



Legislation Text

File #: 21-0323R, **Version:** 1

RESOLUTION OF INTENT TO SUPPORT THE REQUEST BY THE HOUSING AND REDEVELOPMENT AUTHORITY OF DULUTH MINNESOTA TO THE STATE OF MINNESOTA FOR LOW INCOME HOUSING TAX CREDITS AND INFRASTRUCTURE BONDS FOR THE CONSTRUCTION OF THE 70 UNIT SKYRIDGE FLATS SENIOR APARTMENTS.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to express support for the Housing and Redevelopment Authority of Duluth's request for funding to the Minnesota Housing Finance Agency for low-income housing tax credits and infrastructure bonds to construct a 70-unit affordable senior apartment building.

STATEMENT OF PURPOSE: This resolution expresses the city council's support of an application to be submitted to the Minnesota Housing Finance Agency (MHFA) by the Housing and Redevelopment Authority of Duluth, Minnesota (HRA) for low-income housing tax credits and infrastructure bonds that may be awarded by MHFA for the construction of a 70-unit affordable senior apartment building. The deadline for submission of the application to MHFA is July 15, 2021. MHFA intends to finalize their funding decisions by December 2021.

The proposed Skyridge Flats Senior Apartments would provide 70 one-bedroom units of affordable senior living. One hundred percent of the units will be leased to seniors whose household income does not exceed 50% of the statewide area median income. Twenty-one (21) units will be further restricted to 30% AMI. In addition to senior services being offered or coordinated on site, the project will set aside four (4) to seven (7) units for individuals meeting the definition of High Priority Homeless. The three-story building will include ample common space to encourage community socialization. The Skyridge Flats Senior Project will be the fifth phase of the HOPE VI plan awarded back in 2003.

MHFA requires tax credit applicants for housing developments in Duluth to receive the support of the city council. The support is required to assure that a given proposal is a priority for the City of Duluth and that it meets locally identified housing needs. A 2019 Maxfield Research Inc. housing analysis reported that Duluth could absorb up to 3,509 additional units of affordable housing by 2024. The demand for this type of housing has been further substantiated through staff research and analysis during both the Image Duluth 2035 comprehensive plan update and annual Housing Indicator Reports.