

**Community Planning & Economic Development**

Crown Roller Mill, 105 Fifth Ave. S.  
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Minneapolis, MN 55401



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 Gasper  
Irene Kasper