

HENNEPIN COUNTY

MINNESOTA

FINAL AUTHORITY AGENDA

HENNEPIN COUNTY HOUSING AND REDEVELOPMENT AUTHORITY
TUESDAY, MARCH 18, 2025
1:30 PM

Chair: Angela Conley, District 4
Vice Chair: Kevin Anderson, District 7
Members: Jeff Lunde, District 1
Irene Fernando, District 2
Marion Greene, District 3
Debbie Goettel, District 5
Heather Edelson, District 6

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1. **Approval of the Agenda**
 2. **Minutes from Previous Meeting**
 - 2.A. February 4, 2025 Minutes

Attachments: [HRA-BOARDMINUTES-04-Feb-2025](#)

3. **Public Hearing**
 - 3.A. Public comment on the issuance of revenue bonds to finance a multifamily housing development under Minnesota statutes, chapter 462c, as amended.

Attachments: [public-hearing-notice-HCHRA-03182025](#)

4. **Claims Register**
5. **New Business**

- 5.A. [25-HCHRA-0008](#)

Neg Agmt PR00007145 with Glencrest Group to extend the affordability period for an affordable housing property, 03/19/25-12/31/55, NTE \$5,000

HENNEPIN COUNTY

300 South Sixth Street
Minneapolis, MN
55487-0240

MINNESOTA

Board Action Request

TMP-25-0178

Item Description:

February 4, 2025 Minutes

HENNEPIN COUNTY

MINNESOTA

BOARD MINUTES

HENNEPIN COUNTY HOUSING AND REDEVELOPMENT AUTHORITY
TUESDAY, FEBRUARY 4, 2025
1:30 PM

Chair: Angela Conley, District 4
Vice Chair: Kevin Anderson, District 7
Members: Jeff Lunde, District 1
Irene Fernando, District 2
Marion Greene, District 3
Debbie Goettel, District 5
Heather Edelson, District 6

Commissioner Angela Conley, Chair, called the meeting of the Hennepin County Housing and Redevelopment Authority for Tuesday, February 4, 2025 to order at 3:07 p.m.

Present Commissioner Irene Fernando, Commissioner Marion Greene, Commissioner Angela Conley, Commissioner Debbie Goettel, Commissioner Heather Edelson, Commissioner Jeff Lunde, and Commissioner Kevin Anderson

1. Approval of the Agenda

APPROVE

Commissioner Marion Greene moved, seconded by Commissioner Irene Fernando, to approve the Agenda.

Aye Commissioner Fernando Commissioner Greene Conley Goettel Edelson
Lunde Anderson

2. Minutes from Previous Meeting

2.A. January 14, 2025 HRA Minutes

APPROVE

Commissioner Debbie Goettel moved, seconded by Commissioner Kevin Anderson, to approve the Minutes.

Aye Commissioner Fernando Commissioner Greene Conley Goettel
Edelson Lunde Anderson

3. Claims Register

4. New Business

4.A. [25-HCHRA-0004](#)

Terminate and forgive AHIF Agmts A030962, A061468, and A090091 with the Little Earth of United Tribes Housing Corporation for 2501 Cedar Avenue South in Minneapolis.

ADOPT

Commissioner Irene Fernando moved, seconded by Jeff Lunde, to adopt

the Resolution.

Aye Commissioner Fernando Commissioner Greene Conley Goettel
Edelson Lunde Anderson

4.B. [25-HCHRA-0005](#)

Neg Agmt A2512744 with the MN Housing Finance Agency for the Home Accessibility Ramps Program, 03/01/25 - 06/01/28, \$303,000 (recv); Neg Agmt PR00006463 with Tree Trust to provide accessibility ramp management and construction, 03/01/25 - 04/01/28, NTE \$300,00

ADOPT

Commissioner Marion Greene moved, seconded by Commissioner Irene Fernando, to adopt the Resolution.

Aye Commissioner Fernando Commissioner Greene Conley Goettel
Edelson Lunde Anderson

4.C. [25-HCHRA-0006](#)

Neg Assignment and Assumption of Agmt A110490 to transfer membership interest in Higher Ground Shelter to Catholic Charities of the Archdiocese of Saint Paul and Minneapolis

ADOPT

Commissioner Angela Conley moved, seconded by Commissioner Jeff Lunde, to adopt the Resolution.

Aye Commissioner Fernando Commissioner Greene Conley Goettel
Edelson Lunde Anderson

4.D. [25-HCHRA-0007](#)

Neg Agmt A2512759 with Ramsey County Housing and Redevelopment Authority, 02/15/25-12/31/25, (recv) \$23,000

ADOPT

Commissioner Heather Edelson moved, seconded by Commissioner Irene Fernando, to adopt the Resolution.

Aye Commissioner Fernando Commissioner Greene Conley Goettel
Edelson Lunde Anderson

There being no further business, the Housing and Redevelopment Authority for Tuesday, February 4, 2025 was declared adjourned at 3:23 p.m. until Tuesday, February 25, 2025.

Maria Rose
Clerk to the County Board

**Contracting opportunities can be found on the Hennepin County website:
www.hennepin.us**

HENNEPIN COUNTY

300 South Sixth Street
Minneapolis, MN
55487-0240

MINNESOTA

Board Action Request

TMP-25-0179

Item Description:

Public comment on the issuance of revenue bonds to finance a multifamily housing development under Minnesota statutes, chapter 462c, as amended.

