

CPED Development Program 2014 YE Financial Status Report

Rev. 6-11-15

Program	Description	Lead Staff	2014 total Appropriation	2014 Expenditures	2014 Exp as a % of 2014 Appropriation	Encumbrances [e.g. contracts]	Council Commitments	Unspent/Unobligated Balance	Comments (including 2015 commitments)
<b>Economic Development Programs</b>									
Small Business Loan Programs- Local funds	This group of loan programs is designed to help businesses start, stay, and grow in Mpls. Specific programs assist with various kinds of financing, including equipment, building improvements, and real estate	Kristin Guild 5168 673-	2,200,000	(2,100,233)	95.5%	0	0	99,767	
Great Streets - Local funds	Neighborhood business district support program with multiple elements including real estate loans, façade improvement matching grants, and annual business district support contracts with community organizations. Local flexible dollars are utilized for facade matching grants and business district support contracts.	Rebecca Parrell 673-5017	2,872,158	(881,010)	30.7%	(978,282)	0	1,012,866	As of late May, most of the 2014 YE balance has been allocated: \$330,000 for the Façade Grant Program on 2/13/15 and \$542,400 for the Business District Support program on 5/15/15.
Great Streets - CDBG funds	CDBG capital dollars are used for Great Streets real estate development loans as well as for BTAP business consulting support for income eligible entrepreneurs.	Rebecca Parrell 673-5018	1,728,927	(446,197)	25.8%	(101,108)	0	1,181,622	In 2015, staff plan to direct an additional \$300,000 in CDBG dollars to BTAP for business consulting to income-eligible entrepreneurs through a Sept RFP. This would leave \$800,000 available for Great Streets loans in 2015 and 2016.
BTAP [Business Technical Assistance Program] - combination CDBG and local funds	The B-TAP program provides consulting support to businesses located in the City of Minneapolis.	Daniel Bonilla 5232 673-	953,405	(279,555)	29.3%	(231,350)	(475,000)	(32,500)	On 12/12/2014, the City Council committed \$175,000 [local funds] and \$300,000 [CDBG funds] for 10 new BTAP contracts resulting from a Sept 2014 RFP. \$32,500 of this amount was contingent on the program's 2015 budget, which covered the negative YE balance. These contracts were encumbered early 2015. The 2015 BTAP appropriation was \$350,000, including \$100,000 for the BTAP+ train the trainer program work and a fall procurement fair.
Grow North (combination \$800,000 CDBG and \$200,000 local funds)	Grow North is a financial incentive package aimed at bringing jobs-intensive business investment to North Minneapolis.	Casey Dzieweczynski 673-5070	1,000,000	0	0.0%	(200,000)	(200,000)	600,000	The \$200,000 encumbrance was a loan to West River Road Investments approved on 4/25/14; project still in construction, funds likely to be drawn Q2 2015. The \$200,000 in commitments reflects a 4/25/14 City Council action to allocate funds for downpayment assistance for Grow North employee homebuyers. 3/20/15: Council Commitment for \$80,000 loan to Greenheck Fan Corp. Likely to close in Q2 or Q3 of 2015.
CARF [Capital Acquisition Revolving Fund] - Local funds	Program supports acquisition of commercial redevelopment properties along commercial corridors	Rebecca Parrell 673-5018	500,000	0	0.0%	0	0	500,000	4/9/15: CPED director approval of 4146 Fremont Ave N property purchase, total expenditure of \$34,296
Midtown Global Market/Parking Validation - Local funds	This investment offsets parking costs for Midtown Global Market customers, supporting the parking validation program.	Rebecca Parrell 673-5018	115,000	(85,445)	74.3%	0	0	29,555	This support was closed out at the end of 2014, with the rollover requested to ensure that committed dollars were available for the close out.
Bassett Creek Valley - Local funds	Predevelopment activities in Bassett Creek Valley, site assembly investigation, environmental investigation, assembly strategy, concept site planning for grant requests, etc.	Beth Grosen 5002 673-	100,000	(74,614)	74.6%	0	0	25,386	
Green Initiative - Local funds	Green business outreach and support.	Emily Stern 5191 673-	44,665	-	0.0%	0	0	44,665	
<b>Economic Development subtotal</b>			<b>9,514,155</b>	<b>(3,867,054)</b>	<b>40.6%</b>	<b>(1,510,740)</b>	<b>(675,000)</b>	<b>3,461,361</b>	

