

Otter Tail County Housing Convening

February 15, 2023

AGENDA



- Welcome
- Big Build Action Strategy
- Greater Minnesota Housing Fund
 - Introduction & Overview
 - Financing Programs
 - Housing Initiatives
- 2022 Big Build Progress
- Q&A and Discussion

INFRASTRUCTURE STRATEGIES

Housing, broadband, childcare, and outdoor recreation.



The Big Build

ACTIONS



Increase the construction of new housing units to meet the various needs of household types and income levels



Build partnerships with and expand the capacity of non-profit organizations, community partnerships, private developers to collectively respond to the housing challenge



Seek funding opportunities to support new housing development, ownership opportunities and reinvestment



Advocate for increased funding and support of housing at the state and federal levels



THE BIG BUILD
bigbuildotc.com
OTTER TAIL COUNTY

GREATER MINNESOTA HOUSING FUND

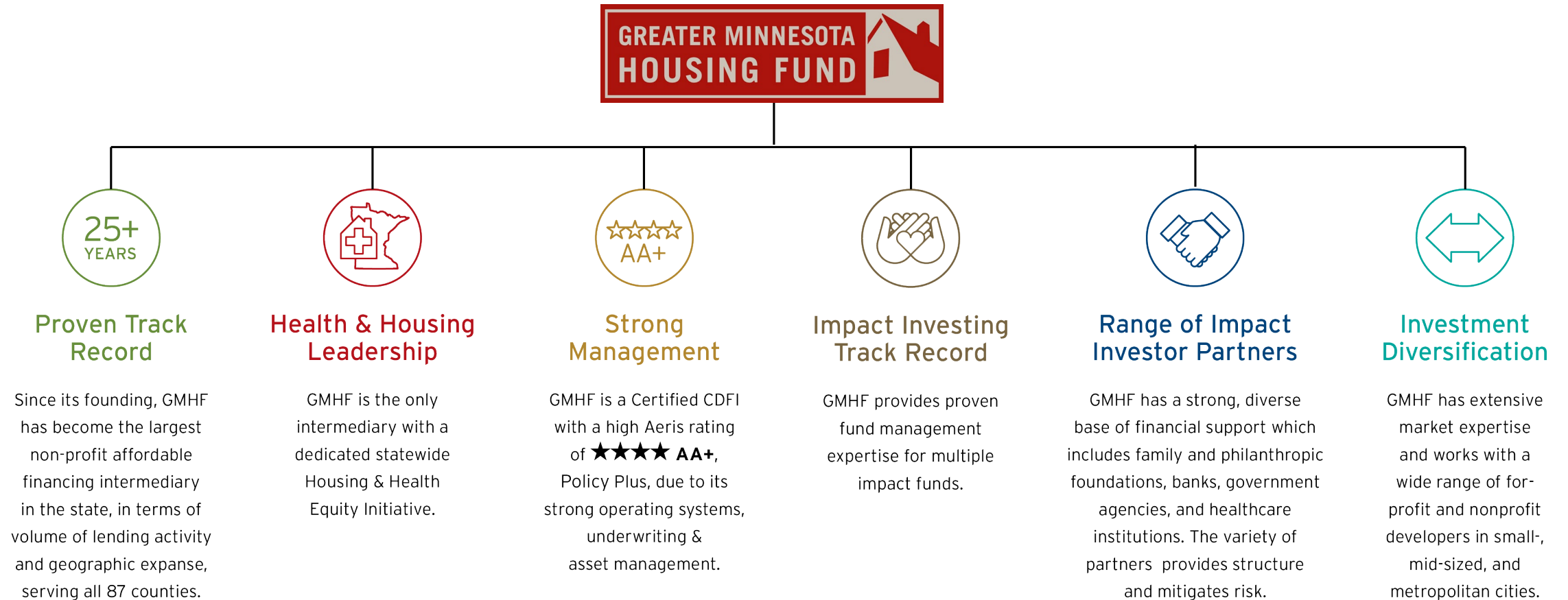


Mission



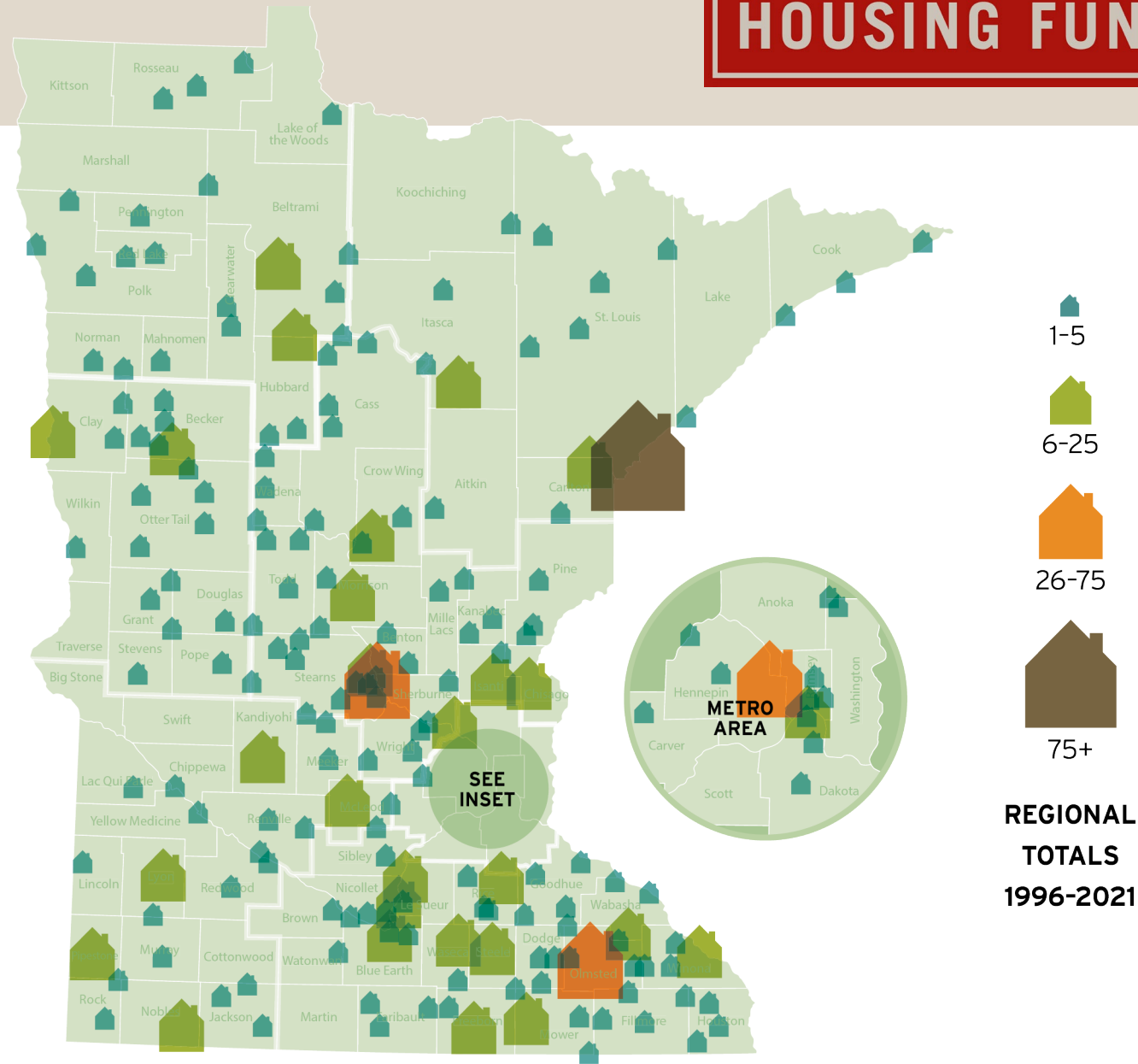
The mission of Greater Minnesota Housing Fund is to **support the creation of strong communities and affordable homes** by making strategic investments and forming effective partnerships.

