

2014 Entry Form
(Complete one for each entry.)

Fill out the entry name <i>exactly</i> as you want it listed in the program.

Entry Name _____

HFA _____

Submission Contact _____

Phone _____ Email _____

Qualified Entries must be received by **Tuesday, July 1, 2014.**

For more information about Qualified Entries, [click here to access the 2014 Entry Rules.](#)

Use this header on the upper right corner of each page.

HFA _____

Entry Name _____

Communications	Homeownership	Rental Housing	Special Needs Housing
<input type="checkbox"/> Annual Report <input type="checkbox"/> Promotional Materials and Newsletters <input type="checkbox"/> Creative Media	<input type="checkbox"/> Empowering New Buyers <input type="checkbox"/> Home Improvement and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Multifamily Management <input type="checkbox"/> Preservation and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Combating Homelessness <input type="checkbox"/> Housing for Persons with Special Needs
Legislative Advocacy	Management Innovation	Special Achievement	Are you providing visual aids?
<input type="checkbox"/> State Advocacy <input type="checkbox"/> Federal Advocacy	<input type="checkbox"/> Financial <input type="checkbox"/> Human Resources <input type="checkbox"/> Operations <input type="checkbox"/> Technology	<input type="checkbox"/> Special Achievement	<input type="checkbox"/> YES <input type="checkbox"/> NO

Affordable Housing is a Crucial Link for Job Creation

Minnesota Housing is committed to identifying critical local housing needs throughout the state. Our Housing & Community Dialogues series is a useful way to both listen to local needs and challenges, as well as share information about state resources available to help communities. As we traveled the state and engaged a diverse array of stakeholders through the Dialogues, we heard a consistent theme from businesses, cities, social service agencies and developers: Successful economic growth is dependent on the availability of a talented workforce.

In dozens of cities we heard that in order to have a thriving economy that encourages business growth, working Minnesotans need affordable, quality housing options. Particularly in the wake of the great recession, housing development has not kept pace with job growth, putting a strain on local communities and inhibiting economic expansion. Major employers have indicated that, but for a lack of housing, they could add shifts, increase production, and increase the number of living wage jobs.

In our work to bridge this gap, we met with leaders across the state to discuss tactical solutions and identify ways employers can contribute toward housing redevelopment. The result was a request to the legislature for the Housing and Job Growth Initiative, which called for an additional \$10 million in funding specifically dedicated to the production of housing in job growth areas. Funding was made available as interest-free deferred loans, repayable in 30 years.

We worked with the Minnesota Department of Employment and Economic Development to identify and target communities that could benefit from this funding by:

- Focusing on areas where job expansion was contemplated,
- Analyzing the need for additional workforce housing due to both pent up demand and growing workforce needs, and
- Promoting the availability of the program funds with local employers and developers in targeted areas.

Housing and Job Growth Initiative Criteria

The Housing and Job Growth Initiative prioritizes projects include a meaningful contribution from local employers to meet workforce housing needs. Eligible projects are in housing markets that:

- 1) Have low vacancy rates
- 2) Have a cooperatively developed a plan that identifies housing needs and priorities
- 3) Have experienced past job growth, can document future job growth, or have a significant portion of area employees who commute more than 30 miles to work

What was the impact?

The first half of the current funding has been deployed to communities around the state. It is creating 281 units of workforce housing including both multifamily rental and single family homeownership opportunities (see attached funding summary for details). The communities that received funds range from metropolitan areas to small but thriving towns in Greater Minnesota. Additionally, the Housing and

Jobs Growth Initiative has elevated the issue of housing as a vital element of economic growth and stability, leading to a larger group of interested and engaged stakeholders in the issue of affordable housing.

In addition to the projects funding in the first round of awards, we are working to replicate some of our past successes in employer assisted housing development:

1) Direct investment in new rental housing

- **Rochester Area:** With a multimillion dollar commitment, the Mayo Clinic launched a five-year campaign to build 875 new apartments and starter homes in Rochester and communities within a 30-mile radius. Other area employers have joined the effort and 224 rental units and 310 single-family homes have been completed.
- **Tofte:** In order to address its workforce issues, Bluefin Bay Resort, with help from Arrowhead Electric Cooperative, contributed funds to help build 14 new rental units.

2) Provide below market construction financing

- **Marshall:** Schwan's zero interest construction loan helped build 18 new single-family homes by considerably reducing financing costs. Schwan's also contributed directly to a new rental housing development.
- **Windom:** Toro Company and Caldwell Meatpacking provided a zero interest rate construction loan to help build 12 new single-family homes as well as a direct contribution to develop a 12-unit apartment project.

3) Help for homeowners

- **Roseau and Kittson Counties:** Polaris Industries, Marvin Windows, Kittson Memorial Health Center and Roseau Electric Co-op contributed funds to provide 4% downpayment help to 58 new homeowners to purchase both existing and new homes.
- **Marshall and Polk Counties:** Ottertail Power, Lumber Mart, GMM, R&J Zavoral & Sons, Bertils Gravel, Rivard Quality Seeds and D&D Commodities contributed funds to provide affordability gap loans to 110 new homebuyers.

4) Purchase of housing tax credits at a premium

- **St. Paul:** Sibley Place is a mixed-income development with both apartments and for-sale townhomes. To support both phases of the affordable rental housing development, U.S. Bancorp purchased the federal housing tax credits at a premium. The difference between the market price and U.S. Bancorp's purchase prices was a substantial contribution to filling the development cost gap.

