



Legislation Details (With Text)

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Title:	RESOLUTION OF INTENT TO SUPPORT THE REQUEST BY ARTSPACE PROJECTS INC TO THE STATE OF MINNESOTA FOR LOW INCOME HOUSING TAX CREDITS FOR THE REDEVELOPMENT OF THE EXISTING WASHINGTON STUDIOS.		

Sponsors:

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Attachments: 1. AHC Support Letter LIHTC Projects

Date	Ver.	Action By	Action	Result
5/10/2021	1	City Council	adopted	

RESOLUTION OF INTENT TO SUPPORT THE REQUEST BY ARTSPACE PROJECTS INC TO THE STATE OF MINNESOTA FOR LOW INCOME HOUSING TAX CREDITS FOR THE REDEVELOPMENT OF THE EXISTING WASHINGTON STUDIOS.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to express support for Artspace Projects, Inc.'s request for funding to the Minnesota Housing Finance Agency for low-income housing tax credits to redevelop the existing Washington Studios.

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 Artspace Projects, Inc. for low-income housing tax credits that may be awarded by MHFA for the redevelopment of the existing Washington Studios. 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 redevelopment of the existing Washington Studios will provide creation of six (6) new housing units, adding to the existing 39 units, through the adaption of existing building area, resulting in a more efficient unit configuration. The project will also address physical needs at the property that includes full redevelopment of the residential portion of the building, including restoration and preservation of the structures envelope, a complete overhaul of the heating and makeup air systems, and renovation of all existing residential units. The aim is to modernize the building's systems to create a more efficient and sustainable operations long term. Units will serve households at or below 60% AMI, with five (5) of these units set aside for families experiencing long term homelessness through the Continuum of Care program. Services are planned to be offered through a partnership with the Human Development Center along with rental support for residents through rental vouchers. The building will maintain its focus on providing Duluth arts community affordable live/work housing.

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.