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<b>Housing Programs</b>									
<b>Affordable Rental Housing</b>									
AHTF [Affordable Housing Trust Fund] - Federal and local funds	The Affordable Housing Trust Fund program was created in May 2003 by combining previously separate multifamily affordable housing funding programs into one umbrella program to assist in the financing of the production and preservation/stabilization of affordable and mixed-income rental housing projects in Minneapolis. In 2013, this program was supported by several fund sources, including CDBG, HRA Levy, Home, and tax increment.	Jon Clevenger 673-2495	24,546,899	(4,252,101)	17.3%	(6,543,398)	(13,200,250)	551,150	Council commitments include 2013 allocations of \$7,085,000 and 2014 allocations of \$6,115,250. All of these council approved funding awards are for projects that are moving forward and expected to close in 2015 or 2016. All unspent/unobligated appropriations are projected to be fully encumbered or spent by 12/31/16.
Emergency Solutions Grant Program - federal funds	HUD funded program for the renovation or rehabilitation of emergency shelters for people experiencing homelessness and to positively convert buildings for use as emergency shelters	Tiffany Glasper 673-5221	1,166,804	(390,719)	33.5%	(548,708)	(227,377)	0	Council commitments include 2014 project awards. [housing funds only, excl. services]
<b>Affordable Ownership Housing</b>									
Owner Occupied Rehab - Federal funds	These funds will be used to provide home improvement loans and lead hazard grants to current Minneapolis homeowners.	Mark Anderson 673-5289	305,000	0	0.0%	(305,000)	0	0	
Senior Citizen Housing Initiative - Federal funds	Same as above, with these funds set aside for homeowners who are at least 55 years old.	Mark Anderson 673-5291	810,000	0	0.0%	(810,000)	0	0	
Affordable Homeownership Combined Program - Local funds	Funds used for development gap and affordability assistance	Elfric Porte 673-5145	882,369	(265,217)	30.1%	0	0	617,152	This balance will be used for development and affordability gap assistance for "house move" projects that will support households at 80% AMI and interim construction financing for NSP programs.
Neighborhood Stabilization Program - federal funds	NSP is a HUD funded program to purchase and redevelop foreclosed and abandoned homes to stabilize communities.	Roxanne Kimball 673-2794	4,003,964	(2,046,055)	51.1%	0	0	1,957,909	This federal grant award is a five part award earmarked to address the foreclosure crisis. The City, in collaboration with its development partners, is on track to meet all of the HUD grant timelines. This program recycles some of the original award in the form of program income. The use of the program income is limited to the original eligible uses of the grant.
Homeownership Works Program [HOME]	Project supports the development of ownership housing units serving households at, or below 80% AMI.	Eddie Oliveto-Oates 673-5230							
	Federal Funds		3,260,987	(1,858,209)	57.0%	(1,200,267)	0	202,511	Projects were earmarked in 2014 and have been committed in 2015.
	Local Funds		1,133,450	(142,000)	12.5%	0	0	991,450	Council Action is needed to expand the use of the funds due to program design changes.
High Density Corridor Housing - Federal funds	Program helps assemble development sites for the production of high density multi-family housing.	Theresa Cunningham 673-5237	2,242,015	(144,405)	6.4%	0	0	2,097,610	High Density Corridor Housing: \$728,000 is either spent (\$4,400), under contract to purchase property (\$501,600) including demolition and relocation costs), or reserved for acquisitions currently in negotiations. This amount (\$728,000) will be spent by the end of 2015. Due to the recent leadership vacancies in the multifamily housing unit, this program was not been actively marketed this last year. Staff will actively market the program with a goal of committed all remaining fund balance by 4/1/16.

