

# HENNEPIN COUNTY

## MINNESOTA

### FINAL AUTHORITY AGENDA

#### HENNEPIN COUNTY HOUSING AND REDEVELOPMENT AUTHORITY

TUESDAY, MAY 12, 2026  
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. April 21, 2026 Meeting Minutes

**Attachments:** [HRA-AUTHORITYMINUTES-21-Apr-2026](#)

3. **Claims Register**

3.A. [26-HCHRA-0011](#)

Claims Register for the period ending April 30, 2026

**Attachments:** [Claims Register ending 4 30 2026](#)

4. **New Business**

4.A. [26-HCHRA-0012](#)

2026 Homeownership Assistance Fund funding recommendations - Neg 5 Agmts, total combined NTE \$1,570,742; transfer \$300,000 in budget authority from Capital Project 1006757 to Capital Project 1009192

**Attachments:** [Attachment A - Homeownership Assistance Fund](#)

4.B. [26-HCHRA-0013](#)

Accept transfer of surplus properties located at 3200 Queen Ave N, 3211 Penn Ave N, and 3206 Penn Ave N in Minneapolis to the HCHRA from Hennepin County; authorize sale to VY Enterprise LLC, and John Aish Inc., or affiliated entities, respectively

4.C. [26-HCHRA-0014](#)

Preliminary approval to issue one or more tax-exempt multifamily housing revenue bonds for Willow Woods, an affordable housing preservation project at 10850 South Shore Drive in Plymouth; authorization to apply for allocation of issuance authority and to establish a public hearing

4.D. [26-HCHRA-0015](#)

2026 Supportive Housing capital program funding recommendations - neg 3 award modifications and 9 award agmts, 05/12/26-05/12/81, total combined NTE \$6,795,267

**Attachments:** [Attachment A - Supportive Housing Strategy](#)

4.E. [26-HCHRA-0016](#)

2026 LAHA funding recommendations - Neg 2 2026 award agmts, 05/12/26-05/12/81, total combined NTE \$1,409,733

**Attachments:** [Attachment A - LAHA Funding](#)

4.F. [26-HCHRA-0017](#)

2026 AHIF funding recommendations - Neg 2 award modifications and 7 2026 award agreements, 05/12/26-05/12/81, total combined NTE \$5,852,411; supp app to 2026 HCHRA budget

**Attachments:** [Attachment A - Affordable Housing Incentive Fund](#)

# HENNEPIN COUNTY

300 South Sixth Street  
Minneapolis, MN  
55487-0240

## MINNESOTA

### Board Action Request

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**TMP-26-0422**

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**Item Description:**

April 21, 2026 Meeting Minutes

# HENNEPIN COUNTY

## MINNESOTA

### AUTHORITY MINUTES

### HENNEPIN COUNTY HOUSING AND REDEVELOPMENT AUTHORITY

TUESDAY, APRIL 21, 2026  
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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Commissioner Angela Conley, Chair, called the meeting of the Hennepin County Housing and Redevelopment Authority for Tuesday, April 21, 2006 to order at 3:45 p.m.

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

**Absent** Commissioner Marion Greene

#### 1. Approval of the Agenda

##### APPROVE

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

**Aye** Commissioner Conley Commissioner Anderson Commissioner Lunde  
Commissioner Fernando Commissioner Goettel Commissioner Edelson

**Absent** Commissioner Greene

#### 2. Minutes from Previous Meeting

2.A. March 10, 2026 Meeting Minutes

##### APPROVE

**Commissioner Kevin Anderson moved, seconded by Commissioner Jeff Lunde, to approve the Minutes.**

**Aye** Commissioner Conley Commissioner Anderson Commissioner Lunde  
Commissioner Fernando Commissioner Goettel Commissioner Edelson

**Absent** Commissioner Greene

#### 3. Claims Register

3.A. [26-HCHRA-0009](#)

Claims Register for the period ending March 31, 2026

**APPROVE/RATIFY**

**Commissioner Kevin Anderson moved, seconded by Commissioner Heather Edelson, to approve/ratify the Resolution.**

**Aye** Commissioner Conley Commissioner Anderson Commissioner Lunde  
Commissioner Fernando Commissioner Goettel Commissioner  
Edelson

**Absent** Commissioner Greene

**4. New Business**

4.A. [26-HCHRA-0010](#)

Terminate and forgive the portion of 2009 AHIF Agmt A091782 with Urban Homeworks associated with 620 23rd Ave N, NTE \$125,000; terminate the portion of Agmt A091782 associated with 2200 6th St N, Mpls, \$41,667 (recv)

**ADOPT**

**Commissioner Angela Conley moved, seconded by Commissioner Debbie Goettel, to adopt the Resolution.**

**Aye** Commissioner Conley Commissioner Anderson Commissioner Lunde  
Commissioner Fernando Commissioner Goettel Commissioner  
Edelson

**Absent** Commissioner Greene

There being no further business, the Hennepin County Housing and Redevelopment Authority for Tuesday, April 21, 2026 was declared adjourned at 3:51 p.m. until Tuesday, May 10, 2026.

Maria Rose  
Clerk to the County Board

**Contracting opportunities can be found on the Hennepin County website:  
[www.hennepincounty.gov](http://www.hennepincounty.gov)**

# HENNEPIN COUNTY

300 South Sixth Street  
Minneapolis, MN  
55487-0240

## MINNESOTA

### Board Action Request

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**26-HCHRA-0011**

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**Item Description:**

Claims Register for the period ending April 30, 2026

**Resolution:**

BE IT RESOLVED, that the Claims Register for the period ending April 30, 2026, be approved/ratified.

**Recommendation from County Administrator:** Recommend Approval

HENNEPIN COUNTY HOUSING AND REDEVELOPMENT AUTHORITY

Period ending April 30, 2026

ACCOUNT NAME	VENDOR NAME
Publishing	BridgeTower OpCo, LLC
Consulting	All In One Translation Agency

AMOUNT	
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\$	88.92
\$	5,339.00
\$	5,427.92

### Board Action Request

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#### 26-HCHRA-0012

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#### Item Description:

2026 Homeownership Assistance Fund funding recommendations - Neg 5 Agmts, total combined NTE \$1,570,742; transfer \$300,000 in budget authority from Capital Project 1006757 to Capital Project 1009192

#### Resolution:

BE IT RESOLVED, that repayment proceeds in the amount of \$9,742 from Twin Cities Habitat for Humanity for a 2001 AHIF project (Agreement A020517) be received and reallocated for distribution under the 2026 Hennepin County Housing and Redevelopment Authority (HCHRA) Capital Budget (Fund 37) as described herein; that a supplemental appropriation to the 2026 HCHRA Special Project Fund 37 budget for the capital project 1009192: HRA: Homeownership Assistance in the amount of \$9,742 be authorized; and that the Controller be authorized to accept and disperse funds as directed; and

BE IT FURTHER RESOLVED, that the unexpended amount of \$300,000 from 2020 AHIF award (Resolution 20-HCHRA-0019) to the City of Lakes Land Trust for scattered site project (Agreement PR00002183) be reallocated for distribution under the 2026 HCHRA Capital Budget (Fund 37) as described herein; that a budget authority transfer from capital project 1006757: HRA: Affordable Housing 2019-2023 to capital project 1009192: HRA: Homeownership Assistance in the amount of \$300,000 be authorized; and that the controller be authorized to disperse funds as directed; and

