



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

Date: September 24, 2004

To: Council President Paul Ostrow

Prepared by: Jerry LePage, Phone 612-673-5240

Approved by: Elizabeth Ryan, Acting Director, CPED Housing Division *Elizabeth Ryan*

**Subject:** Marshall River Run – Final Housing Revenue Bond Resolution

**RECOMMENDATIONS:** Approve the attached City Council Resolution granting final approval of up to \$7,600,000 in tax-exempt Multifamily Housing Development Bonds.

**Previous Directives:**

- On July 15, 2003, a public hearing was held regarding the preliminary approval of the proposed housing revenue bonds for the original River Run proposal. The CD Committee forwarded the report without recommendation, and on July 25, 2003, the Council referred it back to Committee.
- On October 10, 2003, the City Council again considered the project and the proposed housing revenue bonds but voted to reject the project as proposed.
- On January 30, 2004, the City Council granted a Project Analysis Authorization to allow staff to analyze the revised Marshall River Run project with rental and ownership housing.
- On April 30, 2004, the City Council held a public hearing and granted preliminary approval for up to \$8,000,000 in housing revenue bonds.
- On May 28, 2004, the City Council approved \$850,000 in loan funds from the Affordable Housing Trust Fund.
- On July 23, 2004, the City Council approved the Marshall River Run TIF Plan and related Plan modification, a Limited Revenue, Pay-As-You-Go Tax Increment Financing Note in a principal amount not to exceed \$1,331,000; and the redevelopment contract business terms. At the request of the developer, the City Council postponed action on the final approval of up to \$7,600,000 in tax-exempt Multifamily Housing Development Bonds, pending further revisions to be made by the developer.
- On September 10, 2004, the Community Development Committee recommended the acceptance and appropriation of the contamination cleanup grant funding received from the State Department of Employment & Economic Development (DEED) and the Metropolitan Council for this project

**Financial Impact** (Check those that apply)

- No financial impact - or - Action is within current department budget.  
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain): Annual bond fees will be collected when the bonds are issued.
- Request provided to the Budget Office when provided to the Committee Coordinator

**Community Impact**

**Ward:** Third

**Neighborhood Notification:** The Sheridan Neighborhood Organization (SNO) has received the required notifications regarding the final approvals for this project.

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

**Comprehensive Plan:** Minneapolis will increase its housing that is affordable to low and moderate income households (Section 4.10), and improve the availability of housing options to all of its citizens (Section 4.11).

**Zoning Code:** The site is currently zoned I-1. On May 3, 2004, the City Planning Commission approved Sherman Associates land use application, including an Industrial Living Overlay District (ILOD), a Planned Unit Development/CUP, a setback variance, site plan review, and a preliminary plat. On May 28, 2004, the City Council approved the rezoning/ILOD.

**Living Wage/Job Linkage:** NA

**Other:**

**Background/Supporting Information**

On July 23, 2004, the City Council took several actions regarding the final approvals for the Marshall River Run project, which will have a total of 85 units, including 74 rental units and 11 ownership townhomes. However, per the developer's request, the City Council postponed action on the final approval of up to \$7,600,000 in tax-exempt multifamily housing entitlement revenue bonds to allow time for the developer to make some changes in the financing structure for these bonds. Sherman Associates has decided to switch to a different lender who has similar financial terms but can close on this project consistent with the timing needs of the developer. The attached Project Data Worksheet details the project sources and uses and the unit mix.

**Housing Revenue Bond Information**

Sherman Associates will use tax-exempt housing revenue bonds or notes from the City's 2003 entitlement authority as its first mortgage financing. These bonds or notes

will still be in a total aggregate amount not to exceed \$7,600,000, which automatically allows the use of 4% low-income housing tax credits (LIHTC). However, due to timing considerations, Sherman Associates has now decided not to use the HUD-FHA Credit Enhancement Program, for timing reasons, but instead U. S. Bank will be the purchaser of the bonds or notes and the tax credits.

Under this financing approach, U. S. Bank will underwrite to the same HUD-FHA standards. The bonds or notes will not be rated by a rating agency, but the purchaser will provide an Investor Letter, which states the purchaser is fully aware of the risk, is aware there is no secondary market, and understands that it will hold these bonds or notes for the full term. The developer should benefit from this approach in terms of reduced fees in the development project, with comparable interest rates. This approach is also consistent with the City's Multifamily Tax-Exempt Revenue Bond Financing Guidelines.

