



August 30, 2005

Penn & Lowry Avenues North City of Minneapolis, Minnesota

Central
Community
Housing Trust



JLG
architects

a. Developer's Name and Mailing Address

Central Community Housing Trust
1625 Park Avenue
Minneapolis, MN 55404

b. Developer's Current Legal Status

Corporation

c. Federal ID Number

41-1558711

d. State ID Number

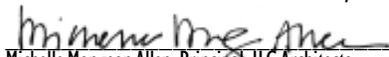
MN 398-1980

e. Contact Person

Jeanne Kelsey, Senior Project Manager
Phone: 612.341.3148 x235
Fax: 612.341.4208
Email: jkelsey@ccht.org

f. Signature of Authorized Corporate Office for Each Entity


Alan Arthur, President & CEO, Central Community Housing Trust


Michelle Mongeon Allen, Principal, JLG Architects

Penn & Lowry Avenues North
City of Minneapolis
Minnesota



TRANSMITTAL LETTER

August 30, 2005

Erik Hansen
City of Minneapolis – CPED
105 Fifth Avenue South, Suite 200
Minneapolis, MN 55401

RE: Request for Redevelopment Proposal for City-Owned Property at Penn and Lowry Avenues North

Dear Mr. Hansen:

Central Community Housing Trust (CCHT) and JLG Architects are pleased to present this proposal for redevelopment of Penn and Lowry Avenues in north Minneapolis. We are excited about the opportunity to bring new construction of housing and commercial rental space to this vital urban corridor.

This development represents an opportunity to link the existing neighborhood businesses with quality housing. The site will offer a lifecycle of housing options and will be supported by RESOURCE, Inc services. CCHT believes that developing this site will encourage future redevelopment on the remaining three corners. If chosen, CCHT may also incorporate an expanded vision for the site.

Our team is unmatched in experience with mixed-use developments by meeting the needs of neighborhoods. We are uniquely suited to deliver award-winning design, meet established timelines, and use unique financing tools to maintain neighborhood economic viability for the current businesses and residents.

CCHT and JLG Architects are committed to working with the City of Minneapolis, Hennepin County and the neighborhoods to create a vision for the future of Penn and Lowry Avenues North.

Please do not hesitate to contact me at 612-341-3148x201 or aarthur@ccht.org for further discussion regarding this proposal.

Sincerely,

Alan Arthur
President, Central Community Housing Trust

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DESCRIPTION OF THE
PROPOSED DEVELOPMENT

DESCRIPTION OF THE PROPOSED DEVELOPMENT

Central Community Housing Trust (CCHT), with consultant JLG Architects, proposes to construct a new mixed-use development that features workforce housing and commercial/retail space for local businesses. At the intersection of the Jordan, Cleveland, and Folwell neighborhoods, this area has served as one of the larger commercial nodes for the Near-North and Camden communities for generations. The proposed development helps this urban village to realize its fuller potential by infilling the commercial gap at the corner of Penn and Lowry and by inserting residential units, bringing customers to the businesses and pedestrians to the street.

This proposal seeks to incorporate all the elements of a successful development and, just as importantly, a successful neighborhood center. The planned buildings are intended to reflect traditional urban form in their massing and materials, with details and fenestrations that represent the use and create a comfortable scale overall and especially a human scale at grade. Buildings along Penn and Lowry are built to the sidewalk to encourage an active a pedestrian-friendly environment, greenspace links interior areas and provides opportunities for outdoor activity and interaction, and parking is located internally and below-grade.

The residential portion will consist of approximately 52 units of workforce housing that will be rent restricted to 50% of the area median income but will be able to serve households up to 60% of the area median income. The market for this housing will be existing neighbors as well as new tenants who want to live closer to work and have access to a safe and vibrant neighborhood center.

The proposed housing located along Oliver Avenue respects the setbacks of the adjacent residential and creates yards for the walk-up townhomes — a place for neighbors to visit and kids to play. The first floor townhomes are arranged back-to-back, so an interior pedestrian pathway has been incorporated to connect those units to the neighborhood and provide them with the same front-yard amenity — two levels of apartment flats are located on the third and fourth stories. Additional greenspace is available in that same area for a children’s play lot and outdoor activity. While the housing provides ample landscaping at the east and west elevations, the building is tight to the sidewalk on Lowry Avenue for all the reasons mentioned in the paragraphs above.

Along Penn Avenue, a four-story building accommodates residential flats. Its west elevation is in line with the Penn-Lowry commercial building at the corner in order to reinforce the massing and also to keep the parking below efficiently arranged. As the street angles back to the original curb line, there is an opportunity for greenspace in front of this building, softening the streetscape and again providing a pleasant environment for people to “be neighborly”.

The commercial component is accommodated in a 20,000 s.f. stand alone building along the intersection of Penn and Lowry Avenue North. This structure is built to the sidewalk in order to respect traditional streetscape design and to channel pedestrian movements, forcing people into closer proximity where they have the opportunity to interact. The building would be primarily suited for local businesses that need to relocate due to the expansion of Lowry Avenue. CCHT has had conversations with North End Hardware and the Employment Action Center; these businesses together are interested in occupying the entire 20,000 square feet. CCHT is very committed to working with the neighborhood business community and would like to work to expand the existing site to the south along Penn in order to accommodate more local enterprises.

Parking is located on the interior of the site and below grade. Twenty-one surface stalls are accessed both via the existing alley and a new curb-cut off of Penn Avenue; access to surface parking from either Penn or Lowry Avenues is critical to a viable commercial/retail occupancy. Below grade, 80 stalls accommodate both commercial employee and residential tenant parking. Delivery and service vehicles would access the site in the same way — either via the existing alley or the new drive off of Penn Avenue.

The team of CCHT and JLG Architects believes that the current site is just a stepping stone in the overall revitalization of this neighborhood commercial node. A larger conceptual redevelopment plan would incorporate all four corners (the entire block), incorporating additional mixed-use occupancies and thus strengthening the overall redevelopment. CCHT would pursue and explore expanding the current proposal in order to incorporate more commercial and housing with the same sensitivity to the urban environment, transit and the pedestrian as the current proposal. We believe that our extensive and experience with successful redevelopment gives credibility to our commitment to communities — working with neighborhoods and following through.

Size of building and square footage:

Lowry Townhomes: 7,900 sf x 4 stories = 31,600 sf
Penn-Lowry Commercial Building: 10,210 sf x 2 stories = 20,420 sf
Penn Flats: 7,200 sf x 4 stories = 28,800 sf

Number of parking spaces:

Surface: 21
Below-grade: 80

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DESCRIPTION OF THE
PROPOSED DEVELOPMENT

PROPOSED DEVELOPMENT
SITE PLAN



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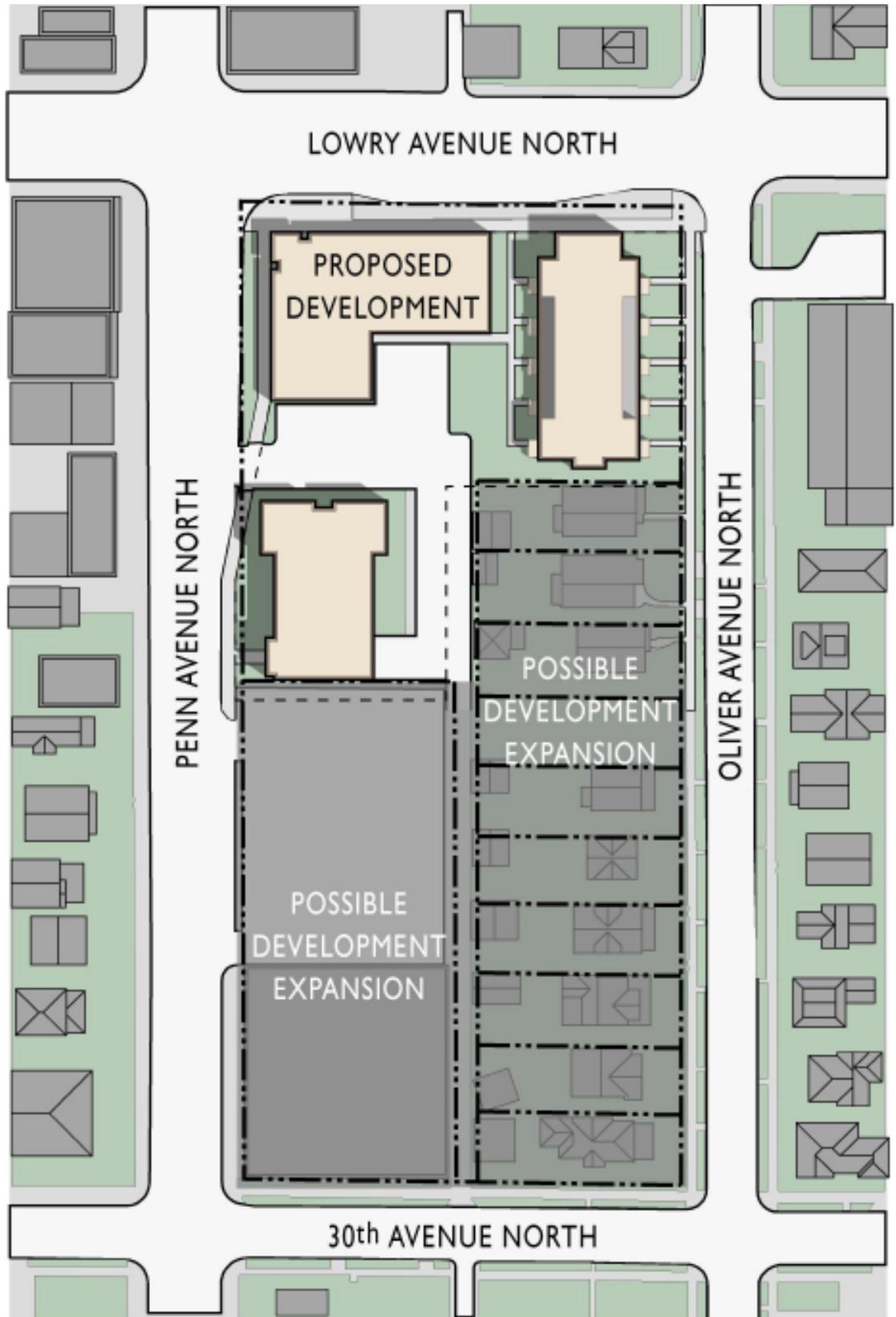
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DESCRIPTION OF THE
PROPOSED DEVELOPMENT

OVERALL SITE PLAN WITH
POTENTIAL FUTURE DEVELOPMENT



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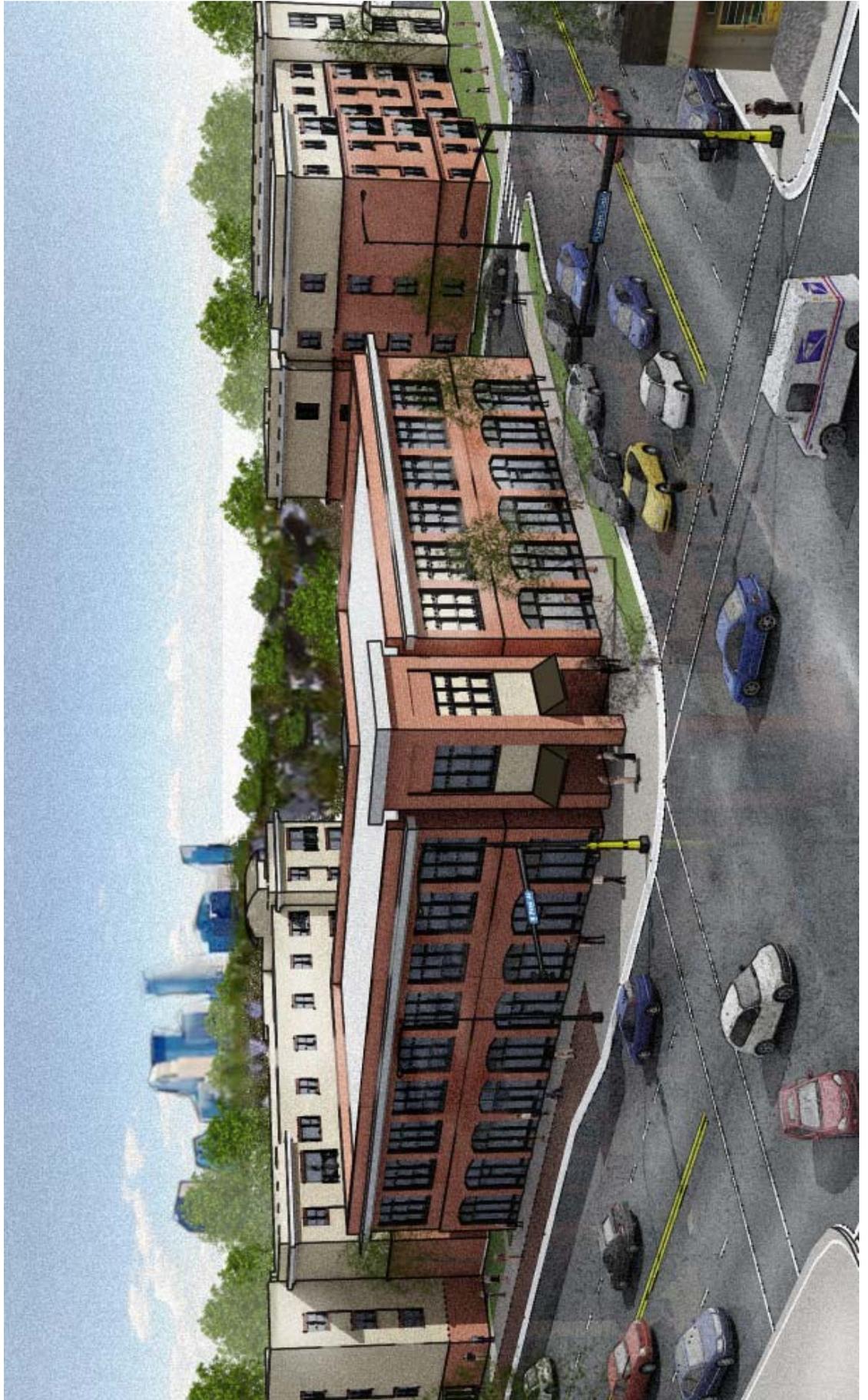
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DESCRIPTION OF THE
PROPOSED DEVELOPMENT

BIRDSEYE RENDERING



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DESCRIPTION OF THE
PROPOSED DEVELOPMENT
TOWNHOUSE RENDERING



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DESCRIPTION OF THE
PROPOSED DEVELOPMENT