NOTICE OF PUBLIC HEARING ON THE ISSUANCE OF REVENUE BONDS TO FINANCE A MULTIFAMILY HOUSING DEVELOPMENT UNDER MINNESOTA STATUTES, CHAPTER 462C, AS AMENDED

NOTICE IS HEREBY GIVEN that the Board of Commissioners (the “Board”) of the Hennepin County Housing and Redevelopment Authority (the “HRA”) will hold a public hearing on Tuesday, March 18, 2025, commencing on or after 1:30 p.m. in the Hennepin County Commissioner Board Room (A-2400) at the Hennepin County Government Center, 300 South Sixth Street, in the City of Minneapolis (the “City”), to consider a housing program (the “Housing Program”) prepared under the provisions of Minnesota Statutes, Chapter 462C, as amended (the “Act”), for the issuance by the HRA of revenue bonds or other obligations (the “Bonds”) to finance a multifamily housing development located within Hennepin County (the “County”). The Bonds are proposed to be issued in an aggregate principal amount not to exceed \$41,200,000. The Bonds may be issued in one or more series of tax-exempt or taxable obligations.

The project proposed to be financed under the Housing Program consists of (i) the rehabilitation and modernization of a 221-unit multifamily public housing development and facilities functionally related and subordinate thereto, known as The Springs, located at 809 and 828 Spring St. NE in the City of Minneapolis, within Hennepin County (the “County”), and (ii) the construction and equipping of 15 new residential units to be located adjacent to the existing facilities at or about 824 Spring St. NE (collectively, the “Project”), for occupancy by persons and families of low and moderate income. The Project will be owned, developed, and initially operated by Minneapolis Public Housing Authority, Springs LP, or another affiliate thereof (together with its affiliates or assigns, the “Borrower”). The Bonds will be issued by the HRA and will be special, limited obligations of the HRA payable solely from the revenues pledged to the payment thereof. The Bonds will not constitute general or moral obligations of the HRA, the County, the State of Minnesota, or any political subdivision thereof, and will not be secured by any taxing powers of the HRA or the County or other assets of the HRA (other than the interests of the HRA in the Project) or assets of the County.

At said time and place all parties who appear shall be given an opportunity to express their views with respect to the Housing Program and the proposal to issue the Bonds to finance the Housing Program and the Project.

For further information, please contact Julia Welle Ayres, Director of Housing Development and Finance, 612-543-4342. PLEASE NOTE, in addition to the option to attend the public hearing in person, the public hearing will also be conducted via telephone and other electronic means as allowed under Revenue Procedure 2022-20, issued by the Internal Revenue Service on March 18, 2022. Interested persons may attend the public hearing by telephone conference by using the following instructions and all such persons shall be given an opportunity to express their views with respect to the Housing Program and the proposal to issue the Bonds to finance the Project. To attend the public hearing via telephone, call the toll-free dial-in telephone conference number (855) 340-8151.

Dated: February 28, 2025

Board Action Request

25-HCHRA-0008

Item Description:

Neg Agmt PR00007145 with Glencrest Group to extend the affordability period for an affordable housing property, 03/19/25-12/31/55, NTE \$5,000

Resolution:

BE IT RESOLVED, that the Executive Director be authorized to negotiate Agreement PR00007145 with Glencrest Group, or affiliated entity, to extend the affordability period for an affordable housing property, during the period March 19, 2025 through December 31, 2055, with a not to exceed amount of \$5,000; that following review and approval by the County Attorney's Office, the Chair be authorized to sign the agreement on behalf of the authority; and that the Controller be authorized to disburse funds as directed.

Background:

Due to recent housing, economic, and demographic trends, Minnesota cities need more affordable housing. Already burdened low- and moderate-income tenants are increasingly paying more than 30 percent of their income on rent and utilities. At the same time, many rental property owners are faced with increased operating and maintenance costs, as well as market opportunities to increase rents.

Minnesota Statute 273.128 provides that qualifying low-income rental properties are eligible for 4d (1) tax classification (qualification requires a recorded affordability declaration against the property). According to state statute, eligible units use the 4d (1) tax class rate of 0.25 percent. The regular rental class rate of 1.25 percent would apply to non-qualifying units.

Lakeview Commons offers 64 units of affordable housing in the City of Plymouth, most of which have 3 bedrooms, and one leased to a local service provider. The project was originally financed through the Low-Income Housing Tax Credit (LIHTC) program, which restricted rent affordability and incomes to at or below 60 percent of the area median income (AMI). Due to rent restrictions and large unit sizes, currently 40 units are rented by families using the Plymouth Housing and Redevelopment Authority's federal Housing Choice Vouchers.

The 30-year LIHTC extended use period ended in late 2024. As loans begin to amortize this spring, the project would need to increase rents to afford debt payments. The owner prefers to maintain affordability if feasible.

The requested Hennepin County Housing and Redevelopment Authority (HCHRA) investment of \$5,000 and accompanying restrictive covenant will secure rents at 60 percent of AMI for up to 30 years and make the property eligible for 4d (1) tax classification.

According to Minnesota State Statute 383B.77, HCHRA project investments must be approved by the city in which the project is located. The City of Plymouth provided municipal consent on February 25, 2025.

Current Request: Negotiate Agreement PR00007145 with Glencrest Group to extend the affordability of a property in Hennepin County, during the period March 19, 2025 through December 31, 2055 with a not to exceed amount of \$5,000.

Impact/Outcomes: Up to 64 units of housing in Hennepin County may remain affordable for households at or below 60 percent of AMI.

Recommendation from County Administrator: Recommend Approval