proposes to acquire, rehabilitate, and resell seven, one or one and one-half-story single family, detached units in western Hennepin County to increase the affordable housing stock available through the land trust. They will serve borrowers earning incomes up to 80% of Area Median Income (AMI). Of the \$38,000 in value gap per unit, the Impact Fund will support the entire amount (which includes \$1,500 of the \$6,500 total developer fee taken for each unit).

Justification

WHAHLT's service area incorporates areas that demonstrate a high need for economic integration with proximity to job centers. There are also areas that demonstrate need for community stabilization and recovery including New Hope, St. Louis Park and Richfield. 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 homes within the 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 significant leverage dollars from a number of suburban communities.

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 has provided 109 families with affordable homes. They partner with rehabilitation advisors, contractors, mortgage lenders, a homebuyer educator (Community Action Partnership of Suburban Hennepin) and has 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 and has been able to serve households at 56% of area median income. In addition to acquiring market rate, entry level properties through the HWR, WHAHLT has purchased 16 foreclosed properties since 2009, rehabilitated those homes and sold them to 16 qualified homebuyers. Two of the properties will be funded by Minnesota Housing Infrastructure Bond proceeds.

Financial Worksheet

11-2013 Impact Fund RFP

Report Date: 10/17/2013

Applicant Name: West Hennepin Affordable Housing Land Trust**Project Title:** Homes within Reach

Location: Western Hennepin County

Typical Unit Information

Unit Style Rambler

Ownership Type Community Land Trust

Finished SF 1200

Typical Unit Stories 1

Bedrooms 3

Bathrooms 1

 Garage? # of Stalls 1**Typical Lot Size**

Lot Width 200

Lot Depth 120

Lot SF 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	\$101,670.00
Structure Acquisition	\$98,000.00
Rehab Hard Costs	\$49,030.00
Total Hard Costs	\$248,700.00

Typical Unit Soft Costs	
Holding Costs	\$4,200.00
Architect Fee	\$0.00
Legal Fees	\$750.00
Developer Fees	\$6,500.00
Contingency	\$4,600.00
Other Fees	\$3,250.00
Total Soft Costs	\$19,300.00

Typical Total Development Cost (TDC)	
Typical Per-Unit TDC	\$268,000.00
TDC per Sq. Foot	\$223.33
RFP Funded Units	7
Estimated Project TDC	\$1,876,000.00

Sales Price Information	
Appraised Value of Similar	\$224,000.00
Recent Sales Price of Similar	\$229,000.00
Anticipated Appraised Value	\$230,000.00
Anticipated Sale Price	\$230,000.00
Anticipated Mortgage Amount	

Affordability Gap	
Anticipated Affordability Gap	
Impact Fund Aff. Gap Per Unit	
Number of Units	
Impact Fund Total Aff. Gap	
Maximum Gap Amount	
Average Gap Amount	

Value Gap	
Anticipated Value Gap	\$38,000.00
Impact Fund Value Gap Per Unit	\$38,000.00
Number of Units	7
Impact Fund Total Value Gap	\$266,000.00

Financial & Regulatory Leverage

Applicant Name West Hennepin Affordable Housing Land Trust

Project Title Homes within Reach

Financial Leverage

Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
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City Leverage	St. Louis Park - CDBG & City Grant	
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Cash Committed	\$90,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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City Leverage	Minnetonka - Grant	
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Cash Committed	\$225,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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City Leverage	Edina CDBG	
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Cash Committed	\$108,222.00	In Kind Committed
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Cash Pending		In Kind Pending
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City Leverage	Eden Prairie CDBG	
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Cash Committed	\$55,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Federal Leverage	HOME - CHODO set-aside funds	
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Cash Committed	\$350,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Activity Funded: Value Gap Grant

Source of Leverage	Organization Name	Est. Appr. Date
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County	Hennepin County Affordable Housing Incentive Fund (AHIF)	
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Cash Committed	\$120,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Cash Committed	\$948,222.00	In Kind Committed
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Cash Pending		In Kind Pending
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Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name: One Roof Community Housing
City of Applicant: Duluth
Name of Proposal: Cloquet CLT Acq-Rehab 2013
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: Cloquet
County: Carlton
RHAG Region: Northeast
Max Request: \$250,000.00

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

One Roof Community Housing is requesting funds to acquire, rehabilitate and re-sell three homes within three target areas in Cloquet through its community land trust (CLT). When possible, the CLT will acquire homes that have been foreclosed. The total award supported by the Impact Fund will be \$120,000, of which \$45,000 will be used for value gap and \$75,000 will be used for affordability gap. An award of \$50,000 from the Indian Housing Set-Aside under the Economic Development and Housing Challenge Fund may be used to provide additional affordability gap for two very low income Native American households.

Justification

Cloquet is a growing community that has experienced significant lower-paying job growth in recent years. Since many people choose to live near their workplace, an increased demand for housing in the community has resulted. The tight housing market has created a seller's market with steadily increasing home prices. The CLT's proposed acquisition/rehabilitation project will increase Cloquet's supply of high quality housing units with long-term affordability.

Selection Standards

Project Feasibility

Cloquet is gaining households and jobs. Cloquet is the county seat of Carlton County, which population is expected to increase by 12% by 2035. Since 2007, Cloquet has gained 520 jobs. Most new jobs are being created in lower paying service sectors with weekly wages ranging from \$543 to \$734. The growth has increased demand for Cloquet's existing housing stock. Though far below their 2009 peak, single family housing prices have risen in the past year to \$119,000. During the Spring and Summer, the Month's Supply Inventory (MSI) was below two, resulting in low available housing inventory during peak home sale months. As housing prices continue to increase, low income households will experience more difficulty acquiring housing. The three CLT units funded by the Community Revitalization/Impact Fund in 2011 sold rapidly in this market.

Organizational Capacity

As of July 1, 2013, the CLT had developed and sold 240 single family homes, 85 of which were acquisition-rehabilitation projects. Since January 1, 2009, it has acquired, rehabilitated and re-sold 73 homes, which includes their acquisition of 51 foreclosed properties. Having completed similar projects in Duluth and Cloquet, and with a similar project currently underway in Two Harbors, the CLT has demonstrated the ability to successfully implement Impact Fund awards in a timely manner. The CLT completed acquisition, rehabilitation and re-sale of the three homes for which funds were awarded 2011.

Financial Worksheet

11-2013 Impact Fund RFP

Report Date: 10/21/2013

Applicant Name: One Roof Community Housing**Project Title:** Cloquet CLT Acq-Rehab 2013

Location: Scattered Site - Cloquet, MN

Typical Unit Information

Unit Style 2+ Story

Ownership Type Community Land Trust

Finished SF 1100

Typical Unit Stories 1.5

Bedrooms 3

Bathrooms 1

 Garage? # of Stalls 1**Typical Lot Size**

Lot Width 100

Lot Depth 60

Lot SF 6000

General Information Institutional Correctional Work Crew (IWCW) being used

Applicant Name: One Roof Community Housing

Project Title: Cloquet CLT Acq-Rehab 2013

Typical Unit Hard Costs

Land Acquisition	\$15,000.00
Structure Acquisition	\$52,000.00
Rehab Hard Costs	\$77,000.00
Total Hard Costs	\$144,000.00

Typical Unit Soft Costs

Holding Costs	\$7,000.00
Architect Fee	\$0.00
Legal Fees	\$500.00
Developer Fees	\$16,000.00
Contingency	\$6,000.00
Other Fees	\$6,500.00
Total Soft Costs	\$36,000.00

Typical Total Development Cost (TDC)

Typical Per-Unit TDC	\$180,000.00
TDC per Sq. Foot	\$163.64
RFP Funded Units	3
Estimated Project TDC	\$540,000.00

Sales Price Information

Appraised Value of Similar	\$70,000.00
Recent Sales Price of Similar	\$70,000.00
Anticipated Appraised Value	\$125,000.00
Anticipated Sale Price	\$90,000.00
Anticipated Mortgage Amount	\$91,500.00

Affordability Gap

Anticipated Affordability Gap	\$33,500.00
Impact Fund Aff. Gap Per Unit	\$25,000.00
Number of Units	3
Impact Fund Total Aff. Gap	\$75,000.00
Maximum Gap Amount	\$30,000.00
Average Gap Amount	\$25,000.00

Value Gap

Anticipated Value Gap	\$55,000.00
Impact Fund Value Gap Per Unit	\$15,000.00
Number of Units	3
Impact Fund Total Value Gap	\$45,000.00

Financial & Regulatory Leverage

Applicant Name One Roof Community Housing

Project Title Cloquet CLT Acq-Rehab 2013

Financial Leverage

Activity Funded: Interim Construction Financing

Source of Leverage	Organization Name	Est. Appr. Date
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State Leverage	GMHF	
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Cash Committed	\$1,000,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
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Other	Ecolibrium	
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Cash Committed		In Kind Committed	\$875.00
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Cash Pending		In Kind Pending
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Other	Federal Home Loan Bank - Des Moines	
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Cash Committed	\$50,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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City Leverage	DEED Small Cities	1/1/2014
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Cash Committed		In Kind Committed
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Cash Pending	\$150,000.00	In Kind Pending
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Cash Committed	\$1,050,000.00	In Kind Committed	\$875.00
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Cash Pending	\$150,000.00	In Kind Pending
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Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name: One Roof Community Housing & Housing and Redevelopment Authority of Duluth

City of Applicant:

Name of Proposal: At Home in Duluth - Housing Rehabilitation 2013

Activity Type: Acquisition, Rehabilitation, & Resale

City/Cities: Duluth

County: Saint Louis

RHAG Region: Northeast

Max Request: \$515,000.00

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

One Roof Community Housing through its community land trust (the CLT) is requesting funds to acquire, rehabilitate and re-sell eight homes within the Central Hillside, East Hillside, Lincoln Park, and West Duluth neighborhoods in the At Home Duluth Collaboration. When possible, the CLT will acquire homes that have been foreclosed. The total award supported by the Impact Fund will be \$320,000. Of this amount, \$120,000 will be used to fund value gap, and \$200,000 will be used to fund affordability gap. An award of \$75,000 from the Indian Housing Set-Aside under the Economic Development and Housing Challenge Fund will be used to provide additional affordability gap to three very low income Native American households.

Justification

The target area is characterized by an aging housing stock, low property values, high poverty rates and low household incomes. Although the CLT's previous acquisition-rehabilitation activities have transformed numerous blighted properties into long-term affordable homeownership opportunities, continued work in these neighborhoods is needed. The acquisition, rehabilitation and re-sale of eight additional homes will create safe, high quality and affordable housing opportunities for the households purchasing the homes, and will also contribute to the CLT's overall efforts to stabilize the neighborhood.

Selection Standards

Project Feasibility

The target area's aging housing stock, high foreclosure rates, high poverty rates and low average household income makes it ripe for continued acquisition-rehabilitation activities by the CLT. The average age of homes is 73 years. Though the area contains 16.67% of the City's overall housing stock, it contains nearly one-quarter of all homes foreclosed in Duluth between 2008 and 2010. The estimated poverty rate of 33% is significantly higher than Duluth's estimated poverty rate of 20.3%, and more than three times the statewide poverty rate of 10.6%. Finally, the average household income of \$27,652 is two-thirds of Duluth's average household income of \$41,092, and less than one-half of the State's average household income of \$57,243.

Organizational Capacity

As of July 1, 2013, the CLT had developed and sold 240 single family homes, 85 of which were acquisition-rehabilitation projects. Since January 1, 2009, it has acquired, rehabilitated and re-sold 73 homes, which includes their acquisition of 51 foreclosed properties.

Having completed similar projects in Duluth and Cloquet, and with a similar project currently underway in Two Harbors, the CLT has demonstrated the ability to successfully implement Impact Fund awards in a timely manner. The CLT completed acquisition, rehabilitation and re-sale of the 11 homes for which funds were awarded in the 2011 Community Revitalization/Impact Fund application.

Financial Worksheet

11-2013 Impact Fund RFP

Report Date: 10/21/2013

Applicant Name: One Roof Community Housing & Housing and Redevelopment Authority of Duluth
Project Title: At Home in Duluth - Housing Rehabilitation 2013

Location:

Typical Unit Information

Unit Style	<input type="text" value="2+ Story"/>	
Ownership Type	<input type="text" value="100"/>	
Finished SF	<input type="text" value="1100"/>	
Typical Unit Stories	<input type="text" value="2"/>	
Bedrooms	<input type="text" value="3"/>	
Bathrooms	<input type="text" value="1"/>	
<input type="checkbox"/> Garage?	# of Stalls	<input type="text"/>

Typical Lot Size

Lot Width	<input type="text" value="40"/>
Lot Depth	<input type="text" value="100"/>
Lot SF	<input type="text" value="4000"/>

General Information

Institutional Correctional Work Crew (IWCW) being used

Applicant Name: One Roof Community Housing & Housing and Redevelopment Authority of Duluth
Project Title: At Home in Duluth - Housing Rehabilitation 2013

Typical Unit Hard Costs	
Land Acquisition	\$15,000.00
Structure Acquisition	\$52,000.00
Rehab Hard Costs	\$75,909.00
Total Hard Costs	\$142,909.00

Typical Unit Soft Costs	
Holding Costs	\$7,500.00
Architect Fee	\$0.00
Legal Fees	\$500.00
Developer Fees	\$16,000.00
Contingency	\$6,000.00
Other Fees	\$6,500.00
Total Soft Costs	\$36,500.00

Typical Total Development Cost (TDC)	
Typical Per-Unit TDC	\$179,409.00
TDC per Sq. Foot	\$163.10
RFP Funded Units	8
Estimated Project TDC	\$1,435,272.00

Sales Price Information	
Appraised Value of Similar	\$75,000.00
Recent Sales Price of Similar	\$75,000.00
Anticipated Appraised Value	\$127,000.00
Anticipated Sale Price	\$95,000.00
Anticipated Mortgage Amount	\$93,500.00

Affordability Gap	
Anticipated Affordability Gap	\$33,500.00
Impact Fund Aff. Gap Per Unit	\$25,000.00
Number of Units	8
Impact Fund Total Aff. Gap	\$200,000.00
Maximum Gap Amount	\$30,000.00
Average Gap Amount	\$25,000.00

Value Gap	
Anticipated Value Gap	\$52,409.00
Impact Fund Value Gap Per Unit	\$15,000.00
Number of Units	8
Impact Fund Total Value Gap	\$120,000.00

Financial & Regulatory Leverage

Applicant Name One Roof Community Housing & Housing and Redevelopment Authority of Duluth

Project Title At Home in Duluth - Housing Rehabilitation 2013

Financial Leverage

Activity Funded: Affordability Gap

Source of Leverage	Organization Name	Est. Appr. Date
City Leverage	City of Duluth - CDBG Funds	
Cash Committed	\$319,000.00	In Kind Committed
Cash Pending		In Kind Pending

Activity Funded: Interim Construction Financing

Source of Leverage	Organization Name	Est. Appr. Date
Philanthropic Leverage	Greater Minnesota Housing Fund	
Cash Committed	\$1,000,000.00	In Kind Committed
Cash Pending		In Kind Pending

State Leverage Minnesota Housing revolving loan

Cash Committed	\$460,000.00	In Kind Committed
Cash Pending		In Kind Pending

Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
Philanthropic Leverage	Greater Minnesota Housing Fund	11/7/2013
Cash Committed		In Kind Committed
Cash Pending	\$93,500.00	In Kind Pending

Other Ecolibrium3

Cash Committed		In Kind Committed	\$1,925.00
Cash Pending		In Kind Pending	

Philanthropic Leverage Federal Home Loan Bank - Des Moines

Cash Committed	\$71,500.00	In Kind Committed
Cash Pending		In Kind Pending

Applicant Name	One Roof Community Housing & Housing and Redevelopment Authority of Duluth		
Project Title	At Home in Duluth - Housing Rehabilitation 2013		
City Leverage	Duluth HRA - HUD Lead Grant		
Cash Committed	\$66,000.00	In Kind Committed	
Cash Pending		In Kind Pending	
Cash Committed	\$1,916,500.00	In Kind Committed	\$1,925.00
Cash Pending	\$93,500.00	In Kind Pending	

Applicant Name: One Roof Community Housing & Housing and Redevelopment Authority of Duluth
City of Applicant:
Name of Proposal: At Home in Duluth - Housing Rehabilitation 2013
Activity Type: Owner-Occupied Rehabilitation
City/Cities: Duluth
County: Saint 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 Duluth Housing and Redevelopment Authority (the HRA) is requesting funds to rehabilitate 15 owner-occupied single family homes within the Central Hillside, East Hillside, and Lincoln Park and West Duluth neighborhoods in the At Home Duluth Collaboration. The total award supported by the Impact Fund will be \$300,000. The average rehabilitation cost is \$35,000 per unit and will be supported by combining dollars from the Impact Fund award and other leverage sources.

Justification

The target area is characterized by an aging housing stock, high poverty rates, low property values and low household incomes. Despite the HRA's continuous efforts to rehabilitate houses in the target area in recent years, the existing waiting list of more than 50 households demonstrates the strong demand for housing rehabilitation activities.

Selection Standards

Project Feasibility

The target area's aging housing stock and low average household income makes it ripe for continued housing rehabilitation activities. The average age of homes in the target area is 73 years. The estimated poverty rate of 33% is significantly higher than Duluth's estimated poverty rate of 20.3%. Finally, the average household income of \$27,652 is two-thirds of Duluth's average household income of \$41,092, and less than one-half of the State's average household income of \$57,243. Providing funds for continued rehabilitation activities will help the HRA achieve its broader goals of preserving additional affordable housing units and stabilizing Duluth's neighborhoods, while at the same time addressing energy costs, health and safety risks, and the overall physical condition of individual borrower's homes. The HRA's current waiting list contains more than 50 applicants which equates to a 2-year backlog of demand for the Program.

Organizational Capacity

Duluth HRA has administered housing rehabilitation programs since 1975, and has improved about 10,000 homes to date. Given the need for rehabilitation in the target area, the lengthy waiting list of eligible applicants, and the HRA's history in running rehabilitation loan programs, Duluth HRA will be able to get the project off the ground rapidly, and will also be able to complete the initiative within a 20 month period.

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Applicant Name: Northwest Community Action, Inc.
City of Applicant: Badger
Name of Proposal: New Construction
Activity Type: New Construction
City/Cities: Badger, Greenbush, Roseau, Warroad
County: Roseau
RHAG Region: Northwest
Max Request: \$592,008.00

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

Project Description

Northwest Community Action, Inc (NWCA) is requesting value gap to support the acquisition and demolition of five older homes in the cities of Badger, Greenbush, Roseau, or Warroad in Roseau County. The parallel Roseau County Workforce Housing Initiative will provide additional funds to rebuild homes on the lots, ultimately serving homebuyers earning from 70 to 115% of area median income (AMI). There will be an average total Impact Fund subsidy of \$59,201 in each of the five units.

Justification

In Roseau County, there are very few available lots for sale, and, since 2005, only eight homes have been permitted per year. The dearth of lots for sale and the few units built have translated into a large demand for affordable homes priced under \$100,000. This proposal qualifies as a Housing and Jobs Growth Initiative proposal given the submittal of a Cooperatively Developed Plan, demonstration of a low housing vacancy rate, documented business expansion, and partial consideration for being within a jobs growth area.

Selection Standards

Project Feasibility

Sale prices for new construction homes in Roseau County typically range from \$140,000-\$170,000 and the new homes to be built under this initiative will have proposed sale prices between \$129,000 and \$185,000 with no proposed affordability gap. While the value gap requested by NWCA is high (\$74,001/unit), Greater Minnesota Housing Fund (GMHF) and local cities and employers have created an additional value gap pool which may be utilized on an "as-needed" basis to cover larger value gaps (after homes have been on the market for 90 days and sale price reductions have occurred). Minnesota Housing will fund up to \$59,201 per unit in value gap.

Organizational Capacity

NWCA has individually, and through collaboration with the Northwest Minnesota Multi-County HRA, built 17 new construction units and administered down payment assistance to 681 households. It has also administered 24 homes through the MURL program, and owner-occupied rehabilitation programs through CRV/Impact Fund. NWCA will act as contractor, while GMHF will assist the initiative by providing building contractor financing, program approvals of contractors for the Workforce Housing Initiative, green building technical assistance to contractors, loan origination and closing, and program management. Other partners include construction inspections by local building officials and draw approvals by staff of the cities of Warroad and Roseau. GMHF, local cities, and employers will market the initiative.

Financial Worksheet

Applicant Name Northwest Community Action, Inc.

Project Title: New Construction

Location: Various properties - within cities of Badger, Greenbush, Roseau, and Warroad

Typical Unit Information

Unit Style	Rambler	
Ownership Type	Fee Simple	
Finished SF	1500	
Typical Unit Stories	2	
Bedrooms	3	
Bathrooms	2	
<input checked="" type="checkbox"/> Garage?	# of Stalls	1

Typical Lot Size Information

Lot Width	75
Lot Depth	150
Lot SF	11250

General Information

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

Applicant Name Northwest Community Action, Inc.**Project Title:** New Construction**Typical Unit Hard Costs**

Land Acquisition	\$0.00
Structure Acquisition	\$65,625.00
Demolition	\$20,000.00
Site Preparation	\$1,000.00
General Construction	\$60,000.00
Interior Finishing	\$30,000.00
Exterior Finishing	\$15,000.00
Roofing	\$10,000.00
Electrical	\$5,000.00
Plumbing	\$5,000.00
Heating & Ventilation	\$4,000.00
Energy Conservation	\$0.00
Accessibility	\$0.00
Garage Construction	\$10,000.00
Lead Abatement	\$0.00
Contingency	\$0.00
Other Hard Costs	\$0.00
Total Hard Costs	\$225,625.00

Typical Unit Soft Costs

Holding Costs	\$2,246.00
Architect Fee	\$0.00
Legal Fees	\$0.00
Developer Fees	\$16,130.00
Other Fees	\$0.00
Total Soft Costs	\$18,376.00

Typical Total Development Cost (TDC)

Typical Per-Unit TDC	\$244,001.00
RFP Funded Units	5
Est. Project TDC	\$1,220,005.00

Sales Price Information

Appraised Value of Similar	\$170,000.00
Recent Sales Price of Similar	\$170,000.00
Anticipated Appraised Value	\$170,000.00
Anticipated Sale Price	\$170,000.00
Anticipated Mortgage Amount	\$170,000.00

Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name Northwest Community Action, Inc.

