



Housing & Redevelopment Authority

Regular Meeting

December 07, 2023

7:00 PM

Fridley City Hall, 7071 University Avenue N.E.

Agenda

Call to Order

Roll Call

Action Items

- [1.](#) Approval of Expenditures
- [2.](#) Approval of the Minutes from the HRA Meeting of November 2, 2023
- [3.](#) Designation of an Official Newspaper for 2024
- [4.](#) Resolution No. 2023-16 Designating an Official Depository for the Year 2024
- [5.](#) Resolution No. 2023-17 Adopting Changes and Additions to Housing Programs & Guidelines
- [6.](#) Proposed 2024 Budget
- [7.](#) Amendment to the Housing Programs Administration Contract with CEE

Informational Items

- [8.](#) Update on Housing Programs

Adjournment

Upon request, accommodation will be provided to allow individuals with disabilities to participate in any City of Fridley services, programs, or activities. Hearing impaired persons who need an interpreter or other persons who require auxiliary aids should contact the City at (763) 571-3450.



AGENDA REPORT

Meeting Date: December 7, 2023

Meeting Type: Housing & Redevelopment Authority

Submitted By: Paul Bolin, Assistant Executive Director

Title

Approval of Expenditures

Background

Recommendation

Staff recommends the HRA approve the expenditures for the period October 28 through November 29, 2023.

Attachments and Other Resources

- Check Reports

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.



City of Fridley, MN

Item 1.
Check Report

By Check Number

Date Range: 10/27/2023 - 11/30/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: APBNK-HRA-APBNK-HRA						
hra-311	CENTER FOR ENERGY & ENVIRONMENT (CEE)	11/08/2023	Regular	0.00	975.00	31050
HRA-489	HINRICHS, JACOB	11/08/2023	Regular	0.00	2,528.50	31051
HRA-2646	KIMLEY-HORN & ASSOCIATES INC	11/08/2023	Regular	0.00	12,166.14	31052
HRA-631	KUREK, ANNETTE	11/08/2023	Regular	0.00	500.00	31053
hra-1601	PASSAU LANDCARE INC	11/08/2023	Regular	0.00	1,315.00	31054
HRA -2700	EG RUD & SONS INC	11/15/2023	Regular	0.00	448.00	31055
hra-1113	MONROE MOXNESS BERG PA	11/15/2023	Regular	0.00	4,335.00	31056
HRA-438	NORTHLAND SECURITIES INC	11/15/2023	Regular	0.00	3,883.25	31057
hra-220	BRAUN INTERTEC CORPORATION	11/22/2023	Regular	0.00	6,500.00	31058
HRA-2653	NORTH STATE ADVISERS & ASSOCIATES	11/22/2023	Regular	0.00	2,000.00	31059
hra-1404	XCEL ENERGY	11/22/2023	Regular	0.00	15.98	31060
HRA-557	COLEMAN, TIMOTHY	11/29/2023	Regular	0.00	1,451.00	31061

Bank Code APBNK-HRA Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	17	12	0.00	36,117.87
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	17	12	0.00	36,117.87

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	17	12	0.00	36,117.87
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	17	12	0.00	36,117.87

Fund Summary

Fund	Name	Period	Amount
099	Pooled Cash - HRA	11/2023	36,117.87
			36,117.87



AGENDA REPORT

Meeting Date: December 7, 2023

Meeting Type: Housing & Redevelopment Authority

Submitted By: Paul Bolin, Assistant Executive Director

Title

Approval of the Minutes from the HRA Meeting of November 2, 2023

Background

Recommendation

Staff recommends the HRA approve the minutes from the HRA meeting of November 2, 2023.

Attachments and Other Resources

- HRA Minutes – November 2, 2023

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.



Housing and Redevelopment Authority

November 2, 2023

7:00 PM

Fridley City Hall, 7071 University Avenue NE

Minutes

Call to Order

Chairperson Showalter called the Housing and Redevelopment Authority meeting to order at 7:00 p.m.

Present

Elizabeth Showalter
Gordon Backlund
Troy Brueggemeier
Rachel Schwankl
Kyle Mulrooney

Others Present

Paul Bolin, HRA Assistant Executive Director
Joe Starks, Finance Director

Action Items

1. Approval of Expenditures

Motion by Commissioner Backlund to approve the expenditures. Seconded by Commissioner Mulrooney.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

2. Approval September 7, 2023, Meeting Minutes

Motion by Commissioner Brueggemeier to approve the meeting minutes of September 7, 2023 as presented. Seconded by Commissioner Schwankl.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

3. Approval of HRA Meeting Dates for 2024

Motion by Commissioner Mulrooney to approve the HRA meeting dates for 2024 as presented. Seconded by Commissioner Brueggemeier.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

Informational Items

4. Proposed 2024 Budget

Joe Starks, Finance Director, provided background information on the budget process for the HRA, noting that formal approval of the budget will be considered by the HRA at its December 7th meeting. He provided details on the proposed 2024 budget including revenue, expenditures, and other items of note.

Commissioner Brueggemeier asked for more details on the deficit of \$381,000 in the proposed budget. Mr. Starks replied that the deficit assumes that the entire \$1,000,000 would be spent that was set aside for the 73rd connection. He noted that the HRA does have a healthy fund balance and therefore it would not be abnormal to spend more than what was coming in.

Commissioner Schwankl asked if the additional quarter percentage could be placed in Fund 20 or whether it would be Fund 1. Mr. Starks replied that there would be continued discussion on what that would be used for, but it would likely go into the Housing Loan Fund. He stated that the HRA will have additional discussion on that topic going forward.

5. Update on Housing Programs

Mr. Bolin provided an overview of the October and year-to-date activity of the housing programs, noting that they are ahead of last year at this time.

Adjournment

Motion by Commissioner Brueggemeier to adjourn the meeting. Seconded by Commissioner Schwankl.

Upon a voice vote, all voting aye, Chairperson Showalter declared the motion carried and the meeting adjourned at 7:14 p.m.

Respectfully submitted,

Melissa Moore
City Clerk



AGENDA REPORT

Meeting Date: December 7, 2023

Meeting Type: Housing & Redevelopment Authority

Submitted By: Paul Bolin, Assistant Executive Director

Title

Designation of an Official Newspaper for 2024

Background

The Fridley City Charter Section 12.01 requires the designation of an official newspaper for the Fridley Housing and Redevelopment Authority. The official newspaper is used for publishing public hearings and other legal notices.

Recommendation

Staff recommend the approval of HRA Resolution No. 2023-15, designating the *Minneapolis Star Tribune* as the official legal newspaper of the Fridley Housing and Redevelopment Authority for the year 2024.

Attachments and Other Resources

- HRA Resolution No. 2023-15

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.

Resolution No. 2023 - 15

Designating an Official Newspaper for the Year 2024

Whereas, the Charter of the City of Fridley requires in Section 12.01 thereof that the Fridley Housing and Redevelopment Authority, annually designate an official newspaper for the Housing and Redevelopment Authority.

Now, therefore be it resolved, that the *Minneapolis Star Tribune* is designated as the official legal newspaper for the City of Fridley for the year 2024 for all publications required to be published therein.

Passed and adopted by the Housing and Redevelopment Authority in and for the City of Fridley this 7th day of December, 2023.

Elizabeth Showalter – Chairperson

Attest:

Walter T. Wysopal – Executive Director



AGENDA REPORT

Meeting Date: December 7, 2023

Meeting Type: Housing & Redevelopment Authority

Submitted By: Paul Bolin, Assistant Executive Director

Title

Resolution No. 2023-16 Designating an Official Depository for the Year 2024

Background

Attached is a resolution appointing Wells Fargo Bank Minnesota N.A. as the Housing & Redevelopment Authority's official depository for 2024.

The service the HRA receives from Wells Fargo has been excellent. Wells Fargo is responsive to not only our requests for information, but also other banking issues that may arise.

In today's world of increasing demands for electronic banking, Wells Fargo Bank provides a one-stop-shop for the Authority's required banking needs. This proves to be both beneficial and efficient, as our banking needs are quite complex.

Wells Fargo also monitors the Authority's daily cash balances to assure the deposits are fully collateralized. This assures deposits are safe and not subject to loss if the bank were to fail. This daily monitoring is critical, since the Authority can experience large swings in cash balances at different points throughout the year.

Staff recommends a motion adopting a resolution designating an official depository for the Housing & Redevelopment Authority for 2024.

Recommendation

Staff recommend the approval of HRA Resolution No. 2023-16.

Attachments and Other Resources

- HRA Resolution No. 2023-16

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.

Resolution No. 2023-16**Designating an Official Depository for the Housing & Redevelopment Authority**

Whereas, I, Joe Starks, do hereby certify that I am the Finance Director-Treasurer of the Housing & Redevelopment Authority in and for the City of Fridley, a corporation organized under the laws of the State of Minnesota. I further certify that at a meeting of said corporation duly and properly called and held on the 7th day of December 2023, the following resolution was passed; that a quorum was present at said meeting; and that said resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

Now, therefore, be it resolved that Wells Fargo Bank Minnesota N.A. is hereby designated as a depository for the funds of this corporation.

Be it further resolved that checks, drafts or other withdrawal orders issued against the funds of this corporation on deposit with said bank shall be signed by the following two individuals:

Walter T. Wysopal, Executive Director
Joe Starks, Finance Director

and that said bank is hereby fully authorized to pay and charge to the account of this corporation any checks, drafts, or other withdrawal orders.

Be it further resolved that Wells Fargo Banks as a designated depository of the corporation is hereby requested, authorized and directed to honor checks, drafts or other orders for the payment of money drawn in this corporation's name, including those drawn to the individual order of any person or persons whose name or names appear thereon as signer or signers thereof, when bearing or purporting to bear the facsimile signatures of the following two individuals:

Walter T. Wysopal, Executive Director
Joe Starks, Finance Director

and Wells Fargo Banks shall be entitled to honor and to charge this corporation for all such checks, drafts or other orders, regardless of by whom or by what means the facsimile signature or signatures thereon may have been affixed thereto, if such facsimile signature or signatures resemble the facsimile specimens duly certified to or filed with Wells Fargo Banks by the City Clerk or other officer of this corporation.

Be it further resolved that any and all resolutions heretofore adopted by the Housing & Redevelopment Authority of the corporation and certified to as governing the operation of this corporation's account(s) with it, be and are hereby continued in full force and effect, except as the same may be supplemented or modified by the foregoing part of this resolution.

Be it further resolved that all transactions, if any relating to deposits, withdrawals, re-discounts and borrowings by or on behalf of the corporation with said bank prior to the adoption of this resolution be, and the same hereby are, in all things ratified, approved and confirmed.

Be it further resolved that any bank or savings and loan may be used as depositories for investment purposes so long as the investments comply with authorized investments as set forth in Minnesota Statutes.

Be it further resolved that the signatures of the following two named City/HRA employees are required for withdrawal of Housing & Redevelopment Authority investment funds from savings and loan associations:

Walter T. Wysopal, Executive Director _____
Joe Starks, Finance Director _____

Be it further resolved that any brokerage firm may be used as a vendor for investment purposes so long as the investments comply with the authorized investments as set forth in Minnesota Statutes.

I further certify that the Board of this corporation has, and at the time of adoption of said resolution, had full power and lawful authority to adopt the foregoing resolutions and to confer the powers therein granted to the persons named who have full power and lawful authority to exercise the same.

Passed and adopted by the Housing & Redevelopment Authority in and for the City of Fridley this 7th day of December, 2023.

Elizabeth Showalter - Chairperson

Attest:

Walter T. Wysopal - Executive Director



AGENDA REPORT

Meeting Date: December 7, 2023

Meeting Type: Housing & Redevelopment Authority

Submitted By: Paul Bolin, Assistant Executive Director

Title

Resolution No. 2023-17 Adopting Changes and Additions to Housing Programs & Guidelines

Background

The most recent legislative session will provide additional funding for the Authority's housing programs. The special legislation will allow the Authority to collect approximately \$560,000 annually for the next 5 years. The new metro-wide .25% sales tax is expected to generate an additional \$300,000 annually for housing programs that target residents making between 60% and 110% of the area median income (AMI).

After an August work session discussing potential changes and additions to the City's Housing programs with the HRA and City Council, staff worked with the HRA's financial advisor and the City's Finance Director to fit the programs into existing and projected resources. The existing loan and grant programs have been very successful. In 2023, the Authority issued over \$870,000 in loans and approximately \$84,000 in grants.

The success of existing programs and influx of additional funds led to staff suggesting the following changes and additions to the Authority's housing programs.

Senior Deferred Loan Program:

Over the past 6 years, the Senior Deferred Loan Program has issued 60 loans totaling \$1,089,000. The program has been greatly oversubscribed, with funds being claimed within one month of availability. The program was started to help seniors make changes to their existing homes in order to be able to live in them longer or fix their homes up for resale. As the loans are deferred until the property ownership is transferred, it is impossible to project a repayment schedule for these loans. In fact, only one of the 60 loans has been repaid thus far and the program has erased a large surplus of funds the Authority had in its housing programs six years ago.

Staff is recommending that this program continue to be funded at \$200,000 per year, from the revenue being generated by the .25% sales tax. To ensure the funds are going to seniors with the most need, staff recommends that the funds go to those earning 60% or less of the area median income (AMI). Applications for this program will be accepted starting in April in order for the payments to line up with receipt of the sales tax revenue.

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.

Down Payment Assistance Loans:

The intent of the program is to provide an additional incentive for first time home buyers to move to Fridley. While no interest is earned on the loan and no regular payments made, the Authority will eventually recover its funds to revolve back into the community.