BE IT FURTHER RESOLVED, that the Executive Director be authorized to negotiate the following Agreements during the period May 12, 2026 through May 12, 2061:

- PR00008380 with City of Lakes Community Land Trust for acquisition and rehabilitation of up to 15 single-family homes for affordable homeownership in a land trust, with a not to exceed amount of \$550,000;
- PR00008385 with Outlaw Development, or affiliated entity, for the construction of 2 single family homes for affordable homeownership in Bloomington, with a not to exceed amount of \$200,000;
- PR00008379 with Magnolia Homes LLC, or affiliated entity, for the construction of 2 twin-homes totaling 4 units for affordable homeownership in Bloomington, with a not to exceed amount of \$160,000;
- PR00008377 with Twin Cities Habitat for Humanity Inc, for the construction of 1 single family home for affordable homeownership in Golden Valley, with a not to exceed amount of \$85,742;

that following review and approval by the County Attorney's Office, the Chair be authorized to sign the agreements and related documents on behalf of the authority; and that the Controller be authorized to disburse funds as directed; and

BE IT FURTHER RESOLVED, that the Executive Director be authorized to negotiate Agreement PR00008373 with Neighborworks Home Partners for administration of down payment assistance, with a not to exceed amount of \$575,000, during the period of May 12, 2026 through May 12, 2031; that following review and approval by the County Attorney's Office, the Chair be authorized to sign the agreement and related documents on behalf of the authority; and that the Controller be authorized to disburse funds as directed.

**Background:**

The Homeownership Assistance Fund was created by the Hennepin County Housing and Redevelopment Authority (HCHRA) Board of Commissioners (Resolution 21-HCHRA-0046) as part of the annual budget to create affordable, sustainable homeownership opportunities throughout Hennepin County.

A coordinated affordable housing development request for proposals (RFP) which included the Affordable Housing Incentive Fund (AHIF) program, Supportive Housing Strategy, HOME Investment Partnerships (HOME) program, Community Development Block Grant (CDBG) and Local Affordable Housing Aid (LAHA) was released in December 2025. The RFP garnered eight homeownership applications requesting a total of \$2,807,337. Proposals were reviewed by Housing and Economic Development staff for consistency with county priorities. Proposals were reviewed and ranked by a multiagency panel consisting of Hennepin County, and staff representing several Hennepin County cities.

Homeownership capital funding is typically provided in the form of a 30-year deferred loan. Loan documents typically include a loan agreement, promissory note, declaration of covenants and restrictions and possibly a mortgage. In addition, during the term of the loan, the HCHRA may be asked to sign various related documents and amendments, including subordination agreements and disbursement agreements.

**Recommended Project Awards:**

City of Lakes Community Land Trust - PR00008380 - Homebuyer Initiated project - \$500,000; Minneapolis; acquisition and rehabilitation of up to 15 single-family homes for affordable homeownership in a land trust.

Outlaw Development - PR00008385 - Bloomington single family project - \$200,000; Bloomington; construction of 2 single family homes for affordable homeownership.

Magnolia Homes LLC - PR00008379 - Bloomington Twin-home project - \$160,000; Bloomington; construction of 2 twin-homes totaling 4 units for affordable homeownership.

Twin Cities Habitat for Humanity - PR00008377 - Golden Valley project - \$85,742; construction of 1 single family home for affordable homeownership.

Neighborworks Home Partners - administer down payment assistance to 28 home buyers prioritizing first generation buyers.

Attachment A provides a summary of the five projects recommended for funding.

**Current Request:** Authorize negotiation of five implementation agreements with a total combined not to exceed amount of \$1,570,742 under the Homeownership Assistance Fund program.

**Impact/Outcomes:** Five projects will create 50 affordable homeownership opportunities in Hennepin County, with all units affordable to households at or below 80 percent of the area median income (AMI).

**Housing Disparity Domain:** Households of color are disproportionately left out of the homeownership. This request creates homeownership opportunities for individuals with incomes at or below 50 percent, 60 percent and 80 percent of AMI.

**Recommendation from County Administrator:** Recommend Approval

## 2026 Homeownership Assistance Project Recommendations

Project Name	Applicant	Contract Number	Total Units	Funding
Homebuyer Initiated and Sustained Legacy	City of Lakes Community Land Trust	PR00008380	15	\$550,000
Golden Valley Single Family	Twin Cities Habitat for Humanity	PR00008377	1	\$85,742
Bloomington Twin Homes	Magnolia Homes	PR00008379	4	\$160,000
Bloomington Single Family	Outlaw Development	PR00008385	2	\$200,000
Downpayment assistance Administrator	Neighborworks Home partners	PR00008373	28	\$575,000
Totals			50	\$1,570,742

### Board Action Request

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#### 26-HCHRA-0013

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#### Item Description:

Accept transfer of surplus properties located at 3200 Queen Ave N, 3211 Penn Ave N, and 3206 Penn Ave N in Minneapolis to the HCHRA from Hennepin County; authorize sale to VY Enterprise LLC, and John Aish Inc., or affiliated entities, respectively

#### Resolution:

BE IT RESOLVED, that the Hennepin County Housing and Redevelopment Authority (HCHRA) Board of Commissioners accept the transfer of surplus property located at 3200 Queen Avenue North (PID: 080-29-24-14-0204), 3211 Penn Avenue North (PID: 080-29-24-14-0205), and 3206 Penn Avenue North (PID: 090-29-24-23-0224) within the City of Minneapolis from Hennepin County for the purpose of affordable housing with ground floor active or commercial uses; that following review and approval by the County Attorney's Office, the Executive Director be authorized to sign all conveyance documents on behalf of the Authority; and

BE IT FURTHER RESOLVED, that the Executive Director be authorized to negotiate Purchase Agreement A2613463 with VY Enterprise LLC, or affiliated entity, for the sale of 3200 Queen Avenue North and 3211 Penn Avenue North, in an estimated receivable amount of \$233,400; that following review and approval by the County Attorney's Office, the Chair be authorized to sign the agreement, and the Executive Director be authorized to sign all related documents on behalf of the Authority; and that upon sale of the property, the HCHRA provides Hennepin County with the sales proceeds excluding holding and transaction costs; and that the Controller be authorized to accept and disburse the funds as directed; and

BE IT FURTHER RESOLVED, that the Executive Director be authorized to negotiate Purchase Agreement A2613464 with , John Aish Inc, or affiliated entity, or with the City of Minneapolis as a pass-through entity, to the selected developer for the sale of 3206 Penn Avenue North, in an estimated receivable amount of \$135,100; that following review and approval by the County Attorney's Office, the Chair be authorized to sign the agreement, and the Executive Director be authorized to sign and all related documents on behalf of the Authority; and that upon sale of the property, the HCHRA provides Hennepin County with the sales proceeds excluding holding and transaction costs; and that the Controller be authorized to accept and disburse the funds as directed.

#### Background:

Resolution 26-0146 (adopted April 28, 2026) authorized Hennepin County to transfer surplus properties at 3200 Queen Avenue North, 3211 Penn Avenue North, and 3206 Penn Avenue North properties in the City of Minneapolis to the Hennepin County Housing and Redevelopment Authority (HCHRA) for the purpose of creating affordable housing with active ground floor or commercial uses.