Project Title: New Construction

Affordability Gap		Value Gap	
Anticipated Affordability Gap	\$0.00	Anticipated Value Gap	\$74,001.00
Impact Fund Aff. Gap per Unit	\$0.00	Impact Fund Value Gap per Unit	\$59,201.00
Number of Units	0	Number of Units	5
Impact Fund Total Aff. Gap	\$0.00	Impact Fund Total Value Gap	\$296,005.00
Maximum Amount	\$0.00		
Average Amount	\$0.00		

Financial & Regulatory Leverage

Applicant Name Northwest Community Action, Inc.

Project Title New Construction

Financial Leverage

Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
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Local Employer Leverage	Marvin Windows and Doors	
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Cash Committed	\$10,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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City Leverage	City of Warroad	
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Cash Committed	\$10,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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City Leverage	City of Roseau	
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Cash Committed	\$25,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Local Employer Leverage	Polaris	
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Cash Committed	\$25,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Philanthropic Leverage	Greater Minnesota Housing Fund	
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Cash Committed	\$30,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Cash Committed	\$100,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name: Northwest Community Action, Inc.
City of Applicant: Badger
Name of Proposal: Owner-occupied rehab
Activity Type: Owner-Occupied Rehabilitation
City/Cities: Badger, Greenbush, Roseau, Warroad
County: Roseau
RHAG Region: Northwest
Max Request: \$500,000.00

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

Northwest Community Action, Inc. (NWCA) is requesting deferred loan funds as affordability gap for the rehabilitation of 10 owner-occupied homes in the cities of Warroad, Roseau, Badger, and Greenbush in Roseau County. While homeowners with incomes between 30% and 50% of area median income (AMI) will be able to access these loans to support 75% to 100% percent of the rehabilitation cost, homeowners earning between 50% and 80% of AMI will be required to first access other sources such as Minnesota Housing Fix-Up loans or local programs offered by agencies such as the Warroad Port Authority or the Northwest Minnesota Multi-County HRA, before accessing deferred loan funds to support between 40% and 75% of the rehabilitation cost. The average total subsidy for each of the 10 homes is estimated to be \$18,000 with a maximum subsidy of \$20,000 per unit.

Justification

Housing stock in the four cities is aging, and an estimated 25% (570 of 2,281) of target area units are in need of rehabilitation.

Selection Standards

Project Feasibility

Rehabilitation activity will focus on meeting the Section 8 Housing Quality Standards and energy-efficiency standards, and will prioritize health, energy, and safety issues.

Organizational Capacity

NWCA will act as rehabilitation advisor and inspector, and has experience in rehabilitating 50 owner-occupied homes using funds through the Small Cities Development Program, Minnesota Housing's Rehabilitation Loan Program, Minnesota Housing's Community Revitalization/Impact Fund Program, and the Federal Home Loan Bank, and USDA's 502 and 504 programs. City and neighborhood partnerships include programs and funds through the Northwest Minnesota Multi-County HRA and the City of Warroad Small Cities funds.

Financial & Regulatory Leverage

Applicant Name Northwest Community Action, Inc.

Project Title Owner-occupied rehab

Financial Leverage

Activity Funded: Affordability Gap

Source of Leverage	Organization Name	Est. Appr. Date
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State Leverage	DEED Small Cities Development Program	
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Cash Committed	\$50,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Cash Committed		In Kind Committed
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Cash Pending		In Kind Pending
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Cash Committed	\$50,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Regulatory Leverage

Incentive	Cost Savings per Unit	# of Units in Project	Total Project Cost Savings	Approval Date
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Total

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Applicant Name: White Earth Reservation Housing Authority
City of Applicant: Waubun
Name of Proposal: Homeowner Rehabilitation Project
Activity Type: Owner-Occupied Rehabilitation
City/Cities:
County: Mahnommen
RHAG Region: Northwest
Max Request: \$255,000.00

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

The White Earth Reservation Housing Authority (Housing Authority) is requesting grant funds for owner-occupied single family detached and manufactured home rehabilitation of 17 units on the White Earth Reservation. The target area includes all of Mahnomen County, the northern half of Becker County, the southwest corner of Clearwater County and a 25 mile radius beyond the boundaries of the Reservation. Recipients of the funds must be enrolled tribal members of the White Earth Community. The average assistance supported by the Impact Fund will be \$9,700 with a maximum grant of \$15,000. White Earth will receive a 10% developer fee ranging from \$400 to \$1,500 per unit for their involvement with the homeowner receiving assistance.

Justification

This program provides owner-occupied rehabilitation services to White Earth tribal members residing on the White Earth Reservation. The need for owner-occupied rehabilitation activities is evidenced by the degree of poverty in the areas to be served, which is in the highest need percentile according to the Community Profiles. The program includes leverage from the Federal Home Loan Bank, the Bureau of Indian Affairs, and the Native American Housing Assistance and Self Determination Act of 1996 (NAHASDA) which will assist with the cost of the improvements.

Selection Standards

Project Feasibility

There is currently a waiting list of 200 homeowners that need critical repairs to their housing units. The median household income for the service area is just over \$36,000. The area is characterized by a high unemployment rate and a high poverty rate. Homes on the Reservation are in poor condition, and given the low incomes in the area, deferred maintenance needs are prevalent. Common exterior work needed includes roof replacement and new windows and doors. Interior work needed includes plumbing, patching, kitchen, bath, and accessibility improvements. Priority will be given to households with extremely low income, a family member with a disability, households with children, or a head of household older than age 55.

Organizational Capacity

This is White Earth Housing Authority's second award. Their first award provided owner-occupied rehabilitation work to homeowners on the Leech Lake Reservation. The Housing Authority has previously partnered with the White Earth Tribal Council on Impact Fund awards. The Housing Authority has experience with various housing activities, including two Low Income Housing Tax Credit developments in the past five years. Since White Earth began their operation in 1964, a total of 446 housing units have been constructed and are being managed and maintained by the Housing Authority.

Board Agenda Item: 7.C.
Attachment: Project Summaries

Financial & Regulatory Leverage

Applicant Name White Earth Reservation Housing Authority

Project Title Homeowner Rehabilitation Project

Financial Leverage

Activity Funded: Owner-Occupied Rehabilitation

Source of Leverage	Organization Name	Est. Appr. Date
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Federal Leverage	Federal Home Loan Bank	
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Cash Committed	\$150,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Federal Leverage	Bureau of Indian Affairs	
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Cash Committed	\$90,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Federal Leverage	NAHASDA	
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Cash Committed	\$15,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Cash Committed	\$255,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Applicant Name: Three Rivers Community Action, Inc.
City of Applicant: Zumbrota
Name of Proposal: Home Matters 2.0: Northfield Neighborhood Investment Project - Phase II
Activity Type: Owner-Occupied Rehabilitation
City/Cities: Northfield
County: Rice
RHAG Region: Southeast
Max Request: \$100,000.00

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

Three Rivers Community Action, Inc. (Three Rivers) is requesting grant funds for an owner-occupied rehabilitation program for three neighborhoods in Northfield, MN. In 2012, funds were awarded from Greater Minnesota Housing Fund (GMHF) and Minnesota Housing for a program called the “Northfield Neighborhood Investment Project” in the Veteran’s Park Neighborhood in Northfield. With the program well underway and several homeowners in the rehab process, Three Rivers is requesting additional funds to expand the neighborhood-based program in Veteran’s Park by adding two of the oldest and most affordable neighborhoods: Eastside and Westside neighborhoods. The program encourages individual and neighborhood investment by providing matching grant funds to low-and moderate-income homeowners to make exterior, health and safety improvements, interior energy savings measures and/or installation of renewable energy improvements, including solar and geo-thermal. There will be a total subsidy of \$15,000 in each unit to be improved. The Impact Fund, GMHF and the individual homeowner will each contribute \$5,000.

Justification

This community recovery effort is a part of a larger comprehensive strategy by the City of Northfield to stabilize homeownership that will lower maintenance costs and prevent deferred maintenance, creating a more stable homeownership model for the low-and moderate-income households of Northfield. The target neighborhoods consist of aging homes built in the early 20th century, many in need of repair and/or updating. Three Rivers will work with individual homeowners to determine the necessary repairs, ensure program compliance and develop a scope of work for each home.

Selection Standards

Project Feasibility

Using data on the existing housing stock of low- and moderate priced homes and visual property condition assessments, Three Rivers and the Northfield HRA have selected the target neighborhoods as an area where homeowners are likely to need financial assistance to meet pressing home repair needs. These homeowners are also likely to benefit from the cost savings that result from increasing their homes’ energy efficiency. By creating a matching funds financial incentive program, Three Rivers enables homeowners to make necessary home improvements without having to fully absorb the costs of the repairs. Home Matters 2.0: Northfield Neighborhood Investment Project-Phase II is a “one-stop shop” for homeowners in the target areas who are looking to make improvements to their homes. The homeowners will receive an energy audit, home inspection, radon and lead testing, energy-saving tips and financial counseling as part of the process.

Organizational Capacity

Three Rivers has been developing affordable housing opportunities for low- and moderate-income households in southern Minnesota since 1966, developing over 570 units of affordable rental and single family housing. As a developer, Three Rivers has built or rehabilitated 125 homes that were sold to low-and moderate-income buyers in Southeastern Minnesota. Additionally, Three Rivers is experienced in operating owner-occupied rehabilitation programs, running the Weatherization program as well as the Rehabilitation Loan Program. Since April 2009, Three Rivers has overseen weatherization and energy efficiency improvements on over 600 units in the Weatherization program. Through the federally funded American Recovery and Reinvestment Act (ARRA), Three Rivers has completed 38 solar site assessments and overseen the installation of solar combination systems and solar space heating units by local installers in the past two years.

Financial & Regulatory Leverage

Applicant Name Three Rivers Community Action, Inc.

Project Title Home Matters 2.0: Northfield Neighborhood Investment Project - Phase II

Financial Leverage

Activity Funded: Grant

Source of Leverage	Organization Name	Est. Appr. Date
City Leverage	Northfield HRA	
Cash Committed	\$100,000.00	In Kind Committed
Cash Pending		In Kind Pending

Activity Funded: Interim Construction Financing

Source of Leverage	Organization Name	Est. Appr. Date
Philanthropic Leverage	Habitat for Humanity	
Cash Committed		In Kind Committed \$20,000.00
Cash Pending		In Kind Pending
Cash Committed	\$100,000.00	In Kind Committed \$20,000.00
Cash Pending		In Kind Pending

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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

Project Description

Hutchinson Housing and Redevelopment Authority (HRA) is requesting funds for value gap in the amount of \$47,500 and interim construction financing in the amount of \$100,000 to acquire and demolish an abandoned, tax forfeited, blighted home and construct a new home through the Hutchinson High School's construction class. The selected vacant home is located in the City of Hutchinson and will be auctioned off at a Tax Forfeit Sale in November 2013. If the selected site is not acquired, the HRA is requesting the funds be used on another troubled property within the city. The HRA and the construction class plan to build the home using Greater Minnesota Housing Fund's (GMHF) Building Better Neighborhood (BBN) home plans. The 981 sq. ft., two bedroom, one-bath home will be built with future expansion space to allow more livable space in the lower level. The total development cost of the home is \$167,500. The home will be sold for the appraised value of \$120,000.

Justification

Funds for the proposed home must be committed one year prior to construction enabling the construction class at the high school to continue. Construction will start in September 2014. The home will be completed at the end of the 2014-2015 school year. The existing structure will be demolished prior to the school-year start date. This project will augment the current Small Cities Owner-Occupied Rehab Program in the same neighborhood, which has assisted 18 households.

Selection Standards**Project Feasibility**

The City of Hutchinson continues to offer its City Revolving Loan fund for affordability gap in addition to entry cost assistance funds they have available from the HRA's Entry Cost Assistance program. Pursuant to an agreement made with the City of Hutchinson in 2001, the city will automatically waive permit fees, excluding state surcharge fees. The fees waiver is valued at \$1,632. High School carpentry labor costs reduce the total development cost of the home. Using Minnesota Housing's interim construction financing loan versus a market rate loan further reduces the total development cost.

Organizational Capacity

The partnership between the HRA and Hutchinson School District 423 was formed in 2002 and was designed to enhance the school curriculum by implementing a home construction course. In 2010, the program was expanded to include the rehabilitation of existing homes. The HRA staff has over 14 years experience with various housing projects and programs. Overall, the HRA has administered its past Impact Fund awards effectively and has achieved project goals.

Financial Worksheet

Applicant Name Hutchinson Housing and Redevelopment Authority

Project Title: Hutchinson Revitalization Project

Location: 141 Fifth Avenue NE, Hutchinson

Typical Unit Information

Unit Style	Split Level (1.5 Story)	
Ownership Type	Fee Simple	
Finished SF	981	
Typical Unit Stories	2	
Bedrooms	2	
Bathrooms	1	
<input type="checkbox"/> Garage?	# of Stalls	2

Typical Lot Size Information

Lot Width	180
Lot Depth	48
Lot SF	8640

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	\$2,500.00
Structure Acquisition	\$0.00
Demolition	\$10,000.00
Site Preparation	\$14,000.00
General Construction	\$64,000.00
Interior Finishing	\$14,000.00
Exterior Finishing	\$0.00
Roofing	\$4,500.00
Electrical	\$9,800.00
Plumbing	\$18,000.00
Heating & Ventilation	\$0.00
Energy Conservation	\$5,500.00
Accessability	\$0.00
Garage Construction	\$0.00
Lead Abatement	\$0.00
Contingency	\$0.00
Other Hard Costs	\$200.00
Total Hard Costs	\$142,500.00

Typical Unit Soft Costs

Holding Costs	\$3,100.00
Architect Fee	\$0.00
Legal Fees	\$0.00
Developer Fees	\$12,000.00
Other Fees	\$9,900.00
Total Soft Costs	\$25,000.00

Typical Total Development Cost (TDC)

Typical Per-Unit TDC	\$167,500.00
RFP Funded Units	1
Est. Project TDC	\$167,500.00

Sales Price Information

Appraised Value of Similar	
Recent Sales Price of Similar	
Anticipated Appraised Value	\$120,000.00
Anticipated Sale Price	\$120,000.00
Anticipated Mortgage Amount	

Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name Hutchinson Housing and Redevelopment Authority

Project Title: Hutchinson Revitalization Project

Affordability Gap		Value Gap	
Anticipated Affordability Gap		Anticipated Value Gap	\$47,500.00
Impact Fund Aff. Gap per Unit	\$0.00	Impact Fund Value Gap per Unit	\$47,500.00
Number of Units		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	City of Hutchinson	
Cash Committed	\$35,000.00	In Kind Committed
Cash Pending		In Kind Pending

Activity Funded: interim Construction Financing

Source of Leverage	Organization Name	Est. Appr. Date
County Leverage	Hutchinson HRA	
Cash Committed	\$5,000.00	In Kind Committed
Cash Pending		In Kind Pending
Philanthropic Leverage	Hutchinson High School	
Cash Committed		In Kind Committed \$15,000.00
Cash Pending		In Kind Pending
Cash Committed	\$40,000.00	In Kind Committed \$15,000.00
Cash Pending		In Kind Pending

Regulatory Leverage

Incentive	Cost Savings per Unit	# of Units in Project	Total Project Cost Savings	Approval Date
Waived fees	\$1,632.00	1	\$1,632.00	2/27/2001
Total		1	\$1,632.00	

Applicant Name: Lower Sioux Indian Community
City of Applicant: Morton
Name of Proposal: Lower Sioux Community Home Ownership Initiative Phase II
Activity Type: New Construction
City/Cities: Morton
County: Redwood
RHAG Region: Southwest
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 Lower Sioux Indian Community (LSIC) is requesting deferred loan funds for a contract-for-deed program to allow four tribal member households earning between 80% and 115% area median income (AMI) to purchase new modular units to be sited by the LSIC on existing lots in the community. Each contract-for-deed will be valued at \$99,000, including a small down payment of \$1,000.

Justification

Participating families do not qualify for standard mortgage credit and, due to income restrictions, cannot reside in the community's rental housing developments. The request qualifies as a Housing and Jobs Growth Initiative proposal in that a Cooperatively Developed Plan was submitted, low housing vacancy rates were demonstrated, and data was provided that indicates both that a high percentage of tribal-owned casino employees are long distance commuters, and that the casino will be expanding to create jobs.

Selection Standards

Project Feasibility

Terms of the proposed contract for deed include a 1% down payment, a \$200 application fee, a 30-year contract-for-deed that amortizes with a balloon payment at the end of 5 years, and a 4% interest rate. One percent of the interest income will be dedicated to servicing and sustaining the program over time. The contract-for-deed will also have a written requirement that participating families receive financial counseling, work with credit counselors to repair their credit, and attend both pre-and post-purchase homeownership counseling. As a result of such services, homeowners should be able to refinance their contract-for-deed upon the balloon. Leverage sources from the LSIC include water and sewer access charge waivers, a homesite lease waiver, and the value of the lots with infrastructure.

Organizational Capacity

The LSIC received and completed a CRV/Impact Fund award in 2006 for value gap for two new construction units. Urban Homeworks will advise the LSIC in developing a homeowner education training program and recommend a consultant to provide the initial credit counseling and homeowner education. The consultant will also train the LSIC staff for ongoing monitoring and post-purchase counseling.

Financial Worksheet

Applicant Name Lower Sioux Indian Community

Project Title: Lower Sioux Community Home Ownership Initiative Phase II

Location:

Typical Unit Information

Unit Style

Ownership Type

Finished SF

Typical Unit Stories

Bedrooms

Bathrooms

Garage? # of Stalls

Typical Lot Size Information

Lot Width

Lot Depth

Lot SF

General Information

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

Applicant Name Lower Sioux Indian Community**Project Title:** Lower Sioux Community Home Ownership Initiative Phase II**Typical Unit Hard Costs**

Land Acquisition	\$22,500.00
Structure Acquisition	\$0.00
Demolition	\$0.00
Site Preparation	\$0.00
General Construction	\$0.00
Interior Finishing	\$24,000.00
Exterior Finishing	\$10,591.00
Roofing	\$12,000.00
Electrical	\$9,000.00
Plumbing	\$13,000.00
Heating & Ventilation	\$12,500.00
Energy Conservation	\$5,000.00
Accessibility	\$0.00
Garage Construction	\$0.00
Lead Abatement	\$0.00
Contingency	\$12,500.00
Other Hard Costs	\$10,000.00
Total Hard Costs	\$131,091.00

Typical Unit Soft Costs

Holding Costs	\$0.00
Architect Fee	\$0.00
Legal Fees	\$10,000.00
Developer Fees	\$0.00
Other Fees	\$3,000.00
Total Soft Costs	\$13,000.00

Typical Total Development Cost (TDC)

Typical Per-Unit TDC	\$144,091.00
RFP Funded Units	4
Est. Project TDC	\$576,364.00

Sales Price Information

Appraised Value of Similar	\$140,000.00
Recent Sales Price of Similar	\$140,000.00
Anticipated Appraised Value	\$99,000.00
Anticipated Sale Price	\$99,000.00
Anticipated Mortgage Amount	\$98,000.00

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Attachment: Project Summaries

Applicant Name Lower Sioux Indian Community

Project Title: Lower Sioux Community Home Ownership Initiative Phase II

Affordability Gap		Value Gap	
Anticipated Affordability Gap	\$1,000.00	Anticipated Value Gap	\$45,091.00
Impact Fund Aff. Gap per Unit	\$0.00	Impact Fund Value Gap per Unit	\$0.00
Number of Units	4	Number of Units	4
Impact Fund Total Aff. Gap	\$0.00	Impact Fund Total Value Gap	\$0.00
Maximum Amount	\$0.00		
Average Amount	\$0.00		

Financial & Regulatory Leverage

Applicant Name Lower Sioux Indian Community

Project Title Lower Sioux Community Home Ownership Initiative Phase II

Financial Leverage

Activity Funded: Affordability Gap

Source of Leverage	Organization Name	Est. Appr. Date
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Other	contract-for-deed buyer	
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Cash Committed	\$1,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
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City Leverage	Lower Sioux Indian Community	
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Cash Committed	\$12,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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City Leverage	Lower Sioux Indian Community	
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Cash Committed	\$90,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Cash Committed	\$103,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Regulatory Leverage

Incentive	Cost Savings per Unit	# of Units in Project	Total Project Cost Savings	Approval Date
Other (Specify)	\$22,500.00	4	\$90,000.00	
WAC & SAC Waivers/Reductions	\$1,200.00	4	\$4,800.00	
Waiver of Permits or Impact Fees	\$1,800.00	4	\$7,200.00	
Total		12	\$102,000.00	

Applicant Name: Southwest Minnesota Housing Partnership
City of Applicant: Slayton
Name of Proposal: Eagle Lake Manufactured Housing Partnership
Activity Type: Owner-Occupied Rehabilitation
City/Cities: Eagle Lake
County:
RHAG Region: Southeast
Max Request: \$114,400.00

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

Southwest Minnesota Housing Partnership (SWMHP) is requesting grant funds to make improvements to seven owner-occupied manufactured homes in the City of Eagle Lake. The maximum assistance per unit will be \$15,000 with average assistance per unit supported by the Impact Fund of \$11,440. The funds will be used to address deferred maintenance, health and safety issues, energy efficiency, and accessibility in the units. SWMHP project managers will be responsible for the initial inspections to identify health and safety concerns, help prepare a scope of work, and oversee the rehabilitation work in each home. A 10% developer fee will be granted to SWMHP for their oversight of each transaction.

Justification

Eagle Lake is located in Blue Earth County, about five miles east of Mankato. Annual income of area residents ranges from low to very low. That factor together with the high cost of housing in Blue Earth County in general makes manufactured housing an essential affordable housing option. This project will address the above-noted issues with existing manufactured housing thereby preserving affordable housing stock in the area.