History of Success

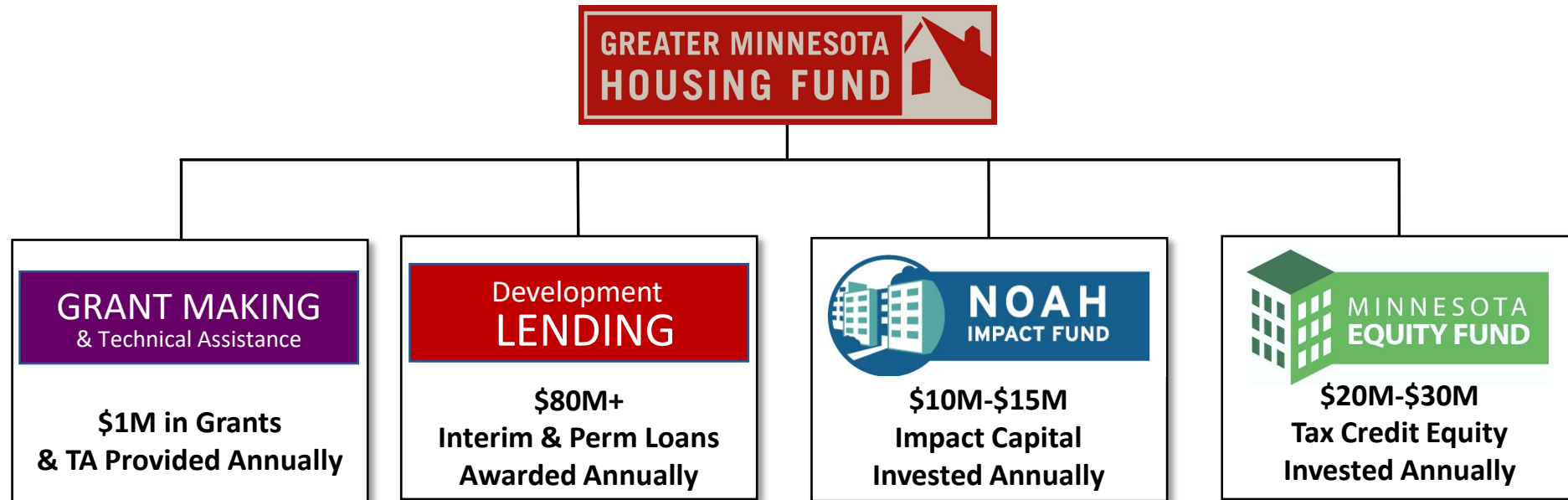


Impacts

Since 1997, GMHF has **invested \$736.8M** in the Twin Cities and across the state, creating **18,522 homes** for families, children, and individuals with low incomes, of which approximately **3,600 units** have combined housing with services.



Funding Structure & Tools



Combined \$110M+ lending and investment awarded annually



Affordable Housing Loan Products

GREATER MINNESOTA
HOUSING FUND



Multifamily

- Predevelopment Loan
- Acquisition Financing
- Construction / Bridge Loans
- Permanent First Mortgage
- Construction to Permanent First Mortgage
- Mezzanine 2nd Mortgage
- Tax Increment Financing (TIF)
- State Historic Tax Credit bridge Loan
- Equity from MEF

Single Family

- Construction Loan Line of Credit
- New Market Tax Credit (NMTC)
Source Loan

Emerging Developers of Color Program



In November 2021, GMHF launched a program to increase the number of developers of color engaged in affordable housing development.

Support for Developers

- ❖ Technical assistance
- ❖ Flexible project financing options
- ❖ Training resources
- ❖ Predevelopment financing
- ❖ Grant funding opportunities

Program Accomplishments

- ❖ Awarded \$13.9M in flexible, Low-cost loan capital
- ❖ \$475K in predevelopment grants
- ❖ Financed 23 Affordable Housing developments led by emerging developers of color
- ❖ Preserved 480 units of housing