Staff is recommending the Authority budget \$100,000 from the new .25% sales tax towards this program. Staff further recommends that an additional income tier be added to provide those making less than 80% AMI an additional \$5,000 in assistance. Applications for this program will be accepted starting in April in order for the payments to line up with receipt of the sales tax revenue.

Home Betterment Loans:

The intent of the program is to provide interest free, deferred home improvement funding for homeowners earning less than 80% AMI. The maximum loan amount will be \$25,000 and repaid upon sale of the property, cash-out refinancing or forgiven after 30 years. Staff recommends the Authority allocate up to \$100,000 for this program to be paid funded from the special legislation that captures excess tax increment from Northern Stacks. Applications for this program will be accepted starting in April in order for the payments to line up with receipt of the sales tax revenue.

Residential Paint Rebate Program:

Intent of the program is to eliminate blight, preserve and improve appearance of neighborhoods by providing rebates of up to \$500 for cost of materials and supplies for exterior painting of eligible homes, by low and moderate income families. Maximum rebate of \$500 for single family homes, up to \$350 per unit (not to exceed \$1,400) for rental properties.

Staff has identified the need to provide additional assistance to lower income senior households that do not have the physical ability to do their own painting and lack the financial resources to hire the work done. Staff is recommending that the Authority allocate \$25,000 from the special legislation that captures excess increment from Northern Stacks. Applications for this program will be accepted starting in April in order for the payments to line up with receipt of the sales tax revenue.

Front Door Grant Program:

The intent of the program is to incentivize homeowners to increase the "curb appeal" of their home (and the City) by making improvements on the street side of their home. Grants are provided to pay for a portion of the improvements. Project tasks are considered either Basic or Beautification and the Grant amount varies based on type of work being completed. Projects must include at least one item from the Beautification Project list. Grant amount ranges from \$1,000 up to \$5,000.

Over the past three years we have noticed a trend of residents using the program to replace their driveways. While that does improve the curb appeal, the intent of the program was to see more changes to the structure itself. In order to get more return on investment, staff is recommending that the program require two projects from the beautification list for a homeowner to be eligible. The list of beautification and basic projects follows:

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.

<p>Beautification Projects (25% reimbursement)</p> <p><i>TWO projects and at least \$4,000 worth of Beautification Project work required</i></p>	<p>Basic Projects (15% reimbursement)</p> <p><i>Optional, once \$4,000 Beautification Project minimum is met</i></p>
Front door, storm door and/or garage door replacement	Roof
Sidelight windows by front door	Siding
Columns at front door	Painting
Covered front porch	Soffit / Fascia
Brick, stone or shakes	Trim
Permanent landscaping	Gutters
Driveway & Sidewalk repair & replacement	Windows
Window boxes & shutters	Retaining wall - repair or replace
Screening of utility boxes, garbage/recycling cans	Chimney repair, tuck-pointing, repointing
Decorative fence	Deck or Porch – front/side yard, visible from front
	Eligible permanent interior upgrades, including but not to limited major remodeling, building an addition, or finishing previously unfinished space.

Recommendation

Staff recommend the approval of HRA Resolution No. 2023-17, modifying the Comprehensive Housing Rehabilitation Program (aka. HRA Loan Program) to incorporate changes as shown on Exhibit A.

Attachments and Other Resources

- HRA Resolution No. 2023-17
- Exhibit A Program Guidelines

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.

Resolution No. 2023-17**Modifying the Comprehensive Housing Rehabilitation Program**

Whereas, the Housing and Redevelopment Authority in and for the City of Fridley (the "Authority") has previously established numerous housing rehabilitation programs (collectively referred to as the "Comprehensive Rehabilitation Program") that, among other things, provide for the making of grants and loans funded by the Authority in the City of Fridley; and

Whereas, the Authority was the recipient of special legislation and the beneficiary of a new .25% sales tax approved by the Minnesota Legislature in May 2023; and

Whereas, the Authority regularly reviews its Comprehensive Housing Rehabilitation Programs to identify areas for improvement in existing programs or the need for new programs based on changing demographics and funding; and

Whereas, the Authority identified a need to modify and expand its current loan and grant programs to meet the needs of more homeowners at all income levels.

Now, therefore be it resolved, that the Authority modifies and amends the Comprehensive Housing Rehabilitation Program as found on attached Exhibit A.

Passed and adopted by the Housing & Redevelopment Authority in and for the City of Fridley this 7th day of December, 2023.

Elizabeth Showalter - Chairperson

Attest:

Walter T. Wysopal - Executive Director

EXHIBIT A-24

PROGRAM GUIDELINES

This document includes guidelines for the
FRIDLEY LOAN PROGRAMS

FRIDLEY LOAN PROGRAM GUIDELINES

The Fridley Loan Programs are designed to supplement existing loan programs available from MHFA, CEE, private lenders and other housing resources. Center for Energy and Environment shall serve as the administrator for the Fridley Loan Programs and will secure the most beneficial financing based on the borrower's needs independent of the funding source. Funding for these programs are provided by the City of Fridley Housing and Redevelopment Authority (HRA).

Home Improvement Loan

Interest Rate: 2%

Amortization Type: Amortizing (Monthly Payments Required).

Loan Amount: Minimum of \$1,000 and Maximum of \$50,000.

Total Project Cost: The borrower must have sufficient funds necessary to cover the cost of the entire project as outlined in the bid(s). Additional funds may come from the applicant's personal savings, gifts, or other non-City loans.

Loan term: Generally, one year per \$1,000 borrowed. This will be somewhat flexible depending on the size of the loan and the borrower's ability to repay the loan. The minimum term is 1 year; the maximum term will be 20 years.

Eligible Properties: 1-4 unit owner-occupied properties located within the City of Fridley, including - individual townhomes, twin homes, and condominiums. Properties held in a trust or Contract for Deed are eligible.

Ineligible Properties: Properties with more than four units, cooperatives, manufactured homes, or properties used for commercial purposes.

Eligible Borrowers: All borrowers must be legal residents of the United States.

Ineligible Borrowers: Including but not limited to: Foreign Nationals, Non-Occupant Co-Borrowers, and Properties in the name of a business.

Ownership/Occupancy: Owner- occupied only.

Loan - to - Value Ratio: The ratio of all loans secured by the property, including the new loan, should not exceed 110% of the property value. Half of the improvement value may be added to the initial property value. Value can be established by the Property Tax Statement, or an Appraisal dated within the past 12 months.

Income Limit: None.

Debt - to - Income Ratio: 50%

Credit Requirements: 1) All mortgage payments must be current and reflect no 30 day late payments history in the past 12 month period (without reasonable explanation). 2) All real estate taxes must be current. 3) No outstanding judgements or collections. 4) Bankruptcy must have been discharged for at least 18 months prior to loan closing (without reasonable explanation). 5) The redemption period on prior foreclosures must have occurred at least 18 months prior to the loan application date. 6) Generally, no more than two 60-day late payments on credit report (without reasonable explanation). 7) No defaulted government loans.

Multiple Loans per Property/Borrower: More than one loan per property/borrower is allowed, however, the outstanding balance(s) for this loan CANNOT exceed \$50,000. The outstanding balance of ALL Fridley loans CANNOT exceed \$75,000.

Eligible Use of Funds: Most permanent interior and exterior improvements. The HRA shall be asked to approve uses of funds when eligibility is uncertain.

Ineligible Use of Funds: Payment for work initiated prior to the loan being approved and closed, unless due to emergency. Recreation or luxury projects (pools, lawn sprinkler systems, playground equipment, saunas, whirlpools, etc.), furniture, non-permanent appliances (unless part of a full kitchen remodel), and funds for working capital, debt service, homeowner labor or refinancing existing debts are NOT allowed.

Bids: Only 1 bid is required. All contractors must be properly licensed or registered and permits must be obtained when required.

Sweat Equity / Homeowner Labor: Work may be performed by property owners on a "sweat equity" basis. Loan funds may be used only for the purchase of materials. Loan funds cannot be used to purchase tools/ equipment or compensate for labor. Rental of equipment to complete the project is eligible.

Post Installation Inspection: Permits must be obtained and signed off by a City inspector where required; when not required, a post installation inspection will be performed by CEE to ensure the work has been completed before any funds will be released.

Loan Security: All loans will be secured with a mortgage in favor of the City of Fridley.

Borrower Fees: Borrower will be responsible for a 1% origination fee, title report, document preparation fee, mortgage filing and service fees, credit report fees and any applicable closing fee.

Underwriting Decision: Applicants must have acceptable credit history. CEE will approve or deny loans based on a credit report, income verification and other criteria as deemed necessary through CEE's underwriting guidelines. CEE's decision shall be final.

Work Completion: All work must be completed within 120 days of the loan closing. However, when warranted, CEE may authorize exceptions on a case-by-case basis.

Mobile Home Improvement Loan

Interest Rate: 2%

Amortization Type: Amortizing (Monthly Payments Required).

Loan Amount: Minimum of \$500 and Maximum of \$10,000.

Total Project Cost: The borrower must have sufficient funds necessary to cover the cost of the entire project as outlined in the bid(s). Additional funds may come from the applicant's personal savings, gifts, or other non-City loans.

Loan term: Generally, one year per \$1,000 borrowed. This will be somewhat flexible depending on the size of the loan and the borrower's ability to repay the loan. The minimum term is 1 year; the maximum term will be 10 years.

Eligible Properties: Residential Mobile Homes located in the City of Fridley.

Ineligible Properties: Properties which are not a Residential Mobile Home.

Eligible Borrowers: All borrowers must be legal residents of the United States.

Ineligible Borrowers: Including but not limited to: Foreign Nationals, Non-Occupant Co-Borrowers, and Properties in the name of a business.

Ownership/Occupancy: Owner- occupied only.

Loan - to - Value Ratio: N/A

Income Limit: None.

Debt - to - Income Ratio: 50%

Credit Requirements: 1) All loans secured to the property must be current and reflect no 30 day late payments history in the past 12 month period (without reasonable explanation). 2) No outstanding judgements or collections. 3) Bankruptcy must have been discharged for at least 18 months prior to loan closing (without reasonable explanation). 4) The redemption period on prior foreclosures must have occurred at least 18 months prior to the loan application date. 5) Generally, no more than two 60-day late payments on credit report (without reasonable explanation). 6) No defaulted government loans.

Commented [AN1]: Can someone get a mortgage for a manufactured home?

Commented [JH2R1]: Updated language

Multiple Loans per Property/Borrower: More than one loan per property/borrower is allowed, however, the outstanding balance(s) of this program CANNOT exceed \$10,000. The outstanding balance of ALL Fridley loans CANNOT exceed \$75,000.

Eligible Use of Funds: Most permanent interior and exterior improvements. The HRA shall be asked to approve uses of funds when eligibility is uncertain.

Ineligible Use of Funds: Payment for work initiated prior to the loan being approved and closed, unless due to emergency. Recreation or luxury projects (pools, lawn sprinkler systems, playground equipment, saunas, whirlpools, etc.), furniture, non-permanent appliances (unless part of a full kitchen remodel), and funds for working capital, debt service, homeowner labor or refinancing existing debts are NOT allowed.

Bids: Only 1 bid is required. All contractors must be properly licensed or registered and permits must be obtained when required.

Sweat Equity / Homeowner Labor: Work may be performed by property owners on a "sweat equity" basis. Loan funds may be used only for the purchase of materials. Loan funds cannot be used to purchase tools/ equipment or compensate for labor. Rental of equipment to complete the project is eligible.

Post Installation Inspection: Permits must be obtained and signed off by a City inspector where required; when not required, a post installation inspection will be performed by CEE to ensure the work has been completed before any funds will be released.

Loan Security: All loans will be secured with a lien in favor of the City of Fridley Housing and Redevelopment Authority.

Borrower Fees: Borrower will be responsible for a 1% origination fee, document preparation fee, title filing and service fees, credit report fees and any applicable closing fee.

Underwriting Decision: Applicants must have acceptable credit history. CEE will approve or deny loans based on a credit report, income verification and other criteria as deemed necessary through CEE's underwriting guidelines. CEE's decision shall be final.

Work Completion: All work must be completed within 120 days of the loan closing. However, when warranted, CEE may authorize exceptions on a case-by-case basis.

Senior Deferred Loan

Interest Rate: 0%

Amortization Type: Deferred

Loan Amount: Minimum loan is \$5,000. Maximum loan is \$20,000.

Total Project Cost: It is the borrower's responsibility to obtain the amount of funds necessary to finance the entire cost of the work. In the event the final cost exceeds the original loan amount, the borrower is responsible to provide proof of having funds to pay for the remaining portion.

Loan term: 30 years. If the borrower has not sold or transferred title and still occupies the property 30 years from the date of the loan, the loan is 100% forgiven. If the borrower sells or transfers title of the property or the property is no longer occupied by the borrower prior to 30 years, the loan is 100% due and payable.

Eligible Properties: 1-4 unit owner-occupied properties located within the City of Fridley. Individual townhomes, twin-homes and condominiums are eligible. Properties held in a Trust or Contract for Deed are eligible.

Ineligible Properties: Dwellings that are more than 4 units, cooperatives, manufactured homes, and properties used for commercial purposes.

Eligible Borrowers: All borrowers must be legal residents of the United States. At least one of the property owners must be at least 62 years of age.

Ineligible Borrowers: Includes, but are not limited to nonresident owners, non-occupant co-borrowers, properties held in the name of a business.

Ownership / Occupancy: Owner-occupied only.

Loan-to-Value Ratio: 110%

Income Limit: 60% AMI based on household size and Adjusted Gross Income from the most recent Federal Tax Return. If a tax return is not required to be filed, the income will be based on projected gross income.