Selection Standards**Project Feasibility**

More than 68% of the units located in Regency Eagle Lake Manufactured Home Park are substandard and in need of repair. In 2010, SWMHP used Impact Funds to rehabilitate six manufactured homes in the City of St Peter. The program was well managed and was completed in a timely manner. SWMHP anticipates most of the repairs to be doors, electrical, roofing, skirting, siding or window replacement. There has been a 16.6% increase in job growth in the Eagle Lake area which results in a need for workforce housing. In addition, it is estimated that Imperial Plastics will create 125 new jobs in the fall of 2013 and a Wal-Mart Distribution Center will create 300 new jobs in 2015.

Organizational Capacity

SWMHP was formed in 1992 with a mission to provide an adequate supply of safe, sanitary and affordable homes for people living in Southwestern Minnesota. To date, they have developed, financed or rehabilitated over 6,700 units, and invested more than \$401,000,000 in the service area. Through Impact Fund resources, SWMHP has had access to more than \$3.2 million during the last 13 years and has used those resources to assist more than 194 households. SWMHP employs a structured planning process to work with local units of government and community organizations to identify needs and to implement community development opportunities at the local level.

Board Agenda Item: 7.C.
Attachment: Project Summaries

Financial & Regulatory Leverage

Applicant Name Southwest Minnesota Housing Partnership

Project Title Eagle Lake Manufactured Housing Partnership

Financial Leverage

Activity Funded: Other

Source of Leverage	Organization Name	Est. Appr. Date
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City Leverage	City of Eagle Lake	
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Cash Committed	\$3,850.00	In Kind Committed
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Cash Pending		In Kind Pending
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Cash Committed	\$3,850.00	In Kind Committed
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Cash Pending		In Kind Pending
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Regulatory Leverage

Incentive	Cost Savings per Unit	# of Units in Project	Total Project Cost Savings	Approval Date
Building Permits Waived	\$385.00	10	\$3,850.00	7/1/2013
Total		10	\$3,850.00	

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Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name: Southwest Minnesota Housing Partnership
City of Applicant: Slayton
Name of Proposal: SWMPH Regional Rehabilitation Pool
Activity Type: Owner-Occupied Rehabilitation
City/Cities:
County:
RHAG Region: Southeast
Max Request: \$102,050.00

Funding Recommendations

Amount: \$78,500.00

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: \$90,000.00

Amount Recommended: \$112,500.00

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
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Southwest Minnesota Housing Partnership (SWMHP) is requesting deferred loan funds for an owner-occupied rehabilitation program to serve multiple cities including Rushmore, Adrian, Renville, Worthington, and Montevideo. The program will address health and safety issues, energy efficiency, accessibility, and lead hazards in rehabilitated homes. SWMHP will use Agency resources to match federal, state, and local resources. The average Impact Fund loan will be \$6,000, with a maximum loan amount of \$7,500.

Justification

In southern Minnesota, the rehabilitation of owner-occupied housing is needed to prolong the life of affordable housing stock, avoid the demolition and rebuilding of replacement housing, increase the health and safety of housing for occupants, increase the affordability of necessary improvements for borrowers, and increase home values within the region. The applicant provided data showing that over half of the 2,100 homes in the target area need rehabilitation.

Selection Standards

Project Feasibility

SWMHP's Regional Rehabilitation Pool has effectively and efficiently 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 well-leveraged with Small Cities Development Program (SCDP) and Greater Minnesota Housing Fund (GMHF) funds. The SCDP has a maximum income limit at 80 percent of the area median income, high enough to make this rehabilitation program affordable to a variety of individuals. Owners are encouraged to invest their own funds in the improvements to increase the home's value and lower utility costs.

Organizational Capacity

SWMHP has been funded over \$3.2 million over the last 13 years and has completed over 194 projects using Impact Fund resources. It has repaired over 180 owner-occupied homes with multiple sources from its Southwest Minnesota Regional Rehab Pool.

Financial & Regulatory Leverage

Applicant Name Southwest Minnesota Housing Partnership

Project Title SWMPH Regional Rehabilitation Pool

Financial Leverage

Activity Funded: Affordability Gap

Source of Leverage	Organization Name	Est. Appr. Date
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City Leverage	City of Worthington	
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Cash Committed	\$10,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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City Leverage	City of Renville	
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Cash Committed	\$10,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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City Leverage	City of Rushmore	
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Cash Committed	\$586.00	In Kind Committed
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Cash Pending		In Kind Pending
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Federal Leverage	Rural Development Housing Preservation Grant	
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Cash Committed	\$15,530.00	In Kind Committed
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Cash Pending		In Kind Pending
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Activity Funded: Deferred Loan

Source of Leverage	Organization Name	Est. Appr. Date
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Federal Leverage	Small Cities 2013-2015	
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Cash Committed	\$782,600.00	In Kind Committed
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Cash Pending		In Kind Pending
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Federal Leverage	Small Cities - Current Programs	
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Cash Committed	\$539,057.00	In Kind Committed
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Cash Pending		In Kind Pending
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Applicant Name Southwest Minnesota Housing Partnership

Project Title SWMPH Regional Rehabilitation Pool

Federal Leverage Federal Home Loan Bank

Cash Committed \$113,338.00 In Kind Committed

Cash Pending In Kind Pending

State Leverage Minnesota Dept. of Health

Cash Committed \$73,770.00 In Kind Committed

Cash Pending In Kind Pending

Federal Leverage Federal Home Loan Bank

Cash Committed In Kind Committed

Cash Pending \$168,000.00 In Kind Pending

Cash Committed \$1,544,881.00 In Kind Committed

Cash Pending \$168,000.00 In Kind Pending

Applicant Name: Southwest Minnesota Housing Partnership
City of Applicant: Slayton
Name of Proposal: Worthington CLT
Activity Type: New Construction
City/Cities: Worthington
County: Nobles
RHAG Region: Southwest
Max Request: \$108,550.00

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
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Southwest Minnesota Housing Partnership (SWMHP) is requesting value gap in the form of grant funds for land and construction costs for five entry-level homes in the Morning View Addition subdivision in Worthington. The homes will be placed in the Partnership Community Land Trust, which is administered by SWMHP. No affordability gap funds are requested. In the five units to be addressed, the total subsidy per-unit is \$46,710, \$21,710 of which will be supported by the Impact Fund.

Justification

Very low unemployment in Worthington (3.62%) puts pressure on the housing market. Average household income for workforce housing seekers during the past four years has been \$28,000, and the average size of those households during the same period has been 2.86 individuals. This exceeds the state average of 2.54 individuals per household. Construction costs have increased 48 percent and sales prices have increased 30.5 percent since 2006. In addition, the area median income of \$40,954 per year is one of the lowest in the state. These factors result in fewer available affordably priced lots and homes for larger families because the cost of development puts the sales price of the home out of reach of families in the area. This proposal qualifies for the Housing and Jobs Growth Initiative given the submittal of a Cooperatively-Developed Plan, the target area is within a jobs growth and long commute area, and a low housing vacancy rate has been demonstrated.

Selection Standards

Project Feasibility

The proposal demonstrates reasonable development costs at \$196,710 per unit. While constructing and selling five units is feasible given the strong demand for workforce housing and recent sale of three community land trust (CLT) units in Worthington, risk will be mitigated through a pre-sale strategy. A unique approach in this project is the use of local tax increment financing (TIF) to reduce the development gap for the lots by subsidizing infrastructure costs.

Organizational Capacity

SWMHP now serves 36 Minnesota counties mostly in the southwest part of the state, and has capacity to deliver an array of housing activities including real estate development; owner-occupied rehabilitation; green construction/inspections; and homeownership services for underserved populations. Most of the organization's many past Community Revitalization/Impact Fund awards supported owner-occupied rehabilitation programs, though SWMHP does have past experience with the Partnership Community Land Trust.

Financial Worksheet

Applicant Name Southwest Minnesota Housing Partnership

Project Title: Worthington CLT

Location: Five undeveloped lots in the Morning View Addition subdivision, Worthington

Typical Unit Information

Unit Style	Split Level (1.5 Story)	
Ownership Type	Community Land Trust	
Finished SF	2300	
Typical Unit Stories	1.5	
Bedrooms	4	
Bathrooms	2	
<input checked="" type="checkbox"/> Garage?	# of Stalls	2

Typical Lot Size Information

Lot Width	135
Lot Depth	65
Lot SF	8775

General Information

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

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Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name Southwest Minnesota Housing Partnership

Project Title: Worthington CLT

Typical Unit Hard Costs

Land Acquisition	\$29,500.00
Structure Acquisition	\$0.00
Demolition	\$0.00
Site Preparation	\$0.00
General Construction	\$72,000.00
Interior Finishing	\$12,000.00
Exterior Finishing	\$8,000.00
Roofing	\$15,000.00
Electrical	\$9,500.00
Plumbing	\$8,500.00
Heating & Ventilation	\$9,250.00
Energy Conservation	\$4,000.00
Accessibility	\$0.00
Garage Construction	\$14,000.00
Lead Abatement	\$0.00
Contingency	\$500.00
Other Hard Costs	\$4,000.00
Total Hard Costs	\$186,250.00

Typical Unit Soft Costs

Holding Costs	\$1,000.00
Architect Fee	\$450.00
Legal Fees	\$0.00
Developer Fees	\$7,500.00
Other Fees	\$1,510.00
Total Soft Costs	\$10,460.00

Typical Total Development Cost (TDC)

Typical Per-Unit TDC	\$196,710.00
RFP Funded Units	5
Est. Project TDC	\$983,550.00

Sales Price Information

Appraised Value of Similar	\$169,900.00
Recent Sales Price of Similar	\$169,900.00
Anticipated Appraised Value	\$150,000.00
Anticipated Sale Price	\$150,000.00
Anticipated Mortgage Amount	\$150,000.00

Applicant Name Southwest Minnesota Housing Partnership

Project Title: Worthington CLT

Affordability Gap		Value Gap	
Anticipated Affordability Gap	\$0.00	Anticipated Value Gap	\$46,710.00
Impact Fund Aff. Gap per Unit		Impact Fund Value Gap per Unit	\$21,710.00
Number of Units		Number of Units	5
Impact Fund Total Aff. Gap		Impact Fund Total Value Gap	\$108,550.00
Maximum Amount			
Average Amount			

Board Agenda Item: 7.C.
Attachment: Project Summaries

Financial & Regulatory Leverage

Applicant Name Southwest Minnesota Housing Partnership

Project Title Worthington CLT

Financial Leverage

Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
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City Leverage	City of Worthington - TIF	
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Cash Committed	\$125,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Cash Committed	\$125,000.00	In Kind Committed
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Cash Pending		In Kind Pending
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Applicant Name: Habitat for Humanity of Minnesota
City of Applicant: Minneapolis
Name of Proposal: Habitat for Humanity of Minnesota- Impact Fund #1
Activity Type: New Construction
City/Cities:
County: Up to 50 Counties in Greater MN
RHAG Region: Statewide
Max Request: \$322,000.00

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 value gap funds on behalf of 23 Greater Minnesota affiliates serving 50 counties statewide. Impact Fund resources will be provided to Habitat affiliates to help new construct homes built in partnership with low income households that are either single headed households, households comprised of ethnic and/or racial minorities, or households which have a disabled family member. Historically, the Impact Fund contribution to the total development cost of a Habitat Minnesota home has averaged 11%, approximately \$14,564 per home. Affiliates and Habitat Minnesota partner families contribute the other 89% through cash and in-kind donations of materials, labor, homeowner sweat equity and thousands of volunteer hours on each Habitat build. Habitat Minnesota provides job training to volunteers on Minnesota Green Communities Criteria resulting in energy-efficient and sustainable housing. All housing will be built on in-fill lots using existing sewer and water infrastructure.

Justification

Habitat Minnesota used county-wide and city-wide data from the Community Profiles to guide them to geographic areas in Greater Minnesota that exhibit the following: a growing workforce, high median home sales price, lack of affordable rental housing, a high percentage of low-income families that are "cost-burdened," an increase in area job availability, and high job demand and vacancies for 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

In order to obtain the resources needed to build the homes, affiliates raise donations of cash, land, materials and professional labor. Habitat averages five qualified applicants for each habitat home and an average applicant pool size anywhere between 15-30 families per home. In Greater Minnesota, affiliates raise donations totaling over \$10 million annually from local communities, develop the sites and construct the homes, provide interest-free, 30-year mortgages, select each family and provide them with homeowner training before, during the building process and up to one year after they become homeowners. A key component to Habitat Minnesota's success is the management of thousands of volunteers who help with all aspects of the affiliates' work including home construction, board membership, family support, communications, funds development and financial oversight.

Organizational Capacity

Each Habitat Minnesota affiliate has an independent Board of Directors that is locally formed and governs under the umbrella of Habitat for Humanity International (HFH-I). A typical Habitat Minnesota affiliate has the following committees of the Board: Site Selection, Construction, Family Selection, Fund Development, Public Relations, Volunteer Relations, Church Relations, Family Support, Finance and Executive. Greater Minnesota affiliates have been selecting and supporting families, building homes and collecting homeowner mortgage payments for nearly 20 years. As of June 30th, 2012, Greater Minnesota Affiliates have built or rehabilitated 1001 homes since Habitat started constructing homes over 21 years ago.

Financial Worksheet

Applicant Name Habitat for Humanity of Minnesota

Project Title: Habitat for Humanity of Minnesota- Impact Fund #1

Location: Scattered Site Example

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	148
Lot Depth	66
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 of Minnesota- Impact Fund #1

Typical Unit Hard Costs		Typical Unit Soft Costs	
Land Acquisition	\$12,296.00	Holding Costs	\$190.00
Structure Acquisition	\$0.00	Architect Fee	\$0.00
Demolition	\$0.00	Legal Fees	\$150.00
Site Preparation	\$14,492.00	Developer Fees	\$4,000.00
General Construction	\$41,849.00	Other Fees	\$600.00
Interior Finishing	\$9,864.00	Total Soft Costs	\$4,940.00
Exterior Finishing	\$7,000.00		
Roofing	\$2,025.00	Typical Total Development Cost (TDC)	
Electrical	\$7,600.00	Typical Per-Unit TDC	\$129,768.00
Plumbing	\$2,360.00	RFP Funded Units	23
Heating & Ventilation	\$5,215.00	Est. Project TDC	\$2,984,664.00
Energy Conservation	\$3,348.00		
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		

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	\$79,500.00

Board Agenda Item: 7.C.
Attachment: Project Summaries

Applicant Name Habitat for Humanity of Minnesota

Project Title: Habitat for Humanity of Minnesota- Impact Fund #1

Affordability Gap		Value Gap	
Anticipated Affordability Gap	\$24,500.00	Anticipated Value Gap	\$25,768.00
Impact Fund Aff. Gap per Unit	\$0.00	Impact Fund Value Gap per Unit	\$14,000.00
Number of Units	23	Number of Units	23
Impact Fund Total Aff. Gap	\$0.00	Impact Fund Total Value Gap	\$322,000.00
Maximum Amount	\$0.00		
Average Amount	\$0.00		

Financial & Regulatory Leverage

Applicant Name Habitat for Humanity of Minnesota

Project Title Habitat for Humanity of Minnesota- Impact Fund #1

Financial Leverage

Activity Funded: Value Gap Financing

Source of Leverage	Organization Name	Est. Appr. Date
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Other	Homebuyer's Down Payment	
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Cash Committed	\$17,526.00	In Kind Committed
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Cash Pending		In Kind Pending
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Philanthropic Leverage	Habitat Affiliates cash and in-kind donations historical average	
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Cash Committed	\$2,016,870.00	In Kind Committed	\$607,683.00
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Cash Pending		In Kind Pending
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Cash Committed	\$2,034,396.00	In Kind Committed	\$607,683.00
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Cash Pending		In Kind Pending
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Regulatory Leverage

Incentive	Cost Savings per Unit	# of Units in Project	Total Project Cost Savings	Approval Date
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Total

2013 Single Family Consolidated RFP Summary

2013 Single Family Consolidated RFP Summary Spreadsheet

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	2% Interim Construction	Greater Minnesota Housing Fund	Metropolitan Council	Total Minnesota Housing Funding	Total Partner Funding	Total Funding
METRO AREA															
Minneapolis															
City of Lake CLT - CLT Homebuyer Initiative Program (HIP)	6		6	6	1	2	\$180,000						\$180,000	\$0	\$180,000
City of Lakes CLT - CLT/UDA Affordable Homeownership Project	2		2	2		1	\$200,000						\$200,000	\$0	\$200,000
City of Lakes CLT - 2105 Willow Ave N Duplex	1		1	1	1	1	\$82,100						\$82,100	\$0	\$82,100
CLCLT/Alliance Housing															
City of Minneapolis (CPED) - Green Homes North 3 -New construction	5		5	4	5	5	\$250,000						\$250,000	\$0	\$250,000
City of Minneapolis (CPED) - Rehab Support Program	8		8	6	4	7	\$104,350						\$104,350	\$0	\$104,350
Greater Metropolitan Housing Corp - Minneapolis NSP Community - Acq. Rehab	5		5	4	3	2	\$284,060						\$284,060	\$0	\$284,060
Greater Metropolitan Housing Corp - Minneapolis New construction			3	1	2	2	\$115,765						\$115,765	\$0	\$115,765
PRG, Inc. - Foreclosure Recovery Program III	8		8	8	7	6	\$200,000						\$200,000	\$0	\$200,000
Project for Pride in Living, Inc.- PPL Lowry Ave. N. Rowhouses	2		2	2	2	2	\$96,000			\$204,720			\$300,720	\$0	\$300,720
Twin Cities Habitat for Humanity - Jordan Area Neighborhood Revitalization Initiative			4	4	4	4	\$196,000						\$196,000	\$0	\$196,000
Total Minneapolis:	30	14	44	38	29	32	\$1,708,275	\$0	\$0	\$204,720	\$0	\$0	\$1,912,995	\$0	\$1,912,995
Saint Paul															
Dayton's Bluff NHS - The Village on Rivoli		5	5	1	5	5	\$230,770						\$230,770	\$0	\$230,770
City of St Paul-St. Paul Nghbrhd Investmnt Fund - Acq. Rehab	13		13	11	8	13	\$520,000					\$100,000	\$520,000	\$100,000	\$620,000
City of St Paul - St. Paul Nghbrhd Investmnt Fund - New construction		8	8	6	5	8	\$320,000					\$100,000	\$320,000	\$100,000	\$420,000
Greater Frogtown CDC - Frogtown Facelift Rehab Fund	11		11	11	11	11	\$198,000						\$198,000	\$0	\$198,000
Neighborhood Development Alliance - NeDA Home		2	2	1	2	2	\$85,000			\$300,000			\$385,000	\$0	\$385,000
Rebuilding Together Twin Cities - Payne-Phalen/Dayton's Bluff Rebuild	10		10	10	9	9	\$68,180						\$68,180	\$0	\$68,180
Twin Cities Community Land Bank LLC - Strategic Acq. of Vacant/Abandoned Property, Frogtown Rondo Home Fund	2		3	3	5	5	\$177,250						\$177,250	\$0	\$177,250
Total Saint Paul:	36	18	54	43	45	53	\$1,599,200	\$0	\$0	\$300,000	\$0	\$200,000	\$1,899,200	\$200,000	\$2,099,200
Minneapolis and Saint Paul															
Build Wealth, MN, Inc. - Family Stabilization Plan HOME Initiative DPA Only	5		5	10	7	5	\$120,000						\$120,000	\$0	\$120,000
Hennepin County HRA - Home Accessibility Ramp Program	35		35	30	22	22	\$141,890						\$141,890	\$0	\$141,890
Total Minneapolis and Saint Paul:	40	5	45	40	29	27	\$261,890	\$0	\$0	\$0	\$0	\$0	\$261,890	\$0	\$261,890
Suburbs															
Greater Metropolitan Housing Corp - Richfield		2	2	2			\$162,085						\$162,085	\$0	\$162,085
West Hennepin Affordable Housing Land Trust - Homes within Reach	7		7	7	2	0	\$266,000					\$100,000	\$266,000	\$100,000	\$366,000
Total Suburbs:	7	2	9	9	2	0	\$428,085	\$0	\$0	\$0	\$0	\$100,000	\$428,085	\$100,000	\$528,085
Total METRO AREA:	113	39	152	130	105	112	\$3,997,450	\$0	\$0	\$504,720	\$0	\$300,000	\$4,502,170	\$300,000	\$4,802,170

2013 Single Family Consolidated RFP Summary

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	2% Interim Construction	Greater Minnesota Housing Fund	Metropolitan Council	Total Minnesota Housing Funding	Total Partner Funding	Total Funding
GREATER MINNESOTA															
Central Region															
Total Central:	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Northeast Region															
One Roof - Cloquet CLT Acq-Rehab 2013	3		3	3	0	2	\$120,000	\$50,000					\$170,000	\$0	\$170,000
One Roof/HRA Duluth - At Home Duluth Acq- Rehab	8		8	8	6	8	\$75,000	\$320,000		\$42,500			\$395,000	\$42,500	\$437,500
One Roof/HRA Duluth - At Home Duluth OOR	15		15	15	7	15	\$300,000			\$51,000			\$300,000	\$51,000	\$351,000
Total Northeast:	26	0	26	26	13	25	\$420,000	\$125,000	\$320,000	\$93,500	\$0	\$0	\$865,000	\$93,500	\$958,500
Northwest Region															
Northwest Community Action, Inc. - New construction		5	5	1					\$296,005				\$296,005	\$0	\$296,005
Northwest Community Action, Inc.- Owner-Occupied Rehab	10		10	10			\$200,000			\$59,500			\$200,000	\$59,500	\$259,500
White Earth Reservation Housing Authority - White Earth Homeowner Rehab Project	17		17	17				\$255,000					\$255,000	\$0	\$255,000
Total Northwest:	27	5	32	28	0	0	\$200,000	\$255,000	\$296,005	\$59,500	\$0	\$0	\$751,005	\$59,500	\$810,505
Southeast Region															
Three Rivers Community Action - Home Matters 2.0 Phase II - Northfield	11		11	11	11	11	\$55,000				\$55,000		\$55,000	\$55,000	\$110,000
Total Southeast:	11	0	11	11	11	11	\$55,000	\$0	\$0	\$0	\$55,000	\$0	\$55,000	\$55,000	\$110,000
Southwest Region															
Hutchinson HRA - Revitalization Project		1	1				\$47,500						\$47,500	\$0	\$47,500
Lower Sioux Indian Community - Community Homeownership Initiative Phase II		4	4			4		\$435,600					\$435,600	\$0	\$435,600
Southwest MN Housing Partnership - Eagle Lake Manufactured Housing Initiative	10		10	10			\$114,400						\$114,400	\$0	\$114,400
Southwest MN Housing Partnership - Owner-Occupied Rehabilitation - Regional Pool	10		10	10		5	\$78,500			\$112,500			\$78,500	\$112,500	\$191,000
Southwest MN Housing Partnership - CLT - Worthington		5	5	5	0	5			\$108,550				\$108,550	\$0	\$108,550
Total Southwest:	20	10	30	25	0	14	\$240,400	\$435,600	\$108,550	\$100,000	\$112,500	\$0	\$884,550	\$112,500	\$997,050
West Central Region															
Total West Central:	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Multiple Regions/ Cities															
Habitat for Humanity of Minnesota - Impact Fund #1		23	23	23		6	\$322,000						\$322,000	\$0	\$322,000
Total Multiple Regions/Cities:	0	23	23	23	0	6	\$322,000	\$0	\$0	\$0	\$0	\$0	\$322,000	\$0	\$322,000
Total GREATER MINNESOTA:	84	38	122	113	24	56	\$1,237,400	\$815,600	\$724,555	\$100,000	\$320,500	\$0	\$2,877,555	\$320,500	\$3,198,055
Total STATEWIDE:	197	77	274	243	129	168	\$5,234,850	\$815,600	\$724,555	\$604,720	\$320,500	\$300,000	\$7,379,725	\$620,500	\$8,000,225

KEY:

Afford Units: Proposed units to serve households at or below 80% of area median income
Forecl Remed: Foreclosure Remediation
Comm Recovery: Community Recovery
*Units may achieve multiple priorities
EDHC: Economic Development & Housing Challenge Program

Note: All Co-Funder allocations are contingent upon individual board approval.