A collaborative public Land Sale Request for Proposals (RFP) process was conducted by the Housing and Economic Development (HED) department in coordination with the City of Minneapolis beginning in November 2024. The RFP did not prescribe a specific use or combination of uses but instead provided general direction on priorities around housing affordability, configuration of uses, building design, and site amenities. These priorities were informed by outreach work undertaken by Hennepin County during the Penn Avenue Community Works program as well as general guidance provided in the City of Minneapolis' Comprehensive

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## 26-HCHRA-0013

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Plan.

A total of nine proposals from seven organizations were received:

Penn & Lowry Project\*, proposed by John Aish Inc. Four-story, mixed-use building with commercial space and 49 units of affordable housing, including fourteen supportive housing units and family-sized units.

The Pennlow Collective Senior Housing\*, proposed by VY Enterprise LLC. Six-story, mixed-use building with commercial space and 89 units of affordable senior housing including nine units of supportive housing.

Sankofa Center\*, proposed by Rebound Inc. & RiverNorth Development Partners. Six-story mixed use building with community-serving space, ten market-rate, four-bedroom suites and twelve shelter beds for youth in crisis.

The Pennlow Collective Townhomes\*, proposed by VY Enterprise LLC. 26 ownership townhomes affordable to households at 80% of AMI.

Penn and Lowry Cultural Corridor Commercial Space\*, proposed by New Rules. Five commercial retail/office lofts, with private open space.

Najmah Project, proposed by Kashaba Development & Investment LLC. Mixed-use building with seven affordable housing units and community-serving uses.

Penn and Lowry Cultural Corridor Townhomes, proposed by New Rules. 21 ownership townhomes affordable to households at or below 80% AMI.

Faith Tabernacle Church relocation, proposed by Faith Tabernacle Church. New church facility for an existing church located at 2025 N. 4th Street in Minneapolis, facing relocation.

ReGeneration Center, proposed by Jordan Area Community Council (JACC). Three-story, mixed-use building combining community-based commercial, social service, day shelter, and short-term shelter.

A joint panel of city and county subject matter experts in transit-oriented development, affordable housing, business development, real estate finance, and land use planning evaluated the proposals on the extent to which they integrated RFP priorities, met land use planning and zoning requirements, and demonstrated financial feasibility and capacity of the project teams.

Five finalist projects (noted by “\*” above) were selected and invited to participate in a Community Open House. Over 70 people attended and provided feedback through a survey, with over 400 additional surveys submitted online. Overall feedback indicated strong interest in more affordable housing development, along with commercial or community uses.

Staff recommends negotiation of purchase agreement A2613463 for the conveyance of 3200 Queen Avenue North and 3211 Penn Avenue North on the northwest side of the Penn-Lowry intersection to Vy Enterprise LLC for an up to six-story building including affordable housing and active ground floor uses; and agreement A2613464 for the conveyance of 3206 Penn Avenue North on the northeast side to John Aisch Inc, or to the City of Minneapolis as a pass-through for assemblage with adjacent city-owned properties and subsequent sale to the developer, for an up to four-story building including affordable housing and active ground floor uses.

**Current Request:** This request is for authorization to accept the transfer of surplus properties located at 3200 Queen Avenue North, 3211 Penn Avenue North, and 3206 Penn Avenue North, within the City of Minneapolis, from Hennepin County; and authorization to negotiate Agreements A2613463 with VY Enterprise LLC and

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**26-HCHRA-0013**

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A2613464 with John Aish Inc., or with the City of Minneapolis, for the sale of surplus vacant land for affordable housing development, for an estimated combined receivable amount of \$368,500.

**Impacts/Outcomes:** The sale of these properties will return surplus vacant land to the tax base and provide for the development of new affordable housing.

**Disparity Domains:** This request supports Hennepin County disparity elimination efforts in employment, housing, and transportation by supporting the development of affordable housing and activating vacant sites for the benefit of the surrounding community, including low-income communities and communities of color.

**Recommendation from County Administrator:** Recommend Approval

## MINNESOTA

### Board Action Request

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**26-HCHRA-0014**

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**Item Description:**

Preliminary approval to issue one or more tax-exempt multifamily housing revenue bonds for Willow Woods, an affordable housing preservation project at 10850 South Shore Drive in Plymouth; authorization to apply for allocation of issuance authority and to establish a public hearing

**Resolution:**

**GRANTING PRELIMINARY APPROVAL TO THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS (WILLOW WOOD ESTATES PROJECT); AUTHORIZING THE SUBMISSION OF ONE OR MORE APPLICATIONS FOR ALLOCATION OF BONDING AUTHORITY UNDER MINNESOTA STATUTES, CHAPTER 474A; AUTHORIZING THE PREPARATION OF A HOUSING PROGRAM PURSUANT TO MINNESOTA STATUTES, CHAPTER 462C; AND AUTHORIZING A PUBLIC HEARING AND PUBLICATION OF A NOTICE THEREOF**

WHEREAS, the Hennepin County Housing and Redevelopment Authority (the “Issuer” or “HRA”) is a housing and redevelopment authority and a public body corporate and politic duly organized and existing under the Constitution and laws of the State of Minnesota; and

WHEREAS, pursuant to Minnesota Statutes, Chapter 462C, as amended (the “Housing Act”), the Issuer is authorized to carry out the public purposes described in the Housing Act by issuing revenue bonds or other obligations to finance or refinance multifamily housing developments, and as a condition to the issuance of such revenue bonds, adopt a housing program providing the information required by Section 462C.03, subdivision 1a of the Housing Act; and

WHEREAS, in the issuance of revenue bonds to finance multifamily housing developments, the Issuer may exercise within its corporate limits any of the powers the Minnesota Housing Finance Agency may exercise under Minnesota Statutes, Chapter 462A, as amended, including without limitation under the provisions of Minnesota Statutes, Chapter 475, as amended; and

WHEREAS, CommonBond Communities (together with its affiliates, the “Borrower”) submitted an application to the Issuer requesting the issuance of one or more series of multifamily housing revenue bonds or other obligations (the “Bonds”), in an aggregate principal amount not to exceed \$7,500,000, under the provisions of the Housing Act to assist in financing and refinancing the acquisition, rehabilitation, and equipping of a 40-unit multifamily housing development and facilities functionally related and subordinate thereto known as Willow Wood Estates (the “Project”), located at 10850 South Shore Drive in the City of Plymouth (the “City”), within Hennepin County (the “County”), for occupancy by persons and families of low and moderate income, to be initially owned and operated by the Borrower; and

WHEREAS, under Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), prior to the issuance of the Bonds, a public hearing duly noticed must be held by the Board of Commissioners of the HRA (the “Board”). Under Section 462C.04, subdivision 2 of the Housing Act, a public hearing must be held on a housing program with respect to the Project (the “Housing Program”) after one publication of notice in a newspaper circulating generally in the County, at least ten (10) days before the hearing (or such other notice period as is then in effect under the Housing Act and Treasury regulations applicable to tax-exempt bonds),

and on or before the date of publication of such notice, the Housing Program must be submitted to the Metropolitan Council for review and comment; and

WHEREAS, under Section 146 of the Code, the Bonds must receive allocation of the bonding authority of the State of Minnesota, and one or more applications for such an allocation must be made pursuant to the requirements of Minnesota Statutes, Chapter 474A, as amended (the "Allocation Act"); and

WHEREAS, the Board may grant preliminary approval to the issuance of the Bonds to finance the multifamily housing development referred to in the Housing Program, and may authorize the submission of one or more applications to the State of Minnesota Department of Management and Budget ("MMB") for allocation of bonding authority with respect to the Bonds to finance the Project in accordance with the requirements of Section 146 of the Code and the Allocation Act; and