5) In-kind contributions (funding, land, material)

- **St. Cloud:** Sterns Electric donated energy efficient water heaters and all installation materials to an affordable homeownership project in the Westwood Development, which includes 186 single-family homes.
- **Oak Park Heights:** To address its challenging workforce issues, Presbyterian Homes made a direct financial contribution and donated the land for the development of 24 new rental townhome units.

Exhibit 1



Housing and Community Dialogues

Housing and Community Dialogues are a partnership between Minnesota Housing, USDA Rural Development, Greater Minnesota Housing Fund, and local community stakeholders. The goal of these dialogues is to share information across organizations, communities, and sectors in a way that catalyzes action on the local level and informs change on the state level.

By taking a sub-regional, cross sector approach, we strive to have actionable discussions about specific community housing challenges with a broad range of points of view.

Upcoming Dialogues

FERGUS FALLS/DETROIT LAKES/MOORHEAD AREA

May 9, 2014

WINONA AREA

May 21, 2014

VIRGINIA/HIBBING AREA

October 1, 2014

BEMIDJI AREA

October 2, 2014

AUSTIN AREA

November 5, 2014

How to Get Involved

- **Help set the agenda** – Housing and Community Dialogues only work if we have cross sector input from local community leaders. We want to hear from you!
- **Promote the event** – Local business and community stakeholders are in the best position to know who should be at the table in order for conversations to move to action. Your relationships will get people who might not otherwise attend to think about how housing impacts their area.
- **Share your stories** – As a statewide agency, we have a wealth of data at our fingertips. However, we depend on local presenters to share beyond the data into what they are seeing and experiencing in local communities.
- **Sign on as a supporter** – Having local organizations sign on as supporters further solidifies the local nature of the discussion.
- **Be part of the discussion** – You are an important part of the community. Come, participate in the discussion, and work with us to craft solutions.





Questions? Contact Margaret Kaplan, Community Development Director, at 651.296.3617 or margaret.kaplan@state.mn.us.





2013 Housing and Job Growth Selections

Included in the Agency's 2013 consolidated RFP were selections for the Housing and Job Growth Initiative. These selections were approved by the Agency's board in November 2013. Four multifamily developments are made possible by the initiative to assist in financing affordable housing in the parts of the state where employers are poised to expand. Roughly half of the money was awarded in 2013 and the other half will be awarded in 2014. A number of developments included contributions from employers.

Multifamily				
	Name and Details	Sponsor	Award Amount	Total Development Cost
	Street E Townhomes - Jackson <ul style="list-style-type: none">48 new construction affordable unitsWorkforce housingIncludes \$220,000 employer contribution from AGCO	Southwest Minnesota Housing Partnership	Minnesota Housing: \$857,214 Minnesota Housing HTC: \$447,756 <i>Estimated Equity Investment:</i> <i>\$4,029,805</i>	\$7,296,109
	River Pointe Townhomes - Thief River Falls <ul style="list-style-type: none">24 new construction affordable unitsFamily housing	D.W. Jones, Inc.	Minnesota Housing: \$1,094,451 Minnesota Housing HTC: \$389,088 <i>Estimated Equity Investment:</i> <i>\$3,209,587</i>	\$4,304,038
	Tamarack Place - Roseau <ul style="list-style-type: none">40 new construction affordable unitsWorkforce housingEmployer contribution from Polaris – agreed to contribute approximately \$650,000 in equity by investing in Low Income Housing Tax Credits	SCI Associates, LLC	Minnesota Housing: \$3,982,000 Greater Minnesota Housing Fund: \$320,000	\$5,632,754
	Lyndale Gardens - Richfield <ul style="list-style-type: none">151 total units, 35 new construction affordable unitsMixed-income development	The Cornerstone Group, LLC	Minnesota Housing: \$451,000 Family Housing Fund: \$200,000 Metropolitan Council: \$200,000	\$35,338,257



2013 Housing and Job Growth Selections

Single Family			
Name and Details	Sponsor	Priority Areas	Award Amount
Worthington Community Land Trust <ul style="list-style-type: none"> New construction of 5 single family units Workforce housing 	Southwest Minnesota Housing Partnership	<ul style="list-style-type: none"> Promotes and Supports Successful Homeownership Community Recovery Minimizes Transportation Costs & Promotes Access to Transit Workforce Housing 	Minnesota Housing: \$108,550
At Home Duluth <ul style="list-style-type: none"> Acquisition and rehabilitation of 8 single family units Workforce housing 	One Roof Community Housing/HRA Duluth	<ul style="list-style-type: none"> Promotes and Supports Successful Homeownership Foreclosure Remediation Community Recovery Minimizes Transportation Costs & Promotes Access to Transit Workforce Housing 	Minnesota Housing: \$395,000 Greater Minnesota Housing Fund: \$42,500
Northwest Community Action Roseau County <ul style="list-style-type: none"> New construction of 5 single family units Workforce housing Project includes \$100,000 in value gap financing, including \$10,000 from Marvin Windows and \$25,000 from Polaris 	Northwest Community Action, Inc.	<ul style="list-style-type: none"> Promotes and Supports Successful Homeownership Minimizes Transportation Costs & Promotes Access to Transit Economic Integration Workforce Housing 	Minnesota Housing: \$296,005