2013 Single Family RFP Non-Recommended Applications

Applicant - Development Name - Location	Dollars Requested
Greater Minnesota	
Northeast Region	
Arrowhead Economic Opportunity Agency Inc. - AEOA Comprehensive Housing Project	\$317,680
Total	\$317,680

Twin Cities Metropolitan Area	
Carver County Community Development Agency - Carver County Community Land Trust Expansion	\$500,000
Carver County Community Development Agency - Carver County DPA Program	\$150,000
City of Minneapolis (CPED) - Minneapolis Advantage	\$500,000
Community Neighborhood Housing Services - Community Keys, St. Paul	\$157,000
Greater Frogtown Community Development Corporation - Rebuilding Communities through Homeownership (Acquisition-Rehab), St. Paul	\$144,000
Greater Frogtown Community Development Corporation - Rebuilding Communities through Homeownership (New Construction), St. Paul	\$96,000
Greater Metropolitan Housing Corporation-Suburban Fix-Up Incentive Program, Minneapolis	\$152,000
Model Cities Community Development Corporation - Old Home MCASA Homes, St. Paul	\$600,000
Two River Community Land Trust - Homes to Trust, Washington County	\$63,000
Total	\$2,362,000

Statewide	
Neighborhood Energy Connection - High Impact Energy Loan, Statewide with focus in Eastern Twin Cities and St. Cloud	\$100,000
Total	\$100,000

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AGENDA ITEM: 7.D
MINNESOTA HOUSING BOARD MEETING
November 7, 2013

ITEM: Deferred Loans and Grants, Low and Moderate Income Rental (LMIR), Housing Tax Credit (HTC) Program, 2014 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:

Adopt the Resolutions authorizing the selection to approve for further processing the loans recommended for funding from Agency deferred loan resources and the Affordable Rental Investment Fund – Preservation (PARIF) program and for selection and reservation for Housing Tax Credit Year 2014 Round 1.

Adopt a motion to select loans for further processing under the Low and Moderate Income Rental (LMIR) and Flexible Financing for Capital Costs (FFCC) Programs.

Approve a request for waiver pursuant to Article 8.0 of the Qualified Allocation Plan (QAP) and Chapter 3.E of the 2014/2015 HTC Procedural Manual to allow the allocation of tax credits in an amount greater than \$1,000,000 for the Compass Pointe development.

FISCAL IMPACT:

In the 2014 Affordable Housing Plan (AHP), the Board allocated \$40 million in new activity for the LMIR program, including \$10 million from the Housing Investment Fund (Pool 2) and \$30 million for LMIR and LMIR Bridge Loan activity through tax-exempt bonding. The AHP also allocated \$4.5 million in new activity under the FFCC program (funded through the Housing Affordability Fund – Pool 3). Funding for these loans fall within the approved budget and the loans will be made at interest rates and terms consistent with what is described in the AHP.

All other deferred funding is from state appropriations and will not have any fiscal impact on the Agency's financial condition, and funding amounts are consistent with budgets and terms described in the current AHP.

The LMIR loan(s) will generate approximately \$695,000 in fee income (construction oversight and origination fees) as well as ongoing interest income to the Agency.

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

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
- Funding Recommendations: Consolidated, Detailed and Strategic Priority
- Development Summaries
- Funding Recommendation Map
- Average Loan Amounts Per Unit by Program
- Non-Selected Applications
- Resolutions

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 18, 2013 application deadline, Minnesota Housing and its funding partners received 72 proposals requesting approximately \$86 million in deferred loans, \$39 million in permanent first mortgage financing, and \$23 million in Agency-administered 2014 Round 1 competitive tax credits.

On April 4, 2013, the Board approved the 2014/15 Housing Tax Credit (HTC) Qualified Allocation Plan (QAP), procedural manual and timetables for applications. The total Minnesota tax credit allocation is approximately \$12,103,062. 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 \$8,193,459 in credit allocations including \$726,384 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 (2014 Round 2) will be held January 28, 2014 incorporating tax credits remaining or returned following the conclusion of 2014 Round 1. Based on the recommendations in this report regarding 2014 Round 1 tax credits, the Agency will have a remaining tax credit balance of \$226,742.

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:

According to data from the Census Bureau's 2000 Decennial Census and annual American Community Survey, 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 2012. Among low-income renters (with incomes of less than \$50,000), which represent 71% of Minnesota renters, 66% 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 2013 County Profiles indicate that 84 of Minnesota's 87 counties do not have enough available rental housing affordable 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 84 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 to be optimal. According to the quarterly *Apartment Trends* report from Marquette Advisors, as of the end of the second quarter of calendar year 2013, the rental vacancy rate in the metro area was slightly lower than one year ago, at 2.7% and 2.3%, respectively. Corresponding to a decrease in the rental vacancy rate from second quarter 2012 to second quarter 2013, the average market rent has increased from \$951 to \$979 over the year.

In Greater Minnesota, for subsidized, affordable housing units in Minnesota Housing and USDA Rural Development's portfolios, average vacancy rates decreased from 4.9% in 2012 to 2.5% in 2013. According to data from the Census Bureau's 2007-2011 American Community Survey, median rent in Greater Minnesota was \$590, similar to the 2010 level.

There have been fewer units constructed over recent years, 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 2005 levels.

According to Housing Link, there were 17,895 mortgage foreclosures in 2012, down from 21,298 in 2011. The 2012 figure is still much higher than the pre-housing crisis level – in 2005 Minnesota saw fewer than 7,000 foreclosures.

While the state's unemployment rate has declined, it was still high at 5.2% as of July 2013. While unemployment rates have declined, labor force participation has also trended downward since January 2006, when the participation rate was 73.2%, and as of July 2013 had fallen to 70.5%.

With these factors causing continuing pressure in the rental housing market, the need for affordable rental housing in Minnesota continues. The Census Bureau's 2012 American Community Survey estimates that there are approximately 265,000 low-income cost burdened renter households in Minnesota.

SELECTIONS:

Of the 72 applications received, staff is recommending funding for 29* proposals, with deferred loan financing, first mortgage permanent financing and tax credits recommended as follows (funding type requests are not mutually exclusive):

Funding Type	Proposals	Total
LMIR Permanent First Mortgage Financing	9	\$13,420,766
Minnesota Housing Deferred Loan Capital	18	\$17,682,023
Housing Tax Credits (annual)	16	\$7,966,717
Funding Partner Contributions	11	\$3,267,480

*While the 2013 MF RFP Detailed Funding Recommendations attachment shows 30 developments, Forest Oak Phase II is a suballocator tax credit development, included for information only.

Low and Moderate Income Rental Program (LMIR)

LMIR developments recommended for selection will be funded through the Housing Investment Fund, Pool 2. The mortgage terms will be up to 30 years with 30 year amortizations. 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 rate (currently 5.25 percent). Several developments are also being recommended for deferred funding through the Flexible Financing for Capital Costs program, which is funded through the Housing Affordability Fund – Pool 3 and is available only in conjunction with LMIR loans. LMIR and FFCC loans selected through this RFP are being approved for further processing and

underwriting and the quoted interest rate will be honored as long as the project receives Board Commitment within 12 months and closes or enters into an End Loan Commitment within six months.

Geographic Distribution of Proposals Recommended

Of the 29 recommended proposals, 17 are located in the seven-county Twin Cities area, including 10 in the cities of Minneapolis and St. Paul and seven in suburban locations. The remaining 12 proposals are located in Greater Minnesota:

Project Location	Recommended Proposals	Percentage of Total	Recommended Amount	Percentage of Total
Metro	17	58.6 percent	\$25,089,699	59.3 percent
<i>Central city</i>	10	34.5 percent	\$14,456,415	34.1 percent
<i>Suburban</i>	7	24.1 percent	\$10,633,284	25.1 percent
Greater Minnesota	12	41.4 percent	\$17,247,287	40.7 percent
Total	29	100 percent	\$42,336,986	100 percent

The sixteen Housing Tax Credit (HTC) recommended proposals will generate approximately \$70 million in equity, assuming the current investment of \$.82-.91 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	37.5 percent	\$31,375,509	44.9 percent
<i>Central city</i>	2	12.5 percent	\$6,270,059	9.0 percent
<i>Suburban</i>	4	25.0 percent	\$25,105,449	35.9 percent
Greater Minnesota	10	62.5 percent	\$38,498,794	55.1 percent
Total	16	100 percent	\$69,874,303	100 percent

MEETING AGENCY PRIORITIES

Of the 1,630 total units recommended for Board approval, 1478 units meet the following Agency priorities.

Preserve federally-subsidized rental housing

540 units recommended for Board approval meet the Agency priority of preserving federally-subsidized rental housing. Preserving these units will leverage a present value of over \$42 million in federal rent subsidies during a 30 year period.

Address specific and critical needs in rental housing markets

636 units meet the Agency priority of addressing critical needs in rental housing markets by providing new affordable housing opportunities. 302 units meet the Agency priority of addressing critical needs in rental housing markets by preserving existing affordable housing.

Prevent and end 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. However, while the rate slowed significantly in the metro region (1%), the rate has increased faster in greater Minnesota (28%), and families with children are the fastest growing segment of the long-term homeless population. Board approval of the 2013 Multifamily recommendations will advance 91 new housing opportunities for households with long histories of homelessness. Forty of these units will serve families and 23 units are in greater Minnesota. Approval of these new units will also mark the significant achievement of the business plan's production goal of 4,000 new housing opportunities, for a total of 4,027 units.

Prevent foreclosures and support community recovery

300 units meet the Agency priority of preserving foreclosures and supporting community recovery.

TRENDS

The number of RFP applications this year (72 proposals) is higher than the 66 proposals received last year. The increase in RFP applications over last year may be a result of the governor's new Housing and Jobs Growth Initiative, the Agency's revised preservation initiative, meeting the needs of the senior population, and the demand for development along the transit corridors.

Four developments, representing 263 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, 48% of the recommended units are preservation/rehabilitation, compared to 39% in 2012.

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. 541 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 311 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 Ave and I-35W BRT lines .

Minnesota Housing Multifamily Cost per Unit Analysis

Staff analyzes all proposals on a total and per unit cost basis using a Predictive Cost Model developed by Minnesota Housing research staff as one way to identify proposals having costs higher than might be expected. One development, Saint Anne's Senior Housing, which involves only refinancing, was not analyzed using the predictive model, as the model is intended to predict the total development costs of projects that involve construction and/or rehabilitation, and not to predict the costs of refinance-only projects. 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%. This year, no developments exceeded the predicted costs by more than 25%.

Housing Tax Credit Waiver of Development Allocation Credit Limits:

Article 8.0 of the 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 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 \$1,055,000 for Compass Pointe submitted by Connelly Development, LLC and Compass Pointe, LLC / Ronald Clark (GP). The amount of the waiver request is \$55,000.

This 68 unit development requesting \$1,055,000 in tax credits is supported by the City of New Hope and furthers the goals in its Consolidated Plan that provides for community revitalization. The development also includes four units serving long term homeless households. 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 source.

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2013 Multifamily RFP: Consolidated Funding Recommendations

Project Name	Total Units	Developer Name	City	LMIR	Minnesota Housing Deferred	Funding Partner Deferred	Estimated Syndication	Other Sources	Total Development Cost
METRO									
Minneapolis									
The Lonoke	19	Beacon Interfaith Housing Collaborative	Minneapolis		\$470,000		\$1,236,861	\$1,251,906	\$2,958,767
Ebenezer Tower Apartments	192	Ebenezer Society	Minneapolis		\$1,851,853		\$10,353,659	\$7,983,427	\$20,188,939
Saint Anne's Senior Housing	61	CommonBond Communities	Minneapolis	\$716,258	\$500,000			\$3,347,533	\$4,563,791
The Cameron	44	Schaefer Richardson, Inc	Minneapolis		\$500,000	\$200,000	\$2,628,000	\$7,141,271	\$10,469,271
PPL DECC Recapitalization	51	Project for Pride in Living Inc.	Minneapolis		\$800,000	\$400,000	\$6,327,902	\$2,863,780	\$10,391,682
The Commons at Penn Avenue	45	Building Blocks Non Profit, Inc	Minneapolis		\$1,249,975	\$350,000	\$3,381,356	\$5,257,418	\$10,238,749
Saint Paul									
Elders Lodge Preservation Project	43	Elders Lodge, Inc	Saint Paul		\$362,785			\$700,000	\$1,062,785
Hamline Station -- Mixed Use	57	PPL (Project for Pride in Living, Inc)	Saint Paul	\$2,143,258	\$3,240,000		\$2,753,415	\$4,576,408	\$12,713,081
Hamline Station - Family Housing	51	PPL (Project for Pride in Living, Inc)	Saint Paul			\$600,000	\$9,598,222	\$3,146,858	\$13,345,080
Mt. Airy Public Housing Four-Plex	4	St Paul PHA	Saint Paul		\$360,000			\$421,369	\$781,369
Suburbs									
Maple Knoll Townhomes	57	NFAHS Development, LLC	Maplewood				\$5,490,029	\$6,107,023	\$11,597,052
The Groves	72	Shelter Corporation	Cottage Grove	\$1,540,000			\$5,218,156	\$225,000	\$6,983,156
Forest Oak Phase II	36	MWF Properties	Forest Lake				\$4,950,000	\$2,599,232	\$7,549,232
Compass Pointe	68	Connely Development LLC (Ron Clark)	New Hope	\$2,709,250			\$9,599,540	\$167,048	\$12,475,838
Lyndale Gardens	151	The Cornerstone Group, LLC	Richfield		\$451,000	\$400,000	\$1,585,135	\$32,902,122	\$35,338,257
Medina	32	Dominium Development	Medina	\$960,000			\$5,173,786	\$779,610	\$6,913,396
Clare Terrace	36	Clare Housing	Robbinsdale		\$854,700	\$200,000	\$4,842,333	\$1,891,076	\$7,788,109
Lakeshore Townhomes	50	Dakota County Community Development Agency	Eagan		\$502,155	\$200,000	\$8,061,869	\$2,593,645	\$11,357,669
Total METRO AREA:	1069			\$8,068,766	\$11,142,468	\$2,350,000	\$81,200,263	\$83,954,726	\$186,716,223

2013 Multifamily RFP: Consolidated Funding Recommendations

Project Name	Total Units	Developer Name	City	LMIR	Minnesota Housing Deferred	Funding Partner Deferred	Estimated Syndication	Other Sources	Total Development Cost
GREATER MINNESOTA									
CMIF									
Coachman Ridge Apartments	52	Duffy Development Company, Inc.	Elk River	\$1,400,000	\$795,397		\$7,514,178		\$9,709,575
NEMIF									
Lincoln Park Apartments	50	Sherman Associates Development, LLC	Duluth				\$7,915,041	\$1,839,434	\$9,754,475
Ripple River Townhomes	32	CommonBond Communities	Aitkin			\$230,000	\$2,820,396	\$2,417,929	\$5,468,325
NWMIF									
Northland Apartments	22	D.W. Jones, Inc.	Warroad				\$919,731	\$941,325	\$1,861,056
Greenwood Terrace	26	DW Jones	Thief River Falls				\$965,602	\$1,167,423	\$2,133,025
River Pointe Townhomes	24	D.W. Jones, Inc.	Thief River Falls	\$540,000	\$554,451		\$3,209,587		\$4,304,038
Red Lake Homes XII	40	Red Lake Reservation Housing Authority	Red Lake Indian Reservation				\$4,506,645	\$2,781,955	\$7,288,600
Tamarack Place	40	SCI Associates, LLC	Roseau	\$1,582,000	\$2,400,000	\$320,000	\$634,455	\$696,299	\$5,632,754
SEMIF									
Gus Johnson Plaza	108	NFAHS Development, LLC	Mankato		\$1,000,000		\$3,190,633	\$7,513,247	\$11,703,880
Highland Commons	41	Bachand Group, Inc	Arlington		\$932,493	\$228,000	\$2,974,363	\$275,409	\$4,410,265
SWMIF									
Highland Apartments	78	Southwest Minnesota Housing Partnership (SWMHP)	Willmar	\$1,830,000		\$139,480	\$3,618,143	\$484,773	\$6,072,396
Street E Townhomes	48	Southwest Minnesota Housing Partnership (SWMHP)	Jackson		\$857,214		\$4,029,805	\$2,409,090	\$7,296,109
WCMIF									
Total GREATER MINNESOTA	561			\$5,352,000	\$6,539,555	\$917,480	\$42,298,579	\$20,526,884	\$75,634,498
Total STATE WIDE:	1630			\$13,420,766	\$17,682,023	\$3,267,480	\$123,498,842	\$104,481,610	\$262,350,721

2013 Multifamily RFP: Detailed Funding Recommendations

		Minnesota Housing Capital Funding										Funding Partners						
Project Name	Total Units	Developer Name	City	LMIR	FFCC	PARIF	EDHC	EDHC WorkForce MF	EDHC Indian Set -aside	9% HTC-MHFA	9% HTC-Suballocator*	4% HTC**	HOME HARP	Family Housing	MN DEED	Met Council LHIA	GMHF	
METRO																		
Minneapolis																		
The Lonoke	19	Beacon Interfaith Housing Collaborative	Minneapolis				\$470,000				\$109,319							
Ebenezer Tower Apartments	192	Ebenezer Society	Minneapolis							\$647,436	\$522,586		\$1,851,853					
Saint Anne's Senior Housing	61	CommonBond Communities	Minneapolis	\$716,258	\$500,000													
The Cameron	44	Schaefer Richardson, Inc	Minneapolis				\$500,000					\$306,087				\$200,000		
PPL DECC Recapitalization	51	Project for Pride in Living Inc.	Minneapolis				\$800,000				\$744,459			\$200,000		\$200,000		
The Commons at Penn Avenue	45	Building Blocks Non Profit, Inc	Minneapolis				\$1,249,975					\$384,245		\$350,000				
Saint Paul																		
Elders Lodge Preservation Project	43	Elders Lodge, Inc	Saint Paul					\$362,785										
Hamline Station -- Mixed Use	57	PPL (Project for Pride in Living, Inc)	Saint Paul	\$2,143,258	\$3,240,000							\$305,935						
Hamline Station - Family Housing	51	PPL (Project for Pride in Living, Inc)	Saint Paul							\$64,850	\$1,025,857			\$400,000		\$200,000		
Mt. Airy Public Housing Four-Plex	4	St Paul PHA	Saint Paul				\$360,000											
Suburbs																		
Maple Knoll Townhomes	57	NFAHS Development, LLC	Maplewood							\$610,071								
The Groves	72	Shelter Corporation	Cottage Grove	\$1,540,000							\$425,158							
Forest Oak Phase II	36	MWF Properties	Forest Lake								\$104,317							
Compass Pointe	68	Connelly Development LLC (Ron Clark)	New Hope	\$2,709,250						\$1,055,000								
Lyndale Gardens	151	The Cornerstone Group, LLC	Richfield											\$200,000				
Miedina	32	Dominium Development	Miedina	\$960,000				\$451,000		\$587,989								
Clare Terrace	36	Clare Housing	Robbinsdale				\$854,700			\$563,119						\$200,000		
Lakeshore Townhomes	50	Dakota County Community Development Agency	Eagan				\$502,155				\$886,017					\$200,000		
Total METRO AREA:	1069			\$8,068,766	\$3,740,000	\$0	\$4,736,830	\$451,000	\$362,785	\$3,528,465	\$3,817,713	\$1,172,656	\$1,851,853	\$1,150,000	\$0	\$1,200,000	\$0	\$0

2013 Multifamily RFP: Detailed Funding Recommendations

Project Name	Total Units	Developer Name	City	Minnesota Housing Capital Funding										Funding Partners			
				LMIR	FFCC	PARIF	EDHC	EDHC WorkForce MF	EDHC Indian Set -aside	9% HTC-MHFA	9% HTC-Suballocator*	4% HTC**	HOME HARP	Family Housing	MN DEED	Met Council LHIA	GMHF
GREATER MINNESOTA																	
CMIF																	
Coachman Ridge Apartments	52	Duffy Development Company, Inc.	Elk River	\$1,400,000	\$795,397					\$873,829							
NEMIF																	
Lincoln Park Apartments	50	Sherman Associates Development, LLC	Duluth							\$879,449							
Ripple River Townhomes	32	CommonBond Communities	Aitkin							\$327,953						\$230,000	
NWMIF																	
Northland Apartments	22	D.W. Jones, Inc.	Warroad							\$111,496							
Greenwood Terrace	26	DW Jones	Thief River Falls							\$114,027							
River Pointe Townhomes	24	D.W. Jones, Inc.	Thief River Falls	\$540,000					\$554,451	\$389,088							
Red Lake Homes XII	40	Red Lake Reservation Housing Authority	Red Lake Indian Reservation							\$539,772							
Tamarack Place	40	SCI Associates, LLC	Roseau	\$1,582,000					\$2,400,000				\$68,372			\$320,000	
SEMIF																	
Gus Johnson Plaza	108	NFAHS Development, LLC	Mankato										\$346,843	\$1,000,000			
Highland Commons	41	Bachand Group, Inc	Arlington			\$932,493				\$344,939					\$228,000		
SWMIF																	
Highland Apartments	78	Southwest Minnesota Housing Partnership (SWMHP)	Willmar	\$1,830,000						\$409,943					\$139,480		
Street E Townhomes	48	Southwest Minnesota Housing Partnership (SWMHP)	Jackson						\$857,214	\$447,756							
WCMIF																	
Total GREATER MINNESOTA	561			\$5,352,000	\$795,397	\$932,493	\$0	\$3,811,665	\$0	\$4,438,252	\$0	\$415,215	\$1,000,000	\$0	\$367,480	\$0	\$550,000
Total STATE WIDE:	1630			\$13,420,766	\$4,535,397	\$932,493	\$4,736,830	\$4,262,665	\$362,785	\$7,966,717	\$3,817,713	\$1,587,871	\$2,851,853	\$1,150,000	\$367,480	\$1,200,000	\$550,000

*Subject to City/County Board Approvals

**For all developments except Gus Johnson Plaza, which will use Minnesota Housing as bond issuer, bonding authority is expected to come from applicable local communities, and authority is subject to City/County Board approvals.

