

**Minutes**  
**Community Development**  
**Affordable Housing Advisory Board Meeting**  
**Downtown Library, Meeting Room A**  
**Wednesday, May 27, 2015, 4 p.m.**

**Members Present:** Annie Brokenleg, Frank Adams, Langu Okall, Robin Burgard, Aaron Rietsema, Gayleen Riedemann, and Jon Carroll

**Members Absent:** Robert Hodgson III, Shawn Pritchett, and Kate Parker, ex-officio member

Also Present: Les Kinstad, Paul Hess, Al Roettger, Brent Tucker, and Bruce Smidt, Community Development staff

**Agenda:**

1. **Call to Order.** Les Kinstad called the meeting to order at 4:05 p.m.
2. **Additions or Deletions to the Agenda.** Added Chasing Willows II Apartments project for Board approval to use a portion of the \$1 million Affordable Housing Loan Funds.

Paul Hess gave the Board some updated design details on the Tenth Street and Summit Avenue project previously discussed in the March 11 Advisory Board meeting. This particular project received funding of \$471,000 from the remaining Community Development Block Grant (CDBG) and HOME funds from 2014. This particular project is not being funded from the \$1 million Affordable Housing loan funds. Paul said the eight-plex at Tenth Street and Summit Avenue is all one-bedroom units with four of the units on the bottom level being ADA accessible. Paul indicated ground breaking is expected by Labor Day with occupancy following the spring of 2016. The rents for these units will all be below 50 percent median family income (MFI), which equates to \$600 a month (including utilities) and below. The rent for two of these units will be 30 percent MFI, which equates to \$400 a month.

3. **Approval of the Minutes for the Meeting of March 11, 2015.** Upon motion by Frank Adams, seconded by Gayleen Riedemann, the Board approved the minutes of the March 11, 2015, Community Development Affordable Housing Advisory Board meeting as emailed. Motion carried unanimously.
4. **Old Business.** There was no old business to discuss.

## 5. New Business:

### Review applications for \$1 Million Affordable Housing Loan Funds

#### a. South Third Avenue Lofts.

Les informed the Board this project is a \$12 million dollar project located from 405–415 South Third Avenue. The project will include 82 units total with 62 of them to be made available to people with 60 percent MFI or lower. The remaining 20 will be unrestricted market rate units. The site plan reveals approximately 140 off-street/underground parking stalls. Community Development is proposing to offer them \$350,000 pending Board's approval. The developer will be borrowing \$6.5 million as a loan, \$400,000-\$500,000 as a note, and will also be requesting tax increment financing from the City at \$1.3 million.

#### b. Chasing Willows II Apartments

Les indicated the project site will be located at 57th Street and Sycamore Avenue. The building will have a total of 40 units with 22 units being affordable at 50, 40, or 30 percent MFI. The developer has requested \$750,000 from the City to assist in funding this project. Les said he is supportive of this project that will be done by Costello Companies. The project is \$5.4 million with cash equity that comes out of the tax credit sales just under \$3.3 million. Les said as it is proposed, \$450,000 to \$750,000 will be paid back over 32 years with \$300,000 being deferred. The building will have 20 one-bedroom units, 12 two-bedroom units, and 8 three-bedroom units. This building will also have a local management company managing the property.

After a brief group discussion, Les recommended the Board's approval of both projects. Upon motion by Frank Adams, seconded by Robin Burgard, the Board approved the South Third Avenue Lofts and Chasing Willows II Apartments projects.

#### 6. Other Business. There was no other business.

#### 7. Adjourn. Upon motion by Frank Adams and seconded by Robin Burgard, meeting adjourned at 4:55 p.m.

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Secretary