FLATS RENDERING



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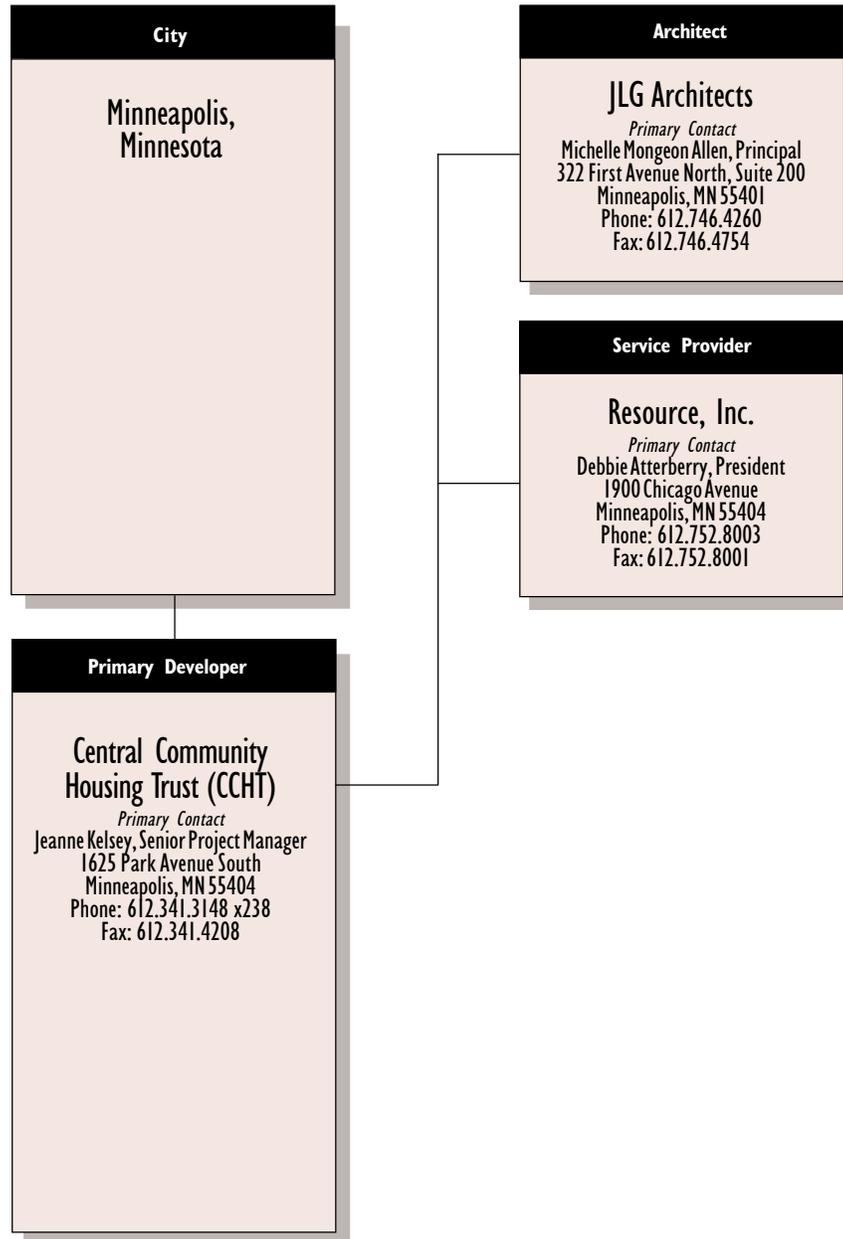


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IDENTIFICATION OF ENTITIES INVOLVED

PROJECT ORGANIZATION

The following organizational chart illustrates the relationships of the project team. All coordination of disciplines will be the responsibility of CCHT. The developers can assure continuity and high quality with this project delivery approach.





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IDENTIFICATION OF ENTITIES
INVOLVED

EXPERIENCE, DESCRIPTION OF ROLES AND EXPERIENCE WORKING WITH PUBLIC ENTITIES, INCLUDING REFERENCES

Central Community Housing Trust

CCHT has the experience and capacity to develop a broad array of mixed-use developments, with housing units serving a variety of household types and a variety of incomes/demographics. CCHT brings:

- Experience in large, complex, and very visible projects: East Village, (180 units, \$28 million); Franklin-Portland Gateway, (250 units, approximately \$70million when completed).
- Extensive experience in working with a variety of contractors, architects, and project partners.
- Experience in mixed-use development with complex financial structures, partnerships and financing layering to ensure long-term fiscal viability.
- Extensive legal experience working with complicated real estate partnerships, ownership and financial arrangements.
- Experience hiring quality, professional property management companies who specialize in mixed-use, mixed-income developments and leasing. Our asset management and resident services staff ensure that our housing remains a long-term community asset for our residents and neighbors.

CCHT has a long history of developing housing and developing relationships in our Central Cities and Suburbs, as well as the State of Minnesota.

- Political Relationships: CCHT has been successful in garnering political support for its projects. CCHT has developed 1,252 units of housing in the City of Minneapolis and has additional units planned in St. Paul and Chaska. CCHT has a solid reputation of producing quality projects and is often one of the first organizations that City Council members turn to for solutions to difficult housing issues.
- Funder Relationships: CCHT has also developed strong working relationships with the public sector funders who provide much of the needed gap financing (CPED, MHFA, Hennepin County, Met Council, NRP, Federal Home Loan Bank etc.). The organization has been very successful in tapping these funding sources to meet the needs of the local communities.
- Neighborhood Relationships: CCHT has a solid reputation in the communities it serves. CCHT takes the time needed uncover all of the issues and resolve them. CCHT looks at neighborhoods and communities as partners.
- Corporation Relationships: CCHT has developed strong ties to many corporations and foundations, including Target, Allina, St. Paul Companies, Wells Fargo, Fannie Mae, US Bancorp, Calvert Foundation, McKnight Foundation, Bush Foundation, Phillips Family Foundation, Minneapolis Foundation, Family Housing Fund and others.

CCHT has developed a variety of residential projects, including stabilization/preservation, historic rehabilitation, and new construction. Specifically:

- In 1997, CCHT worked with the Phillips neighborhood to rehabilitate and refinance 89 units of scattered site housing – including a series of 8 townhouses along the 2800 block of Portland Avenue.
- In 2001, CCHT completed East Village, which is a \$29 million mixed-income, mixed-use development in the Elliot Park neighborhood of Minneapolis.
- In 2002 and 2003, CCHT redeveloped 30 units of affordable housing at Pine Cliff apartments (a component of Phase I of the Franklin-Portland Gateway development) and added 39 new units of affordable housing as a vertical addition to its Lamoreaux building across from the Target Center in downtown Minneapolis.
- In 2004, CCHT adapted and renovated St. Barnabas Hospital into 39 units of housing to serve homeless youth, plus an additional 13 units of affordable workforce housing.
- In Spring 2005, Phase II of the Franklin-Portland Gateway (The Jourdain) will close and begin construction. The Jourdain will offer 41 units of mixed-income housing and 4,000 square feet of commercial retail space. Phase III is scheduled to close at year-end 2005 and Phase IV in late 2006.

For more information regarding Central Community Housing Trust, please visit www.ccht.org.

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Property overview



1822 Park 19 units

CCHT completed extensive renovation, preserving historic integrity while adding a computer resource room. It received a Quality of Life Award from the Minneapolis Regional Chamber of Commerce.



The Adams 75 units

Condemned and boarded when purchased, the Adams was renovated and now boasts a streetscape incorporating historic lighting, attractive plantings, and public art to herald the entryway to downtown Minneapolis.



Alliance Apartments 124 units

Collaborating with Alliance Housing, CCHT transformed a vacant and boarded nursing home into a community asset. This attractive structure complements neighborhood architecture and offers significant community space.



The Archdale 30 units

This 1996 CCHT-YouthLink partnership created some of the first apartments for homeless youth in the country. The site includes a community room, resource room, and landscaped outdoor courtyard.



The Balmoral 58 units

CCHT carefully renovated and restored this once-elegant 1917 building. Details including door hardware, fixtures and corridor carpeting preserve its historic integrity. It earned CCHT a 1992 Minneapolis Heritage Preservation Commission award.



The Barrington 26 units

CCHT bought and renovated this condemned "crack building" and made it into safe, affordable homes. The new windows and trim are congruent with the historic architecture of the neighborhood.



Buri Manor 38 units

Completed in 1987, Buri Manor was CCHT's first development, built in response to housing lost in the building of the Minneapolis Convention Center. It received a Design Award from the City of Minneapolis Committee on the Urban Environment.



Chicago Ave. Apartments 60 units

An enclosed outdoor play area is one feature of these three buildings, all renovated by CCHT. Others include a computer resource room and CCHT staff to help residents connect to educational opportunities.



Continental Hotel 26 units

Listed on the National Register of Historic Places, the Continental is one of the last Single-Room-Occupancy hotels in Minneapolis. Its renovation, including preservation of its bronze doors, won CCHT two city awards.



The Coyle 26 units

At the request of former residents, CCHT transformed this building from a community liability into a well-managed asset. It's home to 26 formerly homeless persons. On-site CCHT staff provide referrals and workshops.



East Village 180 units

This \$29.5 million, award-winning development creates a thriving center in the Elliot Park neighborhood. It features mixed-income units, walking paths, green space, and a design complementing the historic neighborhood.



Elliot Court 57 units

With close proximity to downtown Minneapolis, Elliot Court provides quality efficiency apartments. Its well-landscaped courtyard and grounds make it a welcoming place to sit and visit with neighbors.



The Elms 81 units
Once considered the neighborhood's worst "problem" property, CCHT renovated the building and transformed its reputation. Now it provides efficiency and one-bedroom apartments for 81 people with very low incomes.



The Heritage 16 units
This 1880s building had been gutted by fire when CCHT began renovations. One section once was the childhood home of oil magnate John Paul Getty. This beautifully renovated historic building now provides efficiencies for formerly homeless people.



The Lamoreaux 73 units
The Lamoreaux was a vacant boarded building when CCHT transformed it. Now, CCHT has added three additional stories, adding critically needed single-room dwellings for downtown Minneapolis workers.



Paige Hall 69 units
CCHT's purchase of Paige Hall helped ensure that Elliot Park could retain its residential character as downtown Minneapolis extended its commercial space. The 69 one-bedroom units are home to very low income persons.



Phillips Redesign 89 units
CCHT stepped into a failing scattered-site project initiated by another nonprofit and worked for two years to rehabilitate and refinance four clusters of housing in the Phillips neighborhood.



Pine Cliff Apartments 30 units
CCHT acquired this dilapidated building and quickly began a \$1.6 million renovation to ensure it remained affordable housing. Windows and common spaces were added and boundaries between public and private spaces were better defined.



The Roselle 67 units
This building in the Elliot Park Neighborhood was condemned and close to being demolished when CCHT purchased it. CCHT renovated it to provide 67 one-bedroom and efficiency units.



St. Barnabas Apartments 52 units
CCHT renovated this downtown Minneapolis hospital building to create 39 apartments for homeless youth and 13 for working adults. Youthlink provides social services for the youth.

Coming soon...



Ripley Gardens 60 units
CCHT will preserve and renovate a historic maternity hospital in North Minneapolis to create 52 units of mixed-income rental housing and eight for-sale town homes.



Franklin-Portland Gateway 300 units
This collaboration with Hope Community will create 300 mixed-income units and up to 20,000 feet of neighborhood-scale commercial space, transforming a historically blighted intersection.



The Sinclair 115 units
The Sinclair will be constructed in a traditionally designed neighborhood in Chaska that features tree-lined boulevards, a town center, and a variety of housing options.



Crane Ordway 70 units
CCHT will renovate this historic warehouse building in downtown St. Paul to create 70 affordable efficiency units for working adults. The two street-facing historic facades will be unchanged.

East Village: A unique housing community in Elliot Park



- What** 180 units of high-quality, attractive housing that complements the historic neighborhood architecture and replaces underutilized and deteriorating structures and parking lots.
- Where** Elliot Park neighborhood east of downtown Minneapolis
- Why** Provides diversity of housing types and increases neighborhood population by 8%
Retains, improves, and adds key neighborhood retail and services, including a mini-market and restaurant
Minimizes the blight of surface parking in the neighborhood, providing 250 underground spaces for residents and 100 spaces for Augustana Care Center
Maximizes an attractive landscape

Awards	2003 Smart Growth Design Award - 1000 Friends of Minnesota 2002 Urban Environment Award - Committee on Urban Environment Most Innovative Housing Project - Minneapolis Neighborhood Revitalization Project
Affordability	140 units affordable to those at 80% of area median income. 40 units affordable to households at or below 50% of area median income.
Architect	Miller Hanson Partners
Contractor	Watson-Forsberg Company
Collaborators	Elliot Park Neighborhood, Inc. (EPNI) Augustana Care Center
Site details	Site size: 2.9 acres Extensively landscaped greenway and perimeter connects to adjacent Elliot Park 6,000 square feet storefront commercial space 350 underground parking spaces Site amenities: Exercise room, party room, car wash in parking garage, play area, gas grills and picnic area
Unit details	Studios and one-, two-, three- and four-bedroom apartments All units: laundry equipment, dishwashers and disposals Some units: Gas fireplaces, arched openings, French doors, French balconies, den/home office and ceiling fans
Cost	Total development cost: \$29.5 million Operating costs funded primarily by resident rents (some residents receive assistance through Section 8 program)
Construction	December 1999 to September 2001

Central Community Housing Trust (CCHT) is an award-winning nonprofit developer of quality housing for the Twin Cities Metro Area, providing homes for more than 2,000 people annually. Since 1986, CCHT has built or renovated 1,252 units of housing.



Franklin-Portland Gateway



What

A partnership of Hope Community and Central Community Housing Trust, the Franklin-Portland Gateway is a three-phase development adding 269 units of quality, mixed-income housing and up to 30,000 square feet of neighborhood-scale commercial space in Central Minneapolis. It includes both rental and homeownership housing for a variety of income levels and household sizes.

Where

Intersection of Franklin and Portland avenues in Minneapolis.

Impact

Gateway will have the following positive impact on the Ventura Village neighborhood and the City of Minneapolis.

- Transform an intersection that has been vacant and a backdrop for illegal activity
- Catalyze further development of the area
- Implement the Ventura Village neighborhood Master Plan and Hope Community's Children's Village plans for a quality mixed-income, mixed-use project that is family-, pedestrian-, and transit-friendly; and a green-oriented place to live and work.

Total cost

Total development cost: approximately \$50 million

Affordability	<p>Rental: Approximately 111 units at market rate; 118 units affordable to people earning 50% of the area median income (AMI); 18 units affordable to people earning 30% AMI</p> <p>Home ownership: 17 units total with four affordable to people earning 50% of the area median income</p>
Pre-dev. funders	<p>Greater Metropolitan Housing Corporation • Local Initiatives Support Corporation • Franklin Bank • Jay & Rose Phillips Family Foundation • Housing Partnership Network • Hope Opportunity Fund</p>
Phase 1 (Completed)	<p>Pine Cliff Apartments: (renovation): 30 units Architect: Blementals/Architecture Inc. • Contractor: Watson-Forsberg Company</p> <p>Children’s Village Center: 30 units plus community gathering space and offices</p> <p>Hope Community Court: 10 units (six rental and four home-ownership) Architect: Dennis Grebner & Associates, AmerINDIAN Architects Contractor: RJM Construction</p> <p>Funders: Minneapolis Department of Community Planning and Economic Development • Minnesota Housing Finance Agency • Family Housing Fund • Minneapolis Empowerment Zone • Federal Department of Housing and Urban Development • Metropolitan Council • Livable Communities • Federal Home Loan Bank of Des Moines • Hennepin County HRA • Hope Philanthropic/Children’s Village Initiative</p>
Phase 2	<p>The Jourdain: 41 units plus 4,000 square feet commercial space Architect: Cuningham Group</p> <p>Funders committed to date: Minneapolis Department of Community Planning and Economic Development • Metropolitan Council • Hope Philanthropic/Opportunity Fund • Central Community Housing Trust</p> <p>Construction to begin December 2004 and last approximately 10 months</p>
Phase 3	<p>The Wellstone: 67 units (54 rental and 13 home-ownership) “Site C”: Approximately 91 units plus 4,000 square feet commercial space Architect: Cuningham Group</p> <p>Funders committed to date: Minnesota Housing Finance Agency • Metropolitan Council • Hope Philanthropic/Opportunity Fund • Central Community Housing Trust</p> <p>Construction to begin March 2005 and last approximately 14 months</p>
Contact	<p>Sarah Huss, Central Community Housing Trust, 612-341-3148, x217, or shuss@ccht.org. Marcia Cartwright, Hope Community, 612-435-1694 or mcartwright@hope-community.org.</p>



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IDENTIFICATION OF ENTITIES
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EXPERIENCE, DESCRIPTION OF ROLES AND EXPERIENCE WORKING WITH PUBLIC ENTITIES, INCLUDING REFERENCES

Central Community Housing Trust

The following is a partial list of references for CCHT.

