



Legislation Text

File #: 16-0594R, **Version:** 1

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

CITY PROPOSAL:

RESOLVED, that the Duluth city council hereby expresses its support for One Roof Community Housing's request for funding behalf of the Housing Resource Connection to the Minnesota Housing Finance Agency for funding from the Rental Rehabilitation Deferred Loan Program (RRDL).

STATEMENT OF PURPOSE: This resolution expresses the city council's support of an application which has been submitted to the Minnesota Housing Finance Agency (MN Housing) for funding of a loan program for rental property owners. The request is for a loan pool of \$1.25 to \$1.75 million, which will be used to rehabilitate between 40 to 60 units of rental housing. Property owners would receive an interest free deferred loan up to \$300,000, with 75% of the principal due and payable at the end of the loan term, the other 25% is forgiven. The loan term is between 10-30 years, depending on the size of the loan and if there are other mortgages on the property.

The RRDL is a program by MN Housing to assist local communities in Greater Minnesota to rehabilitate existing affordable housing stock. This year, approximately \$7.5 million is being made statewide.

The applicant is One Roof, who will be the contract administer of the RRDL on behalf of the Housing Resource Connection (HRC). The HRC is a collaboration of One Roof, the Duluth HRA, Arrowhead Economic Opportunity Agency, and the City's Community Development Division, to provide comprehensive housing assistance to Duluth's homeowners, homebuyers and rental property owners. This "one stop shop" for housing rehab programs is located in the Central Hillside Center, at 12 East 4th Street. Applications for funding can be made at any of the HRC partner agencies, or on line at www.housingresourceconnection.org <<http://www.housingresourceconnection.org>>.