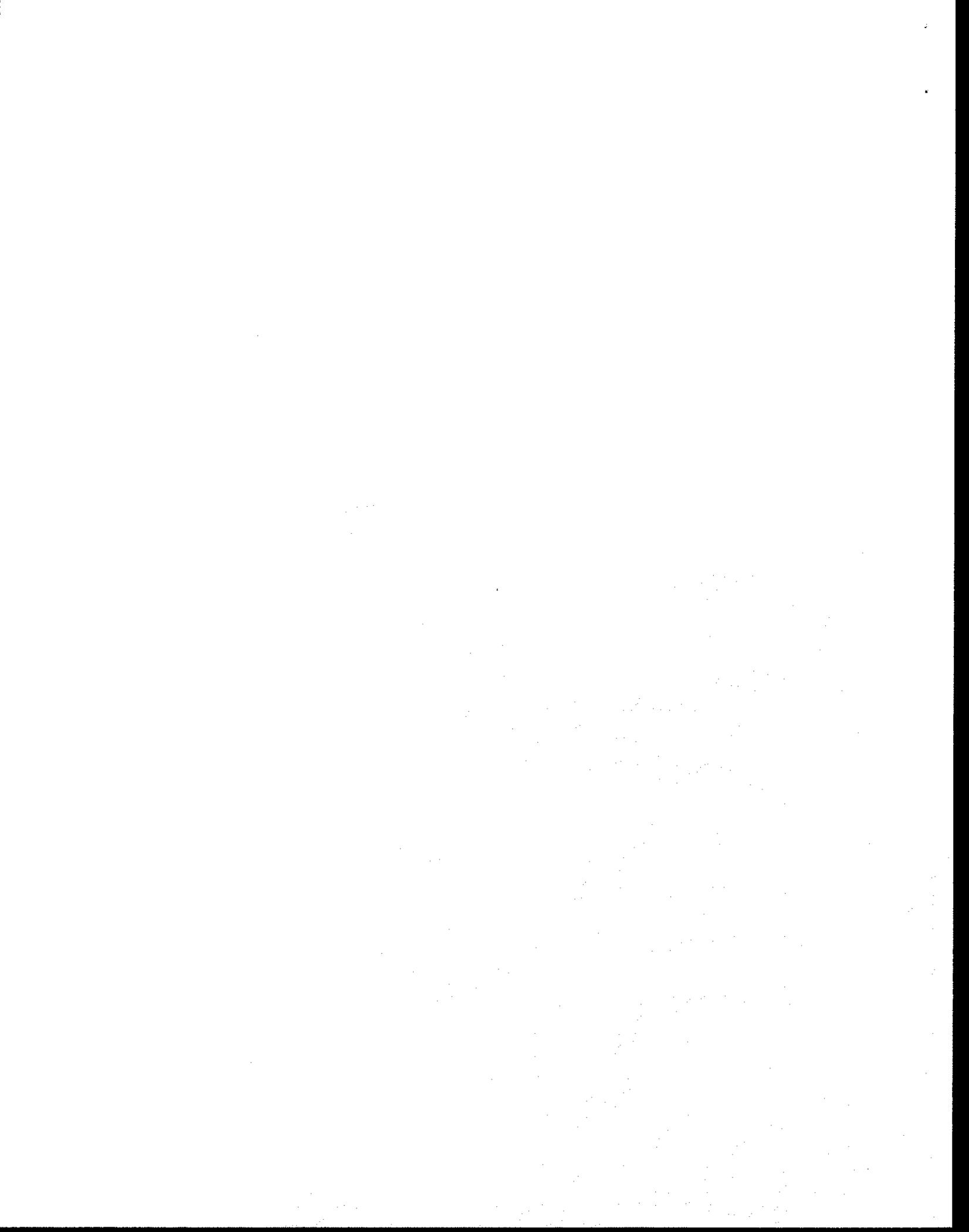
**Status of 2003 HRB Entitlement**

2003 City Entitlement Authority	\$33,867,000
East Phillips	153,000
St. Anne's	6,000,000
Many Rivers West	2,900,500
Midtown Exchange (Sears)	17,213,500
Marshall River Run	<u>7,600,000</u>
Amount Remaining	0

**Bond Purchaser**  
U. S. Bank

**Bond Counsel**  
Best & Flanagan

**Council Member Informed**  
Yes, Ward 3.



REFERRED TO (NAME OF) COMMITTEE:
DATE:

**RESOLUTION  
of the  
CITY OF  
MINNEAPOLIS**

By \_\_\_\_\_

Authorizing the issuance of notes, in a principal amount not to exceed \$7,600,000, in the form of one or more series of Multifamily Housing Revenue Notes (Marshall River Run Project), Series 2004, and approving and authorizing the execution of various documents in connection therewith.