Debt-to-Income Ratio: N/A

Multiple Loans per Property/Borrower: Multiple loans on a property are allowed ; however, the outstanding balance of ALL Fridley loans CANNOT exceed \$75,000. ONLY ONE DEFERRED LOAN CAN BE OUTSTANDING AT A TIME.

Eligible Improvements: Most permanent exterior or interior improvements determined by a site visit. The HRA shall be asked to approve uses of funds when eligibility is uncertain.

Ineligible Improvements:

Work initiated prior to the loan being approved and closed, unless due to emergency. Recreation or luxury projects (pools, lawn sprinkler systems, playground equipment, saunas, whirlpools, etc.), furniture, non-permanent appliances (unless part of a full kitchen remodel), and funds for working capital, debt service, homeowner labor or refinancing existing debts are NOT allowed.

Bidding: Only 1 bid is required. All contractors must be properly licensed or registered. Permits must be obtained when required by City ordinance.

Sweat Equity:

Work may be performed by property owners on a “sweat equity” basis. Loan funds may be used only for the purchase of materials. Loan funds cannot be used to purchase tools/ equipment or compensate for labor. Rental of equipment to complete the project is eligible.

Property Inspection: Required. Eligible improvements will be determined through an analysis of the property. A CEE representative will perform the analysis to prioritize eligible improvements.

Post Installation Inspection: Properties are subject to a post installation inspection by a CEE representative when a permit is not required. Where a permit is required, the work must be signed-off by a City inspector prior to release of funds.

Work Completion: All work must be completed within 120 days of loan closing. Extensions may be granted by CEE.

Underwriting Decision: Must be current on all mortgages and property taxes, no outstanding tax liens or in the process of Bankruptcy or Foreclosure.

Borrower Fees: Borrower will be responsible for a 1% origination fee, title report, document preparation fee, mortgage filing and service fees, credit report fees and any applicable closing fee.

Home Betterment Deferred Loan

Interest Rate: 0%

Amortization Type: Deferred

Loan Amount: Minimum loan is \$5,000. Maximum loan is \$20,000.

Total Project Cost: It is the borrower's responsibility to obtain the amount of funds necessary to finance the entire cost of the work. In the event the final cost exceeds the original loan amount, the borrower is responsible to provide proof of having funds to pay for the remaining portion.

Loan term: 30 years. If the borrower has not sold or transferred title and still occupies the property 30 years from the date of the loan, the loan is 100% forgiven. If the borrower sells or transfers title of the property, or if the property is no longer occupied by the borrower prior to 30 years, the loan is 100% due and payable.

Eligible Properties: 1-4 unit owner-occupied properties located within the City of Fridley. Individual townhomes, twin-homes and condominiums are eligible. Properties held in a Trust or Contract for Deed are eligible.

Ineligible Properties: Dwellings that are more than 4 units, cooperatives, manufactured homes, and properties used for commercial purposes.

Eligible Borrowers: All borrowers must be legal residents of the United States.

Ineligible Borrowers: Includes, but are not limited to nonresident owners, non-occupant co-borrowers, properties held in the name of a business.

Ownership / Occupancy: Owner-occupied only.

Loan-to-Value Ratio: 110%

Income Limit: 80% AMI based on household size and Adjusted Gross Income from the most recent Federal Tax Return. If a tax return is not required to be filed, the income will be based on projected gross income.

Debt-to-Income Ratio: N/A

Multiple Loans per Property/Borrower: Multiple loans on a property are allowed if the outstanding balance does not exceed \$25,000. The outstanding balance of ALL Fridley loans CANNOT exceed \$75,000. ONLY ONE DEFERRED LOAN CAN BE OUTSTANDING AT A TIME.

Commented [NA3]: Suggestion for re-naming... "Build Up" implies new construction to me...

Commented [JH4R3]: Build Up came from Paul. Doesn't matter to us what the name is. Just let us know what you'd prefer.

Eligible Improvements: Most permanent exterior or interior improvements determined by a site visit. . The HRA shall be asked to approve uses of funds when eligibility is uncertain.

Ineligible Improvements: work initiated prior to the loan being approved and closed, unless due to emergency. Recreation or luxury projects (pools, lawn sprinkler systems, playground equipment, saunas, whirlpools, etc.), furniture, non-permanent appliances (unless part of a full kitchen remodel), and funds for working capital, debt service, homeowner labor or refinancing existing debts are NOT allowed.

Bidding: Only 1 bid is required. All contractors must be properly licensed or registered. Permits must be obtained when required by City ordinance.

Sweat Equity: Work may be performed by property owners on a "sweat equity" basis. Loan funds may be used only for the purchase of materials. Loan funds cannot be used to purchase tools/ equipment or compensate for labor. Rental of equipment to complete the project is eligible.

Property Inspection: Required. Eligible improvements will be determined through an analysis of the property. A CEE representative will perform the analysis to prioritize eligible improvements.

Post Installation Inspection: Properties are subject to a post installation inspection by a CEE representative when a permit is not required. Where a permit is required, the work must be signed-off by a City inspector prior to release of funds.

Work Completion: All work must be completed within 120 days of loan closing. Extensions may be granted by CEE.

Underwriting Decision: Must be current on all mortgages and property taxes, no outstanding tax liens or in the process of Bankruptcy or Foreclosure.

Borrower Fees: Borrower will be responsible for a 1% origination fee, title report, document preparation fee, mortgage filing and service fees, credit report fees and any applicable closing fee.

Commented [NAS]: Is this rolled into the deferred loan or is it a payment due at closing?

Commented [JH6R5]: Due at closing, same as the Sr. Deferred or other loans

Emergency Deferred Loan

Interest Rate: 0%

Amortization type: Deferred

Loan Amount: Minimum loan is \$500. Maximum loan is \$10,000.

Total Project Cost: It is the borrower's responsibility to obtain the amount of funds necessary to finance the entire cost of the work. In the event the final cost exceeds the original loan amount, the borrower is responsible to provide proof of having funds to pay for the remaining portion.

Loan term: 30 years. If the borrower has not sold or transferred title and still occupies the property 30 years from the date of the loan, the loan is 100% forgiven. If the borrower sells, transfers title of the property or the property is no longer occupied by the borrower prior to 30 years, the loan is 100% due and payable.

Eligible Properties: 1–4-unit owner-occupied properties located within the geographical boundaries of the City of Fridley. Individual townhomes, twin homes, and condominiums. Properties held in a Trust or Contract for Deed are eligible.

Ineligible Properties: Properties with more than four units, cooperatives, manufactured homes, or properties used for commercial purposes.

Eligible Borrowers: All borrowers must be legal residents of the United States.

Ineligible Borrowers: Includes, but are not limited to nonresident owners, non-occupant co-borrowers, properties held in the name of a business.

Ownership / Occupancy: Owner-occupied only.

Loan-to-Value Ratio: 125%

Income Limit: 110% AMI based on household size and Adjusted Gross Income from the most recent Federal Tax Return. If a tax return is not required to be filed, the income will be based on projected gross income.

Debt-to-Income Ratio: N/A

Multiple Loans per Property/Borrower: Multiple Emergency Deferred Loans are permitted based upon availability of funds. The cumulative outstanding balance of this program CANNOT exceed \$10,000. The maximum outstanding balance of ALL Fridley loans is \$75,000. More than 1 deferred loan can be outstanding for this program.

Eligible Improvements: Those which address an emergency. An emergency is defined as an imminent condition that makes a house uninhabitable, dangerous to the occupants, or can cause severe health problems. Repairs that will remedy such emergency repairs are eligible. Examples of eligible repairs include, but are not limited to, water lines, sewer service, fire hazards, repair to exterior steps, railings, retaining walls, water seepage into basement, structural problems, or replacement of a furnace or hot water heater.

Ineligible Improvements: Any improvement not addressing an emergency (as defined above).

Bidding: Only 1 bid is required. All contractors must be properly licensed or registered with the MN Department of Labor. Permits must be obtained when required by City ordinance.

Sweat Equity: Not permitted.

Property Inspection: Required. Eligible improvements will be determined through an analysis of the property. A CEE staff member will perform the analysis to determine the severity of the situation.

Post Installation Inspection: Properties are subject to a post installation inspection by a CEE staff member when a permit is not required. Where a permit is required, the work must be signed-off by a City inspector prior to release of funds.

Work Completion: All work must be completed within 30 days of loan closing. Extensions may be granted by CEE.

Underwriting Decision: This is a last resort program. The borrower must not be eligible for any other financing administered by CEE to obtain an Emergency Deferred loan. Borrower must be current on all mortgage payments and property taxes and not have a pending Bankruptcy or Foreclosure.

Borrower Fees: Borrower will be responsible for a 1% origination fee, title report, document preparation fee, mortgage filing and service fees, credit report fees and any applicable closing fee.

Down-Payment/Closing Cost Assistance

Interest Rate: 0%.

Loan Amount: \$5,000 for households earning more than 80% but less than 110% AMI; \$10,000 for households earning 80% AMI or less

Amortization Type: Deferred

Term: 30 years. If the borrower has not sold or transferred title and still occupies the property 30 years from the date of the loan, the loan is 100% forgiven. If the borrower sells or transfers title of the property, or the property is no longer occupied by the borrower prior to 30 years, the loan is 100% due and payable.

Eligible Borrowers: All borrowers must be legal residents of the United States. The homebuyer(s) **MUST** attend a Home Stretch workshop or other valid homebuyers course offered through an approved counseling agency by the US Department of Housing and Urban Development and provide evidence prior to closing. Borrowers must be considered a first-time homebuyer.

Ineligible Borrowers: Including but not limited to: Foreign Nationals, Non-Occupant Co-Borrowers, and Properties held in the name of a business.

Eligible Properties: 1–4-unit residential properties located with the geographical boundaries of the City of Fridley. Individual Townhomes, twin-homes, and condominiums are eligible.

Ineligible Properties: Non-owner occupied (aka absentee-owned), unless the property is the property being purchased and will become owner-occupied, dwellings with more than 4 dwelling units, Cooperatives, Manufactured homes, properties held in a Contract-for-Deed and properties used for commercial purposes.

Ownership/Occupancy: Must be owner-occupied after time of purchase.

Loan-to-Value: 110%.

Income Limits: 110% AMI based on household size and adjusted gross income from most recent tax return. If a tax return is not required to be filed by the borrower(s) then income will be determined by the projected income over the next 12 months.

Debt-to-Income Ratio: N/A

Multiple Loans per Property / Borrower: Borrowers may only obtain one purchase assistance deferred loan from this program. If ownership changes, the new owner is eligible. If a previous recipient purchases a new qualifying home, they would be eligible again at that new property if the borrower(s) would be considered as a first-time homebuyer at that time. ONLY ONE DEFERRED LOAN CAN BE OUTSTANDING AT A TIME.

Eligible Improvements: These funds may only be used for down-payment or closing cost related to the purchase of the subject property.

Underwriting: Amount and approval of loan will be determined based on the 1st mortgage approval. In order to determine eligibility, CEE requires the following documentation from the 1st mortgage lender:

- 1) Application
- 2) Certification that all homebuyers have completed a Home Stretch or other Homebuyers course offered through a counseling agency approved by the US Department of Housing and Urban Development
- 3) A copy of the whole/complete Purchase Agreement
- 4) A copy of the Appraisal or determination of value
- 5) A copy of the Title Commitment
- 6) A copy of the 1st mortgage pre-approval/commitment letter
- 6) A copy of the 1st Mortgage loan estimate, prelim-closing disclosure

Disbursement of Funds: Funds will be disbursed to the closing agent, for the benefit of the borrower, in coordination with the purchase closing.

Borrower Fees: Borrower will be responsible for mortgage filing and service fees, flood certificate, credit report fees and any applicable closing fee which may be financed in the loan amount.

Multi-Family Improvement Loan

Interest Rate: 2%

Amortization Type: Amortizing (Monthly Payments Required).

Loan Amount: Minimum of \$5,000 and Maximum of \$50,000 (city may allow higher amounts on a case-by-case basis).

Total Project Cost: The borrower must have sufficient funds necessary to cover the cost of the entire project as outlined in the bid(s). Additional funds may come from the applicant’s personal savings, gifts, or other non-City loans.

Loan term: Generally, one year per \$1,000 borrowed. This will be somewhat flexible depending on the size of the loan and the borrower’s ability to repay the loan. The minimum term is 1 year; the maximum term will be 20 years.

Eligible Properties: 1–12-unit residential properties located within the geographical boundaries of the City of Fridley. Properties held in a Trust or Contract for Deed are eligible. Properties must be in compliance with the City of Fridley’s Rental Housing Licensing ordinance.

Ineligible Properties: Properties with more than 12 units, cooperatives, manufactured homes, or properties used for commercial purposes.

Eligible Borrowers: All borrowers must be legal residents of the United States OR a registered business with the MN Secretary of State. A business must have been in business for at least 2 years.

Ineligible Borrowers: A person or business with no ownership of the property.

Ownership/Occupancy: Owner- occupied or Absentee-owned.

Loan - to - Value Ratio: 110%. Half of the improvement value may be added to the initial property value. Value can be established by the Property Tax Statement, or an Appraisal dated within the past 12 months.

Income Limit: None.

Debt - to - Income Ratio: 50%. Not applicable if property is owned by a business but must show positive cash flow from most recent tax return or Profit and Loss Statement.

Commented [AN7]: ...do we need to worry at all about tenants being displaced due to our financing some sort of 'improvements' to a property?
Just thinking expansively...
In Osseo we had a disreputable company buy several buildings, refuse to renew leases, renovate properties, and then double the rents. While improving properties is good to do, I think we should try to avoid that sort of scenario...
Commented [JH8R7]: It is something to consider, but I don't know of anything that we could actually enforce or track.