City of Minneapolis, Community Planning and Economic Development (CPED)
Crown Roller Mill, 105 Fifth Avenue, Suite 200, Minneapolis, MN 55401
Cynthia Lee, Manager of Multi-Family Housing Development
612-673-5266 cynthia.lee@mcda.org

City of Saint Paul, Planning and Economic Development
1300 City Hall Annex, 25 West Fourth Street, St. Paul, MN 55102
Martha Fuller, Director
651-266-6628 martha.fuller@ci.stpaul.mn.us

Family Housing Fund
Midwest Plaza West, #1650, 801 Nicollet Mall, Minneapolis, MN 55402
Thomas P. Fulton, President
612-375-9644 tfulton@fhfund.org

Franklin National Bank
525 Washington Avenue North, Minneapolis, MN 55401
Dorothy J. Bridges, President & CEO
612-874-4318 dorothy@franklinbankmpls.com

Frerichs Construction Company
3550 Labore Road, #10, St. Paul, MN 55110
Paul Frerichs, President
651-787-0687 paul@frerichsconstruction.com

Glaser Financial Group
2177 Youngman Avenue, St. Paul, MN 55116
Kevin Filter, President
651-603-5052 kevin_filter@glaser.com

Greater Metropolitan Housing Corporation – Twin Cities (GMHC)
160 State Street, Fifth Floor, Boston, MA 02109
Carolyn Olson, President
612-339-8703, x15

The Housing Partnership Network
160 State Street, Fifth Floor, Boston, MA 02109
Matthew Perrenod, Director of Housing Development
617-720-1999, x208 perrenod@housingpartnership.net

State of Minnesota, Minnesota Housing Finance Agency
400 Sibley Street, Suite 300, St. Paul, MN 55101
Robert Odman, Assistant Commissioner of Multi-Family Housing
651-296-9821 bob.odman@state.mn.us

Twin Cities Local Initiatives Support Corporation (LISC)
Hamline Park Plaza, 570 Asbury Street, Suite 207, St. Paul, MN 55104
Paul Williams, Senior Program Director
651-265-2297 pwilliams@liscnet.org

US Bank, Community Lending Group
2383 University Avenue, EP-MN-0212, St. Paul, MN 55114
Mick Kukielka, Vice President of Community Lending
651-647-3506, x208 michael.kukielka@usbank.com

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JLG Architects

JLG Architects provides both design and construction services for building projects. We pride ourselves on sensitive design solutions and the highest level of service. Our design team allows us to complete projects of all sizes on time and on budget. Long standing relationships with clients and repeat business make up most of our work - a testament to our performance. JLG Architects is a business corporation and was founded in 1989. Since this time JLG has executed over \$400 million in construction contracts. The firm has four partners - Lonnie J. Laffen, AIA, James A. Galloway, AIA, Michelle Mongeon-Allen, AIA, and Joel A. Davy, AIA.

JLG has adopted a consistent approach to its work: to create designs that are totally appropriate for their function and site, and have a character that reflects the individual objectives of the client. Design solutions maximize quality of space and minimize costs to the environment. Here is what our clients are saying about us:

- Richfield Community Development - "JLG is one of the most collaborative firms we have ever employed...JLG created a vision for the area that engaged everyone who witnessed it." - John Stark, Assistant Director, Richfield Community Development Department
- Library Square - "The best thing to happen in Mandan in twenty years. A new vision for our community that will bring life to our downtown." - Ken LaMont, Mayor, City of Mandan
- West Winds Apartments - "JLG is very good at design, understanding out project budget, and being a team player." - Gary Stenson, President, MetroPlains LLC
- Polaris Experience - "We are still in awe at how well our Polaris Experience project came together." - Barbara Kotta, Director, Polaris Industries, Inc.
- Happy Harry's Bottle Shop - "The new Happy Harry's flagship store by JLG Architects would cause real excitement whether it was in Chicago, Los Angeles or Minneapolis." - Jim Peterson, Johnson Brothers Wholesalers
- Barnes & Noble - "The new University Barnes & Noble Bookstore is one of our top five producing stores in the nation." - Kim Otte, Regional Vice President, Barnes & Noble Bookstore
- U.S. Ports of Entry - "The United States government has selected JLG Architects as a team member to design replacement facilities for all United States Ports of Entry. These facilities are considered the number one priority by our federal government. JLG was selected after a rigorous national search and was chosen because they are the very best in the marketplace." - Shirley Rohmer, General Services Administration
- North Dakota State University LREC - "This is a perfect example of what we can accomplish when government, business, producers and the general public work as a unified team for a better ND...The design of the Center has far exceeded our expectations." - Randy Melhoff, Director

JLG has designed a variety of award-winning residential and commercial projects, including stabilization/preservation, historic rehabilitation, and new construction, and has worked with city governments to revitalize neighborhoods. To name two:

- **Richfield, Minnesota:** One of the major impacts of expansion work at the Minneapolis/St. Paul Airport has been to the single-family residential areas adjacent to the airport. Increased noise from a new runway has made it essential to re-envision the eastern edge of the City of Richfield. These challenges have given rise to opportunities for development that serve the future of the City of Richfield and help to mitigate the problems caused by the airport expansion. JLG Architects' masterplan for the area is based on several major unifying ideas that address the city's needs and wants.
- **Elk River, Minnesota:** To assure the long-term viability of downtown, make a connection to the rest of the community and utilizes the riverfront location, the City of Elk River has initiated a redevelopment project which will enhance its downtown's role as a residential, retail and commercial area and also revitalize investment in the downtown business district. The project includes 26,000 s.f. of retail expansion, 52 for sale residential units, 84 for lease residential units and below grade parking.

For more information regarding JLG Architects, please visit www.jlgarchitects.com.

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Elk River, MN
Jackson Place

The new Jackson Place Development, located in historic downtown Elk River, will replace a small public parking lot in the heart of the city. The new building will provide underground parking, on-grade commercial tenant space, and two levels of rental housing. In addition to supporting the existing businesses through increased population density, the three-story structure provides critical massing in the urban fabric, enhancing the existing one- and two-story historic storefronts by simply balancing the built and open environments and thus strengthening the sense of "downtown."



Project:
 The Bluffs of Elk River
 Elk River, Minnesota

Reference:
 Vern Hanson, AIA
 MetroPlains Development, Inc.
 (651) 646.7848

Size:
 66,430 sq.ft.

Cost:
 \$4,800,000



"It certainly doesn't try to look old. It just fits in and I think it does it very well."

Stephanie Klinzing
 Mayor, City of Elk River

Elk River, MN
The Bluffs of Elk River

A new four-story multi-use building will soon grace the downtown Elk River landscape. The Bluffs of Elk River will inject eight new first-floor retail storefronts along Main Street, and bring more people to the downtown area by providing 67 for-sale condominium units. Two levels of below-grade parking will accommodate 110 cars. New residents will be an integral part of the downtown neighborhood, while also being able to enjoy dramatic views of the Mississippi River and connection to the city-planned river walk.



Project:
The Bluffs of Elk River
Elk River, Minnesota

Reference:
Vern Hanson, AIA
MetroPlains Development, Inc.
(651) 646.7848

Size:
99,662 sq.ft.
67 units

Cost:
\$10,000,000



Richfield, Minnesota Cedar Avenue Redevelopment

One of the major impacts of expansion work at the Minneapolis/St. Paul Airport has been to the single-family residential areas adjacent to the airport. Increased noise from a new runway has made it essential to re-envision the eastern edge of the City of Richfield. These challenges have given rise to opportunities for development that serve the future of the City of Richfield and help to mitigate the problems caused by the airport expansion. JLG Architects' masterplan for the area is based on several major unifying ideas that address the city's needs and wants:

1. Establishes neighborhood centers that are the focus for housing, work opportunities, shopping, and recreation, all within walking distance.
2. Physically layers the built bulk of the city from the airport to reduce noise.
3. Creating walking links between activity areas and existing parks and recreation.
4. Reinforces the positive identity of Richfield through the consistent development of sidewalks, roadways, signage, and monuments.



Project:

Cedar Avenue Redevelopment
Richfield, Minnesota

Reference:

John Stark
Community Development Manager
(612) 861.9779

Size:

80 Acres

Total Project Cost:

N/A



Moorhead, Minnesota Downtown Redevelopment

Moorhead's urban fabric is primed for a development that will introduce additional residents. The redevelopment proposal links pedestrians to the city park, the Hjemkomst Center and the Rourke Art Gallery. A mix of housing types and commercial activities add to the viability, and the feel of the downtown. The proposal places commercial activities, with housing above, along the sidewalk to recreate the traditional downtown feel. Many small details incorporated into the plan reinforce the creation of community in the downtown. Market rate housing includes covered parking and a front door facing a public right-of-way. All of the units will have views of the river, the City of Fargo, the park, or the urban activity of Moorhead's downtown. The scale of the development and the material palette reinforce the idea of downtown while the architectural detail references traditions firmly set in the twenty-first century.



Project:
Downtown Redevelopment
Moorhead, Minnesota

Reference:
Gary Stenson
MetroPlains Development
(612) 646.7848

Size:
27,500 s.f. Commercial
44 For Sale Housing Units
58 Rental Housing Units
315 Parking Stalls

Total Project Cost:
\$ 14,390,000 (est.)



St. Paul, Minnesota
Historic Waldorf Flats

The Waldorf Hotel located on St. Paul's historic Summit Avenue is converted to upscale condominium flats, restored to the building's original historic character. The flats range from 749 s.f. to 2,395 s.f. and feature hardwood floors, high ceilings, dramatic kitchens and restored face brick in the classical building preserving its columns, large porch balustrade, sculptural stonework, carvings and mosaics. Updated systems include sound barrier between floors, stainless steel appliances, gas fireplaces, showers with body-jet massage, and lower level entertainment systems.

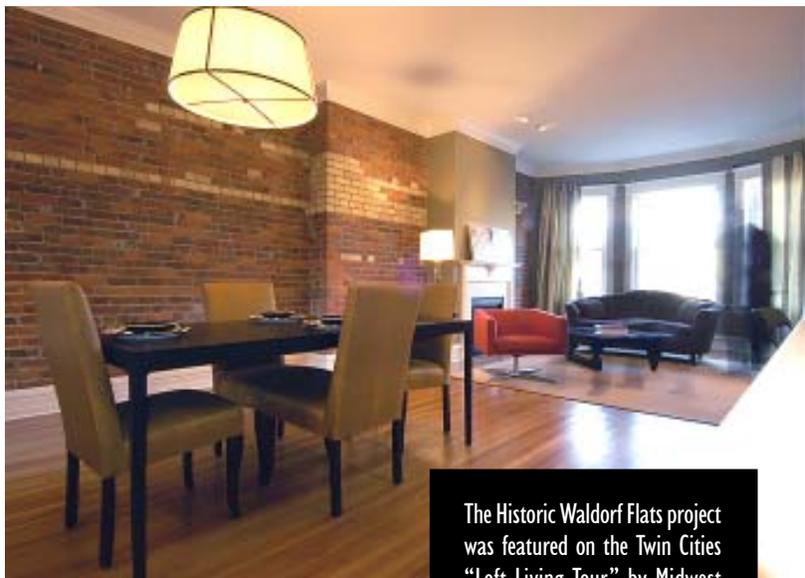


Project:
Historic Waldorf Flats
676 Summit Avenue
St. Paul, Minnesota

Reference:
Mark Gunter
St. Albans Summit, LLC
1787 Sargent Ave.
St. Paul, Minnesota
(612) 961.2144

Size:
749 - 2,395 s.f.

Selling Price:
\$239,000 - \$629,000



The Historic Waldorf Flats project was featured on the Twin Cities "Loft Living Tour" by Midwest Home & Garden in November of 2004.



Mandan, ND Library Square

This 44 unit housing complex located on a vacant site in downtown Mandan, North Dakota is designed to fit the urban context and relate to the historic city library located next door. The four levels provide a mix of community spaces and amenities and a mix of one and two bedroom units. Ease of access, location to city services and a comfortable palette of materials will make this a desirable destination for seniors. Library Square is developed by MetroPlains Development of St. Paul, Minnesota, and received the 2005 Housing Production Award from the North Dakota Housing Finance Agency.

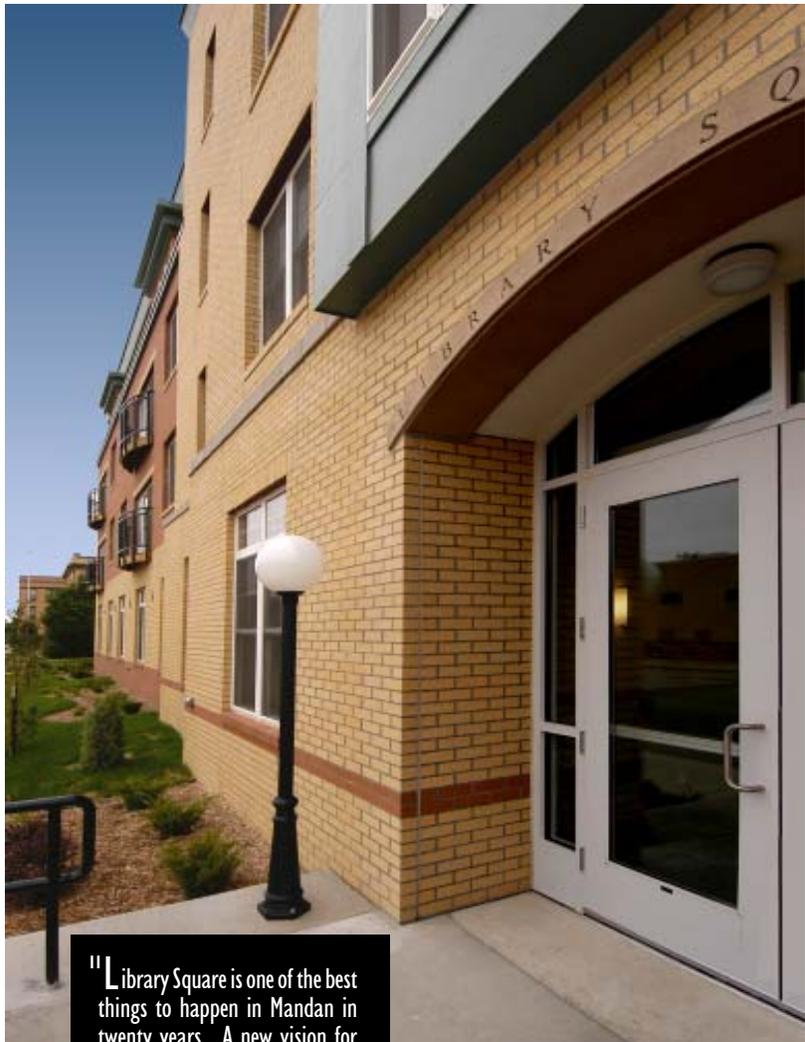


Project:
Library Square
Mandan, North Dakota

Reference:
Gary Stenson
MetroPlains Development
(612) 646.7848

Size:
44 Units

Total Project Cost:
\$ 3,300,000



"Library Square is one of the best things to happen in Mandan in twenty years. A new vision for our community that will bring life to our downtown."