WHEREAS, pursuant to the Minnesota Municipal Housing Act, Minnesota Statutes, Chapter 462C, as amended (the "Act"), a city is authorized to carry out programs for the financing of multifamily housing for persons of low and moderate income, and to authorize its housing and redevelopment authority to act on its behalf; and

WHEREAS, the City Council (the "City Council") of the City of Minneapolis (the "City") has prepared the Housing Plan for Local Housing for the City of Minneapolis, Minnesota, revised June, 1984 (the "Plan") which plan was adopted pursuant to the Act on July 13, 1984; and

WHEREAS, the Act requires adoption of a housing finance program after a public hearing held thereon for which notice was published in a newspaper of general circulation in the City at least fifteen (15) days in advance of the hearing; and

WHEREAS, there has been proposed a program (the "Program") for the issuance of notes to finance the acquisition and construction by Marshall River Run Limited Partnership, a Minnesota limited partnership (the "Developer"), of a 74-unit multifamily rental housing development to be located on the west side of Marshall Street, N.E. on the 1400 block in the City (the "Project"); and

WHEREAS, the City on April 20, 2004 did conduct a public hearing on the Program; and

WHEREAS, by Resolution 2004R-183 adopted April 30, 2004, and published on May 8, 2004, the City gave its preliminary approval to the issuance of up to \$8,000,000 of bonds, now notes, to finance the Program; and

WHEREAS, the City has reserved up to \$7,600,000 of its 2003 housing revenue bond entitlement authority for the notes; and

WHEREAS, the City desires to facilitate the development of rental housing within the community, encourage the preservation of affordable housing opportunities for residents of the City, encourage the preservation of housing facilities designed for occupancy by persons of low or moderate income within the boundaries of the City, and the maintenance of affordable units in the Project would assist the City in achieving these objectives; and

WHEREAS, the Program will result in the provision of decent, safe and sanitary rental housing opportunities to persons within the community; and

WHEREAS, this City Council has been advised that conventional, commercial financing to pay the capital costs of the Program is available only on a limited basis and at such high costs of borrowing that the economic feasibility of operating the Project would be significantly reduced, but the City Council has been further advised that with the aid of municipal financing and resulting low borrowing costs, the Project is economically more feasible; and

WHEREAS, the staff of the City considers the proposed Program to be in furtherance of the housing policies of the State of Minnesota as stated in the Act and of the City as stated in the Plan; and

WHEREAS, the Program is to be financed from the proceeds of notes, in an aggregate amount not to exceed \$7,600,000, in one or more series being in the form of Multifamily Housing Revenue Notes (Marshall River Run Project), Series 2004 (the "Notes"), to be issued by the City, and the revenues from the Project (as defined below) shall be pledged for the security and payment of the Notes (except as may otherwise be set forth in the Pledge Agreement hereinafter referred to); and

WHEREAS, the Note proceeds will be used by the City to fund a loan (the "Loan") to the Developer to finance the acquisition and construction of the Project; and

WHEREAS, the Notes will be issued under this Resolution (the "Resolution"), and the proceeds of the Notes will be loaned to the Developer pursuant to a Loan Agreement, dated as of September 1, 2004 (the "Loan Agreement"), and the Notes will be secured by a pledge of all rights and revenues derived by the City from the Loan Agreement (except certain retained rights of the City), and said Notes and the interest on said Notes shall be payable solely from the revenues pledged therefor and the Notes shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation nor give rise to a pecuniary liability of the City or a charge against its general credit or assets and shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the City other than the City's interest in the Project; and

WHEREAS, forms of the following documents (including the exhibits referred to therein) have been submitted to the City:

a. The Loan Agreement to be made and entered into between the City and the Developer providing for the loan of the proceeds of the Notes to the Developer, and for the repayment of such loan;

b. The Pledge Agreement to be made and entered into between the City and U.S. Bank National Association (the "Lender"), pledging the City's right, title and interest in the Loan Agreement as the security of the Notes, and setting forth proposed covenants and agreements with respect thereto;

c. The Regulatory Agreement, dated as of September 1, 2004 between the City, the Lender and the Developer (the "Regulatory Agreement"); and

d. The form of Note from the City to the Lender.