Credit Requirements: 1) All mortgage payments must be current and reflect no 30 day late payments history in the past 12 month period (without reasonable explanation). 2) All real estate taxes must be current. 3) No outstanding judgements or collections. 4) Bankruptcy must have been discharged for at least 18 months prior to loan closing (without reasonable explanation). 5) The redemption period on prior foreclosures must have occurred at least 18 months prior to the loan application date. 6) Generally, no more than two 60-day late payments on credit report (without reasonable explanation). 7) No defaulted government loans.

Multiple Loans per Property/Borrower: More than one loan per property/borrower is allowed, however, the outstanding balance(s) for this loan CANNOT exceed \$50,000. The outstanding balance of ALL Fridley loans CANNOT exceed \$75,000.

Eligible Use of Funds: Improvements that correct city code violations or health and safety concerns. Permanent Exterior Improvements including, but not limited to roofing, siding, windows, painting, doors, driveways, parking lots, awnings, sidewalks/steps, garage repair, security solar systems and tuck pointing. Interior improvements including but not limited to structural work, HVAC, accessibility improvements, plumbing, electrical, insulation, lawn sprinkler systems, flooring, permanent fixtures (cabinets/counters). Questionable improvements will be brought to the city for approval.

Ineligible Use of Funds: Payment for work initiated prior to the loan being approved and closed, unless due to emergency. Recreation or luxury projects (pools, playground equipment, saunas, whirlpools, etc.), furniture, non-permanent appliances (unless part of a full kitchen remodel), and funds for working capital, debt service, homeowner labor or refinancing existing debts are NOT allowed.

Bids: Only 1 bid is required. All contractors must be properly licensed or registered and permits must be obtained when required.

Sweat Equity / Homeowner Labor: Not permitted.

Post Installation Inspection: Permits must be obtained and signed off by a City inspector where required; when not required, a post installation inspection will be performed by CEE to ensure the work has been completed before any funds will be released.

Loan Security: All loans will be secured with a mortgage in favor of the City of Fridley.

Borrower Fees: Borrower will be responsible for a 1% origination fee, title report, document preparation fee, mortgage filing and service fees, credit report fees and any applicable closing fee.

Underwriting Decision: Applicants must have acceptable credit history, unless in the name of a business. CEE will approve or deny loans based on a credit report, income verification and other criteria as deemed necessary through CEE's underwriting guidelines. CEE's decision shall be final.

Work Completion: All work must be completed within 120 days of the loan closing. However, when warranted, CEE may authorize exceptions on a case-by-case basis.

General Program Conditions

Application Processing: Loans will be distributed on a first come first serve basis as borrowers qualify. **Applicants must provide a completed application package including the following in order to be considered for funding.**

- Completed and signed application form
- Proof of income
- Bids or estimates for proposed projects
- Other miscellaneous documents loan officers may require.

Loan Security: All loans that will be secured with a mortgage will be in favor of the City of Fridley Housing and Redevelopment Authority.

Program Costs: Loan origination, post installation inspection and remodeling advisor visit fees will be paid out of the Program Budget. Loan program marketing efforts will be billed directly to the Fridley HRA and is a separate expense should the city choose to commission CEE for marketing support.

Disbursement Process: Payment to the contractor (or owner in sweat equity situations) will be made upon completion of work. An inspection will be performed by a City Inspector and/or CEE to verify the completion of the work. The following items must be received prior to final disbursement of funds:

- Final invoice or proposal from contractor (or materials receipt from supplier);
- Final inspection verification by a City Inspector (or CEE);
- Completion certificate(s) signed by borrower and contractor;
- Lien waiver for entire cost of work;
- Evidence of city permit (if required)



AGENDA REPORT

Meeting Date: December 7, 2023

Meeting Type: Housing & Redevelopment Authority

Submitted By: Paul Bolin, Assistant Executive Director
Joe Starks, Finance Director/City Treasurer

Title

Proposed 2024 Budget

Background

Staff will present the Proposed 2024 Budget for the Authority to review and approve. The proposed budget includes the General Fund, Housing Loan Program Fund and the various TIF Funds. The General Fund covers the bulk of the administrative and overhead costs of the Authority. It is also used to provide internal loans for development projects. The Housing Loan Program Fund covers the housing related programs and services (e.g., CEE programs). The budgets for TIF Funds are largely driven from the cash flow projections presented at November's HRA work session.

Recommendation

Staff recommend the approval of the 2024 HRA Budget.

Attachments and Other Resources

- Proposed 2024 HRA Budget

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.



City of Fridley, MN

Item 6.
Budget Worksheet
Account Summary

For Fiscal: 2023 Period Ending: 12/31/2023

		Defined Budgets						
		2021	2021	2022	2022	2023	2023	2024
		Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity	2024 Proposed
Fund: 001 - HRA - General Fund								
Revenue								
Revenue								
001-0000-411100	HRA-Gen.Fund / Current Ad Va...	564,099.00	474,758.68	599,600.00	504,304.00	633,600.00	326,572.57	152,700.00
001-0000-411200	HRA-Gen.Fund / Delinquent Ad...	0.00	89,731.40	0.00	92,086.90	0.00	1,936.73	0.00
001-0000-471110	HRA-Gen.Fund / Interest Earni...	25,380.00	-4,133.18	43,500.00	74,618.41	45,000.00	0.00	102,500.00
001-0000-471120	HRA-Gen.Fund / Unrealized Ga...	0.00	-44,321.91	0.00	-283,560.70	0.00	304,604.37	0.00
001-0000-475100	HRA Gen.Fund / Loans - Interes...	230,900.00	679,088.17	341,400.00	432,192.41	383,000.00	0.00	348,500.00
001-0000-475300	HRA-Gen.Fund / Sale of Misc. P...	124,800.00	145,282.72	0.00	117,161.82	100,000.00	63,984.91	0.00
001-0000-475900	HRA-Gen.Fund / Miscellaneous...	1,117,400.00	434,689.80	430,000.00	162,520.30	310,000.00	0.00	200,000.00
001-0000-493100	HRA-Gen.Fund / Transfer In Fr...	0.00	1,765,596.94	0.00	0.00	0.00	0.00	0.00
	Revenue Total:	2,062,579.00	3,540,692.62	1,414,500.00	1,099,323.14	1,471,600.00	697,098.58	803,700.00
	Revenue Total:	2,062,579.00	3,540,692.62	1,414,500.00	1,099,323.14	1,471,600.00	697,098.58	803,700.00
Expense								
Expense								
001-0000-611100	HRA-Gen.Fund / FT Employee-...	117,500.00	117,909.36	121,000.00	0.00	0.00	0.00	0.00
001-0000-611110	HRA-Gen.Fund / Temp Employ...	16,600.00	0.00	16,600.00	0.00	0.00	0.00	0.00
001-0000-612100	HRA-Gen.Fund / Medicare Cont...	1,800.00	1,667.26	1,800.00	0.00	0.00	0.00	0.00
001-0000-612120	HRA-Gen.Fund / Social Security...	7,500.00	7,129.35	7,500.00	0.00	0.00	0.00	0.00
001-0000-612130	HRA-Gen.Fund / Deferred Com...	8,800.00	8,888.58	8,800.00	0.00	0.00	0.00	0.00
001-0000-612140	HRA-Gen.Fund / Health Insuran...	21,000.00	21,379.09	24,000.00	0.00	0.00	0.00	0.00
001-0000-612150	HRA-Gen.Fund / Dental Insuran...	360.00	0.00	400.00	0.00	0.00	0.00	0.00
001-0000-612160	HRA-Gen.Fund / Life Insurance	40.00	34.85	100.00	0.00	0.00	0.00	0.00
001-0000-612180	HRA-Gen.Fund / Workers' Com...	3,400.00	2,431.40	3,400.00	2,557.88	0.00	0.00	0.00
001-0000-612195	HRA-Gen.Fund / Long Term Dis...	0.00	378.29	0.00	0.00	0.00	0.00	0.00
001-0000-613130	HRA-Gen.Fund / Unemploymen...	0.00	0.00	0.00	0.00	0.00	990.00	0.00
001-0000-621120	HRA-Gen.Fund / Office Supplies	0.00	16.77	0.00	0.00	0.00	0.00	0.00

Budget Worksheet

For Fiscal: 2023 Period Ending: Item 6. 3
 Defined Budgets

		2021	2021	2022	2022	2023	2023	2024
		Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity	2024 Proposed
001-0000-621130	HRA-Gen.Fund / Operating Sup...	247.50	0.00	300.00	0.00	300.00	101.40	300.00
001-0000-631100	HRA-Gen.Fund / Services-Profe...	99,000.00	86,251.27	100,000.00	120,279.50	105,000.00	75,822.25	110,000.00
001-0000-631130	HRA-Gen.Fund / Insurance Polic..	495.00	495.00	500.00	500.04	500.00	375.03	500.00
001-0000-631140	HRA-Gen.Fund / Admin Charges	297,542.00	297,542.00	353,600.00	525,941.13	396,000.00	439,833.95	616,900.00
001-0000-632100	HRA-Gen.Fund / Dues, Subscrip...	3,168.00	6,355.00	3,200.00	4,937.00	3,200.00	4,968.00	6,000.00
001-0000-632110	HRA-Gen.Fund / Transportation	594.00	0.00	600.00	264.32	600.00	0.00	600.00
001-0000-632120	HRA-Gen.Fund / Conferences &...	2,178.00	413.92	2,000.00	1,180.40	2,000.00	530.97	2,000.00
001-0000-633100	HRA-Gen.Fund / Advertising	990.00	720.00	600.00	1,342.08	600.00	278.08	1,000.00
001-0000-633110	HRA-Gen.Fund / Printing & Bind..	792.00	39.42	500.00	39.41	500.00	47.63	500.00
001-0000-633120	HRA-Gen.Fund / Communicati...	792.00	1,173.44	900.00	597.31	900.00	396.54	900.00
001-0000-635100	HRA-Gen.Fund / Services Contr...	8,316.00	5,381.95	10,000.00	11,077.77	10,500.00	10,173.17	11,000.00
001-0000-638140	HRA-Gen.Fund / Miscellaneous...	495.00	1,763.61	500.00	45.58	500.00	212.38	500.00
001-0000-638160	HRA-Gen.Fund / Redevelopme...	0.00	382,585.11	0.00	176,777.93	0.00	643,507.75	0.00
001-0000-638180	HRA-Gen.Fund / Pmts to Other...	2,673.00	0.00	1,000.00	5,902.81	5,000.00	8,734.34	15,000.00
001-0000-750100	HRA-Gen.Fund / Developer Assi...	1,000,000.00	10,810.00	1,000,000.00	840.50	1,000,000.00	0.00	200,000.00
001-0000-800200	HRA-Gen.Fund / Interest Expen...	19,020.00	19,020.31	20,000.00	18,500.88	20,000.00	0.00	20,000.00
	Expense Total:	1,613,302.50	972,385.98	1,677,300.00	870,784.54	1,545,600.00	1,185,971.49	985,200.00
	Expense Total:	1,613,302.50	972,385.98	1,677,300.00	870,784.54	1,545,600.00	1,185,971.49	985,200.00
	Fund: 001 - HRA - General Fund Surplus (Deficit):	449,276.50	2,568,306.64	-262,800.00	228,538.60	-74,000.00	-488,872.91	-181,500.00
Fund: 020 - Housing Program Fund								
Revenue								
Revenue								
020-0000-411100	HRA-Housing Prog / Current Ad...	0.00	0.00	0.00	0.00	0.00	0.00	600,000.00
020-0000-471110	HRA-Housing Prog / Interest Ea...	7,630.00	-852.36	8,100.00	6,507.81	10,100.00	0.00	10,100.00
020-0000-471120	HRA-Housing Prog / Unrealized...	0.00	-12,136.86	0.00	-22,445.65	0.00	26,891.37	0.00
020-0000-472200	HRA-Housing Prog / Mortgage l...	49,340.00	31,306.33	40,100.00	34,018.06	40,100.00	47,015.98	40,100.00
020-0000-474110	HRA-Housing Prog / Other Rei...	0.00	0.00	0.00	0.00	0.00	34,500.00	0.00
020-0000-493100	HRA-Housing Prog / Transfer In...	0.00	0.00	0.00	0.00	0.00	306,588.74	564,900.00
	Revenue Total:	56,970.00	18,317.11	48,200.00	18,080.22	50,200.00	414,996.09	1,215,100.00
	Revenue Total:	56,970.00	18,317.11	48,200.00	18,080.22	50,200.00	414,996.09	1,215,100.00