2013 Multifamily RFP: Strategic Priorities

Project Name	Total Units			Pres Fed	Pres HTC	Pres/Rehab	New Aff Units	End LTH	Foreclosure	TOD	Senior	Market Rate Units	Developer Name	City
	19	91	101											
METRO AREA														
Minneapolis														
The Lonoke	19		19					10					Beacon Interfaith Housing Collaborative	Minneapolis
Ebenezer Tower Apartments	192	91	101					20			192		Ebenezer Society	Minneapolis
Saint Anne's Senior Housing	61		61					4	61		61		CommonBond Communities	Minneapolis
The Cameron	44					44				44			Schaefer Richardson, Inc	Minneapolis
PPL DECC Recapitalization	51	2	49					11					Project for Pride in Living Inc.	Minneapolis
The Commons at Penn Avenue	45					45			45				Building Blocks Non Profit, Inc	Minneapolis
Saint Paul														
Elders Lodge Preservation Project	43	43									43		Elders Lodge, Inc	Saint Paul
Hamline Station -- Mixed Use	57					57		4		57			PPL (Project for Pride in Living, Inc)	Saint Paul
Hamline Station - Family Housing	51					51		4		51			PPL (Project for Pride in Living, Inc)	Saint Paul
Mt. Airy Public Housing Four-Plex	4					4				4			St Paul PHA	Saint Paul
Suburbs														
Maple Knoll Townhomes	57	57						4					NFAHS Development, LLC	Maplewood
The Groves	72		72					4					Shelter Corporation	Cottage Grove
Forest Oak Phase II	36												MWF Properties	Forest Lake
Compass Pointe	68					68		4	68	68			Connelly Development LLC (Ron Clark)	New Hope
Lyndale Gardens	151					35				35		116	The Cornerstone Group, LLC	Richfield
Medina	32					32		4					Dominium Development	Medina
Clare Terrace	36					36		7					Clare Housing	Robbinsdale
Lakeshore Townhomes	50					50							Dakota County Community Development Agency	Eagan
Total METRO AREA:	1069	193	302	0	302	422		76	174	259	296	116		

2013 Multifamily RFP: Strategic Priorities

Project Name	Total Units	Pres Fed	Pres HTC	Pres Rehab	New Aff Units	End LTH	Foreclosure	TOD	Senior	Market Rate Units	Developer Name	City
GREATER MINNESOTA												
CMIF												
Coachman Ridge Apartments	52				52	4	52	52			Duffy Development Company, Inc.	Elk River
NEMIF												
Lincoln Park Apartments	50				50	7	50				Sherman Associates Development, LLC	Duluth
Ripple River Townhomes	32	32				4					CommonBond Communities	Aitkin
NWMIF												
Northland Apartments	22	22									D.W. Jones, Inc.	Warroad
Greenwood Terrace	26	26							26		DW Jones	Thief River Falls
River Pointe Townhomes	24				24	4	24				D.W. Jones, Inc.	Thief River Falls
Red Lake Homes XII	40	40									Red Lake Reservation Housing Authority	Red Lake Indian Reservation
Tamarack Place	40				40						SCI Associates, LLC	Roseau
SEMIF												
Gus Johnson Plaza	108	108							108		NFAHS Development, LLC	Mankato
Highland Commons	41	41							33		Bachand Group, Inc	Arlington
SWMIF												
Highland Apartments	78	78							78		Southwest Minnesota Housing Partnership (SWMHP)	Willmar
Street E Townhomes	48				48	4					Southwest Minnesota Housing Partnership (SWMHP)	Jackson
WCMIF												
Total GREATER MINNESOTA	561	347	0	0	214	23	126	52	245	0		
Total STATE WIDE:	1630	540	0	302	636	99	300	311	541	116		

RFP Development Summary Selected Applications: November 2013

Developer Name: Beacon Interfaith Housing Collaborative	Project City: Minneapolis
Project Name: The Lonoke	Dev #: D0837
	App #: M16624

Purpose of Project

The Lonoke application submitted by Beacon proposes the acquisition and renovation of a 19 unit development just south of Downtown Minneapolis. The property consists of one three-story walk-up building with one-bedroom units. The development furthers Minnesota Housing's long-term homeless selection priority and includes a partnership with Simpson Housing Services and Spectrum to provide rent assistance and services for the 10 units reserved for households who have experienced long-term homelessness ("LTH").

Targeted Population

The development will primarily target single adults, and is expected to serve the immigrant population. The development will reserve 10 units for single households who have experienced long-term homelessness. Ten of the 19 households will have incomes equal or less than 30% of the area median income ("AMI"), and the remaining nine households will have incomes equal or less than 50% AMI.

Per Unit Costs

Acquisition or Refinance: \$59,000
 Construction or Rehabilitation (including Environmental) \$62,755.
 Soft Costs (excluding Reserves) \$25,461.
 Non-Mortgageable Costs (excluding Reserves): \$0.
 Reserves: \$8,509.
 Total Development Cost: \$155,725..

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Long Term Homeless Single	10	
Preservation		19

Total Capital Funding Sources

Sources	Amount
Equity from Federal Historic	\$271,604
Equity from State Historic	\$271,604
Syndication Proceeds*	\$1,236,861
EDHC	\$470,000
City of Minneapolis - AHTF	\$432,523
Housing 150	\$75,000
FHLB AHP	\$68,567
Hennepin County ERF	\$64,000
GP Contribution	\$68,608

Super RFP Funding

Capital Funds	Amount
EDHC MF	470,000
Subsidy Funds	
<null>	<null>

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	9	\$703	50% AMI
1BR	1	\$670	30% AMI
1BR	3	\$670	30% AMI
1BR	6	\$670	30% AMI

Total Sources: **\$2,958,767**

Total Recommended: **\$470,000**

Total: **19**

RFP Development Summary Selected Applications: November 2013

Developer Name:	Ebenezer Society	Project City:	Minneapolis
Project Name:	Ebenezer Tower Apartments	Dev #:	D3370
		App #:	M16625

Purpose of Project

Ebenezer Tower is a 23-story, 192-unit, high-rise apartment building located in South Minneapolis. It was constructed in 1970 and is a mixed income property that is age restricted to seniors ages 62 and over. Of the 192 units, 91 units have the benefit of a Project Based Section 8 contract and the remaining 101 units are affordable to low income seniors. Through a related-party transaction, Ebenezer Society proposes to acquire and rehab the development to address critical life-safety issues in order to preserve the 91 units of project based federal assistance. This development meets the Agency's priority for preservation of federally assisted units as well as for ending long term homelessness. Preservation of the 91 Section 8 units results in leveraging a present value of \$10,072,000 in federal rent subsidies over the next 30 years.

Targeted Population

Residents are aged 62 and older, with up to 19 units being available for residents between 50 and 61 (under a 3 year waiver from HUD). The property will deem 20 units to serve individuals experiencing long term homelessness plus an additional 20 units to serve formerly homeless individuals. The existing residents typically have incomes at or less than 50% AMI, many with incomes at or below 30% AMI, with Social Security or disability insurance being the primary source of income for many tenants. The property has been approved for up to 39 residents to be subsidized under the Group Residential Housing (GRH) program through Hennepin County. Ebenezer Tower is already serving a vulnerable population, many of whom were formerly homeless. Services are available for very low income seniors who have been homeless, veterans, disabled or persons with mental health issues, and seniors aging in place, and many need home services.

Per Unit Costs

Acquisition or Refinance: \$32,500;
 Construction or Rehabilitation (including Environmental): \$49,211;
 Soft Costs (excluding Reserves): \$9,976;
 Non-Mortgageable Costs (excluding Reserves): \$0;
 Reserves: \$13,464;
 Total Development Cost: \$105,151.

Strategic Goals

Strategic Goal	New Const Units	Rehab
Long Term Homeless Single		20
Preservation		101
Preservation / Family		91

Total Capital Sources

Super RFP Funding

Rent Information

Sources		Capital Funds		Unit Type	Unit Count	Gross Rent	Rent Restrictions
Syndication Proceeds*	\$10,353,659	HOME Affordable Rental (HOME HARP)	\$1,851,853	0BR/SRO	33	\$564	50% AMI
City of Minneapolis-AHTF	\$2,093,427			0BR/SRO	34	\$503	60% AMI
FHILA-AHP	\$500,000			0BR/SRO	5	\$432	30% AMI
Seller Note	\$4,640,000			1 BR	5	\$927	60% AMI
Hennepin County – AHIF	\$400,000			1 BR	1	\$927	60% AMI
GP Equity (sales tax rebate)	\$150,000			1 BR	42	\$781	50% AMI
Additional AHTF	\$200,000			1 BR	36	\$697	60% AMI
HOME Affordable Rental (HOME HARP)	\$1,851,853			1 BR	4	\$681	50% AMI
				1 BR	12	\$681	50% AMI
				1 BR	18	\$608	60% AMI
				2 BR	2	\$901	60% AMI
Total Sources	\$20,188,939	Total Recommended	\$1,851,853	Total	192		

RFP Development Summary

Selected Applications: November 2013

Developer Name:	CommonBond Communities	Project City:	Minneapolis
Project Name:	Saint Annes Senior Housing	Dev #:	D3675
		App #:	M16582

Purpose of Project

The application for St. Anne's is the refinance of an existing LIHTC development with 61 units for low and moderate income seniors in North Minneapolis. Built in 2006, the development has 13 efficiency units, 30 one bedroom units, and 18 two bedroom units. The property is currently owned by a limited partnership, of which CommonBond Communities (CommonBond) is the general partner. The current financing structure has Minneapolis-issued private activity bonds (purchased by US Bank), 4% tax credits, and tax increment financing (TIF). Additionally, the City of Minneapolis, Hennepin County, Family Housing Fund and Minnesota Housing have provided a total of \$3.5 million in deferred debt to the development. St. Anne's was originally developed with St. Anne's parish as the general partner but by 2009, the financial performance of the project was failing, and CommonBond was brought in to be the new general partner. Over-optimistic projections during the initial development phase resulted significant overleveraging. This has led to on-going operating shortfalls for both property expenses and first mortgage debt payments. While CommonBond has stabilized the development and been supporting it, the development is now in technical default with US Bank. St. Anne's has been referred to the Interagency Stabilization Group which supports reducing the amortizing debt for the health of the property. The development is a priority due to its location in both transportation and foreclosure priority areas, as well as preserving the significant public funding already invested.

Targeted Population

The target population is low and moderate income seniors (over 55). The current average age is 67. Many residents are still in the workforce, though a substantial portion of residents have incomes of less than 30% of AMI. Existing rent restrictions are 50-60% for income and 50-60% for rent. Rents being charged are between 29%-49% of area median income (AMI). Four units are currently set aside for residents who have experienced long term homelessness

Per Unit Costs	Strategic Goals															
Refinance Costs: \$73,770; Soft Costs: \$636; Reserves: \$410. The per unit cost is \$74,816 However, this amount includes \$1 million for the potential cost and then anticipated forgiveness of the US Bank prepayment penalty. Without the penalty, the per unit cost for the refinancing would be \$58,900. The refinancing would achieve a resized amortizing debt of \$11,700 per unit compared the current outstanding amortizing debt of \$57,000 per unit.	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 10%; text-align: center;">New Const.</th> <th style="width: 10%; text-align: center;">Rehab</th> </tr> <tr> <th style="text-align: left;">Strategic Goal</th> <th style="text-align: center;">Units</th> <th style="text-align: center;"></th> </tr> </thead> <tbody> <tr> <td>Foreclosure</td> <td style="text-align: center;">61</td> <td></td> </tr> <tr> <td>Long Term Homeless Single</td> <td style="text-align: center;">4</td> <td></td> </tr> <tr> <td>Preservation</td> <td></td> <td style="text-align: center;">61</td> </tr> </tbody> </table>		New Const.	Rehab	Strategic Goal	Units		Foreclosure	61		Long Term Homeless Single	4		Preservation		61
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RFP Development Summary

Selected Applications: November 2013

Developer Name:	Schafer Richardson, Inc.	Project City:	Minneapolis
Project Name:	The Cameron	Dev #:	D7572
		App #:	M16573

Purpose of Project

The Cameron proposal is for the adaptive re-use of a former cold storage warehouse facility on the edge of downtown Minneapolis in the North Loop Neighborhood into affordable apartments. This building has a historical significance for its ties to legendary engineer Claude Allen Porter (CAP) Turner. It has received Part I approval for eligibility of listing on the National Historical Register and an application to the State Historic Preservation Office (SHPO) for the Federal Part II and State Part A is in process. When redeveloped, The Cameron will include 44 units of workforce housing with rents restricted at 50% and 60% AMI. On site surface parking will be available for the tenants for a monthly fee. This elevator building will be comprised of 23 studio apartments, 17 one and four two-bedrooms. The site is west of Target Field in the warehouse district. The existing building, built in 1910, is currently vacant and is next to a freeway access road with convenient access to major arterial and commuting routes. Planned amenities include a laundry room, fitness center, storage and outdoor patio.

Targeted Population

The target population will be individuals with incomes at 60% AMI. The likely market for the project will be a diverse population including households of color, and single heads of households earning between \$19,200 and \$44,460 annually. The residents are expected to work for area employers including Target Corporation, Fairview Hospital, Minneapolis School District, Children Hospital, University of MN and local retailers such as Target.

Per Unit Costs

Acq. or Refinance: \$23,182;
Construction or Rehabilitation (including environmental & Contingency): \$138,823;
Soft Costs (excluding Reserves): \$65,136;
Non-Mortgageable Costs (excluding Reserves): \$0;
Reserves: \$10,797;
Total Development Cost: \$237,938 per unit.

Strategic Goals

Strategic Goal	New Const.	
	Units	Rehab
New Affordable Housing	44	

Total Capital Funding Sources

Sources	Amount
MN Hsg RFP Additional gap	\$381,078
Syndication Proceeds*	\$2,628,000
CPED AHTF	\$430,000
EDHC	\$500,000
Met Council TBRA	\$14,000
Hennepin County ERF	\$218,000
Land Note From Developer	\$650,765
Federal Historic Tax Credit	\$1,351,499
State Historic Tax Credit	\$1,351,499
HUD Insured 1st Mtg - TEB	\$2,175,322
Deferred Developer Fee	\$569,108
Met Council LHIA	\$200,000
Total Sources:	\$10,469,271

Super RFP Funding

Capital Funds	Amount
EDHC MF	500,000
Met Council LHIA	200,000
Subsidy Funds	Amount
<null>	<null>
Total Recommended:	\$700,000

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
0BR/SRO	9	\$839	60% AMI
0BR/SRO	12	\$721	50% AMI
0BR/SRO	2	\$592	50% AMI
1BR	14	\$899	60% AMI
1BR	1	\$899	60% AMI
1BR	2	\$736	50% AMI
2BR	3	\$1,078	60% AMI
2BR	1	\$920	50% AMI
Total:	44		

RFP Development Summary

Selected Applications: November 2013

Developer Name:	Project for Pride in Living Inc	Project City:	Minneapolis
Project Name:	PPL DECC Recapitalization	Dev #:	D7591
		App #:	M16618

Purpose of Project

Project For Pride In Living's (PPL) DECC Recapitalization development is the aggregation, acquisition, and rehabilitation of 51 scattered site units that are currently owned by four separate entities controlled by PPL. The units are in 9 buildings in south Minneapolis, primarily in the Central and Ventura Village neighborhoods. The buildings include 9 one bedroom units, 25 two bedroom units, 9 three bedroom units, and 8 four bedroom units. The number of units per property range from 2-24 units, and the buildings were constructed between 1887-1950 (est.). Many of the buildings require extensive renovation of both systems and finishes, interior and exterior. The development meets the priorities of preservation of affordable housing, and creates new long term homeless units. The development is a priority project for the Interagency Stabilization Group, which has been monitoring the development in recent years.

Targeted Population

The units are targeted at households earning less than 50% of the area median income. There are a substantial portion of residents with Section 8 vouchers. The eleven long term homeless units will be targeted to households earning 30% of or less of the area median income.

Per Unit Costs

Per unit Acquisition Costs: \$54,378;
 Rehabilitation Costs (including environmental): \$108,023;
 Soft Costs: \$ 31,325;
 Reserves: \$10,031.
 The per unit cost for the development is \$203,758.
 However, the range by building is \$171,000-\$365,000. The per unit costs vary due to the extensive nature of the rehabilitation, the nine separate buildings (some with only two units) and the use of durable materials.

Strategic Goals

Strategic Goal	New Const.	
	Units	Rehab
Long Term Homeless Family	4	
Long Term Homeless Single	7	
Preservation		49
Preservation / Federally		2

Total Capital Funding Sources

Sources	Amount
EDHC MF	\$800,000
City of Minneapolis AHTF	\$1,165,000
Syndication Proceeds*	\$6,327,902
Assumed Debt	\$800,000
Hennepin County AHIF	\$400,000
Hennepin County ERF	\$287,650
MN Brownfields	\$55,000
Sales Tax Rebate	\$125,317
Other Rebates/GP Capital	\$30,813
Met Council LHIA	\$200,000
FHF	\$200,000

Super RFP Funding

Capital Funds	Amount
EDHC MF	800,000
FHF	200,000
Met Council LHIA	200,000
Subsidy Funds	Amount
<null>	<null>

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	5	\$670	50% AMI
1BR	2	\$663	50% AMI
1BR	2	\$708	50% AMI
2BR	4	\$848	50% AMI
2BR	13	\$822	50% AMI
2BR	2	\$816	50% AMI
2BR	6	\$827	50% AMI
3BR	9	\$1,046	50% AMI
4BR	2	\$1,365	50% AMI
4BR	6	\$1,119	50% AMI

Total Sources: \$10,391,682

Total Recommended: \$1,200,000

Total: 51

RFP Development Summary

Selected Applications: November 2013

Developer Name:	Building Blocks Non-Profit, Inc.	Project City:	Minneapolis
Project Name:	Commons @ Penn - 4%	Dev #:	D7597
		App #:	M16606

Purpose of Project

The Commons at Penn Avenue proposal is for new construction of a four-story mixed-use elevator building in the heart of North Minneapolis. This development involves tax forfeited property at the corner of Golden Valley Road and Penn Avenue in North Minneapolis, in an area designated by Minnesota Housing as a high-need foreclosure zip code. The project site is also located in an area heavily affected by the tornado that struck North Minneapolis in May 2011, exacerbating the issue of vacant and boarded properties in the neighborhood. The 45 units will be located within one four-story elevator building with underground parking. The unit mix will include 11 one-, 22 two-, and 12 three-bedroom apartments to meet the demands of the local workforce. In addition, the building includes approximately 4,500 square feet of non-residential space on the first floor along Golden Valley Road. 3,000 square feet of the space will function as a community service facility comprised of a common lobby, office space for non-profits, community room, and exercise room for the residents. The remaining 1,500 square feet to be occupied by micro-retail tenants will be separately owned and financed; therefore none of the construction costs for this space are included in the TDC.

Targeted Population

This development will serve families, targeting households of color, single headed households with children, and disabled individuals. The target population will be individuals with incomes at or below 60% AMI. These households will earn approximately \$30,880 - \$42,800 per year. Residents are expected to work for area employers including Target Corporation, Fairview Hospital, Minneapolis School District, Children Hospital and local retailers such as Target, and Rainbow Foods.