The agreements described and referred to in paragraphs a through d above shall hereinafter sometimes be referred to collectively as the "Agreements";

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF MINNEAPOLIS:

That it is hereby found, determined and declared that:

a. The preservation of the quality of life in the City is dependent upon the maintenance, provision and preservation of an adequate housing stock which is affordable to persons and families of low or moderate income, that accomplishing this is a public purpose, and that many would-be providers of housing units in the City are either unable to afford mortgage credit at present market rates of interest or are unable to obtain mortgage credit because the mortgage credit market is severely restricted.

b. The development and implementation of the Program, and the issuance and sale of the Notes by the City, and the execution and delivery of the Agreements and the performance of all covenants and agreements of the City contained therein and of all other acts and things required under the Constitution and Laws of the State of Minnesota to make the Agreements and the Notes valid and binding obligations of the City in accordance with their terms, are authorized by the Act.

c. The implementation of the Program for the purposes and in the manner contemplated by the Agreements conforms or will conform to all pertinent statutes, regulations and ordinances of the State of Minnesota and the City.

d. It is desirable that the Notes be issued by the City in one or more series, in an aggregate principal amount not to exceed \$7,600,000, on the terms set forth in the Resolution, the Loan Agreement, the Pledge Agreement, the Regulatory Agreement and the Notes.

e. The payments required or provided for by the Agreements are intended to produce income and revenues sufficient to provide for the payment when due of principal of and interest on all Notes issued under the Resolution, and payments are required to be made for such expenses of, among other things, administration of the Program as will be necessary to protect the interests of the City and the Lender.

f. Pursuant to the provisions of the Act, and as provided in the Agreements, the Notes shall be retired solely from the revenues of the Project.

BE IT FURTHER RESOLVED, that the Agreements in substantially the forms submitted to the City at this meeting are hereby approved. Such of the documents as require the execution of the

City are hereby authorized and directed to be executed or accepted, as the case may be, and delivered in the name and on behalf of the City by its Finance Officer upon execution thereof by the parties thereto as appropriate. The Notes and the Agreements shall be executed and delivered as provided therein. Copies of all the documents necessary for the consummation of the transactions described herein and in the Agreements shall be delivered, filed and recorded as provided herein and in the Agreements.

BE IT FURTHER RESOLVED, that the form and terms of the Agreements may be varied prior to execution and delivery by the parties thereto, provided that any such variance shall not be, in the opinion of the City's legal counsel and the Finance Officer, materially adverse to the interests of the City. The execution and delivery of the Agreements as provided above shall be conclusive evidence of the determination that any such variance was not materially adverse to the interests of the City.

BE IT FURTHER RESOLVED, that in anticipation of the collection of revenues of the Project, there shall be issued forthwith the Notes, which issuance is approved, substantially in the forms and upon the terms set forth in the Agreements and the Notes, the terms of which are for this purpose incorporated in this Resolution and made a part hereof as if fully set forth herein. The Notes shall be dated as of the date and shall mature on the dates (subject to redemption on such earlier dates as provided in the Notes), bear interest and be payable at the rates, all determined as set forth in the Agreements and the Notes, to be approved, executed and delivered by the officers of the City authorized to do so by the provisions of this Resolution, which approval shall be conclusively evidenced by such execution and delivery; provided that such rates shall result in an average coupon rate not greater than 7.00% per annum.

BE IT FURTHER RESOLVED, that all actions of the members, employees and staff of the City heretofore taken in furtherance of the Program are hereby approved, ratified and confirmed.

BE IT FURTHER RESOLVED, that the Notes are hereby designated "Program Bonds" and are determined to be within the "Housing Program" and the "Program," all as defined in Resolution 88R-021 of the City adopted January 29, 1988, and as amended by Resolution 97R-402 of the City adopted December 12, 1997.