Budget Worksheet

For Fiscal: 2023 Period Ending: Item 6. 3
 Defined Budgets

		2021	2021	2022	2022	2023	2023	2024
		Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity	2024 Proposed
Expense								
Expense								
020-0000-621130	HRA-Housing Prog / Operating ...	0.00	0.00	0.00	0.00	0.00	624.96	0.00
020-0000-631100	HRA-Housing Prog / Services-P...	0.00	16,835.00	0.00	0.00	10,000.00	2,665.00	10,000.00
020-0000-633100	HRA-Housing Prog / Advertising	0.00	0.00	0.00	682.34	1,000.00	0.00	1,000.00
020-0000-635100	HRA-Housing Prog / Services C...	28,700.00	50,111.00	26,700.00	63,704.50	28,000.00	45,740.50	28,000.00
020-0000-638190	HRA-Housing Prog / Provision f...	0.00	0.00	0.00	2,956.77	0.00	0.00	0.00
020-0000-750100	HRA-Housing Prog / Developer...	200,000.00	116,362.63	165,000.00	168,831.33	165,000.00	96,518.24	75,000.00
	Expense Total:	228,700.00	183,308.63	191,700.00	236,174.94	204,000.00	145,548.70	114,000.00
	Expense Total:	228,700.00	183,308.63	191,700.00	236,174.94	204,000.00	145,548.70	114,000.00
	Fund: 020 - Housing Program Fund Surplus (Deficit):	-171,730.00	-164,991.52	-143,500.00	-218,094.72	-153,800.00	269,447.39	1,101,100.00
Fund: 045 - TIF #6 - Lake Pointe-Medtronic								
Revenue								
Revenue								
045-0000-411100	HRA 06-Medtronic / Current Ad...	584,860.00	601,473.78	617,300.00	585,867.64	617,300.00	319,956.53	585,900.00
045-0000-471110	HRA 06-Medtronic / Interest Ea...	1,470.00	0.00	100.00	696.19	0.00	0.00	1,600.00
045-0000-471120	HRA 06-Medtronic / Unrealized...	0.00	-406.00	0.00	-2,876.80	0.00	2,876.80	0.00
	Revenue Total:	586,330.00	601,067.78	617,400.00	583,687.03	617,300.00	322,833.33	587,500.00
	Revenue Total:	586,330.00	601,067.78	617,400.00	583,687.03	617,300.00	322,833.33	587,500.00
Expense								
Expense								
045-0000-631100	HRA 06-Medtronic / Services-P...	29,240.00	28,428.38	30,000.00	6,634.20	12,300.00	1,000.00	7,600.00
045-0000-638180	HRA 06-Medtronic / Pmts to O...	0.00	0.00	0.00	0.00	0.00	539.74	0.00
045-0000-750100	HRA 06-Medtronic / Developer...	526,370.00	541,326.40	555,500.00	527,280.88	555,500.00	287,960.88	528,000.00
	Expense Total:	555,610.00	569,754.78	585,500.00	533,915.08	567,800.00	289,500.62	535,600.00
	Expense Total:	555,610.00	569,754.78	585,500.00	533,915.08	567,800.00	289,500.62	535,600.00
	Fund: 045 - TIF #6 - Lake Pointe-Medtronic Surplus (Deficit):	30,720.00	31,313.00	31,900.00	49,771.95	49,500.00	33,332.71	51,900.00
Fund: 053 - TIF #19 - Main Street								
Revenue								
Revenue								
053-0000-411100	HRA 19-Main Str / Current Ad ...	0.00	141,181.61	141,300.00	141,263.48	141,300.00	80,436.10	141,300.00
053-0000-411200	HRA 19-Main Str / Delinquent ...	0.00	9,840.90	0.00	0.00	0.00	0.00	0.00

Budget Worksheet

For Fiscal: 2023 Period Ending: Item 6. 3
 Defined Budgets

		2021	2021	2022	2022	2023	2023	2024
		Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity	2024 Proposed
053-0000-471110	HRA 19-Main Str / Interest Earn...	330.00	0.00	300.00	0.00	0.00	0.00	0.00
	Revenue Total:	330.00	151,022.51	141,600.00	141,263.48	141,300.00	80,436.10	141,300.00
	Revenue Total:	330.00	151,022.51	141,600.00	141,263.48	141,300.00	80,436.10	141,300.00
Expense								
Expense								
053-0000-631100	HRA 19-Main Str / Services-Pro...	0.00	16,732.50	14,100.00	9,954.63	14,100.00	1,000.00	10,000.00
053-0000-638180	HRA 19-Main Str / Pmts to Oth...	0.00	0.00	0.00	0.00	0.00	463.54	0.00
053-0000-750100	HRA 19-Main Str / Developer A...	0.00	135,920.26	127,100.00	127,137.14	127,100.00	72,392.49	127,200.00
	Expense Total:	0.00	152,652.76	141,200.00	137,091.77	141,200.00	73,856.03	137,200.00
	Expense Total:	0.00	152,652.76	141,200.00	137,091.77	141,200.00	73,856.03	137,200.00
	Fund: 053 - TIF #19 - Main Street Surplus (Deficit):	330.00	-1,630.25	400.00	4,171.71	100.00	6,580.07	4,100.00
Fund: 054 - TIF #21 - Gateway Northeast								
Revenue								
Revenue								
054-0000-411100	HRA 21-Gateway NE / Current ...	579,040.00	560,277.70	572,200.00	561,066.70	572,200.00	342,469.83	561,100.00
054-0000-471110	HRA 21-Gateway NE / Interest ...	130.00	-92.12	200.00	1,695.50	0.00	0.00	200.00
054-0000-471120	HRA 21-Gateway NE / Unrealiz...	0.00	-1,194.29	0.00	-6,525.61	0.00	7,006.10	0.00
	Revenue Total:	579,170.00	558,991.29	572,400.00	556,236.59	572,200.00	349,475.93	561,300.00
	Revenue Total:	579,170.00	558,991.29	572,400.00	556,236.59	572,200.00	349,475.93	561,300.00
Expense								
Expense								
054-0000-631100	HRA 21-Gateway NE / Services-...	57,900.00	56,652.16	57,200.00	30,061.45	57,200.00	1,000.00	33,100.00
054-0000-638180	HRA 21-Gateway NE / Pmts to ...	0.00	0.00	0.00	0.00	0.00	600.70	0.00
054-0000-800200	HRA 21-Gateway NE / Interest ...	112,480.00	130,837.12	97,800.00	118,287.52	81,100.00	0.00	82,000.00
	Expense Total:	170,380.00	187,489.28	155,000.00	148,348.97	138,300.00	1,600.70	115,100.00
	Expense Total:	170,380.00	187,489.28	155,000.00	148,348.97	138,300.00	1,600.70	115,100.00
	Fund: 054 - TIF #21 - Gateway Northeast Surplus (Deficit):	408,790.00	371,502.01	417,400.00	407,887.62	433,900.00	347,875.23	446,200.00
Fund: 055 - TIF #20 - BAE Superfund site								
Revenue								
Revenue								
055-0000-411100	HRA 20-BAE Superfund / Curre...	2,217,960.00	2,281,488.50	2,332,300.00	2,215,419.20	2,332,300.00	1,100,400.44	2,208,000.00
055-0000-411200	HRA 20-BAE Superfund / Delin...	0.00	0.00	0.00	-17,489.44	0.00	0.00	0.00
055-0000-471110	HRA 20-BAE Superfund / Intere...	0.00	-248.24	7,200.00	12,456.98	1,100.00	0.00	10,000.00

Budget Worksheet

For Fiscal: 2023 Period Ending: Item 6. 3
 Defined Budgets

		2021	2021	2022	2022	2023	2023	2024
		Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity	2024 Proposed
055-0000-471120	HRA 20-BAE Superfund / Unreal...	0.00	-1,294.81	0.00	-50,179.54	0.00	51,474.35	0.00
	Revenue Total:	2,217,960.00	2,279,945.45	2,339,500.00	2,160,207.20	2,333,400.00	1,151,874.79	2,218,000.00
	Revenue Total:	2,217,960.00	2,279,945.45	2,339,500.00	2,160,207.20	2,333,400.00	1,151,874.79	2,218,000.00
	Expense							
	Expense							
055-0000-631100	HRA 20-BAE Superfund / Servic...	221,800.00	229,208.24	233,200.00	54,900.43	233,200.00	1,634.00	58,300.00
055-0000-638180	HRA 20-BAE Superfund / Pmts ...	0.00	0.00	0.00	0.00	0.00	631.18	0.00
055-0000-750100	HRA 20-BAE Superfund / Devel...	1,166,610.00	0.00	1,131,700.00	0.00	1,135,400.00	0.00	1,132,300.00
055-0000-993100	HRA 20-BAE Superfund /Transf...	0.00	1,090,037.50	0.00	1,131,662.50	0.00	1,442,001.24	564,900.00
	Expense Total:	1,388,410.00	1,319,245.74	1,364,900.00	1,186,562.93	1,368,600.00	1,444,266.42	1,755,500.00
	Expense Total:	1,388,410.00	1,319,245.74	1,364,900.00	1,186,562.93	1,368,600.00	1,444,266.42	1,755,500.00
	Fund: 055 - TIF #20 - BAE Superfund site Surplus (Deficit):	829,550.00	960,699.71	974,600.00	973,644.27	964,800.00	-292,391.63	462,500.00
	Fund: 056 - TIF #20 - BAE Hazardous Subdivison							
	Revenue							
	Revenue							
056-0000-411100	HRA 20-BAE Haz.SubDiv / Curr...	279,640.00	307,679.51	279,600.00	292,023.61	279,600.00	125,954.52	279,600.00
056-0000-411200	HRA 20-BAE Haz.SubDiv / Delin...	0.00	0.00	0.00	-2,305.36	0.00	0.00	0.00
056-0000-471110	HRA 20-BAE Haz.SubDiv / Inter...	0.00	-522.16	0.00	-283.95	0.00	0.00	0.00
056-0000-471120	HRA 20-BAE Haz.SubDiv / Unrea...	0.00	-562.87	0.00	-3,045.73	0.00	3,272.69	0.00
	Revenue Total:	279,640.00	306,594.48	279,600.00	286,388.57	279,600.00	129,227.21	279,600.00
	Revenue Total:	279,640.00	306,594.48	279,600.00	286,388.57	279,600.00	129,227.21	279,600.00
	Expense							
	Expense							
056-0000-631100	HRA 20-BAE Haz.SubDiv / Servi...	27,960.00	31,392.34	28,000.00	638.15	28,000.00	0.00	0.00
056-0000-800200	HRA 20-BAE Haz.SubDiv / Inter...	101,840.00	99,368.26	95,600.00	93,396.15	90,100.00	0.00	80,800.00
	Expense Total:	129,800.00	130,760.60	123,600.00	94,034.30	118,100.00	0.00	80,800.00
	Expense Total:	129,800.00	130,760.60	123,600.00	94,034.30	118,100.00	0.00	80,800.00
	Fund: 056 - TIF #20 - BAE Hazardous Subdivison Surplus (Deficit):	149,840.00	175,833.88	156,000.00	192,354.27	161,500.00	129,227.21	198,800.00
	Fund: 057 - TIF #22 - Northstar							
	Revenue							
	Revenue							
057-0000-411100	HRA 22-NStar Transit / Current...	738,470.00	717,597.69	1,270,900.00	1,251,032.09	1,270,900.00	701,353.09	1,251,000.00
057-0000-411200	HRA 22-NStar Transit / Delinqu...	0.00	1,321.74	0.00	0.00	0.00	0.00	0.00

Budget Worksheet

		2021	2021	2022	2022	2023	2023	2024
		Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity	2024 Proposed
057-0000-471110	HRA 22-NStar Transit / Interest...	9,430.00	-541.69	12,600.00	14,691.52	11,000.00	0.00	23,000.00
057-0000-471120	HRA 22-NStar Transit / Unreali...	0.00	-5,614.95	0.00	-57,882.48	0.00	60,707.83	0.00
	Revenue Total:	747,900.00	712,762.79	1,283,500.00	1,207,841.13	1,281,900.00	762,060.92	1,274,000.00
	Revenue Total:	747,900.00	712,762.79	1,283,500.00	1,207,841.13	1,281,900.00	762,060.92	1,274,000.00
Expense								
Expense								
057-0000-631100	HRA 22-NStar Transit / Services...	73,850.00	97,283.94	127,100.00	58,093.13	127,100.00	4,335.00	57,000.00
057-0000-635100	HRA 22-NStar Transit / Services...	750,000.00	37.34	0.00	0.00	0.00	0.00	750,000.00
057-0000-638180	HRA 22-NStar Transit / Pmts to...	0.00	388.84	0.00	0.00	0.00	722.62	800.00
057-0000-750100	HRA 22-NStar Transit / Develo...	0.00	0.00	481,400.00	524,512.10	481,400.00	298,808.16	524,600.00
	Expense Total:	823,850.00	97,710.12	608,500.00	582,605.23	608,500.00	303,865.78	1,332,400.00
	Expense Total:	823,850.00	97,710.12	608,500.00	582,605.23	608,500.00	303,865.78	1,332,400.00
	Fund: 057 - TIF #22 - Northstar Surplus (Deficit):	-75,950.00	615,052.67	675,000.00	625,235.90	673,400.00	458,195.14	-58,400.00
Fund: 058 - TIF #23 - Locke Point Park								
Revenue								
Revenue								
058-0000-411100	HRA 23-Locke Point Park / Curr...	59,140.00	75,181.68	195,300.00	229,452.51	340,900.00	141,830.75	251,800.00
058-0000-411200	HRA 23-Locke Point Park / Deli...	0.00	0.00	0.00	132.42	0.00	10.60	0.00
058-0000-471110	HRA 23-Locke Point Park / Inte...	0.00	0.00	0.00	614.62	0.00	0.00	0.00
058-0000-471120	HRA 23-Locke Point Park / Unr...	0.00	0.00	0.00	-2,539.70	0.00	2,539.70	0.00
	Revenue Total:	59,140.00	75,181.68	195,300.00	227,659.85	340,900.00	144,381.05	251,800.00
	Revenue Total:	59,140.00	75,181.68	195,300.00	227,659.85	340,900.00	144,381.05	251,800.00
Expense								
Expense								
058-0000-631100	HRA 23-Locke Point Park / Servi...	5,910.00	9,827.36	19,500.00	12,692.76	34,100.00	1,595.00	11,800.00
058-0000-638180	HRA 23-Locke Point Park / Pmts..	0.00	0.00	0.00	0.00	0.00	2,277.10	0.00
058-0000-800200	HRA 23-Locke Point Park / Inte...	148,090.00	448,882.79	148,000.00	173,920.63	148,200.00	0.00	169,000.00
058-0000-993100	A 23-Locke Point/Transfer Out ...	0.00	1,765,596.94	0.00	0.00	0.00	0.00	0.00
	Expense Total:	154,000.00	2,224,307.09	167,500.00	186,613.39	182,300.00	3,872.10	180,800.00
	Expense Total:	154,000.00	2,224,307.09	167,500.00	186,613.39	182,300.00	3,872.10	180,800.00
	Fund: 058 - TIF #23 - Locke Point Park Surplus (Deficit):	-94,860.00	-2,149,125.41	27,800.00	41,046.46	158,600.00	140,508.95	71,000.00

