Community Planning & Economic Development
Crown Roller Mill, 105 Fifth Ave. S.
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Minneapolis
City of Lakes

July 30, 2009

MEMO TO: Cathy Polasky, Director Economic Development
Tom Streitz, Director Housing

FROM: Chuck Lutz, Chair Development Finance Committee

SUBJECT: Development Finance Committee Recommendation Regarding the Proposed Great Streets Loan to Delisi/Catalyst Five Points, LLC and Debt Forgiveness on the PPL Northside Community Redevelopment project

On July 30, 2009, the Development Finance Committee considered two staff reports regarding proposed financing: 1) $450,000 Great Streets Loan to Delisi/Catalyst Five Points, LLC and; 2) debt forgiveness on the PPL Northside Community Redevelopment Project.

The Committee agrees with the staff recommendations that the proposed use of funds is appropriate for both projects.

The committee made the following recommendation that the project coordinator on the Delisi/Five Points, LLC project ask the developer to provide information on reserve funds during the lease-up period.

The committee noted that the PPL project is non-recourse due to the nature of the debt forgiveness and because low-income housing projects are not big revenue generators.

Please attach this memo to the report to the Community Development Committee.

cc: Mike Christenson
Kristin Guild
Wes Butler
Kelly Hoffman
Tiffany Glasper
Irene Kasper