

PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE

11-0630R

RESOLUTION OF INTENT TO SUPPORT THE REQUEST BY ONE
ROOF COMMUNITY HOUSING TO THE STATE OF MINNESOTA FOR
THE AWARD OF FUNDS FROM THE RENTAL REHABILITATION
DEFERRED LOAN PROGRAM (RRDL).

CITY PROPOSAL:

RESOLVED, that the Duluth city council hereby expresses its support for One
Roof Community Housing's (formerly NHS of Duluth and Northern Communities Land
Trust) request for funding to the Minnesota Housing Finance Agency for funding
from the Rental Rehabilitation Deferred Loan Program (RRDL).

Approved:


Department Director

Approved for presentation to council:


Chief Administrative Officer

Approved as to form:


Attorney

Approved:


Auditor

CD KO:bel 11/18/2011

STATEMENT OF PURPOSE: This resolution expresses the City Council's support
of an application to be submitted to the Minnesota Housing Finance Agency (MN
Housing) for funding of a loan program for rental property owners. The
request is for \$1,000,000, which will be used to rehabilitate between 30 to 40
units of rental housing in Duluth. Participating property owners would
receive an interest free deferred loan with principal due and payable in full
at the end of the loan term, a ten year term for loans under \$100,000 and 15
years for loans up to \$300,000.

The RRDL is a pilot program by MN Housing to assist local communities in

Greater Minnesota to rehabilitate existing affordable housing stock. This year, \$10,000,000 is being made available for rental projects and programs between now and June 2013. In the future, MN Housing hopes to have \$4,500,000 available per biennium dependent on state appropriations.

The applicant is One Roof Community Housing, a new non-profit organization formed by the merger of NHS of Duluth and the Northern Communities Land Trust. The Duluth Housing & Redevelopment Authority's Rehab Department and staff of the city's Community Development Division will partner with One Roof to locally administer the loan program, as part of a planned Housing Resource Center. This Center will bring together housing agencies and programs in Duluth that will provide loans and grants to homeowners and rental property owners, creating a "one stop shop" for housing assistance. The Center is anticipated to open in 2012.