Budget Worksheet

For Fiscal: 2023 Period Ending: Item 6. 3
 Defined Budgets

		2021	2021	2022	2022	2023	2023	2024
		Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity	2024 Proposed
Fund: 059 - TIF #24 - N.Stacks 8								
Revenue								
Revenue								
059-0000-411100	HRA 24-N.Stacks 8 / Current Ad...	48,210.00	45,238.08	50,800.00	46,229.80	50,800.00	27,707.86	46,200.00
	Revenue Total:	48,210.00	45,238.08	50,800.00	46,229.80	50,800.00	27,707.86	46,200.00
	Revenue Total:	48,210.00	45,238.08	50,800.00	46,229.80	50,800.00	27,707.86	46,200.00
Expense								
Expense								
059-0000-631100	HRA 24-N.Stacks 8 / Services-P...	4,820.00	5,061.59	5,100.00	468.20	5,100.00	0.00	0.00
059-0000-638180	HRA 24-N.Stacks 8 / Pmts to Ot...	0.00	0.00	0.00	0.00	0.00	463.54	500.00
059-0000-750100	HRA 24-N.Stacks 8 / Develop...	43,390.00	40,714.28	45,800.00	41,606.82	45,800.00	24,937.07	41,600.00
	Expense Total:	48,210.00	45,775.87	50,900.00	42,075.02	50,900.00	25,400.61	42,100.00
	Expense Total:	48,210.00	45,775.87	50,900.00	42,075.02	50,900.00	25,400.61	42,100.00
	Fund: 059 - TIF #24 - N.Stacks 8 Surplus (Deficit):	0.00	-537.79	-100.00	4,154.78	-100.00	2,307.25	4,100.00
Fund: 060 - TIF #25 - Holly Center								
Revenue								
Revenue								
060-0000-411100	HRA 25-Holly Center / Current ...	0.00	0.00	0.00	0.00	0.00	125,107.74	525,166.00
	Revenue Total:	0.00	0.00	0.00	0.00	0.00	125,107.74	525,166.00
	Revenue Total:	0.00	0.00	0.00	0.00	0.00	125,107.74	525,166.00
Expense								
Expense								
060-0000-631100	HRA 25-Holly Center / Services...	0.00	18,432.50	0.00	483.65	0.00	0.00	0.00
060-0000-635100	HRA 25-Holly Center / Services ...	0.00	0.00	0.00	122.51	0.00	0.00	15,055.00
060-0000-638180	HRA 25-Holly Center / Pmts to ...	0.00	0.00	0.00	0.00	0.00	478.78	0.00
060-0000-750100	HRA 25-Holly Center / Develop...	0.00	0.00	0.00	0.00	0.00	112,596.97	472,649.00
	Expense Total:	0.00	18,432.50	0.00	606.16	0.00	113,075.75	487,704.00
	Expense Total:	0.00	18,432.50	0.00	606.16	0.00	113,075.75	487,704.00
	Fund: 060 - TIF #25 - Holly Center Surplus (Deficit):	0.00	-18,432.50	0.00	-606.16	0.00	12,031.99	37,462.00
	Report Surplus (Deficit):	1,525,966.50	2,387,990.44	1,876,700.00	2,308,104.68	2,213,900.00	618,241.40	2,137,262.00

Fund Summary

Fund	2021		2022		2023		Defined Budgets	
	Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity	2024 Proposed	2024
001 - HRA - General Fund	449,276.50	2,568,306.64	-262,800.00	228,538.60	-74,000.00	-488,872.91	-181,500.00	
020 - Housing Program Fund	-171,730.00	-164,991.52	-143,500.00	-218,094.72	-153,800.00	269,447.39	1,101,100.00	
045 - TIF #6 - Lake Pointe-Medtronic	30,720.00	31,313.00	31,900.00	49,771.95	49,500.00	33,332.71	51,900.00	
053 - TIF #19 - Main Street	330.00	-1,630.25	400.00	4,171.71	100.00	6,580.07	4,100.00	
054 - TIF #21 - Gateway Northeast	408,790.00	371,502.01	417,400.00	407,887.62	433,900.00	347,875.23	446,200.00	
055 - TIF #20 - BAE Superfund site	829,550.00	960,699.71	974,600.00	973,644.27	964,800.00	-292,391.63	462,500.00	
056 - TIF #20 - BAE Hazardous Subdivison	149,840.00	175,833.88	156,000.00	192,354.27	161,500.00	129,227.21	198,800.00	
057 - TIF #22 - Northstar	-75,950.00	615,052.67	675,000.00	625,235.90	673,400.00	458,195.14	-58,400.00	
058 - TIF #23 - Locke Point Park	-94,860.00	-2,149,125.41	27,800.00	41,046.46	158,600.00	140,508.95	71,000.00	
059 - TIF #24 - N.Stacks 8	0.00	-537.79	-100.00	4,154.78	-100.00	2,307.25	4,100.00	
060 - TIF #25 - Holly Center	0.00	-18,432.50	0.00	-606.16	0.00	12,031.99	37,462.00	
Report Surplus (Deficit):	1,525,966.50	2,387,990.44	1,876,700.00	2,308,104.68	2,213,900.00	618,241.40	2,137,262.00	



AGENDA REPORT

Meeting Date: December 7, 2023

Meeting Type: Housing & Redevelopment Authority

Submitted By: Paul Bolin, Assistant Executive Director

Title

Amendment to the Housing Programs Administration Contract with CEE

Background

Since 1996, the HRA has contracted with the Center for Energy and Environment (CEE) to administer the HRA's housing rehabilitation programs. Partnering with CEE, allows the HRA to outsource most of the administrative functions for its loan programs, including marketing, application processing, underwriting, loan closing, and disbursements to the contractors.

CEE is able to provide technical assistance to Fridley homeowners on such topics as remodeling, energy conservation (through the Home Energy Squad visits), indoor air quality and related subjects. The partnership with CEE allows the Authority to leverage outside dollars (e.g. Minnesota Housing Finance Agency, Met Council, Federal funds, etc.) and customize loan packages to meet individual homeowners' circumstances.

The attached Amendment extends our relationship with CEE through December 31, 2026, recognizes the changes and additions being made to the Fridley Housing Programs, and provides for an increase in the Annual Administrative Fee to cover the increased cost of setting up and managing the changes and additions to the Housing loan programs.

Recommendation

Staff recommends that the Authority approve the attached amendment to the housing programs administration contract with CEE.

Attachments and Other Resources

- 10th Amendment to CEE Contract
- Exhibit A-24 Guidelines

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.

AMENDMENT 10 to the LOAN ORIGATION AGREEMENT
Between
HOUSING AND REDEVOPMENT AUTHORITY IN AND FOR THE CITY OF FRIDLEY
And
CENTER FOR ENERGY AND ENVIRONMENT

Fridley Home Improvement Loan Program

The Agreement made the 18th day of February 2004 by and between the HOUSING AND REDEVOPMENT AUTHORITY IN AND FOR THE CITY OF FRIDLEY, with offices at 7071 University Ave NE, Fridley, MN 55432, (the "Authority"), and the CENTER FOR ENERGY AND ENVIRONMENT, with its offices at 212 3rd Avenue North, Suite 560, Minneapolis, Minnesota 55401 ("CEE") is hereby amended.

Section 2. Compensation of the agreement are amended to read:

2.1

Annual Administrative Fee:	\$	5,000
Origination Fee (Home Improvement, Mobile Home, Multi-Family, Emergency Deferred, Sr. Deferred and the Home Betterment Deferred Loans):		\$750
Origination Fee (Down-Payment Assistance Loan):		\$950
Remodeling Advisor Visit / Prioritization:		\$250
Post Installation Verification / Last Resort Visit:		\$150
One Time Set Up Fee (Home Betterment Deferred Loans):		\$1,000

The Annual Administrative Fee shall be payable on January 1st of each year the contract is active.

Section 5. Term and Termination of the agreement shall read:

5.1

Unless earlier terminated as provided in the following paragraphs, this Agreement shall become effective on January 1, 2006 and continue through December 31, 2026.

Exhibit A-24 shall replace Schedule A-21

All other sections of the contract shall remain as written in the original and amended agreements.

IN WITNESS WHEREOF, the parties hereunder set their hands as of the date written below:

HOUSING AND REDEVOPMENT
AUTHORITY IN AND FOR THE CITY
OF FRIDLEY

CENTER FOR ENERGY AND
ENVIRONMENT

By _____
Executive Director

By _____
Chief Operating Officer

Date _____

Date _____

#

By _____
Asst. Executive Director

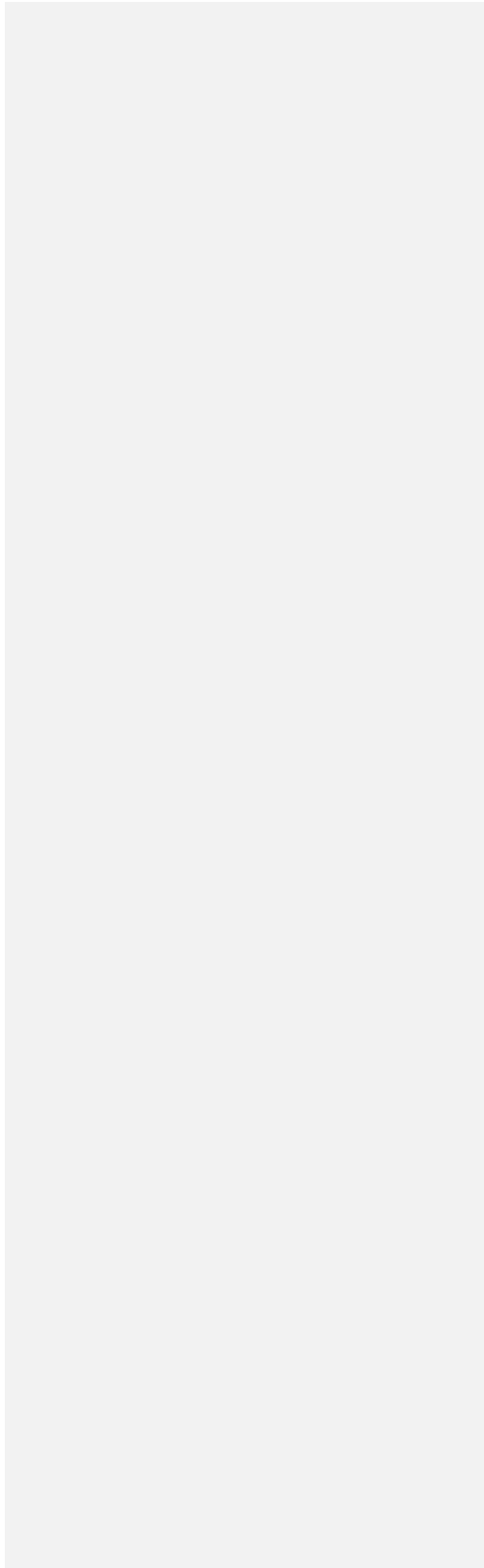
TAX ID 41-1647799

Date _____

EXHIBIT A-24

PROGRAM GUIDELINES

This document includes guidelines for the
FRIDLEY LOAN PROGRAMS



FRIDLEY LOAN PROGRAM GUIDELINES

The Fridley Loan Programs are designed to supplement existing loan programs available from MHFA, CEE, private lenders and other housing resources. Center for Energy and Environment shall serve as the administrator for the Fridley Loan Programs and will secure the most beneficial financing based on the borrower's needs independent of the funding source. Funding for these programs are provided by the City of Fridley Housing and Redevelopment Authority (HRA).

Home Improvement Loan

Interest Rate: 2%

Amortization Type: Amortizing (Monthly Payments Required).

Loan Amount: Minimum of \$1,000 and Maximum of \$50,000.

Total Project Cost: The borrower must have sufficient funds necessary to cover the cost of the entire project as outlined in the bid(s). Additional funds may come from the applicant's personal savings, gifts, or other non-City loans.

Loan term: Generally, one year per \$1,000 borrowed. This will be somewhat flexible depending on the size of the loan and the borrower's ability to repay the loan. The minimum term is 1 year; the maximum term will be 20 years.

Eligible Properties: 1-4 unit owner-occupied properties located within the City of Fridley, including - individual townhomes, twin homes, and condominiums. Properties held in a trust or Contract for Deed are eligible.

Ineligible Properties: Properties with more than four units, cooperatives, manufactured homes, or properties used for commercial purposes.

Eligible Borrowers: All borrowers must be legal residents of the United States.

Ineligible Borrowers: Including but not limited to: Foreign Nationals, Non-Occupant Co-Borrowers, and Properties in the name of a business.

Ownership/Occupancy: Owner- occupied only.

Loan - to - Value Ratio: The ratio of all loans secured by the property, including the new loan, should not exceed 110% of the property value. Half of the improvement value may be added to the initial property value. Value can be established by the Property Tax Statement, or an Appraisal dated within the past 12 months.

Income Limit: None.