BE IT RESOLVED, that the Board of the HRA approve the following:

1. The Project and the issuance of the Bonds therefor, in one or more series of tax-exempt or taxable bonds or notes in an amount not to exceed \$7,500,000, are hereby given preliminary approval by the Issuer, subject to mutual agreement of the Issuer, the Borrower, and the initial purchaser of the Bonds as to the details of the Bonds and provisions for their payment. In all events, it is understood, however, that the Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Issuer, except the Issuer's interest in the loan agreement with the Borrower for the Project and security pledged to the payment thereof. The Bonds, when, as, and if issued, shall recite in substance that the Bonds, including interest thereon, are payable solely from the revenues received from the Project and property and security pledged to the payment thereof, and shall not constitute general or moral obligations of the Issuer or the County.
2. The Bonds will be payable solely from the revenues of the Project and other money and security, if any, provided by the Borrower and its affiliates, and the Bonds will not constitute or give rise to a pecuniary liability of the Issuer or of the County or a charge against the general credit, full faith and credit, or taxing powers of the Issuer or the County.
3. No holder of any such Bonds shall ever have the right to compel any exercise of the taxing power of the Issuer or the County to pay the Bonds, or the interest thereon, nor to enforce payment against any property of the Issuer, except revenues of the Project to be paid to the Issuer and pledged to the Bonds.
4. The Borrower may incur expenditures for the Project prior to the issuance of the Bonds therefor, and such expenditures may be reimbursed from proceeds of the Bonds, when, and if issued. This resolution shall constitute an "official intent" to reimburse such expenditures for purposes of Treasury Regulations, Section 1.150-2.
5. The Executive Director and other officials, employees, and agents of the Issuer, with the assistance of the Borrower and Taft Stettinius & Hollister LLP, as bond counsel to the Issuer ("Bond Counsel"), are authorized and directed to prepare and submit one or more applications to MMB for allocation of bonding authority for the Project and the Bonds to be issued therefor in an amount not to exceed \$7,500,000, pursuant to the Allocation Act.
6. The officials, employees, and agents of the Issuer are hereby authorized to receive money from the Borrower for the payment of the deposit and fee required to be paid to MMB under the Allocation Act in connection with the application for an allocation of bonding authority. The officials, employees, and agents of the Issuer are further authorized to disburse to the Borrower any money returned to the Issuer by MMB in connection with such application.

7. The Executive Director and other officers, employees and agents of the Issuer are hereby authorized to: (i) prepare the Housing Program in accordance with the requirements of the Act; (ii) submit the Housing Program to the Metropolitan Council for its review and comments in accordance with Section 462C.04, subdivision 2 of the Housing Act; and (iii) participate in the preparation and review of necessary documents relating to the Project and the Bonds issued in connection therewith.

8. The Borrower will be responsible for paying any and all costs incurred by the Issuer or County in connection with the Bonds and the Project, including reasonable costs that the Issuer may incur for legal counsel and any reasonable fees the Issuer or County may charge, whether or not the Project is carried to completion, and whether or not the Bonds or operative instruments are executed.

9. The adoption of this resolution does not constitute a guaranty or firm commitment that the Issuer will issue the Bonds as requested by the Borrower. The Issuer retains the right, in its sole discretion, to withdraw from participation and accordingly not to issue the Bonds, or issue the Bonds in an amount less than the amount referred to herein should the Issuer at any time prior to issuance thereof determine that it is in the best interest of the Issuer not to issue the Bonds, or to issue the Bonds in an amount less than the amount referred to herein, or should the parties to the transaction be unable to reach agreement as to the terms and conditions of any of the documents required for this transaction, including substantial changes to the affordability level, unit mix, scale, scope, or cost of the Project.

10. A public hearing on the Housing Program relating to the Project and the issuance of the Bonds shall be held before the Board of the HRA on a date, and at a time and place, as is deemed appropriate by the Clerk of the Board. The Clerk of the Board shall publish notice of the public hearing, in substantially the form attached hereto as EXHIBIT A in Finance and Commerce, the official newspaper of the County. Bond Counsel is hereby directed to publish notice of the public hearing in the Star Tribune, a newspaper of general circulation in the County. The notice shall be published at least once, in each newspaper, at least 10 days prior to the date of the public hearing (or such other notice period as is then in effect under the Housing Act and applicable Treasury regulations applicable to tax-exempt bonds), but not more than 30 days prior to the date of the public hearing, and a copy of the Housing Program shall be submitted to the Metropolitan Council for review and comment on or before the date of publication of the notice.

**Background:** The Hennepin County Housing and Redevelopment Authority (HCHRA) is authorized to issue conduit financing, including housing revenue bonds pursuant to the provision of Minnesota Statutes, Chapters 462C and 469. The bonds are repayable solely from revenue and assets pledged in their support by the developer and are not a debt or property tax obligation of Hennepin County or the HCHRA. Projects that receive housing revenue bonds may also access 4% low-income housing tax credits, an important federal funding source for preserving and creating affordable housing within Hennepin County.

On March 30, CommonBond Communities applied to the HCHRA for housing revenue bond financing to assist in the rehabilitation and modernization of 40 affordable multifamily housing units at 10850 South Shore Drive in Plymouth, known as Willow Woods.

Once completed, the project will preserve a total of 40 townhome units, all of which are three- and four-bedroom units. Twelve units will be reserved for households at or below 50 percent of Area Median Income (AMI), with the remainder of units reserved for households at or below 60 percent AMI. All 40 units will continue to benefit from project-based Section 8 rental assistance, which further enhances affordability for all residents. The project will remain affordable for a minimum 30-year period.

The project's total development cost is expected to be approximately \$19 million dollars. The developer is requesting HCHRA preliminary approval to apply to the State of Minnesota for an allocation of bonding authority and to issue housing revenue bonds not to exceed \$7,500,000. The bonds will be special limited obligations of the HCHRA, payable solely from the revenues specifically pledged by the developer. In addition

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to the housing revenue bonds, proposed sources of funding include a first mortgage, 4% Low-Income Housing Tax Credit equity, a state housing tax credit loan, and significant developer contributions.

Conduit financing requests typically follow a series of formal actions by the HCHRA Board: 1) consideration of preliminary approval; 2) establishment and holding of a public hearing; and 3) consideration of final approval. During the final approval phase, the Hennepin County Board of Commissioners will also consider a companion resolution approving the HCHRA action.

**Current Request:** This request is for preliminary approval to issue tax-exempt multifamily housing revenue bonds for Willow Woods, a housing project at and around 10850 South Shore Drive in Plymouth, authorization to apply for allocation of issuance authority, and authorization to establish a public hearing.

**Impact/Outcomes:** Issuance of multifamily housing revenue bonds will facilitate the rehabilitation of 40 affordable, large family, rental housing units in a high-opportunity suburban location; of the 40 units total, 12 will be affordable to and reserved for households at or below 50 percent AMI, and all 40 units will continue to benefit from project based Section 8 rental assistance.

**Housing Disparity Domain:** Households of color are disproportionately housing cost burdened and face housing instability at disproportionate rates. This request will preserve affordable housing opportunities in an important suburban location.