*Ken LaMont, Mayor
City of Mandan*



Grand Forks, ND Corporate Center

On April 18, 1997 the swollen Red River of the North broke its banks and flooded Grand Forks, ND. Within hours, a catastrophic fire erupted, burning 11 buildings in the old downtown. The disaster unfolded on national newscasts. Firefighters worked against racing, waist deep flood waters to stop the flames. When the flood receded the city had endured the largest per capita disaster in U.S. history. With 20 percent of the downtown commercial buildings burned and the rest with neck-high water damage, the citizens of Grand Forks had to decide whether to abandon the traumatized downtown or rebuild it. They decided to rebuild.

The Corporate Center is considered "the linchpin for flood recovery" and replaced virtually all the commercial office space lost to the fire. The project constructed 100,000 s.f. of office space at the city's key intersection, a 400 vehicle parking facility, skyway connections between buildings, an existing landmark downtown structure and an existing parking ramp.

The office buildings are designed to fit the context of buildings remaining downtown to which it connects by enclosed skywalk. The buildings use architectural precast, dark red face brick, anodized aluminum windows, curtain wall and metal building panels for the exterior skin. The buildings are flood proofed through a membrane placed below the slab and extending to 2' above floor level. Flood gates seal all building openings and can be installed when necessary.

Project:
City of Grand Forks
Corporate Center

Reference:
Michael Brown
Mayor
City of Grand Forks, ND
(701) 746-2607

Size:
70,000 sq.ft. (401 DeMers Ave.)
30,000 sq. ft. (402 DeMers Ave.)
400 Cars (Parking Ramp)

Cost:
\$18,000,000



"The Corporate Center is the linchpin for flood recovery for the City of Grand Forks."

Michael Conlon
Planner - EDAW/Inc, San Francisco, CA



Penn & Lowry Avenues North
City of Minneapolis
Minnesota



3

IDENTIFICATION OF ENTITIES
INVOLVED

**EXPERIENCE, DESCRIPTION OF ROLES AND EXPERIENCE WORKING WITH PUBLIC ENTITIES,
INCLUDING REFERENCES**

JLG Architects

Much of our past work at JLG Architects has been with long-standing client relationships and repeat business. **The following is a partial list of references for JLG Architects.**

Martin J. Kirsch
Mayor
City of Richfield
Richfield, Minnesota
(612) 861.9700

Ron Lagerquist
Architect
MN DOT
St. Paul, Minnesota
(651) 297.4742

Peter Paulson
FOS Principal Architect
MN DNR
St. Paul, Minnesota
(651) 296.0605

Dr. Charles Kupchella
President
University of North Dakota
Grand Forks, North Dakota
(701) 777.2121

Lynn Stauss
Mayor
City of East Grand Forks
East Grand Forks, Minnesota
(218) 773.2483

Richard Nelson
Mayor
City of Warren, Minnesota
Warren, Minnesota
(218) 745.5343

Dr. Michael Brown
Mayor
City of Grand Forks
Grand Forks, North Dakota
(701) 746.2607

Gary Stenson
President
MetroPlains Development
St. Paul, Minnesota
(612) 646.7848

Bob Hager
Chief Executive Officer
Border State Bank
Roseau, Minnesota
(218) 463.3888

Harry Carls
General Manager
North Star Electric Cooperative
Baudette, Minnesota
(218) 634.2202

George Wikstrom
Mayor
City of Karlstad, Minnesota
Karlstad, Minnesota
(218) 436.2121

James Schindele
Former Superintendent
Stephen Public Schools
Stephen, Minnesota
(218) 478.3801

Russ Johnson
Superintendent
Clearbrook-Gonvick Schools
Clearbrook, Minnesota
(218) 776.3112

Jason Carlson
Director
Win-E-Mac Public Schools
McIntosh, Minnesota
(218) 563.2900

Gloria Kaste
Administrator
Pioneer Memorial Care Center
Erskine, Minnesota
(218) 687.2365

Bob Brooks
City Manager
City of Warren, Minnesota
Warren, Minnesota
(218) 745.5343

Gary Groberg
Director
Churches United for the Homeless
Moorhead, Minnesota
(218) 236.0372

Roger Gress
Director
 Fargo Park District
 Fargo, North Dakota
(701) 241.1350

Dean Mitzel
President
Rural American Bank
East Grand Forks, Minnesota
(218) 478.3801

Jeff Pelowski
Mayor
City of Roseau, Minnesota
Roseau, Minnesota
(218) 463.3750

Todd Peterson
City Clerk
City of Roseau, Minnesota
Roseau, Minnesota
(218) 463.5003

Alan Foley
Superintendent
Red Lake Falls Public Schools
Red Lake Falls, MN
(218) 253.2139

Laurel Reuter
Director
North Dakota Museum of Art
Grand Forks, North Dakota
(701) 777.4195

Greg Candee
Director of Facilities
Barnes & Noble Booksellers
Newington, Connecticut
(860) 666.4097

Leon Boeckel
Properties/Facilities
Federal Express
Bloomington, MN
(612) 832.8910

Charlie Jeske
Facility Manager
The Alerus Center
Grand Forks, North Dakota
(701) 792.1410

Dan Kuhlman
President
Acme Electric, Tool Crib of the North
Grand Forks, North Dakota
(701) 746.6481

Don Hanson
Agriculture Facilities Director
North Dakota State University
 Fargo, North Dakota
(701) 231.8190

Christopher Mills
Superintendent
Stephen Argyle Central Schools
Stephen, Minnesota
(218) 478.3315

Col. Charles Rydel
Director of Facilities Engineering
North Dakota National Guard
Bismarck, North Dakota
(701) 224.5140

Duane Mann
Contracting Officer
Department of Defense
GFAFB, Grand Forks, ND
(701) 747.5266

Dr. Sharon Etemad
President
Lake Region State College
Devils Lake, North Dakota
(701) 662.1500

Barbara Kotta
Technical Supervisor
Polaris Industries
Roseau, Minnesota
(218) 463.4649

Wayne Ruud
City Manager
City of Karlstad, Minnesota
Karlstad, Minnesota
(218) 436.2121

Kenny Koehn
Executive Director
Devils Lake Airport Authority
Devils Lake, North Dakota
(701) 772.2671

Dr. Dennis Elbert
Dean
UND School of Business
University of North Dakota
(701) 777.2929

Dr. David Wilson
Dean
UND School of Medicine
University of North Dakota
(701) 777.2514

Bennett Kubischta
Director of Facilities
ND Dept. of Transportation
Bismarck, North Dakota
(701) 328.3555

Randy Newman
President
Alerus Financial
Grand Forks, North Dakota
(701) 795.3317

Conway Marvin
Owner
Streff's Sporting Goods
Warroad, Minnesota
(800) 817.2590

Central
Community
Housing Trust



Penn & Lowry Avenues North
City of Minneapolis
Minnesota



3

IDENTIFICATION OF ENTITIES
INVOLVED

EXPERIENCE, DESCRIPTION OF ROLES AND EXPERIENCE WORKING WITH PUBLIC ENTITIES, INCLUDING REFERENCES

Resource, Inc.

RESOURCE is a private, nonprofit, United Way agency that enables people with disabilities, people who are disadvantaged, and people in transition to achieve greater social and economic independence. RESOURCE operates more than 50 specialized programs in the areas of vocational rehabilitation, employment, chemical dependency, and mental health. Many RESOURCE programs have received national recognition and several have become models replicated elsewhere in the nation.

RESOURCE employs 270 of the hardest working, most committed, diverse, and capable staff members in the Upper Midwest. RESOURCE operates out of 14 sites in the Twin Cities Metro Area, plus sites in Duluth and St. Cloud.

RESOURCE will provide supportive services to the residents of Lowry Place. RESOURCE currently collaborates with CCHT to provide services to residents of CCHT's Lamoreaux and Continental buildings.

Please see the following "Memorandum of Understanding" between Central Community Housing Trust and RESOURCE, Inc.

Central
Community
Housing Trust

JLG
architects

Lowry Place
Memorandum of Understanding

Between

Central Community Housing Trust
And
RESOURCE, Inc.

I. Background and Intent

This Memorandum of Understanding entered into August 17, 2005, is between Central Community Housing Trust (CCHT), a nonprofit corporation; and RESOURCE, Inc. (RESOURCE), a non-profit human service agency.

WHEREAS, the sole purpose of this Memorandum of Understanding is to encourage cooperation between CCHT, and RESOURCE, and to further detail the separate and distinct roles and responsibilities of each party;

WHEREAS, CCHT, and RESOURCE will work in collaboration to provide supportive housing at a development called Lowry Place, in Minneapolis.

WHEREAS, CCHT is proposing to develop approximately 60 units and will own and asset manage the new rental housing development called the Lowry Place is located at Penn Avenue and Lowry Avenue, Minneapolis that will include some supportive apartments for very low-income individuals, some who have been long-term homeless as defined by the Minnesota Housing Finance Agency, who will require supportive services in order to successfully live independently.

WHEREAS, RESOURCE and/or appropriate agencies who contract with RESOURCE are committed to supporting the individuals living in the supportive housing units, including the long-term homeless residents living at Lowry Place and will provide opportunities for needed support services (as defined in Section II) that will encourage them to maintain stability within the community;

WHEREAS, Lowry Place supportive housing residents are required to participate in the services provided by RESOURCE or those agencies that contract with RESOURCE for the long-term homeless;

THEREFORE, CCHT, and RESOURCE agree that it is in the best interest of all concerned to enter into this Memorandum of Understand to help facilitate roles and responsibilities for Lowry Place.

II. Definitions

For the purposes of the Memorandum of Understanding, the following terms shall have the stated meanings:

Chronically or Long Term Homeless: Is defined as a person or household that is lacking a permanent place to live, continuously for a year or more or at least four times in the past three years. (note: any period of institutionalization or incarceration is excluded when determining the length of time a household has been homeless).

Supportive Services or Services: A range of services will be available for supportive housing and long-term homeless individuals who meet eligibility criteria at Lowry Place that include, but are not limited to:

Employment Action Center (EAC) helps people who are unemployed, underemployed or in career transition to find employment. EAC is a resource for individuals that need Career Counseling, Job Seeking Skills, Access to Training, Job Placement, One-on-One Support, Internet resources, and resources for up-to-date office technology and career training.

Minnesota RESOURCE Center (MRC) provides training and placement for people with disabilities or other barriers to employment. MRC works with employers, job candidates, and rehabilitation counselors to meet the needs of people with disabilities, people who are economically disadvantaged, immigrants, and other who face special challenges.

Recovery RESOURCE Center (RRC) supply chemical health treatment for people with a history of relapse. RRC provides long-term, individualized counseling and case management services for men, women and with chemical-health issues. Services included individual and group counseling, employment services, transitional housing, Blacks in Recovery Group, childcare support, HIV/AIDS education, on-site HIV testing, psychiatric nursing services, medication education, parenting, prostitution recovery, mental health education, nutrition, independent living skills, and linkage to other community services.

Spectrum Community Mental Health provides services that help individuals with a serious mental illness live successfully in the community. The goal of this service is to help people succeed in the community of their choice, by providing community support services, housing support services, clinical/day treatment services, and work services at three convenient locations.

Very Low Income: is defined as households with incomes at or below 30% of the Area Median Income as established by HUD.

III. Eligibility Determinations

Eligibility for the Lowry Place supportive housing units will be based on income level, households ability to meet the definition of long term homeless; and the households eligibility to participate in RESOURCE programs or the programs associated with service agencies who contract with RESOURCE.

Residents will be selected based on criteria jointly developed by CCHT, RESOURCE and the Management Group. Selection of residents for Lowry Place will not rely solely on traditional, restrictive, property management standards. Standards will be established that reflect a commitment to housing very low income, chronically homeless individuals and individuals that need support services. This does not preclude the Management Group from running standard credit, eviction, criminal history, housing history, and other standard reference checks and include this information as part of the selection process.

IV. Guiding Principles

All Parties under this Memorandum of Understanding jointly recognize that residents with low-income or those who have experience homelessness are diverse in terms of their strengths, motivation, goals, backgrounds, needs, and disabilities.

V. Roles and Responsibilities

It is understood that CCHT, and RESOURCE staff must work together as a team to effectively meet the needs of the residents. This level of collaboration will require exceptional, thorough and timely communication between all parties. However, the parties to the Memorandum of Understanding understand their separate and distinct responsibilities.

- CCHT: Is the developer, managing general partner (owner), and asset manager of Lowry Place. CCHT will raise necessary permanent capital funding and work to ensure that the property is developed according to plans and that it is maintained as a neighborhood asset.
- RESOURCE and/or service agencies who contract with RESOURCE will provide supportive services (as defined in Section II) to residents who live in the supportive housing units located at the Lowry Place.

VI. Service Funding

RESOURCE will take the lead on assembling necessary funding to support the proposed services for the Lowry Place. When necessary, CCHT and RESOURCE may jointly or separately apply for additional service or rental assistance funding.

VII. General

Terms: This Memorandum of Understanding is effective upon the date of execution.

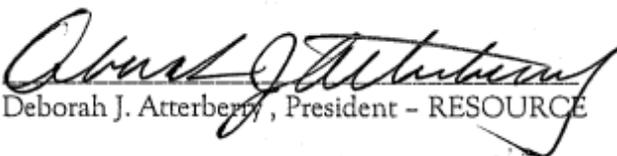
Termination: Any party may terminate this Memorandum of Understanding for any reason or no reason with thirty (30) days prior written notice to other parties

Amendments: This Memorandum of Understanding may be amended only in writing by designated representatives of CCHT, and RESOURCE.

Signed:



Alan Arthur, President - Central Community Housing Trust



Deborah J. Atterberry, President - RESOURCE

Penn & Lowry Avenues North
City of Minneapolis
Minnesota



3

IDENTIFICATION OF ENTITIES
INVOLVED

DEVELOPMENT ENTITY, FINANCIALS, AND CERTIFICATIONS

The development will form a limited partnership with CCHT being the managing partner.

CCHT has enclosed two years of financials in the sealed envelope marked "Confidential."

Please see following certifications for CCHT and JLG Architects to operate in the State of Minnesota.