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Green Homes North - Local funds	Funds used to support development gap assistance for the construction of energy-efficient single family owner-occupied housing in North Minneapolis. Serving household of \$115% AML.	Cherie Shoquist 5078	673-	965,009	(527,440)	54.7%	0	0	437,569	All Green Homes North project funds have Council action to commit and funds are under contract.
Vacant and Boarded Housing Program - federal funds	Program supports the acquisition, demolition and property management (land banking activities) associated with the treatment of blighted properties	Earl Pettiford 5231	673-	3,531,609	(1,383,113)	39.2%	(11,349)	0	2,137,147	Funds are earmarked for on-going property management, staff cost, and for future acquisition/demolition activities.
Mortgage Foreclosure Prevention Program - federal funds	Funds used to support the Minnesota Home Ownership Center's work around foreclosure prevention efforts in Minneapolis.	Mark Anderson 673-5289		503,090	(317,244)	63.1%	(182,846)	0	3,000	
Home Improvement Program - Local funds	Funds used to support Code Abatement zero-percent loans up to \$20,000 to assist low-income homeowners who have been required to make repairs on their properties by the City's Regulatory Services Dept.	Mark Anderson 673-5289		117,195	(116,918)	99.8%	0	0	277	
Home Improvement Fund - Local funds	Provides low interest financing for low income homeowners.	Mark Anderson 673-5289		116,956	(31,182)	26.7%	0	0	85,774	These program funds are under contract with GMHC to originate home improvement loans. All funds will be committed/spent by the end of 2015.
Residential Housing Program - Local funds	This program supports both administrative and other related costs for the origination of loans by GMHC for home improvement and mortgage assistance.	Mark Anderson 673-5289		786,452	(378,525)	48.1%	(213,328)	0	194,599	These funds are used to pay administrative costs associated with Owner Occupied Rehabilitation and Senior Citizen Housing Initiative, and homebuyer assistance programs. \$85,000 is expected to be spent by the end of 2015.
Minneapolis Advantage Program - Local funds	Provides mortgage down payment assistance for homeowners in Minneapolis.	Cherie Shoquist 673-5078		10,000	0	0.0%	0	0	10,000	
Housing Programs 2014 - Local funds	Supports multiple housing activities, including feasibility studies, support administration for housing programs, new program development.	Andrea Brennan 673-5128		418,000	0	0.0%	0	0	418,000	These funds are expected to be fully committed by the end of 2015 for an inclusionary housing feasibility study and homeownership support programming related to vacant properties.
Hi-Lake Triangle - Local funds	Hi-Lake Triangle Apartments is under construction, and will consist of 64 affordable apartments for seniors and approximately 5,000 square feet of ground floor retail space adjacent to the Lake Street LRT Station.	Matthew Hendricks 673-5236		425,000	(425,000)	100.0%	0	0	0	
Heritage Park 1 & 2 - Local Funds	Initial ownership and rental phases of Heritage Park north of Olson Memorial Highway	Cherie Shoquist 673-5078		257,631	(26,397)	10.2%	0	0	231,234	This project is in progress. Funds needed to support redevelopment planning efforts expected to occur in 2015 and 2016.
West Broadway Flats - Local Funds	Mixed use development at Penn & Broadway	Tiffany Glasper 673-5221		50,000	0	0.0%	0	0	50,000	Funds expected to be expended by the end of 2015
<b>Housing Subtotal</b>				<b>45,532,429</b>	<b>(12,304,524)</b>	<b>27.0%</b>	<b>(9,814,896)</b>	<b>(13,427,627)</b>	<b>9,985,382</b>	