Debt - to - Income Ratio: 50%

Credit Requirements: 1) All mortgage payments must be current and reflect no 30 day late payments history in the past 12 month period (without reasonable explanation). 2) All real estate taxes must be current. 3) No outstanding judgements or collections. 4) Bankruptcy must have been discharged for at least 18 months prior to loan closing (without reasonable explanation). 5) The redemption period on prior foreclosures must have occurred at least 18 months prior to the loan application date. 6) Generally, no more than two 60-day late payments on credit report (without reasonable explanation). 7) No defaulted government loans.

Multiple Loans per Property/Borrower: More than one loan per property/borrower is allowed, however, the outstanding balance(s) for this loan CANNOT exceed \$50,000. The outstanding balance of ALL Fridley loans CANNOT exceed \$75,000.

Eligible Use of Funds: Most permanent interior and exterior improvements. The HRA shall be asked to approve uses of funds when eligibility is uncertain.

Ineligible Use of Funds: Payment for work initiated prior to the loan being approved and closed, unless due to emergency. Recreation or luxury projects (pools, lawn sprinkler systems, playground equipment, saunas, whirlpools, etc.), furniture, non-permanent appliances (unless part of a full kitchen remodel), and funds for working capital, debt service, homeowner labor or refinancing existing debts are NOT allowed.

Bids: Only 1 bid is required. All contractors must be properly licensed or registered and permits must be obtained when required.

Sweat Equity / Homeowner Labor: Work may be performed by property owners on a "sweat equity" basis. Loan funds may be used only for the purchase of materials. Loan funds cannot be used to purchase tools/ equipment or compensate for labor. Rental of equipment to complete the project is eligible.

Post Installation Inspection: Permits must be obtained and signed off by a City inspector where required; when not required, a post installation inspection will be performed by CEE to ensure the work has been completed before any funds will be released.

Loan Security: All loans will be secured with a mortgage in favor of the City of Fridley.

Borrower Fees: Borrower will be responsible for a 1% origination fee, title report, document preparation fee, mortgage filing and service fees, credit report fees and any applicable closing fee.

Underwriting Decision: Applicants must have acceptable credit history. CEE will approve or deny loans based on a credit report, income verification and other criteria as deemed necessary through CEE's underwriting guidelines. CEE's decision shall be final.

Work Completion: All work must be completed within 120 days of the loan closing. However, when warranted, CEE may authorize exceptions on a case-by-case basis.

Mobile Home Improvement Loan

Interest Rate: 2%

Amortization Type: Amortizing (Monthly Payments Required).

Loan Amount: Minimum of \$500 and Maximum of \$10,000.

Total Project Cost: The borrower must have sufficient funds necessary to cover the cost of the entire project as outlined in the bid(s). Additional funds may come from the applicant's personal savings, gifts, or other non-City loans.

Loan term: Generally, one year per \$1,000 borrowed. This will be somewhat flexible depending on the size of the loan and the borrower's ability to repay the loan. The minimum term is 1 year; the maximum term will be 10 years.

Eligible Properties: Residential Mobile Homes located in the City of Fridley.

Ineligible Properties: Properties which are not a Residential Mobile Home.

Eligible Borrowers: All borrowers must be legal residents of the United States.

Ineligible Borrowers: Including but not limited to: Foreign Nationals, Non-Occupant Co-Borrowers, and Properties in the name of a business.

Ownership/Occupancy: Owner- occupied only.

Loan - to - Value Ratio: N/A

Income Limit: None.

Debt - to - Income Ratio: 50%

Credit Requirements: 1) All loans secured to the property must be current and reflect no 30 day late payments history in the past 12 month period (without reasonable explanation). 2) No outstanding judgements or collections. 3) Bankruptcy must have been discharged for at least 18 months prior to loan closing (without reasonable explanation). 4) The redemption period on prior foreclosures must have occurred at least 18 months prior to the loan application date. 5) Generally, no more than two 60-day late payments on credit report (without reasonable explanation). 6) No defaulted government loans.

Commented [AN1]: Can someone get a mortgage for a manufactured home?

Commented [JH2R1]: Updated language

Multiple Loans per Property/Borrower: More than one loan per property/borrower is allowed, however, the outstanding balance(s) of this program CANNOT exceed \$10,000. The outstanding balance of ALL Fridley loans CANNOT exceed \$75,000.

Eligible Use of Funds: Most permanent interior and exterior improvements. The HRA shall be asked to approve uses of funds when eligibility is uncertain.

Ineligible Use of Funds: Payment for work initiated prior to the loan being approved and closed, unless due to emergency. Recreation or luxury projects (pools, lawn sprinkler systems, playground equipment, saunas, whirlpools, etc.), furniture, non-permanent appliances (unless part of a full kitchen remodel), and funds for working capital, debt service, homeowner labor or refinancing existing debts are NOT allowed.

Bids: Only 1 bid is required. All contractors must be properly licensed or registered and permits must be obtained when required.

Sweat Equity / Homeowner Labor: Work may be performed by property owners on a "sweat equity" basis. Loan funds may be used only for the purchase of materials. Loan funds cannot be used to purchase tools/ equipment or compensate for labor. Rental of equipment to complete the project is eligible.

Post Installation Inspection: Permits must be obtained and signed off by a City inspector where required; when not required, a post installation inspection will be performed by CEE to ensure the work has been completed before any funds will be released.

Loan Security: All loans will be secured with a lien in favor of the City of Fridley Housing and Redevelopment Authority.

Borrower Fees: Borrower will be responsible for a 1% origination fee, document preparation fee, title filing and service fees, credit report fees and any applicable closing fee.

Underwriting Decision: Applicants must have acceptable credit history. CEE will approve or deny loans based on a credit report, income verification and other criteria as deemed necessary through CEE's underwriting guidelines. CEE's decision shall be final.

Work Completion: All work must be completed within 120 days of the loan closing. However, when warranted, CEE may authorize exceptions on a case-by-case basis.

Senior Deferred Loan

Interest Rate: 0%

Amortization Type: Deferred

Loan Amount: Minimum loan is \$5,000. Maximum loan is \$20,000.

Total Project Cost: It is the borrower's responsibility to obtain the amount of funds necessary to finance the entire cost of the work. In the event the final cost exceeds the original loan amount, the borrower is responsible to provide proof of having funds to pay for the remaining portion.

Loan term: 30 years. If the borrower has not sold or transferred title and still occupies the property 30 years from the date of the loan, the loan is 100% forgiven. If the borrower sells or transfers title of the property or the property is no longer occupied by the borrower prior to 30 years, the loan is 100% due and payable.

Eligible Properties: 1-4 unit owner-occupied properties located within the City of Fridley. Individual townhomes, twin-homes and condominiums are eligible. Properties held in a Trust or Contract for Deed are eligible.

Ineligible Properties: Dwellings that are more than 4 units, cooperatives, manufactured homes, and properties used for commercial purposes.

Eligible Borrowers: All borrowers must be legal residents of the United States. At least one of the property owners must be at least 62 years of age.

Ineligible Borrowers: Includes, but are not limited to nonresident owners, non-occupant co-borrowers, properties held in the name of a business.

Ownership / Occupancy: Owner-occupied only.

Loan-to-Value Ratio: 110%

Income Limit: 60% AMI based on household size and Adjusted Gross Income from the most recent Federal Tax Return. If a tax return is not required to be filed, the income will be based on projected gross income.

Debt-to-Income Ratio: N/A

Multiple Loans per Property/Borrower: Multiple loans on a property are allowed ; however, the outstanding balance of ALL Fridley loans CANNOT exceed \$75,000. ONLY ONE DEFERRED LOAN CAN BE OUTSTANDING AT A TIME.

Eligible Improvements: Most permanent exterior or interior improvements determined by a site visit. The HRA shall be asked to approve uses of funds when eligibility is uncertain.

Ineligible Improvements:

Work initiated prior to the loan being approved and closed, unless due to emergency. Recreation or luxury projects (pools, lawn sprinkler systems, playground equipment, saunas, whirlpools, etc.), furniture, non-permanent appliances (unless part of a full kitchen remodel), and funds for working capital, debt service, homeowner labor or refinancing existing debts are NOT allowed.

Bidding: Only 1 bid is required. All contractors must be properly licensed or registered. Permits must be obtained when required by City ordinance.

Sweat Equity:

Work may be performed by property owners on a “sweat equity” basis. Loan funds may be used only for the purchase of materials. Loan funds cannot be used to purchase tools/ equipment or compensate for labor. Rental of equipment to complete the project is eligible.

Property Inspection: Required. Eligible improvements will be determined through an analysis of the property. A CEE representative will perform the analysis to prioritize eligible improvements.

Post Installation Inspection: Properties are subject to a post installation inspection by a CEE representative when a permit is not required. Where a permit is required, the work must be signed-off by a City inspector prior to release of funds.

Work Completion: All work must be completed within 120 days of loan closing. Extensions may be granted by CEE.

Underwriting Decision: Must be current on all mortgages and property taxes, no outstanding tax liens or in the process of Bankruptcy or Foreclosure.

Borrower Fees: Borrower will be responsible for a 1% origination fee, title report, document preparation fee, mortgage filing and service fees, credit report fees and any applicable closing fee.

Home Betterment Deferred Loan

Interest Rate: 0%

Amortization Type: Deferred

Loan Amount: Minimum loan is \$5,000. Maximum loan is \$20,000.

Total Project Cost: It is the borrower's responsibility to obtain the amount of funds necessary to finance the entire cost of the work. In the event the final cost exceeds the original loan amount, the borrower is responsible to provide proof of having funds to pay for the remaining portion.

Loan term: 30 years. If the borrower has not sold or transferred title and still occupies the property 30 years from the date of the loan, the loan is 100% forgiven. If the borrower sells or transfers title of the property, or if the property is no longer occupied by the borrower prior to 30 years, the loan is 100% due and payable.

Eligible Properties: 1-4 unit owner-occupied properties located within the City of Fridley. Individual townhomes, twin-homes and condominiums are eligible. Properties held in a Trust or Contract for Deed are eligible.

Ineligible Properties: Dwellings that are more than 4 units, cooperatives, manufactured homes, and properties used for commercial purposes.

Eligible Borrowers: All borrowers must be legal residents of the United States.

Ineligible Borrowers: Includes, but are not limited to nonresident owners, non-occupant co-borrowers, properties held in the name of a business.

Ownership / Occupancy: Owner-occupied only.

Loan-to-Value Ratio: 110%

Income Limit: 80% AMI based on household size and Adjusted Gross Income from the most recent Federal Tax Return. If a tax return is not required to be filed, the income will be based on projected gross income.

Debt-to-Income Ratio: N/A

Multiple Loans per Property/Borrower: Multiple loans on a property are allowed if the outstanding balance does not exceed \$25,000. The outstanding balance of ALL Fridley loans CANNOT exceed \$75,000. ONLY ONE DEFERRED LOAN CAN BE OUTSTANDING AT A TIME.

Commented [NA3]: Suggestion for re-naming... "Build Up" implies new construction to me...

Commented [JH4R3]: Build Up came from Paul. Doesn't matter to us what the name is. Just let us know what you'd prefer.

Eligible Improvements: Most permanent exterior or interior improvements determined by a site visit. . The HRA shall be asked to approve uses of funds when eligibility is uncertain.

Ineligible Improvements: work initiated prior to the loan being approved and closed, unless due to emergency. Recreation or luxury projects (pools, lawn sprinkler systems, playground equipment, saunas, whirlpools, etc.), furniture, non-permanent appliances (unless part of a full kitchen remodel), and funds for working capital, debt service, homeowner labor or refinancing existing debts are NOT allowed.

Bidding: Only 1 bid is required. All contractors must be properly licensed or registered. Permits must be obtained when required by City ordinance.

Sweat Equity: Work may be performed by property owners on a "sweat equity" basis. Loan funds may be used only for the purchase of materials. Loan funds cannot be used to purchase tools/ equipment or compensate for labor. Rental of equipment to complete the project is eligible.

Property Inspection: Required. Eligible improvements will be determined through an analysis of the property. A CEE representative will perform the analysis to prioritize eligible improvements.

Post Installation Inspection: Properties are subject to a post installation inspection by a CEE representative when a permit is not required. Where a permit is required, the work must be signed-off by a City inspector prior to release of funds.

Work Completion: All work must be completed within 120 days of loan closing. Extensions may be granted by CEE.

Underwriting Decision: Must be current on all mortgages and property taxes, no outstanding tax liens or in the process of Bankruptcy or Foreclosure.

Borrower Fees: Borrower will be responsible for a 1% origination fee, title report, document preparation fee, mortgage filing and service fees, credit report fees and any applicable closing fee.

Commented [NA5]: Is this rolled into the deferred loan or is it a payment due at closing?

Commented [JH6R5]: Due at closing, same as the Sr. Deferred or other loans

Emergency Deferred Loan

Interest Rate: 0%

Amortization type: Deferred

Loan Amount: Minimum loan is \$500. Maximum loan is \$10,000.

Total Project Cost: It is the borrower's responsibility to obtain the amount of funds necessary to finance the entire cost of the work. In the event the final cost exceeds the original loan amount, the borrower is responsible to provide proof of having funds to pay for the remaining portion.

Loan term: 30 years. If the borrower has not sold or transferred title and still occupies the property 30 years from the date of the loan, the loan is 100% forgiven. If the borrower sells, transfers title of the property or the property is no longer occupied by the borrower prior to 30 years, the loan is 100% due and payable.

Eligible Properties: 1–4-unit owner-occupied properties located within the geographical boundaries of the City of Fridley. Individual townhomes, twin homes, and condominiums. Properties held in a Trust or Contract for Deed are eligible.

Ineligible Properties: Properties with more than four units, cooperatives, manufactured homes, or properties used for commercial purposes.

Eligible Borrowers: All borrowers must be legal residents of the United States.