Central
Community
Housing Trust

JLG
architects

No. Z 452

F 66 511



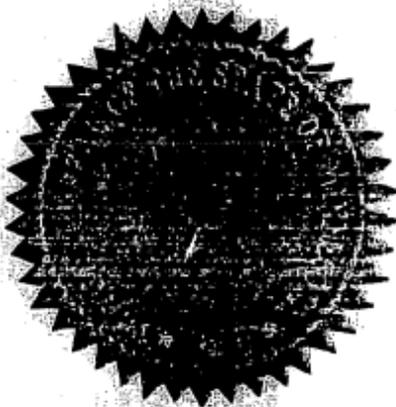
To All To Whom These Presents Shall Come, Greeting:

Whereas, Articles of Incorporation, duly signed and acknowledged under oath, have been recorded in the office of the Secretary of State, on the _____ 3rd _____ day of February _____, A. D. 19... 86 for the incorporation of

Central Community Housing Trust of Minneapolis under and in accordance with the provisions of the Minnesota Nonprofit Corporation Act, Minnesota Statutes, Chapter 317;

Now, Therefore, by virtue of the powers and duties vested in me by law, as Secretary of State of the State of Minnesota, I do hereby certify that the said Central Community Housing Trust of Minneapolis is a legally organized Corporation under the laws of this State.

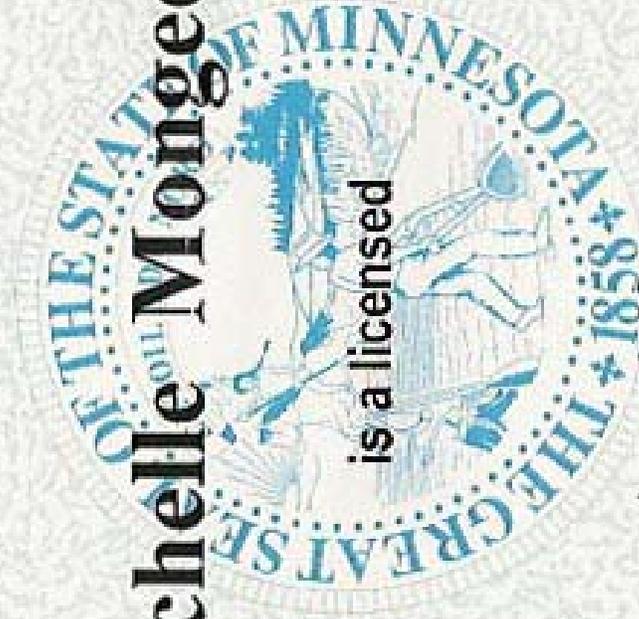
Witness my official signature hereunto subscribed and the Great Seal of the State of Minnesota hereunto affixed this _____ third _____ day of February _____ in the year of our Lord one thousand nine hundred and eighty-six



Joan Anderson Howe
Secretary of State.

MINNESOTA STATE BOARD OF ARCHITECTURE, ENGINEERING
LAND SURVEYING, LANDSCAPE ARCHITECTURE, GEOSCIENCE
AND INTERIOR DESIGN
THIS IS TO CERTIFY THAT

Michelle Mongeon



is a licensed

Architect

License No.	Fee Paid	Expires
42894	\$120.00	06/30/2006



4

PRELIMINARY CAPITAL
PROFORMA

PRELIMINARY CAPITAL PRO FORMA

CCHT will obtain permanent financing for the rental component of the development via a blend of mortgage financing, tax credit equity and gap funding. CCHT has completed numerous affordable housing developments using these resources and enjoys positive relationships it has established with lenders, equity investors and the public sector.

CCHT commits to pursuing a variety of pre-closing and permanent capital to acquire the site and construct the improvements. CCHT is committed to working in partnership with the City of Minneapolis and Hennepin County to use the public financing tools available (including tax credits and TIF). Applications for various funding sources will be made after CCHT is selected as preferred developer.

To meet the needs of the local business owners, CCHT will secure New Market Tax Credits (NMTC) for the equity investment for the commercial portion of the development. Securing NMTC will allow existing businesses to afford to stay in the neighborhood with a new building. NMTC requires a seven-year compliance period. After it expires, CCHT would work with the local business owners on owning and operating their own commercial space.

PROJECT SUMMARY

Lowry Place-Residential Proforma

52 units

30-Aug-05

Minneapolis, MN

ESTIMATED USES OF CAPITAL FUNDS

	Totals
Purchase/Acquisition/Real Estate:	154,440
Hard Construction:	7,515,485
Construction Contingency	299,619
Environmental - (investigation, remediation, etc)	5,000
Fees (Architect, Engineering, Design, Legal, Financing, Title, Construction, Consultant, Development, Accounting, Etc.)	2,009,465
Other Soft Costs (Construction Interest, Holding, Marketing, Taxes, Equipment, SAC/WAC, Relocation, Etc.)	135,100
Initial Operating & Replacement Reserves	266,729

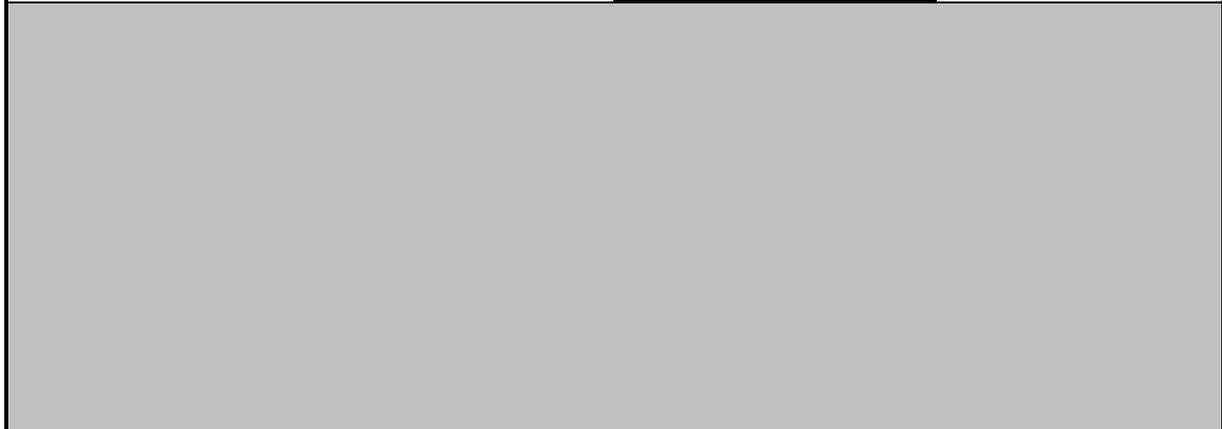
Total Project Development Cost: 10,385,839

Per Unit 199,728

ESTIMATED SOURCES OF CAPITAL FUNDS

	Notes	Status	Rate	Term	Amount	Per Aff Unit	Per Unit	Totals
Debt Service Loans								1,648,869
1st Mortgage		proposed			1,648,869	31,709	31,709	15.88%
Equity/GP Loans/Deferred Dev Fees								5,580,000
Limited Partner Equity, LIHTC	600,000	proposed			5,580,000	107,308	107,308	53.73%
City of Minneapolis								977,589
TIF Mortgage		proposed			332,589	6,396	6,396	3.20%
City of Minneapolis		proposed			645,000	12,404	12,404	6.21%
						0	0	0.00%
State of Minnesota								810,000
MN Housing Finance Agency		proposed			360,000	6,923	6,923	3.47%
Challenge		proposed			450,000			4.33%
Regional								500,000
Met Council - LCDA		proposed			500,000	9,615	9,615	4.81%
Foundation/Other								869,382
Family Housing Fund		proposed			350,000	6,731	6,731	3.37%
Green Funds		proposed			130,000	2,500	2,500	1.25%
Hennepin County AHIF		proposed			389,382	7,488	7,488	3.75%
							Sub-Total:	10,385,839
Gap/Surplus							Surplus of:	0
							Total Sources of All Funds Needed:	10,385,839
	Total Public Sources 1,192,589				Total Non-Public Sources			8,098,251

Rental Development Budget Lowry Place-Residential Proforma	123,353 square feet	Proj. # Units: 52
	2.83180 acres	Address: Minneapolis, M



1. ACQUISITION

a. Purchase, Property 1 (Clover Field)			142,670	2,744
- Land Cost(Est Land Rsd)	100.00%	142,670		
- Personal Property	0.00%	0		
- Val. Improv. to Remain	0.00%	0		
 b. Purchase, Property 2 (Chaska Invest.)			 0	
- Land Cost(Est Land Rsd)	100.00%	0		
- Personal Property	0.00%	0		
- Val. Improv. to Remain	0.00%	0		
 TOTAL PROPERTY ACQUISITION			 \$142,670	
 c. Special Assessments			 0	
d. Other - interest on acquisition financing	5.50%		11,770	18 mos
 TOTAL ACQUISITION			 154,440	 1.49%
				2,970 per unit

2. CONSTRUCTION COSTS

a. Demolition			0	0.00%
b. Normal Site Work			25,000	0.33%
c. Const. of Surface Parking & Site Improvements			100,000	1.34%
d. Hard Construction - Residential			5,980,000	79.83%
e. Hard Construction - Commercial			0	0.00%
f. Const. of underground Parking			683,800	9.13%
g. Contractor's General Requirements	5.5%		373,384	4.98%
h. Permit. & Perf. Bond Fee			75,000	1.00%
i. Contractor Fee (profit/overhead)	3.50%		253,301	3.38%
j. Other -			0	0.00%
 ON-SITE TOTAL:			 7,490,485	 72.12%
 k. Off-Site Construction Costs			 0	
SUB-TOTAL CONSTRUCTION			7,490,485	72.12%
				144,048 per unit
 l. Construction Contingency			 299,619	 4.00% 2.88%

m. Builders Risk Insurance	15,000	
n. Special Construction Testing - Other	10,000	
TOTAL CONSTRUCTION & CONTINGENCY	7,815,105	75.25%
	150,290 per unit	
3. Environmental - Investigation - Remediation		
a. Asbestos/Hazardous Waste Removal	0	0.00%
b. Environmental Investigation/Soil Borings/etc.	5,000	
c. Environmental Consultant	0	0.00%
d. Other -	0	
Total Environmental Remediation	5,000	0.05%

Development Budget (cont. Page 2 of 3)

Lowry Place-Residential Proforma

4. PROFESSIONAL FEES

a. Arch./Eng. Design Fee (Total 1-3 below)	4.00%		490,000	4.72%
1. Design/Engineering Fee	75.00%	367,500		
2. Construction Admin/Inspection Fee	20.00%	98,000		
3. Reimbursables	5.00%	24,500		
b. Legal (Total 1-6 below)			68,000	0.65%
1. Developers Legal - Residential Real Estate		30,000		
2. Developer Legal - Commercial Real Estate		0		
3. Developer Legal - Organizational		8,000		
4. Syndication Legal		15,000		
5. Bond Legal		0		
6. Other - Lender		15,000		
c. Other Professional Fees			10,000	
1. Accounting - Cost Cert, Audit		10,000		
2. Construction Consultant Fees		0		
3. Other - Historic Consultant Fee		0		
d. Developer Fee				
1. Developer Overhead		543,646		6.02% of Adj TDC
2. Developer Fee for Service		543,646		6.02% of Adj TDC

TOTAL PROFESSIONAL FEES

1,655,292

Total Professional Fees without Developer overhead and profit 568,000

5. Financing Fees/Costs

1. Glaser Mortgage Fees	1.0%	16,489	332,274	3.20%
2. Letter of Credit Fee:		0		
3. MHFA Application Fee		36,000		
4. FHA Inspection Fees	0.50%	8,244		
5. FHA Mortgage Insurance		16,489		
6. FHA Exam Fee	0.50%	8,244		
7. Discount Points		0		
8. Origination Fees		0		
9. Bridge Loan Fees		0		
10. Construction Loan Interest		234,453		
11. Pre development loan interest	8.0%	12,355	12 mos	
12. Compliance Fees		0		
13. Other - inspection fee		0		
Title Insurance Fees/Recording			21,899	0.21%
1. Premium		7,500		/1K Ownrs Prem
2. Disbursement Fees		1,800		12
3. Closing Fees		2,000		
4. Recording Fees		1,200		
5. Mort. Regis.	2.40	3,957		Per 1000
6. Other Fees	3.30	5,441		Per 1000

SUBTOTAL Financing and Title Fees

354,173

Development Budget (cont. Page 3 of 3)

0

5. OTHER SOFT COSTS

b. Maintenance & Holding Costs	3,000	
c. Marketing/Outreach (to rent-up)	5,000	
d. Initial Equip/Furniture Budget	25,000	
e. R.E. Taxes During Pre Dev and Development	4,000	
f. Feasibility Study/Residential Market Study	10,000	
g. Appraisals	5,000	
h. SAC/WAC Charges	67,600	1,300 Per Unit
i. Survey	3,500	
j. Initial Partnership Mgmt Fee	6,000	
k. Property Insurance	6,000	
l. Relocation	0	
m. Other -	0	
TOTAL OTHER SOFT COSTS	135,100	1.30%

6. RESERVES, ESCROWS & OTHER COSTS

a. Capitalized Operating/Debt Service Reserve	57,200	1,100 per unit
b. Capitalized Replacement Reserves	52,000	1,000 per unit
d. Rental Attainment Gap	157,529	6 Months
e. First Year RE Tax & Insurance Escrow		
Rent-up Concession for Parking	0	4% of mortgage
g. Working Capital Escrow per MHFA	0	3%
h. Other - Rent-up Escrow per MHFA	0	3% of mortgage
TOTAL RESERVES & ESCROW COSTS	266,729	2.57%

5. TOTAL COST OF PROJECT:

199,728 per unit

10,385,839

Central Community Housing Trust

PROJECT SUMMARY

Lowry Place - Commercial

Rental

20,000 sq.ft.