Per Unit Costs

Acquisition: \$5,778;
Construction (including Environmental): \$167,339;
Soft Costs: \$48,628;
Non-Mortgageable Costs (excluding Reserves): \$0;
Reserves: \$5,783;
Total Development Cost: \$227,528

Strategic Goals

Strategic Goal	New Const.	
	Units	Rehab
New Affordable Housing	45	

Total Capital Funding Sources

Sources	Amount
Syndication Proceeds*	\$3,381,356
TEB 1st Mtg (Franklin or	\$1,111,079
CPED AHTF Deferred Loan	\$1,125,000
TBRA Env. Investigation	\$22,500
LCDA-TOD Request	\$1,000,000
Hennepin County TOD	\$150,000
Hennepin County AHIF	\$500,000
Hennepin County ERF	\$152,000
Deferred Developer Fee	\$200,000
EDHC MF	\$1,249,975
FHF	\$350,000
REMAINING GAP	\$996,839
Total Sources:	\$10,238,749

Super RFP Funding

Capital Funds	Amount
EDHC MF	1,249,975
FHF	350,000
Subsidy Funds	Amount
<null>	<null>
Total Recommended:	\$1,599,975

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	11	\$772	50% AMI
2BR	21	\$923	50% AMI
3BR	13	\$1,070	50% AMI
Total:	45		

RFP Development Summary

Selected Applications: November 2013

Developer Name:	Elders Lodge, Inc.	Project City:	Saint Paul
Project Name:	Elders Lodge Preservation	Dev #:	D1541
		App #:	M16567

Purpose of Project

Elder's Lodge is an existing 43 unit development with the benefit of a non-amortizing HUD 202 first mortgage and Project-Based assistance for 42 units; one unit is employee occupied. The project serves low income elderly households primarily of American Indian heritage, focuses on American Indian culture and provides independent living with enriched services available on site. The building, designed in the shape of a soaring eagle, and surrounding landscape have American Indian symbolism throughout. The project is located in the Payne-Phalen neighborhood in east St. Paul and is within the Phalen Village community near services, public transportation, and shopping. The property was constructed in 1997 and is currently in need of moderate rehabilitation to address health and safety issues, security improvements and energy efficiency upgrades. These improvements align with the Agency's priorities to address specific and critical needs in the rental housing market and to preserve federally-subsidized rental housing and, are needed in order to extend the useful life of key components and prevent the loss of these much needed units over the next 30 years. The loss of this affordable housing resource would be detrimental to the vulnerable very low income elderly population it currently serves. It is estimated that a present value of more than \$3 million in federal rent or operating subsidy will be leveraged over the 30 year deferred loan term, subject to continued congressional appropriations.

Targeted Population

This development primarily serves very low income elderly households of American Indian heritage. Although they will continue to target households of American Indian heritage, non-Indian households are neither discouraged nor prohibited from applying or residing within the development.

Per Unit Costs	Strategic Goals									
Rehabilitation: \$18,231; Soft Costs: \$6,485; Non-Mortgageable Costs (excluding Reserves): \$0; Reserves: \$0; Total Development Cost: \$24,716	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 10%; text-align: center;">New Const. Units</th> <th style="width: 10%; text-align: center;">Rehab</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">Strategic Goal</td> <td></td> <td></td> </tr> <tr> <td>Preservation / Federally</td> <td style="text-align: center;">43</td> <td></td> </tr> </tbody> </table>		New Const. Units	Rehab	Strategic Goal			Preservation / Federally	43	
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RFP Development Summary

Selected Applications: November 2013

Developer Name:	Project for Pride in Living Inc	Project City:	Saint Paul
Project Name:	Hamline Station -- Mixed Use	Dev #:	D7589
		App #:	M16628

Purpose of Project

Hamline Station Mixed-Use and Family, proposed by Project for Pride in Living, Inc. (PPL), consists of new construction of 108 units of affordable workforce housing over first floor commercial space and underground parking on a currently vacant parcel that was a former car dealership site. This 1.6-acre mixed-use transit-oriented project in St. Paul is adjacent to the Hamline Central Corridor LRT station, a Super Target store, Police Station, LA Fitness, Wal-Mart, and is part of the city's efforts to remove blighted conditions within the Midway neighborhood by burying overhead utility cables underground. The proposed development will be constructed in two 4-story buildings on the north side of University Avenue West, between Hamline Avenue and Syndicate Street, and will include a mix of 9 studio units, 40 one-bedroom units, 46 two-bedroom units, and 13 three-bedroom units overall. The West tower (Mixed-Use - 57 units) will include a mix of 9 studio units, 30 one-bedroom units and 18 two-bedroom units. The building, with a mixture of brick, metal and glass exterior, will also include a 14,250 square feet commercial space and a center plaza between the two towers. The surrounding area use includes a mix of residential homes and commercial with many large big box retailers and small shops. Excelsior Bay Partners, a retail development company will be the entity that will own and manage the commercial space.

Targeted Population

The proposed development intends to serve a diverse population including households of color, single heads of households, and individuals and families with children. The development will target individuals with incomes at or less than 60% of the area median income. In addition, there will be 4 units set aside (in the west tower) for low income individuals who meet the State's definition for Long-Term Homeless. Guild Inc., who has experience with this population, will provide supportive services and case management for these supportive units.

Per Unit Costs	Strategic Goals									
Acquisition: \$21,404; Construction (including Environmental): \$145,429; Soft Costs: \$51,186; Non-Mortgageable Costs (excluding Reserves): \$0; Reserves: \$5,018; Total Development Cost: \$233,037.	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;">Strategic Goal</th> <th style="width: 10%;">New Const. Units</th> <th style="width: 10%;">Rehab</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;">57</td> <td></td> </tr> </tbody> </table>	Strategic Goal	New Const. Units	Rehab	Long Term Homeless Single	4		New Affordable Housing	57	
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RFP Development Summary

Selected Applications: November 2013

Developer Name:	Project for Pride in Living Inc	Project City:	Saint Paul
Project Name:	Hamline Station - Family	Dev #:	D7599
		App #:	M16608

Purpose of Project

Hamline Station Mixed-Use and Family proposed by Project for Pride in Living, Inc. (PPL), consists of new construction of 108 units of affordable workforce housing over first floor commercial space and underground parking on a currently vacant parcel that was a former car dealership site. This 1.6-acre mixed-use transit-oriented project in St. Paul is adjacent to the Hamline Central Corridor LRT station, a Super Target store, Police Station, LA Fitness, Wal-Mart, and is part of the city's efforts to remove blighted conditions within the Midway neighborhood by burying overhead utility cables underground. The proposed development will be constructed in two 4-story buildings on the north side of University Avenue West, between Hamline Avenue and Syndicate Street, will include a mix of 9 studio units, 40 one-bedroom units, 46 two-bedroom units, and 13 three-bedroom units overall. The East tower (Family - 51 units) will include a mix of 10 one-bedroom units, 28 two-bedroom units, and 14 three-bedroom units over a first floor management office and community space. The building, with a mixture of brick, metal and glass exterior, will also include a center plaza between the two towers. The surrounding area use includes a mix of residential homes and commercial with many large big box retailers and small shops.

Targeted Population

The proposed development intends to serve a diverse population including households of color, single heads of households, and individuals and families with children. The development will target individuals with incomes at or less than 60% of the area median income. In addition, there will be 10 units set aside (in the East tower) for low income HIV positive individuals and families who have experienced unstable housing, including long-term homeless and homeless individuals staying in shelter, on the street or doubled-up. Four of these units will specifically target individuals who meet the State's definition for Long-Term Homeless. Clare Housing will provide supportive services and case management for these supportive units.

Per Unit Costs

Acquisition: \$21,667;
Construction (including Environmental): \$190,381;
Soft Costs: \$39,071;
Non-Mortgageable Costs (excluding Reserves): \$0;
Reserves: \$10,549
Total Development Cost: \$261,668

Strategic Goals

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

Total Capital Funding Sources

Sources	Amount
Met Council LCDA	\$375,000
Corridors of Opportunities	\$100,000
City of St Paul (HOME)	\$550,000
City of St Paul (HOME)	\$200,000
GP Equity/Deferred Fee	\$32,583
FHF	\$400,000
Met Council LHIA	\$200,000
TIF Loan (US Bank)	\$562,472
Additional Def. Dev. Fee	\$121,497
Syndication Proceeds*	\$9,598,222
Met Council LCA-TOD	\$955,000
Met Council TBRA-TOD	\$250,306

Super RFP Funding

Capital Funds	Amount
FHF	400,000
Met Council LHIA	200,000
Subsidy Funds	Amount
<null>	<null>

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	6	\$722	50% AMI
1BR	1	\$763	50% AMI
1BR	5	\$670	30% AMI
2BR	6	\$978	60% AMI
2BR	9	\$978	60% AMI
2BR	3	\$868	30% AMI
2BR	8	\$868	60% AMI
3BR	10	\$1,147	60% AMI
3BR	1	\$1,147	60% AMI
3BR	1	\$1,047	30% AMI
3BR	1	\$1,047	30% AMI

Total Sources: \$13,345,080

Total Recommended: \$600,000

Total: 51

RFP Development Summary

Selected Applications: November 2013

Developer Name:	St. Paul Public Housing Authority	Project City:	Saint Paul
Project Name:	Mt. Airy Public Housing	Dev #:	D7668
		App #:	M16632

Purpose of Project

Mt. Airy Homes was originally developed during the 1960's as part of urban renewal. The proposed new 4-plex will replace 6 single family homes that were demolished between 1966-1970 due to age and physical condition. The proposed 4-plex will consist of 3 -2 bedroom units and 1 - 2 bedroom handicapped accessible unit. The new building will be row townhouse style and similar in appearance to the existing units. Construction of these 4 units will replace affordable units that were lost through demolition more than 45 years ago, utilizing HUD public housing program operating subsidies that haven't been utilized since the demolition occurred. Residents in public housing pay 30% of their income for rent. The difference between the rent paid and the cost to operate the unit comes from HUD as an operating subsidy. The average tenant rent is \$193/month and the average monthly operating subsidy received is \$386 per unit. The public housing program operating subsidies for four units may be reclaimed by HUD if not used for these proposed new units, and the subsidies will be lost forever. The proposed construction of the 4 public housing units align with the Agency's priorities to address specific and critical needs in the rental housing market and to preserve federal subsidies for rental housing.

Targeted Population

This development serves very low income family and disabled households, and will target households of color and single heads of households with children. The average family household size is 4.4 people; average annual income is just \$20,563 or 25% of the area median income of \$83,900.

Per Unit Costs	Strategic Goals				
Acquisition: \$0; Construction: \$176,003; Soft Costs: \$19,339; Non-Mortgageable Costs (excluding Reserves): \$0; Reserves: \$0; Total Development Cost: \$195,342.	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;">Strategic Goal</th> <th style="width: 20%;">New Const. Units Rehab</th> </tr> </thead> <tbody> <tr> <td>New Affordable Housing</td> <td style="text-align: center;">4</td> </tr> </tbody> </table>	Strategic Goal	New Const. Units Rehab	New Affordable Housing	4
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RFP Development Summary

Selected Applications: November 2013

Developer Name:	NFAHS Development LLC	Project City:	Maplewood
Project Name:	Maple Knoll Townhomes	Dev #:	D0762
		App #:	M16631

Purpose of Project

The Maple Knoll Townhomes ("Maple Knoll") application submitted by The National Foundation for Affordable Housing Solutions, Inc. ("the Foundation") proposes the acquisition and rehabilitation of a 57 unit, 100% project-based Section 8 development in the City of Maplewood. The property consists of seven townhome buildings with a mix of one, two and three bedroom units. The property also provides surface parking and playground areas. Built in 1981, many of the systems and in-unit amenities are original to the buildings and past their useful life. The scope of work defines a major rehabilitation for the project including improvements to the site, building envelope, building systems, common areas and dwelling units. Maple Knoll TH did not qualify to apply for preservation priority, however this is a 100% Section 8 development and it is estimated that a present value of more than \$6.3 million in federal rent subsidies will be leveraged during the 30 year tax credit compliance period, subject to continued congressional appropriations.

Targeted Population

The tenant population at Maple Knoll consists of mostly families with children. The residents are also elderly, immigrants, and single heads of households with children. The development will also reserve four units for households who have experienced long-term homelessness. The target population includes these very low income, vulnerable client populations, and the proposal includes continuation of the project-based HAP assistance.

Per Unit Costs

Acquisition or Refinance: 78,947
 Construction or Rehabilitation (including Environmental): \$79,011
 Soft Costs (excluding Reserves): \$38,092
 Non-Mortgageable Costs (excluding Reserves): \$0
 Reserves: \$7,406
 Total Development Cost: \$203,457

Strategic Goals

Strategic Goal	New Const Units	Rehab
Long Term Homeless Single	4	4
Preservation / Federally		57

Total Capital Sources

Super RFP Funding

Rent Information

Sources	Amount	Capital Funds	Amount	Unit Type	Unit Count	Gross Rent	Rent Restrictions
Syndication Proceeds*	\$5,490,029	N/A	\$0	1 BR	2	\$941	50% AMI
HUD 221 (d)(4)	\$3,600,000			1 BR	3	\$902	50% AMI
Ramsey County	\$299,621			2 BR	32	\$1,083	50% AMI
RWMWD	\$88,339			3 BR	20	\$1,187	50% AMI
Deferred Developer Fee	\$609,093						
Seller Contribution	\$1,510,000						
Total Sources	\$11,597,052	Total Recommended	N/A	Total	57		

RFP Development Summary

Selected Applications: November 2013

Developer Name: Shelter Corporation	Project City: Cottage Grove
Project Name: The Groves	Dev #: D2165
	App #: M16571

Purpose of Project

The Groves is an existing 72 unit development constructed in 1982 and originally funded with tax-exempt financing through Washington County. The development is made up entirely of three bedroom units and is located in the city of Cottage Grove near services, jobs, amenities and quick access to Highway 61 and Interstate 494. One unit is used by Community Recreation Center (a Washington County social services provider) to provide youth oriented programs; the remaining 71 units are occupied by households with incomes less than 60% of the area median income. The development is 100% occupied. Funding will be used to pay off existing debt and finance acquisition costs and needed capital improvements. The Washington County HRA has owned the property for more than twenty years and will remain as a general partner in the new ownership entity ensuring preservation of these affordable publically owned housing units situated in a desirable suburban location. The Washington County HRA has committed \$225,000 of housing subsidy funds and real estate taxes will be reduced to PILOT payments for the full 30 years of affordability. The proposal aligns with the Agency's priority to address specific and critical needs in the rental housing market.

Targeted Population

This development serves very low income family households, and will continue to target households of color and single heads of households with children. The development will be setting aside four units targeted for households experiencing long term homelessness.

Per Unit Costs

Acquisition or Refinance: \$34,722.
Construction or Rehabilitation (including Environmental): \$41,113.
Soft Costs (excluding Reserves): \$21,153.
Non-Mortgageable Costs (excluding Reserves): \$0
Reserves: \$0.
Total Development Cost: \$96,988.

Strategic Goals

Strategic Goal	New Const.	
	Units	Rehab
Long Term Homeless Family	4	
Preservation		71

Total Capital Funding Sources

Sources	Amount
LMIR 1st Mortgage	\$1,540,000
Syndication Proceeds*	\$5,218,156
Washington County HRA	\$225,000

Super RFP Funding

Capital Funds	Amount
LMIR 1st Mortgage	1,540,000

Subsidy Funds	Amount
<null>	<null>

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
3BR	33	\$937	50% AMI
3BR	4	\$937	50% AMI
3BR	34	\$949	50% AMI
3BR	1	\$0	Owner Occupied

Total Sources: **\$6,983,156**

Total Recommended: **\$1,540,000**

Total: **72**

RFP Development Summary

Selected Applications: November 2013

Developer Name: Connelly Development LLC	Project City: New Hope
Project Name: Compass Pointe	Dev #: D7582
	App #: M16575

Purpose of Project

The Compass Pointe application submitted by Ron Clark Construction and Design ("Ron Clark") proposes the acquisition and new construction of a 68 unit development in the City of New Hope. The property consists of one four-story elevator building with a mix of one, two and three bedroom units. The development furthers Minnesota Housing's foreclosure rehabilitation priority and includes a partnership with Simpson Housing Services to provide rent assistance and services for the four units reserved for family households who have experienced long-term homelessness ("LTH").

Targeted Population

This development serves very low income family and disabled households, and will target households of color and single heads of households with children. The average family household size is 4.4 people; average annual income is just \$20,563 or 25% of the area median income of \$83,900.

Per Unit Costs

Acquisition or Refinance: \$8,000.
Construction or Rehabilitation (including Environmental): \$129,749.
Soft Costs (excluding Reserves): \$41,121.
Non-Mortgageable Costs (excluding Reserves): \$0.
Reserves: \$4,598.
Total Development Cost: \$183,468.

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Foreclosure	68	
Long Term Homeless Family	4	
New Affordable Housing	68	

Total Capital Funding Sources

Sources	Amount
LMIR 1st Mortgage	\$2,709,250
Syndication Proceeds*	\$9,599,540
Deferred Developer Fee	\$167,048

Super RFP Funding

Capital Funds	Amount
LMIR 1st Mortgage	2,709,250

Subsidy Funds	Amount
<null>	<null>

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	9	\$733	50% AMI
1BR	4	\$733	50% AMI
2BR	27	\$880	50% AMI
2BR	3	\$880	50% AMI
2BR	4	\$880	50% AMI
2BR	2	\$527	30% AMI
3BR	5	\$1,017	50% AMI
3BR	8	\$1,017	50% AMI
3BR	4	\$1,017	50% AMI
3BR	2	\$610	30% AMI

Total Sources: **\$12,475,838**

Total Recommended: **\$2,709,250**

Total: **68**

RFP Development Summary

Selected Applications: November 2013

Developer Name: Nick Andersen	Project City: Medina
Project Name: Medina	Dev #: D7653
	App #: M16599

Purpose of Project

The Medina Townhomes ("Medina") application submitted by Dominion proposes the acquisition and new construction of a 32 unit development in Medina. The property consists of six townhome buildings with a mix of two, three and four bedroom units. The development furthers MN Housing's economic integration priority and includes a partnership with Interfaith Outreach and Community Partners ("IOCP") to provide rent assistance and services for the four units reserved for households who have experienced long-term homelessness ("LTH").

Targeted Population

The proposal targets primarily families with children. The residents are also expected to be immigrants and single heads of households with children. The development will also reserve four units for family households who have experienced long-term homelessness. Nine of the 32 households will have incomes equal or less than 30% of the area median income ("AMI"), 11 households will have incomes equal or less than 50% AMI and the remaining 12 households will have incomes equal or less than 60% AMI.

Per Unit Costs

Acquisition or Refinance: \$15,625.
Construction or Rehabilitation (including Environmental): \$145,926.
Soft Costs (excluding Reserves): \$54,492.
Non-Mortgageable Costs (excluding Reserves): \$0.
Reserves: \$0.
Total Development Cost: \$216,043.

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Long Term Homeless Family	4	
New Affordable Housing	32	

Total Capital Funding Sources

Sources	Amount
LMIR 1st Mortgage	\$960,000
Syndication Proceeds*	\$5,173,786
HOME Funds - Hennepin	\$450,000
CDBG Funds	\$189,736
Deferred Developer Fee	\$90,112
GP Contribution	\$49,756

Super RFP Funding

Capital Funds	Amount
LMIR 1st Mortgage	960,000

Subsidy Funds	Amount
<null>	<null>

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
2BR	4	\$530	30% AMI
2BR	1	\$530	30% AMI
3BR	5	\$1,224	60% AMI
3BR	8	\$1,020	50% AMI
3BR	3	\$1,020	50% AMI
3BR	4	\$612	30% AMI
4BR	7	\$1,367	60% AMI

Total Sources: **\$6,913,390**

Total Recommended: **\$960,000**

Total: **32**

RFP Development Summary

Selected Applications: November 2013

Developer Name:	Clare Housing	Project City:	Robbinsdale
Project Name:	Clare Terrace	Dev #:	D7664
		App #:	M16621

Purpose of Project

Clare Terrace is a proposed 36-unit supportive housing development to be built in the City of Robbinsdale. The development will be new construction and include 36 studio apartments plus community space. The project is being developed by Clare Housing, a local non-profit with a successful track record of developing permanent supportive housing and providing services for persons living with HIV/AIDS. This development will provide needed supportive housing for persons living with HIV/AIDS, including at least seven units which will serve persons experiencing long-term homelessness (LTH).

Targeted Population

The targeted population is people living with HIV/AIDS, including singles, households of color, persons with disabilities and persons experiencing long-term homelessness (LTH). All of the units will be income- and rent-restricted at 50% of Area Median Income (AMI), although - based on Clare Housing's history - the developer expects actual resident incomes to be much lower.

Per Unit Costs

Acquisition or Refinance: \$15,448.
Construction or Rehabilitation (including Environmental): \$125,080.
Soft Costs (excluding Reserves): \$46,766.
Reserves: \$17,034.
Total Development Cost: \$204,328.
The Agency proposed addition to the reserves would add \$12,908 per unit, for a total TDC per unit of \$216,336.

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Long Term Homeless Youth	7	
New Affordable Housing	36	

Total Capital Funding Sources

Sources	Amount
Syndication Proceeds*	\$4,842,333
HOPWA	\$100,000
FHLB	\$500,000
EDHC	\$854,700
Hennepin County	\$400,000
Hennepin County HOME	\$400,000
Sales tax & Energy	\$140,000
Other, fundraising	\$121,076
Deferred Developer Fee	\$200,000
Clare Housing	\$30,000
Met Council LHIA	\$200,000

Total Sources: \$7,788,109

Super RFP Funding

Capital Funds	Amount
EDHC MF	854,700
Met Council LHIA	200,000
Subsidy Funds	Amount
<null>	<null>

Total Recommended: \$1,054,700

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
0BR/SRO	36	\$700	50% AMI

Total: 36

RFP Development Summary Selected Applications: November 2013

Developer Name:	Dakota County Community Development	Project City:	Eagan
Project Name:	Lakeshore Townhomes	Dev #:	D7666
		App #:	M16629

Purpose of Project

The Lakeshore Townhomes ("Lakeshore") application, submitted by the Dakota County Community Development Agency ("Dakota County"), proposes the new construction of a 50 unit development in the City of Eagan. The property consists of 10 townhome buildings with a mix of one, two and three bedroom units. The development is ready to proceed and will further Minnesota Housing's economic integration selection priority.

Targeted Population

The property will primarily target families with children. The residents are also expected to be immigrants and single heads of households with children. The development will target three units for people who have physical disabilities. Thirteen of the 50 households will have incomes equal or less than 50% of the area median income ("AMI"), and the remaining 37 households will have incomes equal or less than 60% AMI.