BE IT FURTHER RESOLVED, that the sale of said Notes to the Lender is hereby approved, and the Notes are hereby directed to be sold to the Lender, upon the terms and conditions set forth in the Agreements and the Notes. The Finance Officer of the City is hereby authorized and directed to prepare and execute by manual or facsimile signature the Notes as described in the Agreements and to deliver them to the Lender together with a certified copy of this Resolution, and the other documents required by the Agreements.

BE IT FURTHER RESOLVED, that the Finance Officer and other officers of the City are authorized and directed to prepare and furnish when the Notes are issued, certified copies of all proceedings and records of the City relating to the Notes and such other affidavits and certificates (including but not limited to those required by bond counsel) as may be required to show the facts relating to the legality, tax exemption and marketability of the Notes as such facts appear from the

books and records in said officers' custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the City as to the truth of all statements made by the City and contained therein. The Finance Officer and said officers are further authorized to execute such additional documents as shall be determined by the Finance Officer to be necessary and desirable to provide for the issuance of the Notes.

BE IT FURTHER RESOLVED, that all covenants, stipulations, obligations and agreements of the City contained in this Resolution and the aforementioned documents shall be deemed to be the covenants, stipulations, obligations and agreements of the City to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall be binding upon the City. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the City by the provisions of this Resolution or of the aforementioned documents shall be exercised or performed by the City or by such members of the City, or such officers, board, body or agency thereof as may be required or authorized by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in the aforementioned documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member of the City, or any officer, agent or employee of the City in that person's individual capacity, and neither the City Council nor any officer or employee executing the Notes shall be liable personally on the Notes or be subject to any personal liability or accountability by reason of the issuance thereof.

No provision, covenant or agreement contained in the aforementioned documents, the Notes or in any other document related to the Notes, and no obligation therein or herein imposed upon the City or the breach thereof, shall constitute or give rise to any pecuniary liability of the City or any charge upon its general credit or taxing powers. In making the agreements, provisions, covenants and representations set forth in such documents, the City has not obligated itself to pay or remit any funds or revenues, other than funds and revenues derived from the Project, the proceeds of the Notes which are to be applied to the payment of the Notes, as provided therein and in the Agreements. The Notes shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property or funds of the City except the revenue and proceeds pledged to the payment thereof, nor shall the City be subject to any liability thereon. The holders of the Notes shall never have the right to compel any exercise of the taxing power of the City to pay the outstanding principal of the Notes, or the interest thereon, or to enforce payment thereof against any property of the City. The Notes shall recite in substance that the Notes, including the interest thereon, are payable solely from the revenues and proceeds pledged to the payment thereof. The Notes shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation.

BE IT FURTHER RESOLVED, that except as herein otherwise expressly provided, nothing in this Resolution or in the aforementioned documents expressed or implied is intended or shall be construed to confer upon any person or firm or corporation, other than the City or any holder of the Notes issued under the provisions of this Resolution, any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, this resolution, the aforementioned

documents and all of their provisions being intended to be and being for the sole and exclusive benefit of the City and any holder from time to time of the Notes issued under the provisions of this Resolution.

BE IT FURTHER RESOLVED, that in case any one or more provisions of this Resolution, or of the aforementioned documents, or of the Notes issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, or of the aforementioned documents, or of the Notes, but this Resolution, the aforementioned documents, the Notes shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

BE IT FURTHER RESOLVED, that the Notes, when executed and delivered, shall contain a recital that they are issued pursuant to the Act, and such recital shall be conclusive evidence of the validity of the Notes and the regularity of the issuance thereof, and that all acts, conditions and things required by the laws of the State of Minnesota relating to the adoption of this Resolution, to the issuance of the Notes and to the execution of the aforementioned documents to happen, exist and be performed precedent to and in the enactment of this Resolution, and precedent to issuance of the Bonds, and precedent to the execution of the aforementioned documents have happened, exist and have been performed as so required by law.

BE IT FURTHER RESOLVED, that in the event any of the officers of the City authorized to execute documents on behalf of the City under this resolution have resigned or shall for any reason be unable to do so, any member of the City, or officer of the City, is hereby directed and authorized to do so on behalf of the City, with the same effect as if executed by the officer authorized to do so in this Resolution.