30-Aug-05

Minneapolis, MN

ESTIMATED USES OF CAPITAL FUNDS

Totals

Purchase/Acquisition/Real Estate:	103,400
Hard Construction:	2,418,830
Construction Contingency 4.0%	95,753
Environmental - (investigation, remediation, etc)	5,000
Fees (Architect, Engineering, Design, Legal, Financing, Title, Construction, Consultant, Development, Accounting, Etc.)	798,275
Other Soft Costs (Construction Interest, Holding, Marketing, Taxes, Equipment, SAC/WAC, Relocation, Etc.)	34,500
Initial Operating & Replacement Reserves	0

Total Project Development Cost:

3,455,758

Per Sq.Ft. 173

ESTIMATED SOURCES OF CAPITAL FUNDS

Notes	Y/N	Status	Rate	Term	Amount	Per Sq.Ft.	Totals
Debt Service Loans							1,977,275
1st Mortgage		proposed			1,977,275	99	57.22%
							0.00%
Equity/GP Loans/Deferred Dev Fees							406,200
Limited Partner Equity, NMTC		proposed			406,200	20	11.75%
City of Minneapolis							529,508
TIF Mortgage		proposed			529,508	26	15.32%
City of Minneapolis					0		0.00%
							0.00%
State of Minnesota							0
Regional							542,774
Hennepin County-TOD		proposed			200,000		5.79%
Met Council - LCDA		proposed			342,774	17	9.92%
Gap/Surplus							(0)
							Gap of:
					Total Sources of All Funds Needed:		3,455,758
Total Public Sources 1,072,282		Total Non-Public Sources			2,383,475		

Rental Development Budget		0 square feet	Proj. TTL Sq.Ft. 20,000	
Lowry Place - Commercial		0.00000 acres	Address: Minneapolis, M	
1. ACQUISITION				
a. Purchase, Property 1 (Clover Field)			95,520	5
- Land Cost(Est Land Rsd)	100.0%	95,520		
- Personal Property	0.00%	0		
- Val. Improv. to Remain	0.00%	0		
b. Purchase, Property 2 (Chaska Invest.)			0	
- Land Cost(Est Land Rsd)	100.00%	0		
- Personal Property	0.00%	0		
- Val. Improv. to Remain	0.00%	0		
TOTAL PROPERTY ACQUISITION			\$95,520	
c. Special Assessments			0	
d. Other - interest on acquisition financing	5.50%		7,880	18 mos
TOTAL ACQUISITION			103,400	2.99%
				5 per unit
2. CONSTRUCTION COSTS				
a. Demolition			0	0.00%
b. Normal Site Work			0	0.00%
c. Const. of Surface Parking & Site Improvements			121,212	5.06%
d. Hard Construction - Residential				0.00%
e. Hard Construction - Commercial			2,000,000	83.55%
f. Const. of underground Parking			0	0.00%
g. Contractor's General Requirements	5.5%	116,667		4.87%
h. Permit. & Perf. Bond Fee			75,000	3.13%
i. Contractor Fee (profit/overhead)	3.50%	80,951		3.38%
j. Other -			0	0.00%
ON-SITE TOTAL:			2,393,830	69.27%
k. Off-Site Construction Costs			0	
SUB-TOTAL CONSTRUCTION			2,393,830	69.27%
				120 per unit
l. Construction Contingency		95,753	4.00%	2.77%
m. Builders Risk Insurance		15,000		
n. Special Construction Testing - Other		10,000		
TOTAL CONSTRUCTION & CONTINGENCY			2,514,583	72.77%
				126 per unit
3. Environmental - Investigation - Remediation				
a. Asbestos/Hazardous Waste Removal			0	0.00%
b. Environmental Investigation/Soil Borings/etc.			5,000	
c. Environmental Consultant			0	0.00%
d. Other -			0	
Total Environmental Remediation			5,000	0.14%

Development Budget (cont. Page 2 of 3)

Lowry Place - Commercial

4. PROFESSIONAL FEES

a. Arch./Eng. Design Fee (Total 1-3 below)	4.00%		95,753	2.77%
1. Design/Engineering Fee	75.00%	71,815		
2. Construction Admin/Inspection Fee	20.00%	19,151		
3. Reimbursables	5.00%	4,788		
b. Legal (Total 1-6 below)			218,000	6.31%
1. Developers Legal - Residential Real Estate		30,000		
2. Developer Legal - Commercial Real Estate		0		
3. Developer Legal - Organizational		8,000		
4. Syndication Legal		15,000		
5. Legal-NMTC		150,000		
6. Other - Lender		15,000		
c. Other Professional Fees			10,000	
1. Accounting - Cost Cert, Audit		10,000		
2. Construction Consultant Fees		0		
3. Other - Historic Consultant Fee		0		
d. Developer Fee				
1. Developer Overhead		225,376		7.50%
2. Developer Fee for Service		225,376		7.50%

TOTAL PROFESSIONAL FEES

774,504

Total Professional Fees without Developer overhead and profit

323,753

5. Financing Fees/Costs

1. Mortgage Fees	1.0%	25,068		
2. Letter of Credit Fee:		0		
3. MHFA Application Fee		0		
4. Inspection Fees	0.50%	9,886		
5. FHA Mortgage Insurance		0		
6. FHA Exam Fee	0.00%	0		
7. Discount Points		0		
8. Origination Fees		0		
9. Bridge Loan Fees		0		
10. Construction Loan Interest		75,437		
11. Pre development loan interest	8.0%	8,272	12 mos	
12. Compliance Fees		0		
13. Other - inspection fee		0		
Title Insurance Fees/Recording			23,770	0.69%
1. Premium		7,500		/1K Ownrs Prem
2. Disbursement Fees		1,800		12
3. Closing Fees		2,000		
4. Recording Fees		1,200		
5. Mort. Regis.	2.40	4,745		Per 1000
6. Other Fees	3.30	6,525		Per 1000

SUBTOTAL Financing and Title Fees

23,770

Development Budget (cont. Page 3 of 3)

0

5. OTHER SOFT COSTS

b. Maintenance & Holding Costs	0	
c. Marketing/Outreach (to rent-up)	0	
d. Initial Equip/Furniture Budget	0	
e. R.E. Taxes During Pre Dev and Development	4,000	
f. Feasibility Study/Residential Market Study	10,000	
g. Appraisals	5,000	
h. SAC/WAC Charges	0	1,300 Per Unit
i. Survey	3,500	
j. Initial Partnership Mgmt Fee	6,000	
k. Property Insurance	6,000	
l. Relocation	0	
m. Other -	0	
TOTAL OTHER SOFT COSTS	34,500	1.00%

6. RESERVES, ESCROWS & OTHER COSTS

a. Capitalized Operating/Debt Service Reserve	0	1,100 per unit
b. Capitalized Replacement Reserves	0	1,000 per unit
d. Rental Attainment Gap	0	6 Months
e. First Year RE Tax & Insurance Escrow		
Rent-up Concession for Parking	0	4% of mortgage
g. Working Capital Escrow per MHFA	0	3%
h. Other - Rent-up Escrow per MHFA	0	3% of mortgage
TOTAL RESERVES & ESCROW COSTS	0	0.00%

5. TOTAL COST OF PROJECT:

173 per unit

3,455,758

Central Community Housing Trust



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OPERATING PRO FORMA

OPERATING PRO FORMA

Separate 20 year operating pro forma for the residential component has been included. The commercial pro forma would only have 7 years of operating, since after the end of the New Market Tax Credit compliance period the commercial entities that are in buildings would have option to purchase. Please note that the commercial pro forma that CAM charges are not considered in cash flow projections; they will be equal to the expenses and will be considered a net zero.

OPERATING STATEMENT															Lowry Place-Residential Proforma					Central Community Housing Trust						
ESTIMATE OF ANNUAL OPERATING INCOME																										
															Annual Increase in Income: 2.50%											
Unit Type	Unit S.F.	Net Rent /S.F.	# of Units (1 BR is assigned to Efficiency Units)	BR Count	Rooms Count	GROSS RENT	FMR*	Area Median	Unit Rent Restriction	Tenant Income Restriction	Utility Allow	Net Rent	Potential Gross	Vac. & B.D.	Adjusted YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10		
EFFICIENCIES / STUDIOS							\$651	\$53,900																		
50% Studio	450	\$1.11	6	6	15.00	\$550	84.49%	40.82%	50%	60%	\$50	\$500	36,000	7.00%	33,480	34,317	35,175	36,054	36,956	37,880	38,827	39,797	40,792	41,812		
TOTAL EFF / STUDIOS:	2700		6	6	15								36,000		33,480	34,317	35,175	36,054	36,956	37,880	38,827	39,797	40,792	41,812		
ONE BEDROOMS							\$763	\$57,750								0	0	0	0	0	0	0	0	0	0	
50% One Bedroom	750	\$0.87	6	6	21.00	\$720	94.36%	49.87%	50%	60%	\$68	\$652	46,944	7.00%	43,658	44,749	45,868	47,015	48,190	49,395	50,630	51,896	53,193	54,523		
TOTAL 1BRS:	4500		6	0	21.00								46,944		43,658	0	0	0	0	0	0	0	0	0	0	
TWO BEDROOMS							\$928	\$69,300																		
50% Two Bedroom	950	\$0.82	23	46	103.50	\$865	93.21%	49.93%	50%	60.00%	\$85	\$780	215,280	7.00%	200,210	205,216	210,346	215,605	220,995	226,520	232,183	237,987	243,937	250,035		
TOTAL 2BRS:	21850		23	46	103.5		0.00%	0.00%			\$0		215,280	7.00%	200,210	205,216	210,346	215,605	220,995	226,520	232,183	237,987	243,937	250,035		
THREE BEDROOMS							\$1,229	\$80,100																		
50% Three Bedroom	1200	\$0.75	17	51	102.00	\$1,001	81.45%	49.99%	50.00%	60.00%	\$102	\$899	183,396	7.00%	170,558	174,822	179,193	183,673	188,264	192,971	197,795	202,740	207,809	213,004		
TOTAL 3BRS:	20400		17	51	102								183,396		170,558	174,822	179,193	183,673	188,264	192,971	197,795	202,740	207,809	213,004		
TOTAL:	49450																									
Applicable % calcs:			Units	BRs	Rooms																					
% of TC units/Total Units:			100.00%	52	103	241.5																				
Utility Allowance Heating		Cooking		Other Electric																						
Efficiency	27	4	19	Total w/heat	Total																					
1BR	40	5	23	50	23																					
2BR	52	6	27	68	28																					
3BR	64	7	31	85	33																					
				102	38																					
MISCELLANEOUS INCOME															Annual	Vac.	Adj. Annual									
Laundry:		\$	12.50	Monthly		\$650	Annual	7.00%	7,254	7,435	7,621	7,812	8,007	8,207	8,412	8,623	8,838	9,059								
Garage/Pkg:		\$	-	Number of Spaces:		0	Annual	7.00%	0	0	0	0	0	0	0	0	0	0								
				avg/space/month		\$0	TOTAL MISCELLANEOUS INCOME:			7,254	7,435	7,621	7,812	8,007	8,207	8,412	8,623	8,838	9,059							

OPERATING STATEMENT **Lowry Place-Residential Proforma** Central Community Housing Trust
ESTIMATE OF ANNUAL OPERATING INCOME

		Annual Increase in Income: 2.50%																											
Unit Type	Unit S.F.	Net Rent /S.F.	# of Units (1 BR is assigned to Efficiency Units)	BR Count	Rooms Count	GROSS RENT	FMR*	Area Median	Unit Rent Restriction	Tenant Income Restriction	Utility Allow	Net Rent	Potential Gross	Vac. & B.D.	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15	YEAR 16	YEAR 17	YEAR 18	YEAR 19	YEAR 20					
EFFICIENCIES / STUDIOS							\$651	\$53,900																					
50% Studio	450	\$1.11	6	6	15.00	\$550	84.49%	40.82%	50%	60%	\$50	\$500	36,000	7.00%	42,857	43,929	45,027	46,153	47,306	48,489	49,701	50,944	52,217	53,523					
TOTAL EFF / STUDIOS:	2700		6	6	15								36,000		42,857	43,929	45,027	46,153	47,306	48,489	49,701	50,944	52,217	53,523					
ONE BEDROOMS							\$763	\$57,750							0	0	0	0	0	0	0	0	0	0					
50% One Bedroom	750	\$0.87	6	6	21.00	\$720	94.36%	49.87%	50%	60%	\$68	\$652	46,944	7.00%	55,886	57,283	58,715	60,183	61,687	63,230	64,810	66,431	68,091	69,794					
TOTAL 1BRS:	4500		6	0	21.00								46,944		0	0	0	0	0	0	0	0	0	0					
TWO BEDROOMS							\$928	\$69,300							0	0	0	0	0	0	0	0	0	0					
50% Two Bedroom	950	\$0.82	23	46	103.50	\$865	93.21%	49.93%	50%	60.00%	\$85	\$780	215,280	7.00%	256,286	262,693	269,261	275,992	282,892	289,964	297,213	304,644	312,260	320,066					
TOTAL 2BRS:	21850		23	46	103.5		0.00%	0.00%			\$0	\$0	215,280	7.00%	256,286	262,693	269,261	275,992	282,892	289,964	297,213	304,644	312,260	320,066					
THREE BEDROOMS							\$1,229	\$80,100							0	0	0	0	0	0	0	0	0	0					
50% Three Bedroom	1200	\$0.75	17	51	102.00	\$1,001	81.45%	49.99%	50.00%	60.00%	\$102	\$899	183,396	7.00%	218,329	223,787	229,382	235,116	240,994	247,019	253,195	259,525	266,013	272,663					
TOTAL 3BRS:	20400		17	51	102								183,396		218,329	223,787	229,382	235,116	240,994	247,019	253,195	259,525	266,013	272,663					
	49450																												
Applicable % calcs:			Units	BRs	Rooms																								
% of TC units/Total Units:		100.00%	52	103	241.5																								
Utility Allowance Heating			Cooking		Other Electric																								
Efficiency		27	4	19	Total w/heat	Total																							
1BR		40	5	23	50	23																							
2BR		52	6	27	68	28																							
3BR		64	7	31	85	33																							
					102	38																							
MISCELLANEOUS INCOME																													
Laundry:		\$ 12.50			Monthly	Annual	Vac.	9,286	9,518	9,756	10,000	10,250	10,506	10,769	11,038	11,314	11,597												
					per unit/month	\$650																							
Garage/Pkg:		\$ -			Monthly	Annual	Vac.	0	0	0	0	0	0	0	0	0	0												
Number of Spaces:			0		avg/space/month	\$0																							
			spaces																										
TOTAL MISCELLANEOUS INCOME:															9,286	9,518	9,756	10,000	10,250	10,506	10,769	11,038	11,314	11,597					