Per Unit Costs	Strategic Goals									
Acquisition or Refinance: \$30,400. Construction or Rehabilitation (including Environmental): \$141,000. Soft Costs (excluding Reserves): \$50,713. Non-Mortgageable Costs (excluding Reserves): \$0 Reserves: \$5,040. Total Development Cost: \$227,153.	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 20%; text-align: center;">New Const. Units</th> <th style="width: 20%; text-align: center;">Rehab</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">Strategic Goal</td> <td></td> <td></td> </tr> <tr> <td>New Affordable Housing</td> <td style="text-align: center;">50</td> <td></td> </tr> </tbody> </table>		New Const. Units	Rehab	Strategic Goal			New Affordable Housing	50	
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Total Capital Funding Sources	Super RFP Funding	Rent Information																																																																																															
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RFP Development Summary

Selected Applications: November 2013

Developer Name:	Sherman Associates Development LLC	Project City:	Duluth
Project Name:	Lincoln Park Apartments	Dev #:	D7585
		App #:	M16596

Purpose of Project

The Lincoln Park Apartments application submitted by Sherman Associates Development LLC, a subsidiary of Sherman Associates, Inc., proposes the adaptive reuse of the Lincoln Park School building in west Duluth. Lincoln Park Apartments will include 50 units of affordable housing for families, of which 7 units will be designated for households experiencing long-term homelessness, and 86 off-street parking, 10 units will benefit from project-based Section 8 from the Duluth Housing and Redevelopment Authority. The Salvation Army will act as the primary service provider for the supportive housing units. The 3 story building with elevator will include 2 efficiency units, 6-1 bedroom units, 33-2 bedroom units, 9-3 bedroom units, office space, community and fitness rooms, laundry and commercial space. 45,100 square feet of commercial space will be owned and operated by a separate entity. Current tenants of the commercial space include the Human Development Center, the Boys and Girls Club and Community Action of Duluth. Lincoln Park Children and Family Collaborative will soon be filling the final space. Lincoln Park Apartments is located in an area identified by Minnesota Housing as a foreclosure priority area.

Targeted Population

The development will target families with children, single heads of households with children and individuals and families of color. 7 units will be designated for households experiencing long-term homelessness. 25 units will have rents affordable at 50% AMI, and the balance of the units (25) with rents affordable at 60% AMI. 10 units, 5-2 bedroom units and 5-3 bedroom units, will benefit from project-based Section 8. All rents are below St. Louis County payment standards.

Per Unit Costs

Acquisition or Refinance: \$1/DU
Soft Costs (excluding Reserves): \$47,784/DU
Rehabilitation: \$143,705/DU
Reserves: \$3,600/DU
Total Development Cost: \$195,090/DU

Strategic Goals

Strategic Goal	New Const Units	Rehab
Long Term Homeless Family	7	
New Affordable Housing	50	

Total Capital Sources

Super RFP Funding

Rent Information

Sources	Amount	Capital Funds	Amount	Unit Type	Unit Count	Gross Rent	Rent Restrictions
Syndication Proceeds*	\$7,915,041	N/A	\$0	0 BR/SRO	1	\$510	50% AMI
TIF	\$522,250			0 BR/SRO	1	\$585	60% AMI
Deferred Developer Fee	\$617,184			1 BR	3	\$542	50% AMI
NBOC First Mortgage	\$700,000			1BR	3	\$677	60% AMI
				2 BR	17	\$644	50% AMI
				2 BR	16	\$781	60% AMI
				3 BR	4	\$781	50% AMI
				3 BR	5	\$885	60% AMI
Total Sources	\$9,754,475	Total Recommended	N/A	Total	50		

RFP Development Summary

Selected Applications: November 2013

Developer Name: CommonBond Communities	Project City: Aitkin
Project Name: Ripple River Townhomes	Dev #: D0005
	App #: M16580

Purpose of Project

The proposed development involves the acquisition and rehabilitation of Ripple River Townhomes in the City of Aitkin. Ripple River is an existing 32-unit Section 8 development that will be renovated by CommonBond Communities. This development preserves federally subsidized housing, provides large family housing and provides housing for persons experiencing long-term homelessness (LTH). The unit mix includes 22 two-bedroom units and 10 three-bedroom units. CommonBond recently entered into a new 20-year HAP contract on this property, but the development is in need of physical improvements and the addition of a community center to better meet the needs of the residents. Ripple River TH did not qualify to apply for the preservation priority, however this is a 100% Section 8 development and it is estimated that a present value of more than \$2.5 million in federal rent subsidies will be leveraged during the 30 year tax credit compliance period, subject to continued congressional appropriations.

Targeted Population

The targeted population includes families with children, households of color, single-head of households, and households experiencing long-term homelessness (LTH). All of the units will be income- and rent-restricted at 60% of Area Median Income (AMI), which means eligible households could earn up to \$30,000 or \$40,000 depending on household size. However, all 32 units have project-based rental assistance and the actual residents likely have significantly lower incomes than allowed under tax credit guidelines.

Per Unit Costs	Strategic Goals									
Acquisition or Refinance: \$46,875. Construction or Rehabilitation (including Environmental): \$66,963. Soft Costs (excluding Reserves): \$43,766. Non-Mortgageable Costs (excluding Reserves): \$0 Reserves: \$13,281. Total Development Cost: \$170,885.	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;">Strategic Goal</th> <th style="width: 10%;">New Const. Units</th> <th style="width: 10%;">Rehab</th> </tr> </thead> <tbody> <tr> <td>Long Term Homeless Family</td> <td style="text-align: center;">4</td> <td></td> </tr> <tr> <td>Preservation / Federally</td> <td></td> <td style="text-align: center;">32</td> </tr> </tbody> </table>	Strategic Goal	New Const. Units	Rehab	Long Term Homeless Family	4		Preservation / Federally		32
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Total Capital Funding Sources	Super RFP Funding	Rent Information																																																										
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RFP Development Summary

Selected Applications: November 2013

Developer Name:	D.W. Jones, Inc.	Project City:	Warroad
Project Name:	Northland Apartments	Dev #:	D1716
		App #:	M16570

Purpose of Project

The Northland Apartments application, submitted by D.W. Jones, Inc., proposes the acquisition and renovation of an existing 22 unit family development in Warroad. The development consists of 1-two story walk-up apartment building comprised of 4-1 bedroom units and 10-2 bedroom units and 2 separate quad buildings comprised of 8-3 bedroom units. The development was originally financed through the USDA Rural Development's 515 mortgage program which also provides 19 units of rental assistance. The development furthers Minnesota Housing's economic integration priority. This development has 19 units that are currently covered by a Rental Assistance contract with Rural Development and it is estimated that a present value of more than \$1 million in federal rent subsidies will be leveraged over the 30 year tax credit compliance period, subject to continued congressional appropriations.

Targeted Population

The development targets families with children, single heads of households with children, individuals and families of color and individuals with disabilities. Targeted households will have incomes at or below 60%AMI. Rental assistance will ensure households do not pay more than 30% of their income towards rent.

Per Unit Costs

Acquisition or Refinance: \$38,450/DU
 Construction or Rehabilitation (including Environmental): \$27,625/DU
 Soft Costs (excluding Reserves): \$15,791/DU
 Reserves: \$2,727/DU
 Total Development Cost: \$84,593/DU

Strategic Goals

Strategic Goal	New Const Units	Rehab
Preservation / Federally		22

Total Capital Sources

Super RFP Funding

Rent Information

Sources	Amount	Capital Funds	Amount	Unit Type	Unit Count	Gross Rent	Rent Restrictions
Syndication Proceeds	\$919,731	N/A	\$0	1 BR	4	\$694	60% AMI
RD Assumed Mortgage	\$775,796			2 BR	10	\$777	60% AMI
RD Reserves	\$50,000			3 BR	7	\$835	60% AMI
RD Operating Funds	\$27,210			3 BR	1	\$100	60% AMI
Deferred Developer Fee	\$88,319						
Total Sources	\$1,861,056	Total Recommended	NA	Total	22		

RFP Development Summary

Selected Applications: November 2013

Board Agenda Item: 7.D
Attachment: Development Summaries

Developer Name:	D.W. Jones Inc	Project City:	Thief River Falls
Project Name:	Greenwood Terrace	Dev #:	D2004
		App #:	M16568

Purpose of Project

D. W. Jones is requesting funding for the related-party acquisition and renovation of Greenwood Terrace, an existing Rural Development (RD) assisted property in Thief River Falls. The development is a three story apartment building with 1 two-bedroom unit and 25 one-bedroom units. Twenty two 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 1997, the property is in need of some capital improvements. Current request will increase energy efficiency and rehabilitate existing federally assisted units. The RD mortgage matures in 2046 and request for transfer has not been submitted to the RD office as it is dependent upon Minnesota Housing's award. Greenwood Terrace has 22 units that are currently covered by a Rental Assistance contract with Rural Development and it is estimated that a present value of more than \$1.3 million in federal rent subsidies will be leveraged over the 30 year tax credit compliance period, subject to continued congressional appropriations.

Targeted Population

The project's current tenants are elderly individuals over 62 years of age and handicapped or disabled individuals over age 18. The development will continue to target the same population with no temporary or permanent displacement.

Per Unit Costs

Acquisition or Refinance: \$43,191
 Construction or Rehabilitation (including Environmental): \$20,988
 Soft Costs (excluding Reserves): \$14,179
 Non-Mortgageable Costs (excluding Reserves): \$412
 Reserves: \$3,269
 Total Development Cost: \$82,039.

Strategic Goals

Strategic Goal	New Const Units	Rehab
Preservation / Federally		26

Total Capital Sources

Super RFP Funding

Rent Information

Sources		Capital Funds		Unit Type	Unit Count	Gross Rent	Rent Restrictions
Sources	Amount	Capital Funds	Amount				
Syndication Proceeds*	\$965,602	N/A	\$0	1 BR	25	\$608	60% AMI
RD Assumed Mortgage	\$1,007,965			2 BR	1	\$696	60% AMI
Project Reserves	\$84,458						
Deferred Developer Fee	\$75,000						
Total Sources	\$2,133,025	Total Recommended	N/A	Total	26		

RFP Development Summary

Selected Applications: November 2013

Developer Name:	D.W. Jones Inc	Project City:	Thief River Falls
Project Name:	River Pointe Townhomes	Dev #:	D7594
		App #:	M16569

Purpose of Project

D.W. Jones is requesting funding for the construction of River Pointe Townhomes located in the city of Thief River Falls. The development involves the new construction of a 24 unit development to consist of 6 - 4 unit buildings with 12 - 2BR and 12 - 3BR townhome style units with tuck under single car garages and surface parking. Twenty three of the units (one employee unit) will have rents affordable to households with incomes at or below 50% AMI and 4 of the units will be deemed to serve long term homeless families.

Targeted Population

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

Per Unit Costs

Acquisition or Refinance - \$4,375;
Construction (including Environmental and Contingency) -\$122,708;
Soft Costs (excluding Reserves) - \$49,585;
Non-Mortgageable Costs (excluding Reserves) - \$0;
Reserves - \$2,667;
Total Development Cost: \$179,335

Strategic Goals

Strategic Goal	New Const Units	Rehab
Foreclosure	24	
Long Term Homeless Family	4	
New Affordable Housing	24	

Total Capital Sources

Super RFP Funding

Rent Information

Sources	Amount	Capital Funds	Amount	Unit Type	Unit Count	Gross Rent	Rent Restrictions
Syndication Proceeds*	\$3,209,587	LMIR 1 st Mortgage	\$540,000	2BR	5	\$695	50% AMI
LMIR 1 st Mortgage	\$540,000	EDHC Workforce MF	\$554,451	2BR	3	\$695	50% AMI
EDHC Workforce	\$554,451			2BR	1	\$695	50% AMI
				2BR	2	\$688	60% AMI
				2BR	1	\$688	60% AMI
				3BR	2	\$802	50% AMI
				3BR	6	\$802	50% AMI
				3BR	3	\$802	60% AMI
				3BR	1	\$802	60% AMI
Total Sources	\$4,304,038	Total Recommended	\$1,094,451	Total	24		

RFP Development Summary Selected Applications: November 2013

Developer Name:	Red Lake Reservation Housing Authority	Project City:	Red Lake Indian Reservation
Project Name:	Red Lakes Homes XII	Dev #:	D7638
		App #:	M16565

Purpose of Project

The Red Lake Homes XII application submitted by Red Lake Reservation Housing Authority proposes the substantial rehabilitation of 40 housing units that are presently in substandard condition and at risk of losing their federal assistance through HUD's Native American Housing and Self-Determination Act (NAHASDA). The 40 units are all single family homes constructed between 1975 and 1992. The homes consist of 14-2 bedroom units, 17-3 bedroom units and 9-4 bedroom units. The 40 homes are located within 4 tribal communities - Red Lake, Little Rock, Redby and Ponemah - all within the boundaries of the Red Lake Reservation. The proposed development is consistent with the goals and objectives identified in Red Lake Reservation Housing Authority's 2013 Indian Housing Plan. All of the homes are on land situated in a targeted revitalization and housing priority area and are located in a qualified census tract.

Red Lake Home XII is effectively projected based through the NAHASDA program which is anticipated to provide leverage of \$3 million in federal subsidy assistance over the 30 year tax credit compliance period.

Targeted Population

Red Lake Homes XII will serve members of the Red Lake Band of Chippewa Tribe, residents of the Red Lake Reservation. Targeted households will have incomes at or below 60%AMI. Rental assistance will ensure households do not pay more than 30% of their income towards rent.

Per Unit Costs

Acquisition or Refinance: \$51,852;
 Construction or Rehabilitation (including Environmental): \$30,188;
 Soft Costs (excluding Reserves): \$21,354;
 Non-Mortgageable Costs (excluding Reserves): \$0;
 Reserves: \$4,975;
 Total Development Cost: \$108,369.

Strategic Goals

Strategic Goal	New Const Units	Rehab
Preservation / Family		40

Total Capital Sources

Super RFP Funding

Rent Information

Sources	Amount	Capital Funds	Amount	Unit Type	Unit Count	Gross Rent	Rent Restrictions
Syndication Proceeds*	\$3,190,633	N/A	\$0	2 BR	14	\$413	60% AMI
RLRHA	\$719,796			3 BR	17	\$517	60% AMI
RLRHA	\$2,062,159			4 BR	9	\$630	60% AMI
Total Sources	\$7,288,600	Total Recommended	\$N/A	Total	40		

RFP Development Summary

Selected Applications: November 2013

Developer Name:	SCI Associates, LLC	Project City:	Roseau
Project Name:	Tamarack Place	Dev #:	D7649
		App #:	M16590

Purpose of Project

SCI Associates, LLC is proposing to construct a new 3 story, 40-unit elevator building in Roseau. Tamarack Place will consist of 6-1 bedroom units, 22-2 bedroom units, 12-3 bedroom units, 40 detached single car garages, a community room, tot lot and recreation area. The focus of this development will be to meet the significant housing needs of the community generated by a number of growing employers, most significantly Polaris. Minnesota Housing has determined that Tamarack Place aligns with the priorities under the Housing and Job Growth Initiative. The development will be conveniently located in proximity to employment opportunities and services.

Targeted Population

The development will target families with children, single heads of households with children, individuals and families of color, and single women. 17 tax credit restricted units will serve individuals and families with incomes at or below 60% AMI and 23 non-tax credit units with incomes at or below 80% AMI.

Per Unit Costs

Tamarack Place received the preference points for cost containment, total development cost per unit \$140,819
 Acquisition \$2,362/DU
 Construction \$103,444/DU
 Soft Costs \$32,013/DU
 Reserves \$3,000/DU

Strategic Goals

Strategic Goal	New Const Units	Rehab
New Affordable Housing	40	

Total Capital Sources

Super RFP Funding

Rent Information

Sources	Amount	Capital Funds	Amount	Unit Type	Unit Count	Gross Rent	Rent Restrictions
Syndication Proceeds*	\$634,455	LMIR 1 st Mortgage	\$1,582,000	1BR	2	\$648	80% AMI
City of Roseau (Fees)	\$86,000	EDHC Workforce MF	\$2,400,000	1BR	4	\$578	50% AMI
LMIR 1 st Mortgage	\$1,582,000	GMHF	\$320,000	2BR	13	\$827	80% AMI
Deferred Developer Fee	\$88,166			2BR	9	\$695	50% AMI
EDHC Workforce	\$2,400,000			3BR	8	\$934	80% AMI
GMHF	\$320,000			3BR	4	\$802	50% AMI
GAP	\$522,133						
Total Sources	\$5,632,754	Total Recommended	\$4,302,000	Total	40		

RFP Development Summary

Selected Applications: November 2013

Board Agenda Item: 7.D
Attachment: Development Summaries

Developer Name:	NFAHS Development LLC	Project City:	Mankato
Project Name:	Gus Johnson Plaza	Dev #:	D0734
		App #:	M16578

Purpose of Project

This proposal is for the acquisition/rehabilitation and preservation of a 108-unit Section 8 elderly mid-rise in Mankato. The property consists of two sections constructed in different eras: the original two-story brick building, which was built in 1953 as a hospital and converted to housing when the 7 story tower was built in 1980. A commercial kitchen leased by Lutheran Social Service of Minnesota offers noontime meals to residents for a small suggested donation; residents can make use of a large congregate dining area during the meal service or at other times. This property is at high risk of loss due to physical needs. Preservation of the 108 Section 8 units results in leveraging a present value of \$7,600,000 in federal rent subsidies over the next 30 years.

Targeted Population

The majority of residents at Gus Johnson Plaza are over the age of 62 with a small portion of residents below the age of 62 and living with a disability, either physical or mental. Approximately 20% of Gus Johnson residents have personal care attendants to help them with daily living tasks or other needs. Staff is available on site 24-hours per day to respond to medical or other emergencies. The development will target households of color and disabled households.

Per Unit Costs

Acquisition or Refinance: \$51,852;
Construction or Rehabilitation (including Environmental): \$30,188;
Soft Costs (excluding Reserves): \$21,354;
Non-Mortgageable Costs (excluding Reserves): \$0;
Reserves: \$4,975;
Total Development Cost: \$108,369.

Strategic Goals

Strategic Goal	New Const Units	Rehab
Preservation / Family	108	108

Total Capital Sources

Super RFP Funding

Rent Information

Sources	Amount	Capital Funds	Amount	Unit Type	Unit Count	Gross Rent	Rent Restrictions
Syndication Proceeds*	\$3,190,633	HOME Affordable Rental (HOME HARP)	\$1,000,000	1 BR	107	\$691	50% AMI
HOME Affordable Rental (HOME HARP)	\$1,000,000			2 BR	1	\$844	50% AMI
HUD 221 (d)(4)	\$5,500,000						
Seller Note	\$750,000						
Deferred Developer Fee	\$325,247						
Potential Interest Rate	\$88,000						
Gap							
Gap due to inflated Acquisition	\$850,000						
Total Sources	\$11,703,880	Total Recommended	\$1,000,000	Total	108		

RFP Development Summary

Selected Applications: November 2013

Developer Name: Southwest Minnesota Housing Partnership	Project City: Willmar
Project Name: Highland Apartments	Dev #: D1758
	App #: M16592

Purpose of Project

This proposal is for the rehabilitation of the Highland Apartments located in Willmar. Highland Apartments is a 78-unit building located near downtown Willmar and designed for residents 62 or older and others with limited disabilities. The property is fully occupied, with project based Section 8 assistance for 100% of the units. The property is currently owned and operated by the Willmar HRA and will continue to be controlled by the HRA as the sole and managing member of the General Partner of a new Tax Credit partnership. Seventy-two units (92% of total) will be covered by the declaration under the tax credit program. This property was determined to be at high risk due to substantial and immediate physical needs. Preservation of the 78 Section 8 units results in leveraging a present value of \$5,405,000 in federal rent subsidies over the next 30 years.

Targeted Population

Highland Apartments targets general occupancy residents aged 62 or older and others with limited disabilities, including households of color. Current residents at Highland Apartments are predominantly white, non-hispanic (93.5%) and have very low incomes; the average income of tenants is just \$12,219 per year. One quarter of the households qualify under HUD's definition of very low income, while an additional 72% have incomes that qualify as extremely low income. Of the 78 resident households, 70 qualify based on disability; 25 householders are age 62 or older, with 17 households qualifying under both statuses. Occupancy over the past five years has been 97%. A wait list of 43 households is in place for the property.

Per Unit Costs	Strategic Goals						
Acquisition or Refinance: \$18,013; Construction or Rehabilitation (including Environmental): \$43,221; Soft Costs (excluding Reserves): \$12,472; Non-Mortgageable Costs (excluding Reserves): \$0; Reserves: \$4,145; Total Development Cost: \$77,851.	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;">Strategic Goal</th> <th style="width: 10%;">New Const. Units</th> <th style="width: 10%;">Rehab</th> </tr> </thead> <tbody> <tr> <td>Preservation / Federally</td> <td></td> <td style="text-align: center;">78</td> </tr> </tbody> </table>	Strategic Goal	New Const. Units	Rehab	Preservation / Federally		78
Strategic Goal	New Const. Units	Rehab					
Preservation / Federally		78					

Total Capital Funding Sources	Super RFP Funding	Rent Information																																										
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Total:	78																																											

RFP Development Summary

Selected Applications: November 2013

Developer Name:	Southwest Minnesota Housing Partnership	Project City:	Jackson
Project Name:	Street E Townhomes	Dev #:	D7650
		App #:	M16594

Purpose of Project

Southwest Minnesota Housing Partnership (SWMHP) proposes a 48-unit new construction townhome project in Jackson. The project is being developed largely to respond to a very tight rental market that is driven by job growth and employer expansions in Jackson. The 48 unit project will be mixed income providing affordable housing to persons with income ranging from very low to 80% of statewide median.

Targeted Population

The project will provide affordable housing to households at a range of incomes with 32 tax credit units serving households with incomes at or below 60% AMI, and 15 non-HTC units serving households with incomes at or below 80% of the Statewide median income. The project will provide 4 units for households experiencing long term homelessness with rents restricted to 30% AMI. Targeted populations include households of color as well as single heads of households with minor children.

Per Unit Costs

Acquisition or Refinance: \$3,146.
Construction or Rehabilitation (including Environmental): \$121,407.
Soft Costs (excluding Reserves): \$23,190.
Non-Mortgageable Costs (excluding Reserves): \$0
Reserves: \$4,259.
Total Development Cost: \$152,002.

