



**Request for City Council Committee Action
From the Department of Community Planning & Economic Development**

Date: February 1, 2005

To: Council Member Lisa Goodman, Community Development Cmte

Prepared by: Donna Wiemann, Principal Project Coordinator
Phone 612-673-5257

**Presenter in
Committee:** Donna Wiemann

Approved by: Elizabeth Ryan, Director Housing Policy & Development, _____

Subject: Identification of Minneapolis Projects Approved for Funds from the
Hennepin County 2004 Affordable Housing Incentive Fund Program

RECOMMENDATION: Receive and file report about the Minneapolis projects approved for funds from the Hennepin County 2004 Affordable Housing Incentive Fund Program.

Previous Directives: On July 13, 2001, the City Council directed staff to prepare and enter an agreement with the Hennepin County Housing and Redevelopment Authority about the funding of projects in Minneapolis with Hennepin County Affordable Housing Incentive Funds.

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.
(If checked, go directly to next box)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact (Summarize below)

Ward: The projects are located in the following wards: 1, 2, 3, 4, 6, 7, and 8.

Neighborhood Notification: Projects have been reviewed by their respective neighborhood organizations.

City Goals: Foster the development and preservation of a mix of quality housing types that is available, affordable, and meets current needs.

Comprehensive Plan: Section 4.9 and 4.10: Minneapolis will grow by increasing its supply of housing and will increase the housing that is affordable to low and moderate income households.

Zoning Code: Projects comply.

Living Wage/Job Linkage: Not Applicable.

Background/Supporting Information

On July 13, 2001, the City Council directed staff to prepare and execute a Memorandum of Understanding with the Hennepin County Housing and Redevelopment Authority (HCHRA) about the County's funding from its Affordable Housing Incentive Fund (AHIF) to Minneapolis housing projects. The purpose of the AHIF is to provide funding for the development and preservation of affordable housing throughout Hennepin County. The MOU between the City and the HCHRA was signed on May 14, 2002.

The HCHRA issued a \$4,000,000 AHIF request for proposals in the summer of 2004 and received a total of 31 proposals. The proposals were subject to a competitive evaluation process based on criteria established by the County Board. CPED staff participated in the proposal review and ranking process. In November, 2004, the County Board approved AHIF money for sixteen (16) projects, of which twelve (12) are located in Minneapolis. The twelve (12) Minneapolis projects consist of a total of 659 units and will receive a total of \$3,105,000 County AHIF money from the 2004 funding round.

Based on the MOU, City staff provides a report to the Council about the Minneapolis projects approved for AHIF funding. Attached is the list identifying the Minneapolis projects approved for Hennepin County's 2004 Affordable Housing Incentive Fund.

**Hennepin County Housing and Redevelopment Authority
2004 Affordable Housing Incentive Fund (AHIF)
Final Projects Approved for Funding
November 30, 2004**

#	Development	City	Applicant	Type of Activity	Form of Ownership	Total Units	Units at 30% AMI	Home-less Units	Total AHIF Units	AHIF Amount	TDC
1.	Brookside Lofts	St. Louis Park	Master Development Group / West Hennepin Affordable Housing Land Trust	New Construction / Rehabilitation	Home-ownership	30	0	0	2	\$70,000	\$8,685,000
2.	Camden Apartments/FACT Housing	Minneapolis	Pillsbury United Communities / Project for Pride in Living	Acquisition / New Construction	Rental	23	23	10	23	\$425,000	\$6,483,340
3.	Cedar Avenue Condominiums	Minneapolis	Urban Homeworks / City of Lakes Community Land Trust	New Construction	Home-ownership	15	0	0	2	\$50,000	\$2,692,262
4.	CLCLT Homebuyer Initiated Program	Minneapolis	City of Lakes Community Land Trust	Acquisition / Rehabilitation	Home-ownership	12	0	0	2	\$50,000	\$780,000
5.	Elliot Park Commons	Minneapolis	Project for Pride in Living	Acquisition / Preservation	Rental	25	0	0	25	\$375,000	\$3,094,000
6.	Hawthorne Avenue Apartments	Minneapolis	Plymouth Church Neighborhood Foundation	Acquisition / Rehabilitation	Rental	35	7	0	35	\$115,000	\$1,872,521
7.	Hennepin County Lead Hazard Reduction Demonstration Grant Adjunct	Hennepin County	Hennepin County Housing, Community Works & Transit	Stabilization / Rehabilitation	Rental	75	0	0	25	\$25,000	\$300,000
8.	Louisiana Court	St. Louis Park	Project for Pride in Living	Stabilization / Rehabilitation	Rental	129	12	6	129	\$550,000	\$1,791,127
9.	Maple Ridge Townhomes	Maple Grove	Maple Ridge of Maple Grove Limited Partnership/Duffy Development Company	New Construction	Rental	46	0	4	46	\$250,000	\$7,249,250
10.	Midtown Exchange	Minneapolis	Sherman Associates	Rehabilitation/ Historic Preservation	Rental	223	0	0	178	\$500,000	\$44,045,000

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#	Development	City	Applicant	Type of Activity	Form of Ownership	Total Units	Units at 30% AMI	Home-less Units	Total AHIF Units	AHIF Amount	TDC
11.	MS Residence	Minneapolis	CommonBond Communities	Acquisition / New Construction	Rental	45	0	0	45	\$300,000	\$7,646,370
12.	River Run Apartments	Minneapolis	Sherman Associates	Acquisition / New Construction	Rental	74	16	0	74	\$350,000	\$12,469,273
13.	St. Anne's Senior Housing*	Minneapolis	St. Anne's Community Development Corporation	Acquisition / New Construction	Rental	71	14	14	59	\$250,000	\$13,573,835
14.	St. Anthony Mills Apartments*	Minneapolis	St. Anthony Mills Limited Partnership / Brighton Development Corporation	New Construction	Rental	97	0	0	82	\$300,000	\$14,829,987
15.	Twin Cities Habitat for Humanity Affordable Homeownership	Minneapolis	Twin Cities Habitat for Humanity	Acquisition / New Construction	Home-ownership	2	0	0	2	\$40,000	\$524,153
16.	The Jourdain@Franklin-Portland Gateway	Minneapolis	Central Community Housing Trust / Hope Community	Acquisition / New Construction	Rental	41	0	0	24	\$350,000	\$8,761,651
Total						943	72	34	753	\$4,000,000	\$134,797,769

* AHIF Cost/Unit and AHIF % of TDC includes prior year funding. St. Anne's Senior Housing 2003 AHIF award was \$300,000 and St. Anthony Mills Apartments 2003 AHIF award was \$500,000.