OPERATING STATEMENT		Lowry Place-Residential Proforma															
ESTIMATE OF ANNUAL OPERATING EXPENSES																	
Annual Expense Increase: 3.00%		Total Units: 52															
Real Estate Tax Increase 3.00%		Total Rooms: 242															
				Full YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	YR 7	YR 8	YR 9	YR 10				
I. Administrative/Renting Expense				Per Rm	Per Unit												
A. Advertise/Outreach/Mktg				20.00	4,830	4,975	5,124	5,278	5,436	5,599	5,767	5,940	6,118	6,302			
	Annual	% FTE															
B. Site/Bldg Mgr				\$47,840	148.57	690.00	35,880	36,956	38,065	39,207	40,383	41,595	42,843	44,128	45,452	46,815	
C. Payroll Tax/Benefits				37.14	172.50	8,970	9,239	9,516	9,802	10,096	10,399	10,711	11,032	11,363	11,704		
D. Leased Equipment (copier - inc. in svc?)				0.00	0.00	0	0	0	0	0	0	0	0	0	0		
E. Office Supplies/Postage/Misc.				15.00	69.66	3,623	3,731	3,843	3,958	4,077	4,199	4,325	4,455	4,589	4,727		
F. Property Mgt Fee				\$ 45.00 /occ. unit/mo.	116.27	540.00	28,080	28,922	29,790	30,684	31,604	32,552	33,529	34,535	35,571	36,638	
G. Model Apartment				5.80	26.92	1,400	1,442	1,485	1,530	1,576	1,623	1,672	1,722	1,773	1,827		
H. Legal Expense				15.00	69.66	3,623	3,731	3,843	3,958	4,077	4,199	4,325	4,455	4,589	4,727		
I. Audit/Review/Acctg. Exp.				26.92	125.00	6,500	6,695	6,896	7,103	7,316	7,535	7,761	7,994	8,234	8,481		
J. Telephone				18.63	86.54	4,500	4,635	4,774	4,917	5,065	5,217	5,373	5,534	5,700	5,871		
K. Licenses/LIHTC Monitoring/Misc.				10.00	46.44	2,415	2,487	2,562	2,639	2,718	2,800	2,884	2,970	3,059	3,151		
SUB-TOTAL FOR 1.:				413	1,920	99,820	102,815	105,899	109,076	112,348	115,719	119,190	122,766	126,449	130,242		
Total with out Payroll and Management				517													
Payroll Total for Building				1,725.00													
2. Operating Expense				Annual	% FTE												
A. Jntr/Maint.				\$ 47,840	75.00%	148.57	690.00	35,880	36,956	38,065	39,207	40,383	41,595	42,843	44,128	45,452	46,815
B. Payroll Tax/Benefits				37.14	25.00%	172.50	8,970	9,239	9,516	9,802	10,096	10,399	10,711	11,032	11,363	11,704	
C. Fr Dsk FTE				0.0	0	0.00	0.00	0	0	0	0	0	0	0	0		
D. Fr. Dsk. Tax/Benefits				0.00%	0.00	0.00	0	0	0	0	0	0	0	0	0		
E. Cleaning Payroll				\$ -	0.00%	0.00	0.00	-	0	0	0	0	0	0	0		
F. Payroll Tax/Benefits				0.00%	0.00	0.00	0	0	0	0	0	0	0	0	0		
G. Cleaning Service Contract				0.00	0.00	0	0	0	0	0	0	0	0	0	0		
H. Other Contract Labor				35.00	162.55	8,453	8,706	8,967	9,236	9,513	9,799	10,093	10,396	10,707	11,029		
I. Security				0.00	0.00	0	0	0	0	0	0	0	0	0	0		
J. Elevator/Lift Maint.				18.63	86.54	4,500	4,635	4,774	4,917	5,065	5,217	5,373	5,534	5,700	5,871		
K. Snow Removal				25.00	116.11	6,038	6,219	6,405	6,597	6,795	6,999	7,209	7,425	7,648	7,878		
L. Garbage/Recycling				40.00	185.77	9,660	9,950	10,248	10,556	10,872	11,199	11,535	11,881	12,237	12,604		
M. Exterminating				10.00	46.44	2,415	2,487	2,562	2,639	2,718	2,800	2,884	2,970	3,059	3,151		
N. Maintenance Supplies				25.00	116.11	6,038	6,219	6,405	6,597	6,795	6,999	7,209	7,425	7,648	7,878		
O. Janitor Supplies				20.00	92.88	4,830	4,975	5,124	5,278	5,436	5,599	5,767	5,940	6,118	6,302		
P. Grounds Maintenance				Potential 207 per unit for as	20.00	92.88	4,830	4,975	5,124	5,278	5,436	5,599	5,767	5,940	6,118	6,302	
Q. Gen'l Repair Services				25.00	116.11	6,038	6,219	6,405	6,597	6,795	6,999	7,209	7,425	7,648	7,878		
R. Painting/Decorating				0.00	0.00	0	0	0	0	0	0	0	0	0	0		
S. Pool/Amenities Exp.				0.00	0.00	0	0	0	0	0	0	0	0	0	0		
T. Misc. Operating				0.00	0.00	0	0	0	0	0	0	0	0	0	0		
SUB-TOTAL FOR 2.:				404	1,878	97,650	100,580	103,597	106,705	109,906	113,203	116,599	120,097	123,700	127,411		
Total with out Payroll				1,015.38													
3. Utility Expense to Owner																	
A. Electricity (common only)				9.68 /unit/month	25.00	116.11	6,038	6,219	6,405	6,597	6,795	6,999	7,209	7,425	7,648	7,878	
B. Water/Sewer				17.42 /unit/month	45.00	208.99	10,868	11,194	11,529	11,875	12,231	12,598	12,976	13,366	13,767	14,180	
C. Fuel (Gas/Oil/Elec) Common Only				9.68 /unit/month	25.00	116.11	6,038	6,219	6,405	6,597	6,795	6,999	7,209	7,425	7,648	7,878	
SUB-TOTAL FOR 3.:				95	441	22,943	23,631	24,340	25,070	25,822	26,597	27,395	28,216	29,063	29,935		
M & O Costs plus Insurance																	
4. Other																	
A. Insurance				562	121.00	561.95	29,222	30,098	31,001	31,931	32,889	33,876	34,892	35,939	37,017	38,127	
B. R.E. Taxes				658 /unit/year	141.71	658.15	34,224	35,251	36,308	37,397	38,519	39,675	40,865	42,091	43,354	44,655	
C. Painting/Dec Reserve				0.00 /unit/year	0.00	0.00	0	0	0	0	0	0	0	0	0		
D. Repl Rsrve				600.00 /unit/year	50.00	600.00	31,200	32,136	33,100	34,093	35,116	36,169	37,254	38,372	39,523	40,709	
E.				80.00 /unit/month	0.00	0.00	0	0	0	0	0	0	0	0	0		
F.				80.00 /unit/month	0.00	0.00	0	0	0	0	0	0	0	0	0		
G.				0.00	0.00	0	0	0	0	0	0	0	0	0	0		
SUB-TOTAL FOR 4.:				313	1,820	94,646	97,485	100,409	103,422	106,524	109,720	113,012	116,402	119,894	123,491		
5. TOTAL EXPENSES				/room/month	1.225	315,058	324,510	334,245	344,272	354,600	365,238	376,196	387,482	399,106	411,079		
				/unit/year	6059	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7	Yr8	Yr9	Yr10		

OPERATING STATEMENT			Lowry Place-Residential Proforma												
ESTIMATE OF ANNUAL OPERATING EXPENSES								0							
Annual Expense Increase: 3.00%			Total Units: 52												
Real Estate Tax Increase 3.00%			Total Rooms: 242												
I. Administrative/Renting Expense			Per Rm	Per Unit	Yr 11	YR 12	YR 13	YR 14	YR 15	YR 16	YR 17	YR 18	YR 19	YR 20	
A. Advertise/Outreach/Mktg			20.00		6,491	6,686	6,886	7,093	7,306	7,525	7,751	7,983	8,223	8,469	
	Annual	% FTE													
	\$47,840	75.00%	148.57	690.00	48,220	49,666	51,156	52,691	54,272	55,900	57,577	59,304	61,083	62,916	
B. Site/Bldg Mgr			37.14	172.50	12,055	12,417	12,789	13,173	13,568	13,975	14,394	14,826	15,271	15,729	
C. Payroll Tax/Benefits			0.00	0.00	0	0	0	0	0	0	0	0	0	0	
D. Leased Equipment (copier - inc. in svc?)			15.00	69.66	4,868	5,014	5,165	5,320	5,479	5,644	5,813	5,987	6,167	6,352	
E. Office Supplies/Postage/Misc.			116.27	540.00	37,737	38,869	40,035	41,236	42,473	43,748	45,060	46,412	47,804	49,238	
	\$ 45.00	/occ. unit/mo.	5.80	26.92	1,881	1,938	1,996	2,056	2,118	2,181	2,247	2,314	2,383	2,455	
F. Property Mgt Fee			15.00	69.66	4,868	5,014	5,165	5,320	5,479	5,644	5,813	5,987	6,167	6,352	
G. Model Apartment			26.92	125.00	8,735	8,998	9,267	9,545	9,832	10,127	10,431	10,744	11,066	11,398	
H. Legal Expense			18.63	86.54	6,048	6,229	6,416	6,608	6,807	7,011	7,221	7,438	7,661	7,891	
I. Audit/Review/Acctg. Exp.			10.00	46.44	3,246	3,343	3,443	3,547	3,653	3,762	3,875	3,992	4,111	4,235	
J. Telephone			413	1,920	134,150	138,174	142,319	146,589	150,987	155,516	160,182	164,987	169,937	175,035	
K. Licenses/LIHTC Monitoring/Misc.															
SUB-TOTAL FOR 1.:															
Total with out Payroll and Management				517											
Payroll Total for Building				1,725.00											
2. Operating Expense			Annual	% FTE											
	\$ 47,840	75.00%	148.57	690.00	48,220	49,666	51,156	52,691	54,272	55,900	57,577	59,304	61,083	62,916	
A. Jntr/Maint.			25.00%	37.14	172.50	12,055	12,417	12,789	13,173	13,568	13,975	14,394	14,826	15,271	15,729
B. Payroll Tax/Benefits			0.00	0.00	0	0	0	0	0	0	0	0	0	0	
C. Fr Dsk FTE			0.00%	0.00	0	0	0	0	0	0	0	0	0	0	
D. Fr. Dsk. Tax/Benefits			0.00%	0.00	0	0	0	0	0	0	0	0	0	0	
E. Cleaning Payroll			0.00%	0.00	0	0	0	0	0	0	0	0	0	0	
	\$ -		0.00%	0.00	0	0	0	0	0	0	0	0	0	0	
F. Payroll Tax/Benefits			0.00%	0.00	0	0	0	0	0	0	0	0	0	0	
G. Cleaning Service Contract			35.00	162.55	11,359	11,700	12,051	12,413	12,785	13,169	13,564	13,971	14,390	14,822	
H. Other Contract Labor			0.00	0.00	0	0	0	0	0	0	0	0	0	0	
I. Security			18.63	86.54	6,048	6,229	6,416	6,608	6,807	7,011	7,221	7,438	7,661	7,891	
J. Elevator/Lift Maint.			25.00	116.11	8,114	8,357	8,608	8,866	9,132	9,406	9,688	9,979	10,278	10,587	
K. Snow Removal			40.00	185.77	12,982	13,372	13,773	14,186	14,612	15,050	15,501	15,967	16,446	16,939	
L. Garbage/Recycling			10.00	46.44	3,246	3,343	3,443	3,547	3,653	3,762	3,875	3,992	4,111	4,235	
M. Exterminating			25.00	116.11	8,114	8,357	8,608	8,866	9,132	9,406	9,688	9,979	10,278	10,587	
N. Maintenance Supplies			20.00	92.88	6,491	6,686	6,886	7,093	7,306	7,525	7,751	7,983	8,223	8,469	
O. Janitor Supplies			Potential 207 per unit for as	20.00	92.88	6,491	6,686	6,886	7,093	7,306	7,525	7,751	7,983	8,223	8,469
P. Grounds Maintenance			25.00	116.11	8,114	8,357	8,608	8,866	9,132	9,406	9,688	9,979	10,278	10,587	
Q. Gen'l Repair Services			0.00	0.00	0	0	0	0	0	0	0	0	0	0	
R. Painting/Decorating			0.00	0.00	0	0	0	0	0	0	0	0	0	0	
S. Pool/Amenities Exp.			0.00	0.00	0	0	0	0	0	0	0	0	0	0	
T. Misc. Operating			0.00	0.00	0	0	0	0	0	0	0	0	0	0	
SUB-TOTAL FOR 2.:			404	1,878	131,233	135,170	139,226	143,402	147,704	152,136	156,700	161,401	166,243	171,230	
Total with out Payroll				1,015.38											
3. Utility Expense to Owner															
	9.68 /unit/month	25.00	116.11		8,114	8,357	8,608	8,866	9,132	9,406	9,688	9,979	10,278	10,587	
A. Electricity (common only)			17.42 /unit/month	45.00	208.99	14,605	15,043	15,494	15,959	16,438	16,931	17,439	17,962	18,501	19,056
B. Water/Sewer			9.68 /unit/month	25.00	116.11	8,114	8,357	8,608	8,866	9,132	9,406	9,688	9,979	10,278	10,587
C. Fuel (Gas/Oil/Elec) Common Only															
SUB-TOTAL FOR 3.:			95	441	30,833	31,758	32,711	33,692	34,703	35,744	36,816	37,920	39,058	40,230	
M & O Costs plus Insurance															
4. Other															
A. Insurance			562	121.00	561.95	39,271	40,449	41,663	42,913	44,200	45,526	46,892	48,299	49,748	51,240
B. R.E. Taxes			658 /unit/year	141.71	658.15	45,994	47,374	48,795	50,259	51,767	53,320	54,919	56,567	58,264	60,012
C. Painting/Dec Reserve			0.00 /unit/year	0.00	0.00	0	0	0	0	0	0	0	0	0	
D. Repl Rsrve			600.00 /unit/year	50.00	600.00	41,930	43,188	44,484	45,818	47,193	48,609	50,067	51,569	53,116	54,709
E.			50.00 /unit/month	0.00	0.00	0	0	0	0	0	0	0	0	0	
F.			50.00 /unit/month	0.00	0.00	0	0	0	0	0	0	0	0	0	
G.			0.00	0.00	0	0	0	0	0	0	0	0	0	0	
SUB-TOTAL FOR 4.:			313	1,820	127,196	131,012	134,942	138,990	143,160	147,455	151,878	156,435	161,128	165,961	
5. TOTAL EXPENSES			/room/month	1.225	423,412	436,114	449,197	462,673	476,553	490,850	505,575	520,743	536,365	552,456	
			/unit/year	6059	Yr11	Yr12	Yr13	Yr14	Yr15	Yr16	Yr17	Yr18	Yr19	Yr20	

OPERATING STATEMENT		Lowry Place-Residential Proforma Central Community Housing Trust									
Cashflow											
OPERATING		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Operating Income (after vacancy & bad debt)											
Annual Increase:	2.50%										
Rental Income		447,907	459,104	470,582	482,346	494,405	506,765	519,434	532,420	545,731	559,374
Miscellaneous Income		7,254	7,435	7,621	7,812	8,007	8,207	8,412	8,623	8,838	9,059
Additional Rental Income/Subsidy		-	-	-	-	-	-	-	-	-	-
Commercial Income		-	-	-	-	-	-	-	-	-	-
Total Operating Income:		455,161	466,540	478,203	490,158	502,412	514,972	527,847	541,043	554,569	568,433
Operating Expense											
Annual Increase:	3.00%										
Mgmt/Admin/Overhead		99,820	102,815	105,899	109,076	112,348	115,719	119,190	122,766	126,449	130,242
Operating Expenses		97,650	100,580	103,597	106,705	109,906	113,203	116,599	120,097	123,700	127,411
Utilities		22,943	23,631	24,340	25,070	25,822	26,597	27,395	28,216	29,063	29,935
Other		94,646	97,485	100,409	103,422	106,524	109,720	113,012	116,402	119,894	123,491
Sub-Total, Operating Expense:		315,058	324,510	334,245	344,272	354,600	365,238	376,196	387,482	399,106	411,079
EXPENSES PER UNIT		Per Month \$505 Per Year \$6,059									
EXPENSES PER BEDROOM		Per Month \$255 Per Year \$3,059									
EXPENSES PER ROOM		Per Month \$109 Per Year \$1,305									
NOI		140,103	142,030	143,958	145,886	147,812	149,734	151,651	153,561	155,463	157,354
DCR	1.15										
Operating \$ Avail. For D.S.	121,828										
TIF \$ Avail for D.S.											
Total Debt Service Available		121,828	121,828	121,828	121,828	121,828	121,828	121,828	121,828	121,828	121,828
Interest Rate:	6.25%										
Amortized Term:	30										
Debt Service Factor											
Maximum Gross Mort Amt.:	1,648,868.52										
adjustment factor	1										
Maximum Net Mort Amt.:	1,648,869										
Net TIF \$ Avail for D.S.	26,328										
DCR	1.00										
Interest Rate:	6.25000%										
Amortized Term:	25										
Maximum TIF Mortgage:	\$332,588.77										
COMBINED Maximum Mortgage:	\$1,981,457.28										
DEBT SERVICE PAYMENT		121,828	121,828	121,828	121,828	121,828	121,828	121,828	121,828	121,828	121,828
Net Cash Flow after D.S.		18,274	20,202	22,130	24,057	25,983	27,906	29,823	31,733	33,635	35,526
CCHT Property Fees	2.0%										
Per Unit Per Month:	\$22.00	13,728	14,003	14,283	14,568	14,860	15,157	15,460	15,769	16,085	16,406
Per Room Per Year:	\$4.74										
Limited Partner Fee											
Per Unit Per Month:	\$4.81	3,000	3,060	3,121	3,184	3,247	3,312	3,378	3,446	3,515	3,585
Per Room Per Year:	\$1.04										
Net Cash Flow after Fees (part or all)		1,546	3,139	4,726	6,306	7,876	9,436	10,984	12,518	14,035	15,534
RATE of Return for Investor's		0.03%	0.06%	0.08%	0.11%	0.14%	0.17%	0.20%	0.22%	0.25%	0.28%