Strategic Goals

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

Total Capital Funding Sources

Sources	Amount
Syndication Proceeds*	\$4,029,805
First Farmers 1st Mortgage	\$1,950,000
AGCO	\$220,000
City of Jackson	\$152,090
SWMHP/NWA Grant	\$87,000
EDHC Workforce	\$857,214

Super RFP Funding

Capital Funds	Amount
EDHC Workforce MF	857,214

Subsidy Funds	Amount
<null>	<null>

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	2	\$130	30% AMI
2BR	7	\$847	Market Rate
2BR	1	\$847	Employee
2BR	13	\$708	50% AMI
2BR	2	\$180	30% AMI
3BR	8	\$980	Market Rate
3BR	15	\$819	50% AMI

Total Sources: \$7,296,109

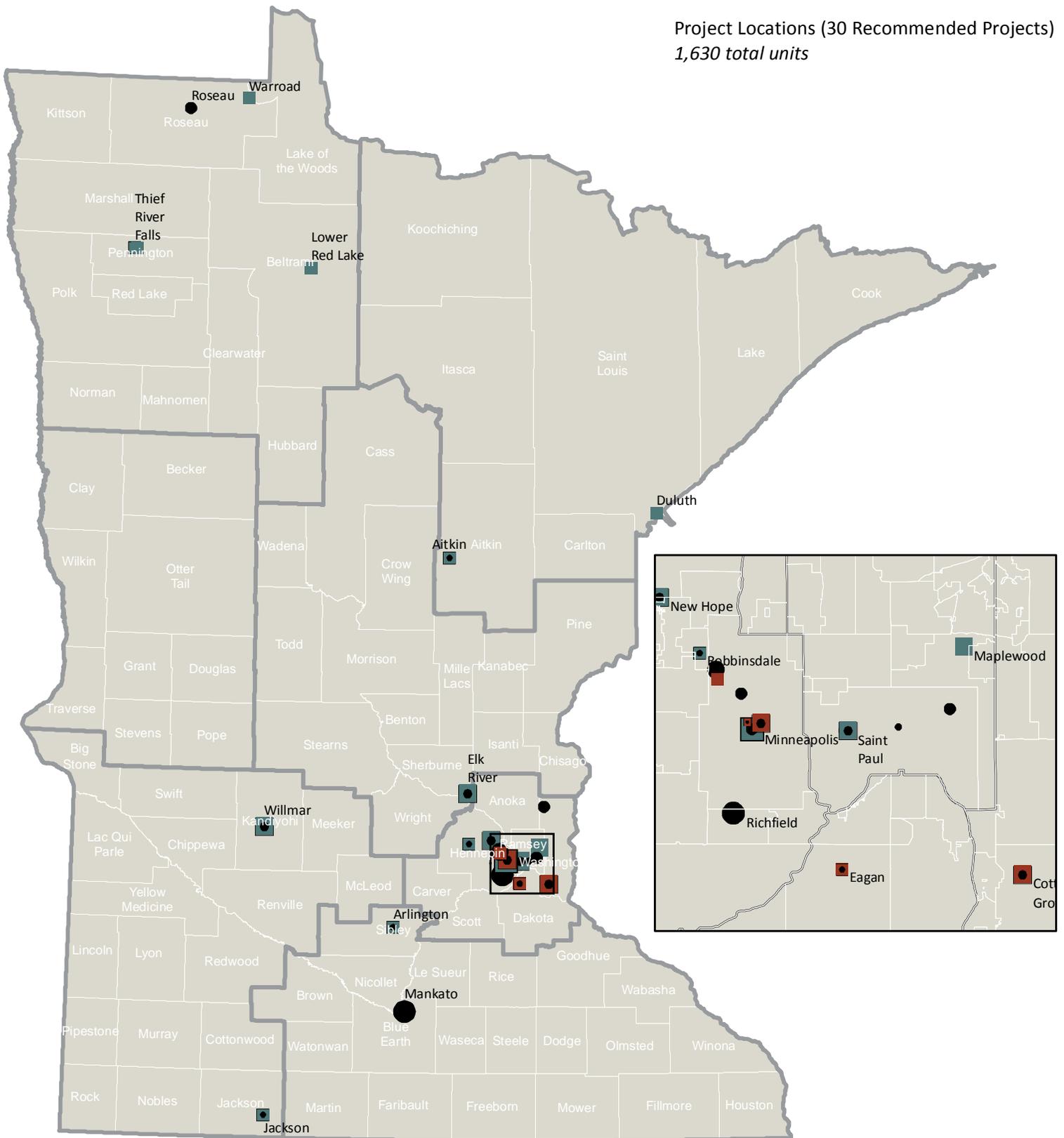
Total Recommended: \$857,214

Total: 48

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Minnesota Housing Multifamily RFP Funding Recommendations - October 2013

Project Locations (30 Recommended Projects)
1,630 total units



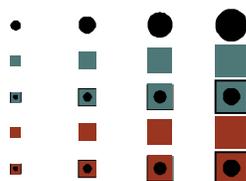
RFP 2013 Project (no HTC) | 9 Properties

HTC 9% Credits Only | 5 Properties

MHFA HTC + RFP | 11 Properties

HTC 9% Suballocator Credits Only | 1 Property

Suballocator HTC + RFP | 4 Properties



Note: 2 properties have both
MHFA and suballocator HTC

size (units) 4-20 21-50 51-100 101-192



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Board Agenda Item: 7.D
Attachment: Average Loan Amounts Per Unit by Program

Average Loan Amount Per Unit by Program

	Funding Round	Applications Received	Loans Requested	Loans Awarded	\$ Amount Awarded	Average Award	Number of Affordable Units	Average Per Unit
Deferred	2009	83	63	21	\$ 24,338,452	\$ 1,158,974	3,030	\$ 8,032
	2010	85	68	33	\$ 27,526,098	\$ 834,124	2,489	\$ 11,059
	2011	56	43	21	\$ 8,657,942	\$ 412,283	1,156	\$ 7,490
	2012	87	45	25	\$ 46,711,411	\$ 1,868,456	2,004	\$ 23,309
	2013	72	61	21	\$ 20,949,503	\$ 997,595	1,478	\$ 14,174
EDHC	2009			7	\$ 5,952,700	\$ 850,386	1,779	\$ 3,346
	2010			11	\$ 12,009,671	\$ 1,091,788	1,817	\$ 6,610
	2011			9	\$ 3,610,059	\$ 401,118	392	\$ 9,209
	2012			9	\$ 5,429,433	\$ 603,270	398	\$ 13,642
	2013			12	\$ 9,362,280	\$ 780,190	439	\$ 21,326
PARIF	2009			2	\$ 4,564,122	\$ 2,282,061	1,351	\$ 3,378
	2010			6	\$ 6,812,586	\$ 1,135,431	1,578	\$ 4,317
	2011			4	\$ 2,126,894	\$ 531,724	282	\$ 7,542
	2012			4	\$ 3,190,745	\$ 797,686	660	\$ 4,834
	2013			1	\$ 932,493	\$ 932,493	41	\$ 22,744
HOME HARP	2011			1	\$ 3,000,000	\$ 3,000,000	112	\$ 26,786
	2012			5	\$ 5,718,033	\$ 1,143,607	427	\$ 13,391
	2013			2	\$ 2,851,853	\$ 1,425,927	300	\$ 9,506
HTF	2009			4	\$ 1,126,992	\$ 281,748	24	\$ 46,958
	2010			1	\$ 16,500	\$ 16,500	4	\$ 4,125
	2011			0	\$ -	\$ -	0	\$ -
	2012			0	\$ -	\$ -	0	\$ -
	2013			0	\$ -	\$ -	0	\$ -
ELHIF	2009			1	\$ 875,000	\$ 875,000	45	\$ 19,444
	2010			3	\$ 3,237,074	\$ 1,079,025	153	\$ 21,157
	2011			0	\$ -	\$ -	0	\$ -
	2012			0	\$ -	\$ -	0	\$ -
	2013			0	\$ -	\$ -	0	\$ -
FFCC	2012			1	\$ 700,000	\$ 700,000	55	\$ 12,727
	2013			3	\$ 4,535,397	\$ 1,511,799	170	\$ 26,679
Housing Infrastructure Bonds	2012			9	\$ 27,623,200	\$ 3,069,244	590	\$ 46,819
	2013			0	\$ -	\$ -	0	\$ -

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Non-Selected Applications

Application Date: June 18, 2013

DEV#	Development Name, Location	Applicant	Dollars Requested
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Greater MN

CMIF

D1465	Wimbledon Green, Saint Cloud	NFAHS Development LLC	
		Housing Tax Credits	\$117,689.00
		Super RFP(Deferred Loans)	\$800,000.00
D7640	Cambridge Town Square, Cambridge	LWO Development LLC	
		Housing Tax Credits	\$299,963.00
		Super RFP(Deferred Loans)	\$321,466.00

NEMIF

D0597	Pine Ridge Apartments, Grand Rapids	Schuett Development LLC	
		Housing Tax Credits	\$256,141.00
		Housing Tax Credits	\$552,996.00
		MHFA First Mortgage	\$3,488,705.00
		MHFA First Mortgage	\$3,281,726.00
		Super RFP(Deferred Loans)	\$2,740,131.00
		Super RFP(Deferred Loans)	\$699,425.00
D7641	Bois Forte Homes III, Tower	Bois Forte Band of Minnesota Chippewa	
		Super RFP(Deferred Loans)	\$2,008,004.00
D7652	Nettleton School Apartments, Duluth	Sherman Associates Development LLC*	
		Super RFP(Deferred Loans)	\$825,000.00

NWMIF

D7636	Roseau Apartments, Roseau	Northwest Minnesota Community Housing	
		Super RFP(Deferred Loans)	\$141,394.00
D7637	Oakcrest Apartments, Roseau	Kyle Geroy Construction	
		Super RFP(Deferred Loans)	\$1,431,053.00
D7649	Tamarack Place, Roseau	SCI Associates, LLC	
		Housing Tax Credits	\$293,800.00
		MHFA First Mortgage	\$812,000.00
		Super RFP(Deferred Loans)	\$1,768,096.00
D7660	Roseau Highfield Flats Limited Partnership, Roseau	MetroPlains LLC	
		Housing Tax Credits	\$60,643.00
		Super RFP(Deferred Loans)	\$2,558,494.00

SEMIF

DEV#	Development Name, Location	Applicant	Dollars Requested
D1416	Sunrise Manor, Sleepy Eye	CommonBond Communities	
		Super RFP(Deferred Loans)	\$1,399,330.00
D2963	Winhaven Apartments, Winona	Madrona TC Developer III LLC	
		Housing Tax Credits	\$716,758.00
D7644	Rochester Family Housing, Rochester	CommonBond Communities	
		Housing Tax Credits	\$918,789.00
		MHFA First Mortgage	\$1,800,000.00
		Super RFP(Deferred Loans)	\$764,576.00

SWMIF

D1758	Highland Apartments, Willmar	Southwest Minnesota Housing Partnership	
		Housing Tax Credits	\$249,969.00
		MHFA First Mortgage	\$1,700,000.00
		Super RFP(Deferred Loans)	\$1,805,770.00

WCMIF

D1005	Park View Terrace, Moorhead	Schuett Development LLC	
		Housing Tax Credits	\$315,562.00
		Housing Tax Credits	\$670,375.00
		MHFA First Mortgage	\$4,392,521.00
		MHFA First Mortgage	\$4,133,796.00
		Super RFP(Deferred Loans)	\$3,475,472.00
		Super RFP(Deferred Loans)	\$760,786.00
D7647	Lakewood Apartments, Alexandria	Southwest Minnesota Housing Partnership	
		Housing Tax Credits	\$219,451.00
		Super RFP(Deferred Loans)	\$786,525.00

Total Greater MN

MHFA First Mortgage	\$19,608,748.00
Housing Tax Credits	\$4,672,136.00
Super RFP(Deferred Loans)	\$22,285,522.00
Operating Subsidy	\$0.00
Rent Assistance	\$0.00
GO Bonds	\$0.00
MN DEED	\$0.00

Total Greater MN Developments: 15

TOTAL \$46,566,406.00

Metro Area

MHIG

D0871	Little Earth, Minneapolis	Little Earth of United Tribes Housing	
		Super RFP(Deferred Loans)	\$2,974,498.00
D0959	Opportunity Housing Project, Minneapolis	AEON	

DEV#	Development Name, Location	Applicant	Dollars Requested
			Housing Tax Credits \$1,181,621.00
			Super RFP(Deferred Loans) \$2,240,000.00
D3071	Wilder Square Coop, Saint Paul	Real Estate Equities	
			Super RFP(Deferred Loans) \$1,500,000.00
D3470	Jamestown Apartments, Saint Paul	Twin Cities Housing Development Corp	
			Housing Tax Credits \$920,953.00
			MHFA First Mortgage \$3,156,570.00
			Super RFP(Deferred Loans) \$1,799,854.00
D6349	Corcoran Triangle, Minneapolis	Wellington Management Inc.	
			Super RFP(Deferred Loans) \$1,236,000.00
D6396	2600 17th Av So - Alliance, Minneapolis	Alliance Housing Incorporated	
			Super RFP(Deferred Loans) \$230,000.00
D6700	Hawthorne EcoVillage Apartments, Minneapolis	Project for Pride in Living Inc	
			Housing Tax Credits \$517,824.00
			MHFA First Mortgage \$2,050,000.00
			Super RFP(Deferred Loans) \$1,850,000.00
D7582	Compass Pointe, New Hope	Connelly Development LLC	
			Housing Tax Credits \$350,137.00
			MHFA First Mortgage \$2,709,250.00
			Super RFP(Deferred Loans) \$6,549,526.00
D7595	Prior Crossing, Saint Paul	Beacon Interfaith Housing Collaborative	
			Housing Tax Credits \$703,204.00
			Housing Tax Credits \$305,022.00
			Super RFP(Deferred Loans) \$1,059,581.00
			Super RFP(Deferred Loans) \$5,007,207.00
D7597	The Commons at Penn Avenue, Minneapolis	Building Blocks Non-Profit, Inc.	
			Housing Tax Credits \$1,000,000.00
			MHFA First Mortgage \$900,000.00
D7642	Urban Workforce Apartments, Falcon Heights	CommonBond Communities	
			Housing Tax Credits \$1,000,000.00
			MHFA First Mortgage \$1,375,000.00
			Super RFP(Deferred Loans) \$909,664.00
D7643	PRG Portfolio, Minneapolis	CommonBond Communities	
			Housing Tax Credits \$842,232.00
			Super RFP(Deferred Loans) \$2,627,076.00
D7645	Cornerstone Creek, Golden Valley	Community Housing Development	
			Housing Tax Credits \$799,764.00
D7648	Affirmation House, Minneapolis	Project for Pride in Living Inc	
			Super RFP(Deferred Loans) \$500,000.00

DEV#	Development Name, Location	Applicant	Dollars Requested
D7651	Piccadilly Square, Mahtomedi	Plymouth Housing Partners, LLC Super RFP(Deferred Loans)	\$1,450,000.00
D7654	2700 University, Saint Paul	Flaherty & Collins Development, Inc. Super RFP(Deferred Loans)	\$1,500,000.00
D7655	Model Cities Redevelopment, Saint Paul	Model Cities of Saint Paul Super RFP(Deferred Loans)	\$2,265,000.00
D7656	Anishinabe Bii Gii Wiin, Minneapolis	Project for Pride in Living Inc Housing Tax Credits	\$493,524.00
D7657	Jordan Apartments, Minneapolis	Alliance Housing Incorporated Housing Tax Credits Super RFP(Deferred Loans)	\$729,104.00 \$766,660.00
D7658	Marshall Flats (FKA Clare Lowry), Minneapolis	Clare Housing Housing Tax Credits Super RFP(Deferred Loans)	\$566,646.00 \$552,922.00
D7659	Veterans East, Minneapolis	Community Housing Development Housing Tax Credits Super RFP(Deferred Loans)	\$942,112.00 \$710,000.00
D7661	Oxford Green, Hopkins	Project for Pride in Living Inc Housing Tax Credits MHFA First Mortgage Super RFP(Deferred Loans)	\$853,861.00 \$900,000.00 \$1,500,000.00
D7662	Urban Homeworks Rental Reclaim VI, Minneapolis	Urban Homeworks, Inc. Super RFP(Deferred Loans)	\$1,440,000.00
D7663	Broadway Flats, Minneapolis	Rose Development Super RFP(Deferred Loans)	\$750,000.00
D7665	180 Degrees Youth Shelter, Saint Paul	180 Degrees Youth Shelter Super RFP(Deferred Loans)	\$300,000.00

Total Metro Area

MHFA First Mortgage	\$11,090,820.00
Housing Tax Credits	\$11,206,004.00
Super RFP(Deferred Loans)	\$39,717,988.00
Operating Subsidy	\$.00
Rent Assistance	\$.00
GO Bonds	\$.00
MN DEED	\$.00
TOTAL	\$62,014,812.00

Total Metro Area Developments: 25

Total Number of Developments: 40

MINNESOTA HOUSING FINANCE AGENCY

**400 Sibley Street, Suite 300
St. Paul, Minnesota 55101**

RESOLUTION NO. MHFA 13-**RESOLUTION APPROVING SELECTION/AUTHORIZATION
TO CLOSE LOANS/GRANTS**

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
16624	The Lonoke, Minneapolis	EDHC	\$ 470,000
16625	Ebenezer Tower Apartments, Minneapolis	HOME HARP	\$ 1,851,853
16573	The Cameron, Minneapolis	EDHC	\$ 500,000
16618	PPL DECC Recapitalization, Minneapolis	EDHC	\$ 800,000
16606	The Commons at Penn Avenue, Minneapolis	EDHC	\$ 1,249,975
16567	Elders Lodge Preservation Project, Minneapolis	EDHC Indian Set-aside	\$ 362,785
16632	Mt. Airy Public Housing Four-Plex, Saint Paul	EDHC	\$ 360,000
16566	Lyndale Gardens, Richfield	EDHC Workforce MF	\$ 451,000
16621	Clare Terrace, Robbinsdale	EDHC	\$ 854,700
16629	Lakeshore Townhomes, Eagan	EDHC	\$ 502,155
16569	River Pointe Townhomes, Thief River Falls	EDHC Workforce MF	\$ 554,451
16590	Tamarack Place, Roseau	EDHC Workforce MF	\$ 2,400,000
16578	Gus Johnson Plaza, Mankato	HOME HARP	\$ 1,000,000
16594	Street E Townhomes	EDHC Workforce MF	\$ 857,214
Total Awarded:			<u>\$ 12,214,133</u>

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 loans in form and substance acceptable to Agency staff and the closing of the loan or grant shall occur no later than 20 months from the adoption date of this Resolution; and
3. The sponsor, the builder, the architect, the mortgagor, and such other parties shall execute all such documents relating to said loan or grant, to the security therefore, to the construction and operation of the development, as Agency, in its sole discretion, deems necessary.

Adopted this 7th day of November, 2013.

CHAIRMAN

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

RESOLUTION NO. MHFA 13-

RESOLUTION ALLOCATING FEDERAL LOW INCOME HOUSING CREDITS
FOR CALENDAR YEAR 2014
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 2014; 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

<u>Project #</u>	<u>Project Name</u>	<u>HTC \$ Awarded</u>
16625	Ebenezer Tower Apartments, Minneapolis	\$ 647,436
16608	Hamline Station – Family Housing	\$ 64,850
16631	Maple Knoll Townhomes, Maplewood	\$ 610,071
16575	Compass Pointe, New Hope	\$ 1,055,000
16599	Medina, Medina	\$ 587,989
16621	Clare Terrace, Robbinsdale	\$ 563,119
TOTAL CREDITS AWARDED:		<u>\$ 3,528,465</u>

Greater Minnesota Selections
8 Projects

<u>Project #</u>	<u>Project Name</u>	<u>HTC \$ Awarded</u>
16586	Coachman Ridge Apartments, Elk River	\$ 873,829
16596	Lincoln Park Apartments, Duluth	\$ 879,449
16580	Ripple River Townhomes, Aitkin	\$ 327,953
16569	River Pointe Townhomes, Thief River Falls	\$ 389,088
16565	Red Lake Homes XII, Beltrami	\$ 539,772
16574	Highland Commons, Arlington	\$ 344,939
16592	Highland Apartments, Willmar	\$ 409,943
16594	Street E Townhomes, Jackson	\$ 447,756
TOTAL CREDITS AWARDED:		<u>\$ 4,212,729</u>

Rural Development / Small Projects Selections
2 Projects

<u>Project #</u>	<u>Project Name</u>	<u>HTC \$ Awarded</u>
16570	Northland Apartments, Warroad	\$ 111,496
16568	Greenwood Terrace, Thief River Falls	\$ 114,027
TOTAL CREDITS AWARDED:		<u>\$ 225,523</u>

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 2014 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 Compass Pointe,
3. THAT, notification letters concerning the above be forwarded to the approved applicants.

Adopted this 7th day of November, 2013.

 CHAIRMAN

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

RESOLUTION NO. MHFA 13-

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

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

<u>Project #</u>	<u>Project Name</u>	<u>Funding Source</u>	<u>\$ Awarded</u>
16574	Highland Commons, Arlington	PARIF	\$ 932,493

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

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

NOW THEREFORE, BE IT RESOLVED:

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

1. The Initial Closing of such PARIF loan shall be on or before July 31, 2015; and
2. The amount of the PARIF loan shall be \$932,493 , the interest rate on the loan shall be 0 percent with monthly principal payments based on a 30-year amortization; and the maturity date of the loan shall be 30 years from the date of first principal payment; and
3. The Agency staff shall review and approve the Mortgagor; and
4. The Mortgagor will enter into a covenant running with the land that complies with subd. 8b of Minn. Stat. § 462A.21, and the rider to the appropriation providing funds to the program (Minnesota Laws, 2011, First Special Session, Chapter 4, article 1, section 4, subdivision 7), agreeing to enter into a covenant running with the land requiring owner to renew the Section 8 HAP contract for the term of the PARIF loan, and providing the right of first refusal to a non-

profit or local unit of government should the Owner receive a viable purchase offer during the term of the loan; and

5. The Mortgagor shall enter into an Agency Mortgage Loan Commitment with terms and conditions embodying the above in form and substance acceptable to Agency staff; and
6. The sponsor, the mortgagor, and such other parties as Agency staff in its sole discretion deem necessary, shall execute all such documents relating to said loan, to the security therefore, and to the operation of the development, as Agency staff in its sole discretion deem necessary.

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

Adopted this 7th day of November, 2013

CHAIRMAN