**Recommendation from County Administrator:** Recommend Approval

## MINNESOTA

### Board Action Request

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#### 26-HCHRA-0015

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#### Item Description:

2026 Supportive Housing capital program funding recommendations - neg 3 award modifications and 9 award agmts, 05/12/26-05/12/81, total combined NTE \$6,795,267

#### Resolution:

BE IT RESOLVED, that the 2022 Supportive Housing Strategy awards (Resolution 22-HCHRA-0027) to The Link for the Link Supportive Housing project, in the amount not to exceed \$500,000 (Agreement PR00004505), and to Beacon Interfaith Housing Collaborative for the Aster Commons project, in the amount not to exceed \$950,000 (Agreement PR00004848), and the 2023 Supportive Housing Strategy award (Resolution 23-HCHRA-0019) to CommonBond Communities for the 1301 West Lake project, in the amount not to exceed \$1,500,000 (Agreement PR00005285), be rescinded and reallocated for distribution under the 2026 Hennepin County Housing and Redevelopment Authority (HCHRA) budget as described herein; and that the Controller be authorized to disburse funds as directed; and

BE IT FURTHER RESOLVED that the Executive Director be authorized to negotiate the following Agreements during the period May 12, 2026 through May 12, 2081:

- PR00008398 with Trellis Co, or affiliated entity, for the Camden Rise Early project, with a not to exceed amount of \$480,000;
- PR00008394 with RS EDEN, or affiliated entity, for the Dillon Apartments project, with a not to exceed amount of \$1,000,000;
- PR00008391 with 180 Degrees, Inc, or affiliated entity, for the Franklin-Columbus Stabilization project, with a not to exceed amount of \$400,000;
- PR00008387 with Woda Cooper Companies, Inc and Project for Pride in Living, Inc, or affiliated entity, for the Lotus Pointe project, with a not to exceed amount of \$840,000;
- PR00008399 with Matrix Development LLC, or affiliated entity, for the Senior Flats on Logan project, with a not to exceed amount of \$480,000;
- PR00008389 with Bloomington Southview, LP and Sand Companies, LLC, or affiliated entity, for the Southview Estates project, with a not to exceed amount of \$720,000;
- PR00008397 with The Link, or affiliated entity, for the Link Willard Gordon Buildings project, with a not to exceed amount of \$1,000,000;
- PR00008401 with Zachary Development Group LLC, or affiliated entity, for the Woodson project, with a not to exceed amount of \$480,000; and
- PR00008402 with Noor Development Group and Project for Pride in Living, Inc, or affiliated entity, for the Zaria project, with a not to exceed amount of \$540,000;

that following review and approval by the County Attorney's Office, the Chair be authorized to sign the agreements and related documents on behalf of the authority; and that the Controller be authorized to disburse funds as directed; and

BE IT FURTHER RESOLVED, that the Executive Director be authorized to negotiate a modification to the 2024 Supportive Housing Strategy award to VY Management for the Community Corner project in Brooklyn

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## 26-HCHRA-0015

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Center (Agreement PR00006161, Resolution 24-HCHRA-017), assigning the award to New Generations LLC, or an affiliated entity, with no change to the contract period of May 7, 2027 through May 7, 2079, and no change in the not to exceed amount of \$1,000,000; that following review and approval by the County Attorney's Office, the Chair be authorized to sign the agreement and other necessary documents on behalf of the county; and that the Controller be authorized to disburse funds as directed; and

BE IT FURTHER RESOLVED, that the Executive Director be authorized to negotiate modifications to two 2025 Supportive Housing Strategy Agreements approved under Resolution 25-HCHRA-0018, recognizing additional funding awarded from the 2026 Supportive Housing Strategy program, and extending the contract period from May 6, 2080 to May 12, 2081:

- PR00007250 with Trellis Co, or an affiliated entity, for the Cheatham Apartments project, increasing the not to exceed amount by \$615,267 for a new total not to exceed amount of \$2,065,267;
- PR00007251 with Trellis Co, or an affiliated entity, for the Flour Exchange project, increasing the not to exceed amount by \$240,000 for a new total not to exceed amount of \$840,000;

that the following review and approval by the County Attorney's Office, the Chair be authorized to sign the agreements and related documents on behalf of the authority; and the controller be authorized to disburse funds as directed.

### **Background:**

The Supportive Housing Strategy was created by the Hennepin County Housing and Redevelopment Authority (HCHRA) Board of Commissioners (Resolution 18-HCHRA-0041R1) to provide targeted capital assistance to client-focused housing that preserves and expands the supportive housing system. The purpose of this program is to advance the development of supportive housing through intentional and proactive county investment. Through the Supportive Housing Strategy, the county identifies housing gaps, recruits and partners with supportive housing developers and providers, and provides early-in funding for projects that meet county objectives.

A coordinated affordable housing development request for proposals (RFP) which included the Affordable Housing Incentive Fund (AHIF) program, Supportive Housing Strategy, HOME Investment Partnerships (HOME) program, Community Development Block Grant (CDBG) and Local Affordable Housing Aid (LAHA) was released in December 2025. The RFP garnered 17 proposals eligible for Supportive Housing Strategy consideration, requesting a total of \$20.9 million.

To assess project alignment with population need, proposals were compared to the housing plans developed by county staff working most closely with the target population. Proposals were then reviewed by staff from the Housing and Economic Development department, Human Services' Housing Stability and Adult Behavioral Health departments, the Department of Community Corrections and Rehabilitation (DOCCR), and a multiagency panel of housing finance professionals, and members of the Lived Experience Advisory Group (LEAG) and Youth Advisory Board (YAB).

Consistent with guidelines established by the HCHRA, recommended projects include those that demonstrate feasibility, align closely with county-identified population need, commit to long-term affordability in a lease-based housing setting, and demonstrate likelihood of a strong positive impact on housing stability for residents.

In addition to meeting HCHRA guidelines and criteria, the recommended projects:

- Designate a high number of units reserved for the target groups,
- Demonstrate models for inclusive screening and supporting the target groups,
- Align with identified housing needs and preferences, and
- Provide adequate support services and leverage funding for those services.

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## 26-HCHRA-0015

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Together, the recommended projects will create or preserve 144 housing units that are affordable at or below 30 percent of the area median income (AMI) and reserved for, and tailored to, vulnerable populations requiring services to maintain housing stability. This year's recommended proposals will serve people experiencing the longest period of homelessness with additional barriers (also known as "high priority homeless" or "HPH"), people with disabilities and DOCCR connections, people with mental illness leaving treatment or at risk of institutionalization, and youth involved in Hennepin County systems.

Since 2018, and including these recommended 2026 allocations, the Supportive Housing Strategy capital program has committed approximately \$34.4 million to assist the development and/or preservation of 713 units of supportive housing reserved for priority populations.

The 2026 recommended projects include \$84,000 in unique annual support service costs. These service costs are not eligible for funding under the HCHRA Supportive Housing Strategy Capital Program; the service costs identified herein will be subject to a future Human Services budget request.

### **Recommended Project Awards:**

Camden Rise Early - PR00008398 - Trellis Co - \$480,000

4134 Dupont Avenue North and adjacent addresses in Minneapolis; construction of 17 affordable rental units (66 units total), of which 8 units will be set aside for people experiencing homelessness. Partnership with Simpson Housing for services.

Dillon Apartments - PR00008394 - RS EDEN - \$1,000,000

3210 and 3218 Lyndale Avenue North in Minneapolis; preservation of 32 affordable rental units, of which 20 units will be set aside for people experiencing homelessness. RS EDEN to provide services.

