

**Request for City Council Committee Action from the Department of Community Planning and Economic Development - CPED**

Date: January 22, 2008

To: Council Member Lisa Goodman, Chair, Community Development Committee

Subject: Adoption of Resolution approving Hennepin County Housing and Redevelopment Authority (HRA) financial assistance to the LSS Park Avenue Apartments located at 2414 Park Avenue South

Recommendation: It is recommended that the City Council adopt the attached resolution approving Hennepin County Housing and Redevelopment Authority (HRA) financial assistance to the LSS Park Avenue Apartments project located at 2414 Park Avenue South.

Previous Directives: On December 23, 2005, the Council approved up to \$500,000 AHTF loan funds. On September 22, 2006, the Council allocated \$616,805 of 2007 Low Income Housing Tax Credits. On August 3, 2007, the Council approved Hennepin County Housing and Redevelopment Authority (HRA) Affordable Housing Incentive Fund (AHIF) financial assistance and Hennepin County HRA ownership of real property to be located at 2414 Park Avenue South containing ten (10) rental housing units serving families experiencing homelessness.

Prepared by: Donna Wiemann, Principal Project Coordinator

Approved by: Charles T. Lutz, Deputy Executive Director, CPED \_\_\_\_\_

Presenter in Committee: Donna Wiemann

**Financial Impact**

- No financial impact
- Action requires an appropriation increase to the Capital Budget \_\_\_\_\_ or Operating Budget \_\_\_\_\_
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Action is within the Business Plan
- Action requires a change to the Business Plan
- Other financial impact
- Request provided to the Finance Department when provided to the Committee Coordinator

**Community Impact**

Neighborhood Notification: Not Applicable.

City Goals: A Safe Place to Call Home – Housing, Health and Safety: In five years all Minneapolis residents will have a better quality of life and access to housing and services.

Sustainability Targets: Development of affordable housing

Comprehensive Plan: 4.10 – Minneapolis will increase its housing that is affordable to low and moderate income households.

Zoning Code: Project has proper zoning.

Living Wage/Business Subsidy Agreement: NA

### **Supporting Information**

On August 1, 2007, the Hennepin County HRA submitted an application on behalf of the LSS Park Avenue Apartments project located at 2414 Park Avenue South to DEED's Redevelopment Grant Program. On October 18, 2007, the Hennepin County HRA was notified that LSS Park Avenue Apartments was awarded up to \$350,000 in DEED Redevelopment Grant funds.

LSS Park Avenue Apartments will provide 48 units of affordable rental housing at 30% and 50% and below MMI. The Hennepin County HRA will own ten (10) permanent supportive rental housing units within the project for households who are experiencing long term homelessness. The ten Hennepin County HRA units are being financed under the Minnesota Housing's Publicly Owned Housing Program (POHP); units financed through this program must be publicly owned.