BE IT FURTHER RESOLVED, that the City hereby allocates up to \$7,600,000 of its 2003 entitlement authority to issue tax-exempt notes pursuant to Minnesota Statutes, Chapter 474A, to the Notes, the actual amount of such allocation to be in the aggregate principal amount of Notes issued.

BE IT FURTHER RESOLVED, that this Resolution shall take effect upon publication.

Certified as an official action of the City Council:

RECORD OF COUNCIL VOTE (X INDICATES VOTE)													
COUNCIL MEMBER	AYE	NAY	NOT VOTING	ABSENT	VOTE TO OVERRIDE	VOTE TO SUSTAIN	COUNCIL MEMBER	AYE	NAY	NOT VOTING	ABSENT	VOTE TO OVERRIDE	VOTE TO SUSTAIN
309302 President Ostrow							Goodman						
							Lillgren						
Zerby							Schiff						
Samuels							Niziolek						
Johnson							Benson						
Johnson Lee							Colvin Roy						
Zimmermann							Lane						

PASSED \_\_\_\_\_  
DATE

APPROVED  NOT APPROVED  VETOED

ATTEST \_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR DATE



Project Status	
Proposed:	12/31/2001
Approved:	
Closed:	
Complete:	

Impaction	
<input checked="" type="radio"/> Non-Impacted	
<input type="radio"/> Impacted	

Occupancy	
<input checked="" type="radio"/> Rental	
<input type="radio"/> Ownership	

Project Name:	Marshall River Run
Main Address:	1424 Marshall St NE
Project Aliases:	
Additional Addresses:	1448 Marshall St NE

Ward: 3 Neighborhood: Sheridan

Project Activity	
<input checked="" type="checkbox"/> New Construction	
<input type="checkbox"/> Rehabilitation	
<input type="checkbox"/> Stabilization	
<input type="checkbox"/> Preservation	
Year Built:	

Development	
<input checked="" type="radio"/> Apartment/Condo	
<input type="radio"/> Townhome	
<input type="radio"/> Coop	
<input type="radio"/> Shelter	
<input type="radio"/> Transitional	
<input type="radio"/> Scattered Site/Other	

Household	
<input type="checkbox"/> General	
<input checked="" type="checkbox"/> Family w/Children	
<input type="checkbox"/> Senior	
<input type="checkbox"/> Single	
<input type="checkbox"/> Special Needs	
<input type="checkbox"/> Homeless	

Housing Production and Affordability									
UNIT COMPOSITION	UNIT	QTY	UNIT AFFORDABILITY	UNIT	<30%	<50%	<60%	<80%	MKT
	0BR	0			0BR	0	0	0	0
1BR	9		1BR	0	3	6	0	0	0
2BR	48		2BR	0	0	48	0	0	0
3BR	28		3BR	16	0	1	0	11	
4+BR	0		4+BR	0	0	0	0	0	
TOT	85		TOT	16	3	55	0	11	

Shelter Units: \_\_\_\_\_ + Conversion Units: \_\_\_\_\_  
 Section 8: 16

**GENERAL INFORMATION**

Construction of a 74-unit rental apartment building and 11 ownership townhomes at 1424-1448 Marshall St NE on a site that is currently industrial and requires pollution clean-up. A TIF pay-as-you-go note of approximately \$1.3 million will be an additional resource for payments on the HRBs on the rental component of the project.

Partnership: Marshall River Run LP

Developer:  
 Elizabeth Flannery  
 Sherman Associates, Inc.  
 233 Park Ave Suite 201  
 Minneapolis, MN 55415-  
 Phone: (612) 332-5000 ext-  
 Fax: (612) 332-8119

Owner:  
 George Sherman  
 Sherman Associates, Inc.  
 233 Park Ave Suite 201  
 Minneapolis, MN 55415-  
 Phone: (612) 332-3000 ext- x-125  
 Fax: (612) 332-8119

Contact Information:  
Consultant:  
 Phone: ext-  
 Fax:

Contractor:

Architect:  
 Jill Kranz  
 Ellness, Swenson, Graham Architects Inc.  
 700 3rd St S  
 Minneapolis, MN 55415-  
 Phone: (612) 373-4620 ext-  
 Fax: (612) 339-5382

Property Manager:  
 Sherman Associates, Inc.  
 Phone: (612) 332-3000 ext- x-125  
 Fax: (612) 332-8119  
Support Services:

CPED Coordinator:  
 Jerry LePage  
 CPED  
 105 5th Ave S Suite 200  
 Minneapolis, MN 55401  
 Phone: (612) 673-5240 ext-  
 Fax: (612) 673-5248  
 jerry.lepage@ci.minneapolis.mn.us

CPED Legal:  
 Nikki Newman  
 Phone: (612) 673-5273 ext-  
 Fax: (612) 673-5112  
CPED Support Coordinator

CPED Rehab:  
 Jay Iacarella  
 Phone: (612) 673-5249 ext-  
 Fax: (612) 673-5207  
MPLS Affirmative Action  
 Mary Tradewell  
 Phone: (612) 673-2142 ext-  
 Fax: (612) 673-2599

**CPED MULTIFAMILY HOUSING DEPARTMENT**  
**Affordable Housing Inventory Project Data Worksheet**



**Project Status**  
 Proposed: 12/31/2001  
 Approved: \_\_\_\_\_  
 Closed: \_\_\_\_\_  
 Complete: \_\_\_\_\_

Project Name: Marshall River Run  
 Main Address: 1424 Marshall St NE  
 Project Aliases: \_\_\_\_\_  
 Additional Addresses: 1448 Marshall St NE  
 Ward: 3 Neighborhood: Sheridan

**Impaction**  
 Non-Impacted  
 Impacted

**Occupancy**  
 Rental  
 Ownership

**Housing Production and Affordability**

UNIT COMPOSITION	UNIT	QTY	UNIT AFFORDABILITY					
			UNIT	<30%	<50%	<60%	<80%	MKT
0BR	0	0	0BR	0	0	0	0	0
1BR	9	9	1BR	0	3	6	0	0
2BR	48	48	2BR	0	0	48	0	0
3BR	28	28	3BR	16	0	1	0	11
4+BR	0	0	4+BR	0	0	0	0	0
<b>TOT</b>	<b>85</b>	<b>85</b>	<b>TOT</b>	<b>16</b>	<b>3</b>	<b>55</b>	<b>0</b>	<b>11</b>

**Project Activity**  
 New Construction  
 Rehabilitation  
 Stabilization  
 Preservation  
 Year Built: \_\_\_\_\_

**Development**  
 Apartment/Condo  
 Townhome  
 Coop  
 Shelter  
 Transitional  
 Scattered Site/Other

**Household**  
 General  
 Family w/Children  
 Senior  
 Single  
 Special Needs  
 Homeless

Shelter Units: \_\_\_\_\_ + Conversion Units: \_\_\_\_\_  
 Section 8: 16

**USES AND SOURCES**

**Project Uses:**

Land:	\$1,150,000.00
Construction:	\$7,525,000.00
Construction Contingency:	\$257,100.00
Construction Interest:	\$241,739.00
Relocation:	\$30,000.00
Developer Fee:	\$1,100,000.00
Legal Fees:	\$125,000.00
Architect Fees:	\$390,000.00
Other Costs:	\$1,109,834.00
Reserves:	\$307,000.00
Non-Housing:	\$0.00
TDC:	\$12,235,673.00
TDC/Unit:	\$165,347.00

**Project Sources:**

Source / Program	Amount	%	Term	Committed
1 City of Minneapolis <i>HRB</i>	\$6,269,000.00			4/30/2004
2 City of Minneapolis <i>HRB (TIF)</i>	\$1,331,000.00			4/30/2004
3 <i>Syndication Proceeds</i>	\$2,731,000.00			
4 CPED <i>AHTF</i>	\$850,000.00			
5 DEED (State) <i>contamination cleanup</i>	\$343,535.00			
6 Met Council <i>contamination cleanup</i>	\$59,000.00			
7 Hennepin County <i>contamination cleanup</i>	\$54,966.00			
8 <i>Sales Proceeds (Townhome Contrib)</i>	\$250,000.00			
9 FHF	\$200,000.00			4/23/2004
10 Sherman Associates <i>developer equity/add'l gap funding</i>	\$147,172.00			
<b>TDC:</b>	<b>\$12,235,673.00</b>			

**Financing Notes:**  
 Sources and Uses for the 74-unit rental project only. There will also be 11 ownership townhomes that will sell for approximately \$250,000.