OPERATING STATEMENT										
Cashflow										
0										
OPERATING	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Operating Income (after vacancy & bad debt)										
Annual Increase:	2.50%									
Rental Income	573,358	587,692	602,385	617,444	632,880	648,702	664,920	681,543	698,581	716,046
Miscellaneous Income	9,286	9,518	9,756	10,000	10,250	10,506	10,769	11,038	11,314	11,597
Additional Rental Income/Subsidy	-	-	-	-	-	-	-	-	-	-
Commercial Income	-	-	-	-	-	-	-	-	-	-
Total Operating Income:	582,644	597,210	612,140	627,444	643,130	659,208	675,688	692,581	709,895	727,643
Operating Expense										
Annual Increase:	3.00%									
Mgmt/Admin/Overhead	134,150	138,174	142,319	146,589	150,987	155,516	160,182	164,987	169,937	175,035
Operating Expenses	131,233	135,170	139,226	143,402	147,704	152,136	156,700	161,401	166,243	171,230
Utilities	30,833	31,758	32,711	33,692	34,703	35,744	36,816	37,920	39,058	40,230
Other	127,196	131,012	134,942	138,990	143,160	147,455	151,878	156,435	161,128	165,961
Sub-Total, Operating Expense:	423,412	436,114	449,197	462,673	476,553	490,850	505,575	520,743	536,365	552,456
EXPENSES PER UNIT										
EXPENSES PER BEDROOM										
EXPENSES PER ROOM										
NOI	159,233	161,096	162,943	164,771	166,577	168,358	170,113	171,838	173,530	175,187
DCR	1.15					0	0	0	0	0
Operating \$ Avail. For D.S.	121,828									
TIF \$ Avail for D.S.										
Total Debt Service Available	121,828	121,828	121,828	121,828	121,828	121,828	121,828	121,828	121,828	121,828
Interest Rate:	6.25%									
Amortized Term:	30									
Debt Service Factor										
Maximum Gross Mort Amt.:	1,648,868.52									
adjustment factor	1									
Maximum Net Mort Amt.:	1,648,869									
Net TIF \$ Avail for D.S.	26,328									
DCR	1.00									
Interest Rate:	6.25000%									
Amortized Term:	25									
Maximum TIF Mortgage:	\$332,588.77									
COMBINED Maximum Mortgage:	\$1,981,457.28									
DEBT SERVICE PAYMENT	121,828	121,828	121,828	121,828	121,828	121,828	121,828	121,828	121,828	121,828
Net Cash Flow after D.S.	37,404	39,268	41,115	42,942	44,748	46,530	48,285	50,010	51,702	53,358
CCHT Property Fees	2.0%									
Per Unit Per Month:	\$22.00	16,734	17,069	17,410	25,000	25,500	26,010	26,530	27,061	27,602
Per Room Per Year:	\$4.74									
Limited Partner Fee										
Per Unit Per Month:	\$4.81	3,657	3,730	3,805	3,881	3,958	0	0	0	0
Per Room Per Year:	\$1.04									
Net Cash Flow after Fees (part or all)	17,013	18,469	19,900	14,061	15,290	20,520	21,754	22,949	24,100	25,204
RATE of Return for Investor's	0.30%	0.33%	0.36%	0.25%	0.27%	0.37%	0.39%	0.41%	0.43%	0.45%

OPERATING STATEMENT

Lowry Place - Commercial
Central Community Housing Trust

Cashflow

OPERATING	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Operating Income (after vacancy & bad debt)							
Annual Increase: <input type="text" value="2.00%"/>							
Rental Income \$12 a sq.ft	-	-	-	-	-	-	-
Miscellaneous Income	0	0	0	0	0	0	0
Additional Rental Income/Subsidy	-	-	-	-	-	-	-
Commercial Income	180,000	183,600	187,272	191,017	194,838	198,735	202,709
Total Operating Income:	180,000	183,600	187,272	191,017	194,838	198,735	202,709
Operating Expense - CAM							
Annual Increase: <input type="text" value="3.00%"/>							
Mgmt/Admin/Overhead	-	-	-	-	-	-	-
Operating Expenses	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Sub-Total, Operating Expense:	-						
NOI	180,000	183,600	187,272	191,017	194,838	198,735	202,709
DCR <input type="text" value="1.15"/>							
Operating \$ Avail. For D.S. <input type="text" value="156,522"/>							
TIF \$ Avail for D.S.							
Total Debt Service Available	156,522						
Interest Rate: <input type="text" value="6.25%"/>							
Amortized Term: <input type="text" value="25"/>							
Debt Service Factor							
Maximum Gross Mort Amt.: <input type="text" value="1,977,275.09"/>							
adjustment factor <input type="text" value="1"/>							
Maximum Net Mort Amt.: <input type="text" value="1,977,275"/>							
Net TIF \$ Avail for D.S. <input type="text" value="41,916"/>							
DCR <input type="text" value="1.00"/>							
Interest Rate: <input type="text" value="6.25000%"/>							
Amortized Term: <input type="text" value="25"/>							
Maximum TIF Mortgage: <input type="text" value="\$529,508.42"/>							
COMBINED Maximum Mortgage: <input type="text" value="\$2,506,783.50"/>							
DEBT SERVICE PAYMENT	156,522						
Net Cash Flow after D.S.	23,478	27,078	30,750	34,496	38,316	42,213	46,187
CCHT Property Fees <input type="text" value="5%"/>	8,217	8,628	9,060	9,513	9,988	10,488	11,012
Limited Partner Fee <input type="text" value="5%"/>							
Per Unit Per Month: <input type="text" value="3,000"/>	3,000	3,150	3,308	3,473	3,647	3,829	4,020
Per Room Per Year:							
Net Cash Flow after Fees (part or all)	12,261	15,300	18,383	21,510	24,681	27,896	31,155
Rate of Return for Investors	3.02%	3.77%	4.53%	5.30%	6.08%	6.87%	7.67%

Note: CAM charges are not considered in cashflow projections they will be equal to the expenses and will be considered a net zero.



MARKET STUDY

The location of the development, with immediate access to transit, shopping and services, will offer strong benefits that will be attractive to a broad mix of prospective tenants for the commercial and housing. CCHT's proposal addresses the RFP goals of successfully including a mix of uses that increase the density of activity on the intersection of Penn and Lowry Avenues.

CCHT has reviewed the Lowry Avenue Corridor Plan prepared for Hennepin County by Dahlgren, Shardlow, and Uban, Inc., Meyer Mohaddes Associates, Inc., Maxfield Research, Inc., Hess Roise and Company, and Northern Environmental Technologies, Inc., in May 2002. Under this plan, the redevelopment along Lowry should concentrate the commercial uses at key intersections and allow for the reintroduction of residential uses between these nodes.

CCHT has also researched a variety of existing rental developments in north Minneapolis to ensure that anticipated rents are consistent with similar and competing developments. In addition, CCHT has also spoken with Mary Bujold of Maxfield Research, Inc. to verify that the rents proposed would be achievable in the marketplace.

Commercial

Information regarding market segments that will likely show interest in the commercial space would be existing local businesses that would like to remain in the neighborhood and would relocate to this site. CCHT has had preliminary conversations with North End Hardware owner Darryl Weivoda and with Employment Action Center president Debbie Atterberry regarding relocating their existing businesses to this site. Currently those two organizations' demand for space would be approximately 20,000 square feet. If CCHT's proposed development could incorporate additional surrounding properties, it may be possible to incorporate more of the existing neighborhood businesses on the this site.

CCHT's vision would be to redevelop the other three corners at Penn and Lowry to allow for more mixed-use development comparable to its Gateway development located at the corner of Franklin and Portland Avenue in Minneapolis and our East Village development located at Eleventh Avenue and Eighth Avenue in Minneapolis.

Housing

Based on the Lowry Avenue Corridor Plan the overall rental vacancy rate was .3% in late 2000, leaving no opportunity for renter households to move into the community or for current renters to upgrade their living arrangements. The rental stock in north Minneapolis has mostly been comprised of smaller (4 to 12 unit) buildings with rents significantly below the Twin Cities average. Most of these properties are owned and operated by individuals with limited financial means or interest to reinvest in property upgrades. This has constrained opportunities for market-rate housing to be built over the last 10 or more years.

Specifically, we anticipate renters in the following segments:

- Young Singles (under age 30) that work in the neighborhood or at nearby North Memorial Hospital. Housing units at the proposed development are consistent with this group, including moderately priced studio and one-bedroom units.
- Working Households (of all ages, without children) with low and moderate incomes. The transit access, coupled with very affordable rents and a range of unit sizes and styles, will attract this market.
- Single Parents (with one or two children) with low and moderate incomes. CCHT is proposing a majority of units as two-bedroom units, which will likely be designed as "split-tvos", with bedrooms located at the "ends" of the unit and the living/dining/kitchen space at the "core" of the unit. This design is highly functional for families as well as un-related adults who double-up as roommates in tight housing markets.
- Family Housing (with children) with moderate incomes. One-third of the units in the developments will be three-bedroom, town home-style units. This design will allow renter households to move into the community and current renters to upgrade their living arrangements.

CCHT and RESOURCE will collaborate to provide supportive housing at this development to meet the needs of the community and the Employment Action Center. This partnership will allow residents to achieve their personalized goals as they transition through their lifecycle. Please see "Memorandum of Understanding" between Central Community Housing Trust and RESOURCE, Inc., (See Section #4 Identification of the entities involved).



8

DESCRIPTION OF
PUBLIC BENEFITS

DESCRIPTION OF THE PUBLIC BENEFITS

The Penn and Lowry Avenue North redevelopment will offer a variety of public benefits, both in the development/construction stage and upon completion.

DEVELOPMENT/CONSTRUCTION

Affirmative Action

CCHT is committed to affirmative action and fair housing goals. We will submit an affirmative action plan for the development and require that all vendors and contractors participating in the implementation of this development comply with applicable provisions as listed and specified in the development RFP.

Job Linkage

CCHT will work with the City of Minneapolis to establish project goals regarding potential construction related employment opportunities at the job site.

Living Wage & Prevailing Wage Policy

CCHT will work with the City of Minneapolis to ensure that all applicable hiring and wage requirements that are applicable to the development of the project.

Small and Underutilized Business

CCHT will require that the contractor meet established Small and Underutilized Business goals that are established for this project.

Apprenticeship Training Policy

CCHT will require that the contractor meet established apprenticeship training goals that are established for this project.

COMPLETED PROJECT BENEFITS

Housing

When completed, Lowry Place will contain approximately 52 units of quality, workforce rental housing for Minneapolis residents. All of the units will be rent restricted to low and moderate-income individuals and households. Specifically:

- 6 studios with proposed rents of \$500.
- 6 one-bedroom units with proposed rents of \$650.
- 23 two-bedroom units with proposed rents of \$780.
- 17 three-bedroom units with proposed rents of \$900.

This proposal will meet multiple goals of the City of Minneapolis Affordable Housing Policy, especially for a neighborhood that has not had any new rental housing developments built over the last 10 years.

This proposal is also designed as a “Transit Oriented Development”. The building and unit count and parking mix is based on the expectation that a number of residents will rely on public transit rather than own cars. This project will:

- Reinforce the community and the transit system.
- Exhibit a compact and efficient use of available space and contain a diversity and mix of uses with daily conveniences and transit at the center.
- Be designed as a pedestrian-friendly environment and will be accessible to people with physical disabilities.
- Be located on an existing transit corridor, with direct connections to bus transit.

Creation and retention of jobs

CCHT’s proposed development incorporates several components of job creation and retention for the neighborhood. CCHT is committed to working with the local businesses so they can relocate into the proposed development. This will allow neighborhood businesses to continue to operate, retain their current employees, and possibly expand their employment needs.

In addition CCHT will collaborate with RESOURCE for supportive services from their Employment Action Center (EAC). EAC helps people who are unemployed, underemployed or in career transition find employment. EAC offers individualized services for people needing career counseling, job-seeking skills, access to training, job placement, one-on-one support, internet resources, and career training. This partnership will help EAC maintain its active role in the neighborhood.

Provision of retail goods and services

The commercial component provides for the current retail needs of the neighborhood and offers possibilities for expansion. CCHT is committed to working with existing local and small business owners that are successfully established and have been servicing the needs of the neighborhood for many years.

Estimated taxable value upon completion and annual real estate taxes

The commercial structure would have an estimated value of \$2,000,000 with annual real estate taxes estimated to be \$46,573. The residential structures would have a combined estimated value of \$3,400,000 with annual real estate taxes estimated to be \$34,224.



PROPOSED TIMEFRAME

CCHT acknowledges that time is of the essence because of the past proposed developments' unsuccessful completion of redeveloping Penn and Lowry Avenue North. CCHT is aware of the need to move forward on an aggressive timeline and believe that our proposal is the appropriate development for the site. When CCHT would be selected as the preferred developer, we would immediately pursue financing and invest significant preclosing resources to accomplish all of the necessary documents in order to put a comprehensive plan in place. CCHT would explore with CPED, Hennepin County, and other public resources alternative financing structures in order to move the timeline up on the redevelopment of Penn and Lowry Avenue North.

Proposed Development Schedule

Development Name: Lowry Place

Activity	Schedule Date Month/Year
A. SITE	
Option/Contract	January 2005
Site Acquisition	March 2005
Zoning Approval	July 2005
Site Analysis	January 2005 – March 2005
B. FINANCING	
1. Construction Loan	
Loan Application	January 2006
Conditional Commitment	February 2006
Firm Commitment	March 2006
2. Permanent Loan	
Loan Application	June 2006
Conditional Commitment	October 2006
Firm Commitment	October 2006
3. Other Loans & Grants	
Type and Source – MHFA Super RFP	
Application	June 2006
Award	October 2006
4. Other Loans & Grants	
Type and Source – Hennepin County Funds	
Application	February 2006
Award	May 2006
5. Other Loans & Grants	
Type and Source – MN Green Funds	
Application	May 2006
Award	July 2006
C. PLANS AND SPECIFICATIONS	
1. Construction Drawings	December 2006
2. Out for Bids	January 2007
D. BIDS DUE	February 2007
E. CLOSING AND TRANSFER OF PROPERTY	March 2006
F. CONSTRUCTION START	April 2007
G. COMPLETION OF CONSTRUCTION	March 2008
H. LEASE-UP	October 2008
I. CREDIT PLACED IN SERVICE DATE	March 2008

EXHIBIT A
Form of Consent for Release of Response Data



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CONSENT FOR RELEASE OF
RESPONSE DATA

August 30, 2005

City of Minneapolis
Department of Community Planning and Economic Development
105 5th Avenue S.
Minneapolis, MN 55401

Re: Penn & Lowry Avenues North Request for Proposals
Consent for Release of Response Data

Alan Arthur, on behalf of Central Community Housing Trust, hereby consents to the release of its development proposal in response to the Penn & Lowry Avenues North Request for Proposals and waives any claims it may have under Minnesota Statutes Section 13.08 against the City of Minneapolis for making such information public. The foregoing consent and waiver does not extend to financial statements submitted under separate confidential cover.

Alan Arthur, Central Community Housing Trust