Franklin-Columbus Stabilization - PR00008391 - 180 Degrees - \$400,000

Various adjacent addresses at East Franklin Avenue and Columbus Avenue South in Minneapolis; preservation of 29 affordable rental units, of which 8 units will be set aside for people with disabilities and DOCCR connections. 180 Degrees to provide services.

Lotus Pointe - PR00008387 - Woda Cooper Companies, Inc. and Project for Pride in Living, Inc. - \$840,000

6000 56th Avenue North in Crystal; construction of 34 affordable rental units (44 units total), of which 12 units will be set aside for people experiencing homelessness. Project for Pride in Living to provide services.

Senior Flats on Logan - PR00008399 - Matrix Development - \$480,000

529 and 535 Logan Avenue North in Minneapolis; construction of 48 affordable rental units, of which 8 units will be set aside for people experiencing homelessness. Partnership with MySkye Care for services.

Southview Estates - PR00008389 - Bloomington Southview, LP and Sand Companies, LLC - \$720,000

8901 Aldrich Avenue South in Bloomington; preservation of 34 affordable rental units (47 units total), of which 4 units will be set aside for people experiencing homelessness and 6 units for people with mental illness who are leaving treatment or are at risk of institutionalization. Partnership with Simpson Housing for services.

The Link - PR00008397 - Willard Gordon Buildings - \$1,000,000

2220 16th Avenue North in Minneapolis; adaptive reuse to create 40 affordable rental units, of which 12 units will be set aside for youth experiencing homelessness and 15 units for youth involved in Hennepin County systems. The Link to provide services.

The Woodson - PR00008401 - Zachary Development Group - \$480,000

Southern half of 3501 Hiawatha Avenue in Minneapolis; construction of 35 affordable rental units (105 units total), of which 8 units will be set aside for people experiencing homelessness. Partnership with Simpson Housing for services.

Zaria - PR00008402 - Noor Development Group- \$540,000

3033 Blaisdell Avenue South in Minneapolis; construction of 90 affordable rental units, of which 9 units will be set aside for people experiencing homelessness. Project for Pride in Living to provide services.

**2025 Supportive Housing Strategy Project Award Modifications:**

Cheatham Apartments - PR00007250 - Trellis Co - \$615,257 (new total NTE \$2,065,267)

3716 Cheatham Avenue South in Minneapolis; construction of 79 affordable rental units (98 units total), of which 20 units will be set aside for people experiencing homelessness. Partnership with Simpson Housing for services. Future Human Services budget request for supportive services: up to \$84,000 annually.

Flour Exchange - PR00007251 - Trellis Co - \$240,000 (new total NTE \$840,000)

310 Fourth Avenue South in Minneapolis; conversion of historic office building to housing, creating 84 affordable rental units (110 units total), of which 8 units will be set aside for people experiencing homelessness and 6 units for people with mental illness leaving treatment or at risk of institutionalization. Partnership with Simpson Housing for services.

**Current request:** This request is for authorization to negotiate nine implementation agreements and three award modifications with a total combined not to exceed amount of \$6,795,267 under the 2026 Supportive Housing capital program.

**Impact/Outcomes:** Approval of these agreements will create or preserve 522 affordable housing units, including 235 housing units for households at or below 30percent of AMI, and 287 units for households at or below 50 percent of AMI. The selected projects will create a total of 144 Supportive Housing Strategy units reserved for the following populations referred from various Hennepin County service areas:

- 109 units reserved for households experiencing high priority homelessness
- 8 units for people with disabilities and DOCCR connections
- 12 units for people with mental illness leaving treatment or at risk of institutionalization
- 15 units for youth involved in Hennepin County systems

**Housing Disparity Domain:** Households of color are disproportionately housing cost burdened, and experience housing instability, including homelessness, at disproportionate rates. This request creates housing opportunities for individuals with incomes at or below 30 percent and 50 percent of area median income, and creates units specifically reserved for people experiencing homelessness and other Hennepin County priority populations.

**Recommendation from County Administrator:** Recommend Approval

Hennepin County HRA  
2026 Supportive Housing Strategy Project Recommendations

Project Name	Supportive Housing Strategy Contract Number	Applicant	Project City	Total Units	30% AMI Units	50% AMI Units	60% AMI Units	Supportive Housing Units	Supportive Housing Strategy
<b>Supportive Housing Strategy</b>									
Camden Rise Early	PR00008398	Trellis Co.	Minneapolis	66	17	0	49	8	\$ 480,000
Cheatham Apartments	PR00007250	Trellis Co.	Minneapolis	98	26	53	0	20	\$ 615,267
Dillon Apartments	PR00008394	RS EDEN	Minneapolis	32	32	0	0	20	\$ 1,000,000
Flour Exchange	PR00007251	Trellis Co.	Minneapolis	110	33	51	0	14	\$ 240,000
Franklin/Columbus Stabilization	PR00008391	180 Degrees, Inc	Minneapolis	29	8	21	0	8	\$ 400,000
Lotus Pointe	PR00008387	Woda Cooper Companies & Project for Pride in Living	Crystal	44	17	17	0	12	\$ 840,000
Senior Flats on Logan	PR00008399	Matrix Development LLC	Minneapolis	48	12	36	0	8	\$ 480,000
Southview Estates	PR00008389	Bloomington Southview, LP (affiliate of Sand Companies)	Bloomington	47	13	21	13	10	\$ 720,000
The Link - Willard Gordon Bldg	PR00008397	The Link	Minneapolis	40	40	0	0	27	\$ 1,000,000
The Woodson	PR00008401	Zachary Development Group LLC	Minneapolis	105	8	27	25	8	\$ 480,000
Zaria	PR00008402	Noor Development Group & Project for Pride in Living	Minneapolis	90	29	61	0	9	\$ 540,000
<b>Supportive Housing Strategy totals:</b>				<b>709</b>	<b>235</b>	<b>287</b>	<b>87</b>	<b>144</b>	<b>\$ 6,795,267</b>

### Board Action Request

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#### 26-HCHRA-0016

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#### Item Description:

2026 LAHA funding recommendations - Neg 2 2026 award agmts, 05/12/26-05/12/81, total combined NTE \$1,409,733

#### Resolution:

BE IT RESOLVED, that the Executive Director be authorized to negotiate the following Local Affordable Housing Aid (LAHA) Agreements during the period May 12, 2026 through May 12, 2081:

- PR00008403 with CommonBond Communities, or affiliated entity, for the Arbor Lakes Commons project, with a not to exceed amount of \$575,000;
- PR00008393 with Trellis Co., or affiliated entity, for the Cheatham Apartments project, with a not to exceed amount of \$834,733;

that following review and approval by the County Attorney's Office, the Chair be authorized to sign the agreements and related documents on behalf of the authority; and that the Controller be authorized to disburse funds as directed.

#### Background:

In 2023, the 93rd Minnesota Legislature approved a sales and use tax dedicated to affordable housing, and annual appropriations to the new Statewide and Local Affordable Housing Aid funds. The 0.25% Metropolitan Region Sales and Use Tax for housing, together with annual appropriations, has provided approximately \$30 million per year for Hennepin County under the Local Affordable Housing Aid (LAHA) and Statewide Affordable Housing Aid (SAHA) programs. The primary intent of these new funding sources is to increase production and preservation of affordable housing.