Ineligible Borrowers: Includes, but are not limited to nonresident owners, non-occupant co-borrowers, properties held in the name of a business.

Ownership / Occupancy: Owner-occupied only.

Loan-to-Value Ratio: 125%

Income Limit: 110% AMI based on household size and Adjusted Gross Income from the most recent Federal Tax Return. If a tax return is not required to be filed, the income will be based on projected gross income.

Debt-to-Income Ratio: N/A

Multiple Loans per Property/Borrower: Multiple Emergency Deferred Loans are permitted based upon availability of funds. The cumulative outstanding balance of this program CANNOT exceed \$10,000. The maximum outstanding balance of ALL Fridley loans is \$75,000. More than 1 deferred loan can be outstanding for this program.

Eligible Improvements: Those which address an emergency. An emergency is defined as an imminent condition that makes a house uninhabitable, dangerous to the occupants, or can cause severe health problems. Repairs that will remedy such emergency repairs are eligible. Examples of eligible repairs include, but are not limited to, water lines, sewer service, fire hazards, repair to exterior steps, railings, retaining walls, water seepage into basement, structural problems, or replacement of a furnace or hot water heater.

Ineligible Improvements: Any improvement not addressing an emergency (as defined above).

Bidding: Only 1 bid is required. All contractors must be properly licensed or registered with the MN Department of Labor. Permits must be obtained when required by City ordinance.

Sweat Equity: Not permitted.

Property Inspection: Required. Eligible improvements will be determined through an analysis of the property. A CEE staff member will perform the analysis to determine the severity of the situation.

Post Installation Inspection: Properties are subject to a post installation inspection by a CEE staff member when a permit is not required. Where a permit is required, the work must be signed-off by a City inspector prior to release of funds.

Work Completion: All work must be completed within 30 days of loan closing. Extensions may be granted by CEE.

Underwriting Decision: This is a last resort program. The borrower must not be eligible for any other financing administered by CEE to obtain an Emergency Deferred loan. Borrower must be current on all mortgage payments and property taxes and not have a pending Bankruptcy or Foreclosure.

Borrower Fees: Borrower will be responsible for a 1% origination fee, title report, document preparation fee, mortgage filing and service fees, credit report fees and any applicable closing fee.

Down-Payment/Closing Cost Assistance

Interest Rate: 0%.

Loan Amount: \$5,000 for households earning more than 80% but less than 110% AMI; \$10,000 for households earning 80% AMI or less

Amortization Type: Deferred

Term: 30 years. If the borrower has not sold or transferred title and still occupies the property 30 years from the date of the loan, the loan is 100% forgiven. If the borrower sells or transfers title of the property, or the property is no longer occupied by the borrower prior to 30 years, the loan is 100% due and payable.

Eligible Borrowers: All borrowers must be legal residents of the United States. The homebuyer(s) **MUST** attend a Home Stretch workshop or other valid homebuyers course offered through an approved counseling agency by the US Department of Housing and Urban Development and provide evidence prior to closing. Borrowers must be considered a first-time homebuyer.

Ineligible Borrowers: Including but not limited to: Foreign Nationals, Non-Occupant Co-Borrowers, and Properties held in the name of a business.

Eligible Properties: 1–4-unit residential properties located with the geographical boundaries of the City of Fridley. Individual Townhomes, twin-homes, and condominiums are eligible.

Ineligible Properties: Non-owner occupied (aka absentee-owned), unless the property is the property being purchased and will become owner-occupied, dwellings with more than 4 dwelling units, Cooperatives, Manufactured homes, properties held in a Contract-for-Deed and properties used for commercial purposes.

Ownership/Occupancy: Must be owner-occupied after time of purchase.

Loan-to-Value: 110%.

Income Limits: 110% AMI based on household size and adjusted gross income from most recent tax return. If a tax return is not required to be filed by the borrower(s) then income will be determined by the projected income over the next 12 months.

Debt-to-Income Ratio: N/A

Multiple Loans per Property / Borrower: Borrowers may only obtain one purchase assistance deferred loan from this program. If ownership changes, the new owner is eligible. If a previous recipient purchases a new qualifying home, they would be eligible again at that new property if the borrower(s) would be considered as a first-time homebuyer at that time. ONLY ONE DEFERRED LOAN CAN BE OUTSTANDING AT A TIME.

Eligible Improvements: These funds may only be used for down-payment or closing cost related to the purchase of the subject property.

Underwriting: Amount and approval of loan will be determined based on the 1st mortgage approval. In order to determine eligibility, CEE requires the following documentation from the 1st mortgage lender:

- 1) Application
- 2) Certification that all homebuyers have completed a Home Stretch or other Homebuyers course offered through a counseling agency approved by the US Department of Housing and Urban Development
- 3) A copy of the whole/complete Purchase Agreement
- 4) A copy of the Appraisal or determination of value
- 5) A copy of the Title Commitment
- 6) A copy of the 1st mortgage pre-approval/commitment letter
- 6) A copy of the 1st Mortgage loan estimate, prelim-closing disclosure

Disbursement of Funds: Funds will be disbursed to the closing agent, for the benefit of the borrower, in coordination with the purchase closing.

Borrower Fees: Borrower will be responsible for mortgage filing and service fees, flood certificate, credit report fees and any applicable closing fee which may be financed in the loan amount.

Multi-Family Improvement Loan

Interest Rate: 2%

Amortization Type: Amortizing (Monthly Payments Required).

Loan Amount: Minimum of \$5,000 and Maximum of \$50,000 (city may allow higher amounts on a case-by-case basis).

Total Project Cost: The borrower must have sufficient funds necessary to cover the cost of the entire project as outlined in the bid(s). Additional funds may come from the applicant’s personal savings, gifts, or other non-City loans.

Loan term: Generally, one year per \$1,000 borrowed. This will be somewhat flexible depending on the size of the loan and the borrower’s ability to repay the loan. The minimum term is 1 year; the maximum term will be 20 years.

Eligible Properties: 1–12-unit residential properties located within the geographical boundaries of the City of Fridley. Properties held in a Trust or Contract for Deed are eligible. Properties must be in compliance with the City of Fridley’s Rental Housing Licensing ordinance.

Ineligible Properties: Properties with more than 12 units, cooperatives, manufactured homes, or properties used for commercial purposes.

Eligible Borrowers: All borrowers must be legal residents of the United States OR a registered business with the MN Secretary of State. A business must have been in business for at least 2 years.

Ineligible Borrowers: A person or business with no ownership of the property.

Ownership/Occupancy: Owner- occupied or Absentee-owned.

Loan - to - Value Ratio: 110%. Half of the improvement value may be added to the initial property value. Value can be established by the Property Tax Statement, or an Appraisal dated within the past 12 months.

Income Limit: None.

Debt - to - Income Ratio: 50%. Not applicable if property is owned by a business but must show positive cash flow from most recent tax return or Profit and Loss Statement.

Commented [AN7]: ...do we need to worry at all about tenants being displaced due to our financing some sort of 'improvements' to a property?

Just thinking expansively...

In Osseo we had a disreputable company buy several buildings, refuse to renew leases, renovate properties, and then double the rents. While improving properties is good to do, I think we should try to avoid that sort of scenario...

Commented [JH8R7]: It is something to consider, but I don't know of anything that we could actually enforce or track.

Credit Requirements: 1) All mortgage payments must be current and reflect no 30 day late payments history in the past 12 month period (without reasonable explanation). 2) All real estate taxes must be current. 3) No outstanding judgements or collections. 4) Bankruptcy must have been discharged for at least 18 months prior to loan closing (without reasonable explanation). 5) The redemption period on prior foreclosures must have occurred at least 18 months prior to the loan application date. 6) Generally, no more than two 60-day late payments on credit report (without reasonable explanation). 7) No defaulted government loans.

Multiple Loans per Property/Borrower: More than one loan per property/borrower is allowed, however, the outstanding balance(s) for this loan CANNOT exceed \$50,000. The outstanding balance of ALL Fridley loans CANNOT exceed \$75,000.

Eligible Use of Funds: Improvements that correct city code violations or health and safety concerns. Permanent Exterior Improvements including, but not limited to roofing, siding, windows, painting, doors, driveways, parking lots, awnings, sidewalks/steps, garage repair, security solar systems and tuck pointing. Interior improvements including but not limited to structural work, HVAC, accessibility improvements, plumbing, electrical, insulation, lawn sprinkler systems, flooring, permanent fixtures (cabinets/counters). Questionable improvements will be brought to the city for approval.

Ineligible Use of Funds: Payment for work initiated prior to the loan being approved and closed, unless due to emergency. Recreation or luxury projects (pools, playground equipment, saunas, whirlpools, etc.), furniture, non-permanent appliances (unless part of a full kitchen remodel), and funds for working capital, debt service, homeowner labor or refinancing existing debts are NOT allowed.

Bids: Only 1 bid is required. All contractors must be properly licensed or registered and permits must be obtained when required.

Sweat Equity / Homeowner Labor: Not permitted.

Post Installation Inspection: Permits must be obtained and signed off by a City inspector where required; when not required, a post installation inspection will be performed by CEE to ensure the work has been completed before any funds will be released.

Loan Security: All loans will be secured with a mortgage in favor of the City of Fridley.

Borrower Fees: Borrower will be responsible for a 1% origination fee, title report, document preparation fee, mortgage filing and service fees, credit report fees and any applicable closing fee.

Underwriting Decision: Applicants must have acceptable credit history, unless in the name of a business. CEE will approve or deny loans based on a credit report, income verification and other criteria as deemed necessary through CEE's underwriting guidelines. CEE's decision shall be final.

Work Completion: All work must be completed within 120 days of the loan closing. However, when warranted, CEE may authorize exceptions on a case-by-case basis.

General Program Conditions

Application Processing: Loans will be distributed on a first come first serve basis as borrowers qualify. **Applicants must provide a completed application package including the following in order to be considered for funding.**

- Completed and signed application form
- Proof of income
- Bids or estimates for proposed projects
- Other miscellaneous documents loan officers may require.

Loan Security: All loans that will be secured with a mortgage will be in favor of the City of Fridley Housing and Redevelopment Authority.

Program Costs: Loan origination, post installation inspection and remodeling advisor visit fees will be paid out of the Program Budget. Loan program marketing efforts will be billed directly to the Fridley HRA and is a separate expense should the city choose to commission CEE for marketing support.

Disbursement Process: Payment to the contractor (or owner in sweat equity situations) will be made upon completion of work. An inspection will be performed by a City Inspector and/or CEE to verify the completion of the work. The following items must be received prior to final disbursement of funds:

- Final invoice or proposal from contractor (or materials receipt from supplier);
- Final inspection verification by a City Inspector (or CEE);
- Completion certificate(s) signed by borrower and contractor;
- Lien waiver for entire cost of work;
- Evidence of city permit (if required)



AGENDA REPORT

Meeting Date: December 7, 2023

Meeting Type: Housing & Redevelopment Authority

Submitted By: Paul Bolin, Asst. Executive Director

Title

Update on Housing Programs

Background

On a monthly basis, staff will provide updates from CEE on the past month's activity for the Authority's loan programs, remodeling advisor visits and Home Energy Squad Visits.

Attachments and Other Resources

- Chart of Loans Issued & Remodeling Advisor Visits

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.

Fridley Loan Summary Report

Activity for Period 10/16/2023 - 11/15/2023

Item 8.



Application packets requested/mailed:	This period:	1	Year-to-Date:	6
Residential Advisor Visits:	This period:	2	Year-to-Date:	24
Loans currently in process for residents in your City/Neighborhood:		47		

Closed Loans	This period:		Year-to-Date:	
FHF		Units		Units
2-4 Unit Revolving	0.00	0	10,000.00	1
Total	0.00	0	10,000.00	1
Fridley		Units		Units
		0		0
Closed End	32,258.00	1	657,750.56	23
Down Payment Assistance	0.00	0	25,000.00	5
Last Resort	0.00	0	0.00	0
Last Resort Emergency Deferred	0.00	0	0.00	0
Mobile Home Closed End	0.00	0	0.00	0
Multi Family Exterior Closed End	0.00	0	0.00	0
Senior Deferred	0.00	0	189,660.72	9
Total	32,258.00	1	872,411.28	37
Leveraged Funds		Units		Units
CEE	0.00	0	17,979.00	1
MHFA FUF	0.00	0	240,377.00	9
Total	0.00	0	258,356.00	10

Types of Improvements Financed YTD	# of Projects	% of Total
Additions/Finishing off unused space	4	4.71
Air Conditioning	4	4.71
Asbestos	1	1.18
Asbestos/Vermiculite	1	1.18
Bathrooms	2	2.35
Deck	1	1.18
Down Payment Assistance	5	5.88
Driveways	5	5.88
Duct Work	1	1.18
Duct Work/Venting	1	1.18
Electrical	6	7.06
Fence	1	1.18
Flooring/Carpet/Tile	2	2.35
Foundations/Basement	1	1.18
Heating System	6	7.06
Insulation	1	1.18
Interior Painting/Repairs	3	3.53
Kitchens	3	3.53
Landscaping	3	3.53
Other Exterior Improvements	8	9.41
Other Interior Improvements	6	7.06
Plumbing	2	2.35
Roof	3	3.53
Sidewalks, Steps	1	1.18
Siding, Stucco, Exterior Paint	3	3.53
Solar-PV	4	4.71
Water Heater	2	2.35
Windows, Doors, Storm Windows, Storr	5	5.88

Types of Properties Financed YTD	#	% of Total
Commercial - Non-residential	1	Item 8.
Single Family Residence	43	87.76
Townhouse	4	8.16
Two to Four Unit Property	1	2.04