In November 2023, the Hennepin County Board affirmed a LAHA/SAHA implementation framework tailored to leverage Hennepin County's unique program-based strengths to address our deepest racial disparities in housing (Resolution 23-0438). The implementation framework outlined five strategies to improve housing outcomes along the county's affordable housing continuum, including capital funding to increase affordable housing production.

Resolutions 25-0364 and 25-HCHRA-0052 (adopted December 11, 2025) allocated approximately \$1.4 million of Hennepin County's LAHA/SAHA to capital funding for affordable rental housing creation and preservation.

The Coordinated Affordable Housing Development request for proposals (RFP) was released in December 2025, making capital funding resources available from Affordable Housing Incentive Fund (AHIF), Local Affordable Housing Aid (LAHA), Supportive Housing Strategy, Homeownership Assistance Fund, and federal HOME Investment Partnerships (HOME) and Community Development Block Grant (CDBG) funds. The RFP garnered 36 qualified multifamily rental applications requesting approximately \$37.9 million. Proposals were reviewed by Housing and Economic Development and Health and Human Services staff for consistency with Hennepin County priorities. Proposals were then reviewed and ranked by a multiagency panel.

This action awards funding from LAHA revenues to two affordable housing development projects that were

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## 26-HCHRA-0016

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selected from the RFP. This funding will be provided in the form of a 30- to 50-year deferred loan. Loan documents include a loan agreement, promissory note, mortgage, and declaration of covenants and restrictions. In addition, at the project's financial closing and during the term of the loan, the HCHRA may be asked to sign various related documents and amendments, including subordination agreements and disbursement agreements.

### **Recommended Project Awards:**

Arbor Lakes Commons - PR00008403 - CommonBond Communities - \$575,000  
8100 Main Street, Maple Grove; preservation of 50 affordable rental units for seniors (10 units affordable and restricted to households at or below 30 percent of AMI and below; 40 units at or below 50 percent of AMI; 49 units with rental assistance.)

Cheatham Apartments - PR00008393 - Trellis Co - \$834,733  
3716 Cheatham Avenue South, Minneapolis; construction of 79 affordable rental units (26 units affordable and restricted to households at or below 30 percent of AMI; 53 units at or below 50 percent of AMI; 20 units for people exiting homelessness; 32 units with rental assistance; 20 units for large families.)

Attachment A provides further detail on the two projects recommended for funding.

**Current Request:** This request is for the authorization to negotiate two implementation agreements with a combined total not to exceed amount of \$1,409,733 under the 2026 LAHA Program.

**Impact/Outcomes:** Two projects will create or preserve a total of 129 affordable housing units in Hennepin County; projects will include 36 units for households with incomes at or below 30 percent of AMI, 93 units for households with incomes at or below 50 percent of AMI, 50 units reserved for seniors, and 20 units designated and reserved for people experiencing homelessness.

**Housing Disparity Domain:** Households of color are disproportionately housing cost-burdened, and experience housing instability, including homelessness, at disproportionate rates. This request creates housing opportunities for individuals with incomes at or below 30 percent and 50 percent of area median income, and creates units specifically reserved for people experiencing homelessness.

**Recommendation from County Administrator:** Recommend Approval

Hennepin County HRA  
2026 Local Affordable Housing Aid Project Recommendations

Project Name	LAHA Contract Number	Applicant	Project Location	Total Units	30% AMI Units	50% AMI Units	60% AMI Units	HPH units	LAHA
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**Local Affordable Housing Aid (LAHA)**

Arbor Lakes Commons	PR00008403	CommonBond Communities	Maple Grove	50	10	40	0	0	\$ 575,000
Ceatham Apartments	PR00008393	Trellis Co.	Minneapolis	98	26	53	0	20	\$ 834,733
<b>LAHA Totals:</b>				<b>148</b>	<b>36</b>	<b>93</b>	<b>0</b>	<b>20</b>	<b>\$1,409,733</b>

## MINNESOTA

### Board Action Request

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#### 26-HCHRA-0017

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#### Item Description:

2026 AHIF funding recommendations - Neg 2 award modifications and 7 2026 award agreements, 05/12/26-05/12/81, total combined NTE \$5,852,411; supp app to 2026 HCHRA budget

#### Resolution:

BE IT RESOLVED, that the unexpended amount of \$75,000 from 2021 AHIF award (Resolution 21-HCHRA-0016) to the City of Plymouth HRA for the Valor Place project (Agreement PR00003348), be reallocated for distribution under the 2026 Hennepin County Housing and Redevelopment Authority (HCHRA) budget as described herein; that a budget authority transfer from HRA: AHIF 2019-2023 Project 1006757 to HRA: AHIF 2026 Project 1012017 in the amount of \$75,000, be authorized; and that the Controller be authorized to disburse funds as directed; and

BE IT FURTHER RESOLVED, that the 2024 AHIF award (Resolution 24-HCHRA-0015) to Matrix Development LLC for the Logan Avenue Senior project (Agreement PR00006155), in the amount not to exceed \$323,223, be rescinded and reallocated for distribution under the 2026 HCHRA budget as described herein; that a budget authority transfer from HRA: AHIF 2024 Project 1010428 to HRA: AHIF 2026 Project 1012017 in the amount of \$323,223, be authorized; and that the Controller be authorized to disburse funds as directed; and

BE IT FURTHER RESOLVED, that repayment proceeds in the amount of \$454,188 from Velair Development Company, formerly known as MWF, for the 2006 AHIF project Washington Court (Agreement A061361, Resolution 06-HCHRA-09), be received and reallocated for distribution under the 2026 HCHRA budget as described herein; that a supplemental appropriation to HRA: AHIF 2026 Project 1012017 in the amount of \$454,188 be authorized; and that the Controller be authorized to accept and disburse funds as directed; and

BE IT FURTHER RESOLVED, that the Executive Director be authorized to negotiate the following Agreements during the period May 12, 2026 through May 12, 2081:

- PR00008411 with Clare Housing, or affiliated entity, for the Clare 5 project, with a not to exceed amount of \$820,000;
- PR00008408 with Minneapolis Public Housing Authority, or affiliated entity, for the Missing Middle project, with a not to exceed amount of \$500,000;
- PR00008406 with Alliance Housing, or affiliated entity, for the St. Paul's Home project, with a not to exceed amount of \$708,223;
- PR00008405 with Alliance Housing, or affiliated entity, for the Hiawatha Commons project, with a not to exceed amount of \$1,650,000;
- PR00008400 with Matrix Development LLC, or affiliated entity, for the Senior Flats on Logan project, with a not to exceed amount of \$520,000;
- PR00008396 with Trellis Co., or affiliated entity, for the Flour Exchange project, with a not to exceed amount of \$760,000;
- PR00008390 with Bloomington Southview, LP and Sand Companies, or affiliated entity, for the Southview Estates project, with a not to exceed amount of \$320,000; and

that following review and approval by the County Attorney's Office, the Chair be authorized to sign the agreements and related documents on behalf of the authority; and that the Controller be authorized to

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## 26-HCHRA-0017

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disburse funds as directed; and

BE IT FURTHER RESOLVED, that the Executive Director be authorized to negotiate a modification to the 2024 AHIF award (Resolution 24-HCHRA-0015) with Building Blocks Inc. and United Properties, or an affiliated entity, for the Upper Harbor Terminal project (Agreement PR00006153), assigning the role of United Properties to Trellis Co., with no change to the role of Building Blocks Inc as co-developer, no change to the contract period from May 7, 2024 to May 6, 2029, and no change to the not exceed amount of \$1,000,000; that following review and approval by the County Attorney's Office, the Chair be authorized to sign the agreement and related documents on behalf of the Authority; and that the Controller be authorized to disburse funds as directed; and

BE IT FURTHER RESOLVED, that the Executive Director be authorized to negotiate modification to the 2025 AHIF award (Resolution 25-HCHRA-0013) with Solhem Development, LLC, or affiliated entity, for the 1345 Central project (Agreement PR00007240), extending the contract period end date from May 12, 2080 to May 12, 2081, and increasing the not to exceed amount by \$574,188 for a new total not to exceed amount of \$1,470,188; that following review and approval by the County Attorney's office, the Chair be authorized to sign the agreement and related documents on behalf of the Authority; and that the Controller be authorized to disburse funds as directed.

### **Background:**

The Affordable Housing Incentive Fund (AHIF) Program was created by the Hennepin County Housing and Redevelopment Authority (HCHRA) Board of Commissioners (Resolution 08-HCHRA-00) to work with municipalities, other government and nonprofit agencies, private and nonprofit developers, and other lenders to encourage the preservation and development of affordable housing opportunities throughout Hennepin County.

A Coordinated Affordable Housing Development request for proposals (RFP) which included AHIF, Local Affordable Housing Aid (LAHA), Supportive Housing Strategy, Homeownership Assistance Fund, and federal HOME Investment Partnerships (HOME) and Community Development Block Grant (CDBG) funds was released in December 2025. The RFP garnered 36 qualified multifamily rental applications requesting approximately \$37.9 million. Proposals were reviewed by Housing and Economic Development and Health and Human Services staff for consistency with Hennepin County priorities. Proposals were then reviewed and ranked by a multiagency panel.

AHIF funding is typically provided in the form of a 30- to 50-year deferred loan. Loan documents include a loan agreement, promissory note, mortgage, and declaration of covenants and restrictions. In addition, at the project's financial closing and during the term of the loan, the HCHRA may be asked to sign various related documents and amendments, including subordination agreements and disbursement agreements.

Since 2000, including these recommended 2026 awards, the AHIF Program has leveraged over \$2.4 billion dollars in additional (non-Hennepin) investment to assist the development and/or preservation of nearly 12,000 affordable housing units in Hennepin County.

### **Recommended Project Awards:**

Clare 5 - PR00008411 - Clare Housing - \$820,000

1900 Monroe Street Northeast (and adjacent), Minneapolis; construction of 33 affordable rental units for seniors (25 units affordable and restricted to households 30% AMI and below; 8 units at or below 50% AMI; 10 units for people exiting homelessness; 15 units with rental assistance; 18 units with housing support)

Missing Middle - PR00008408 - Minneapolis Public Housing Authority - \$500,000

Scattered sites in South Minneapolis; construction of 25 affordable rental units for large families (18 units affordable and restricted to households 30% AMI and below; 7 units at or below 50% AMI)

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## 26-HCHRA-0017

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St. Paul's Home - PR00008406 - Alliance Housing, Inc - \$708,223  
2735 15th Avenue South, Minneapolis; preservation of 53 affordable rental units for seniors (16 units affordable and restricted to households 30% AMI and below; 4 units at or below 50% AMI; 53 units with rental assistance)

Hiawatha Commons - PR00008405 - Alliance Housing, Inc - \$1,650,000  
2740 Minnehaha Avenue South, Minneapolis; preservation of 69 affordable rental units out of 80 units total (48 units affordable and restricted to households 30% AMI and below; 24 units with rental assistance)

Senior Flats on Logan - PR00008400 - Matrix Development LLC - \$520,000  
529 and 535 Logan Avenue North, Minneapolis; construction of 48 affordable rental units for seniors (12 units affordable and restricted to households 30% AMI and below; 36 units at or below 50% AMI; 8 units for people exiting homelessness; 8 units with housing support)

Flour Exchange - PR00008396 - Trellis Co. - \$760,000  
310 Fourth Avenue South, Minneapolis; construction of 84 affordable rental units out of 110 units total (33 units affordable and restricted to households 30% AMI and below; 51 units at or below 50% AMI; 8 units for people exiting homelessness; 15 units with rental assistance; 8 units with housing support; 17 units for large families)

Southview Estates - PR00008390 - Bloomington Southview, LP and Sand Companies - \$320,000  
8901 Aldrich Avenue South, Bloomington; preservation of 47 affordable rental units (13 units affordable and restricted to households 30% AMI and below; 21 units at or below 50% AMI; 4 units for people exiting homelessness; 4 units with housing support, 9 units for large families)

### **2025 AHIF Project Award Modification:**

1345 Central - PR00007240 - Solhem Development, LLC - \$574,188 (for a new NTE of 1,470,188)  
1345 Central Avenue Northeast, Minneapolis; construction of 64 affordable rental units (16 units affordable and restricted to households 30% AMI and below; 48 units at or below 50% AMI; 16 units with rental assistance; 14 units for large families)

Attachment A provides further details on the 8 projects recommended for funding.

**Current Request:** This request is for authorization to negotiate of two award modifications and seven implementation agreements with a combined total not to exceed amount of \$5,852,411 under the 2026 AHIF Program.

**Impact/Outcomes:** Eight projects will assist a total of 356 affordable housing units in Hennepin County; projects will include 181 units for households with incomes at or below 30 percent of AMI, 175 units for households with incomes at or below 50 percent of AMI, 30 units designated and reserved for people experiencing homelessness, 134 senior set aside units, and 65 units for large families.

**Housing Disparity Domain:** Households of color are disproportionately housing-cost-burdened, and experience housing instability, including homelessness, at disproportionate rates. This request creates housing opportunities for individuals with incomes at or below 30 percent and 50 percent of AMI, and creates units specifically reserved for people experiencing homelessness.

**Recommendation from County Administrator:** Recommend Approval

Hennepin County HRA  
2026 AHIF Project Recommendations

Project Name	AHIF Contract Number	Applicant	Project City	Total Units	30% AMI Units	50% AMI Units	60% AMI Units	HPH units	AHIF
<b>Affordable Housing Incentive Fund (AHIF)</b>									
1345 Central	PR00007240	Solhem Development, LLC	Minneapolis	64	16	48	0	0	\$ 574,188
Clare 5	PR00008411	Clare Housing	Minneapolis	33	25	8	0	10	\$ 820,000
Hiawatha Commons	PR00008405	Alliance Housing, Inc.	Minneapolis	80	48	0	21	0	\$ 1,650,000
Flour Exchange	PR00008396	Trellis Co.	Minneapolis	110	33	51	0	8	\$ 760,000
Saint Paul's Home	PR00008406	Alliance Housing, Inc.	Minneapolis	53	16	4	33	0	\$ 708,223
Missing Middle	PR00008408	Minneapolis Public Housing Authority	Minneapolis	25	18	7	0	0	\$ 500,000
Senior Flats on Logan	PR00008400	Matrix Development LLC	Minneapolis	48	12	36	0	8	\$ 520,000
Southview Estates	PR00008390	Bloomington Southview, LP (affiliate of Sand Companies)	Bloomington	47	13	21	13	4	\$ 320,000
<b>AHIF Totals:</b>				<b>460</b>	<b>181</b>	<b>175</b>	<b>67</b>	<b>30</b>	<b>\$ 5,852,411</b>