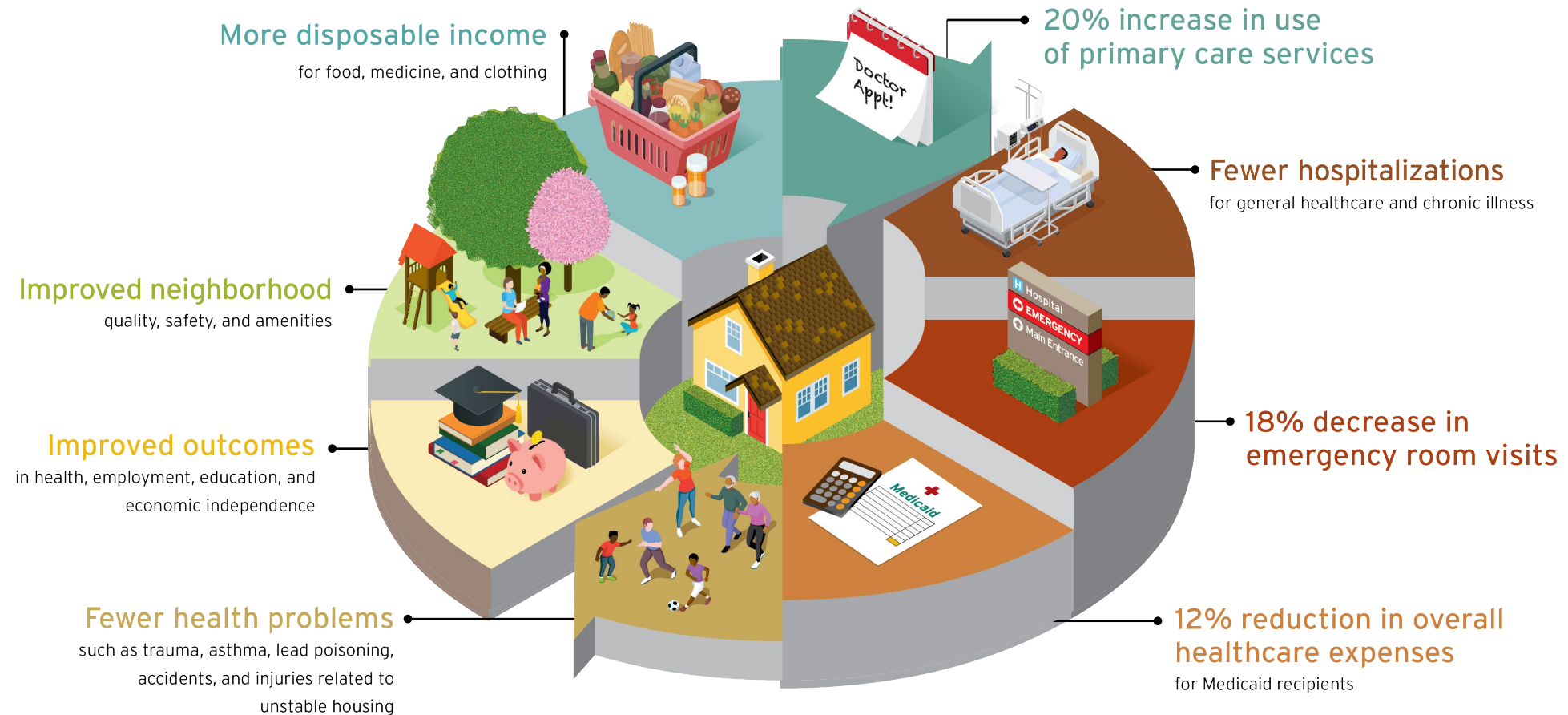
Minnesota Housing & Health Equity Initiative Goals



1. **Health & Housing Projects:** Create a **pipeline of** innovative developments that create stable housing and improve community health.
2. **Community of Practice:** Build networks to share learnings, advance opportunities and provide peer support for creating upstream solutions to community health.
3. **Research Best Practices:** Document case studies, best practices and lessons learned to share knowledge and foster strong partnerships.
4. **Catalyze Investment:** Expand access to impact capital that supports the creation of innovative housing and health equity projects and programs.
5. **Systems Change:** Advocate for policies and system change that will effectively link housing and health services.

Health Equity means all people, regardless of race, income, or ZIP code have opportunities to live their healthiest life possible.

Housing & Health Equity Initiative

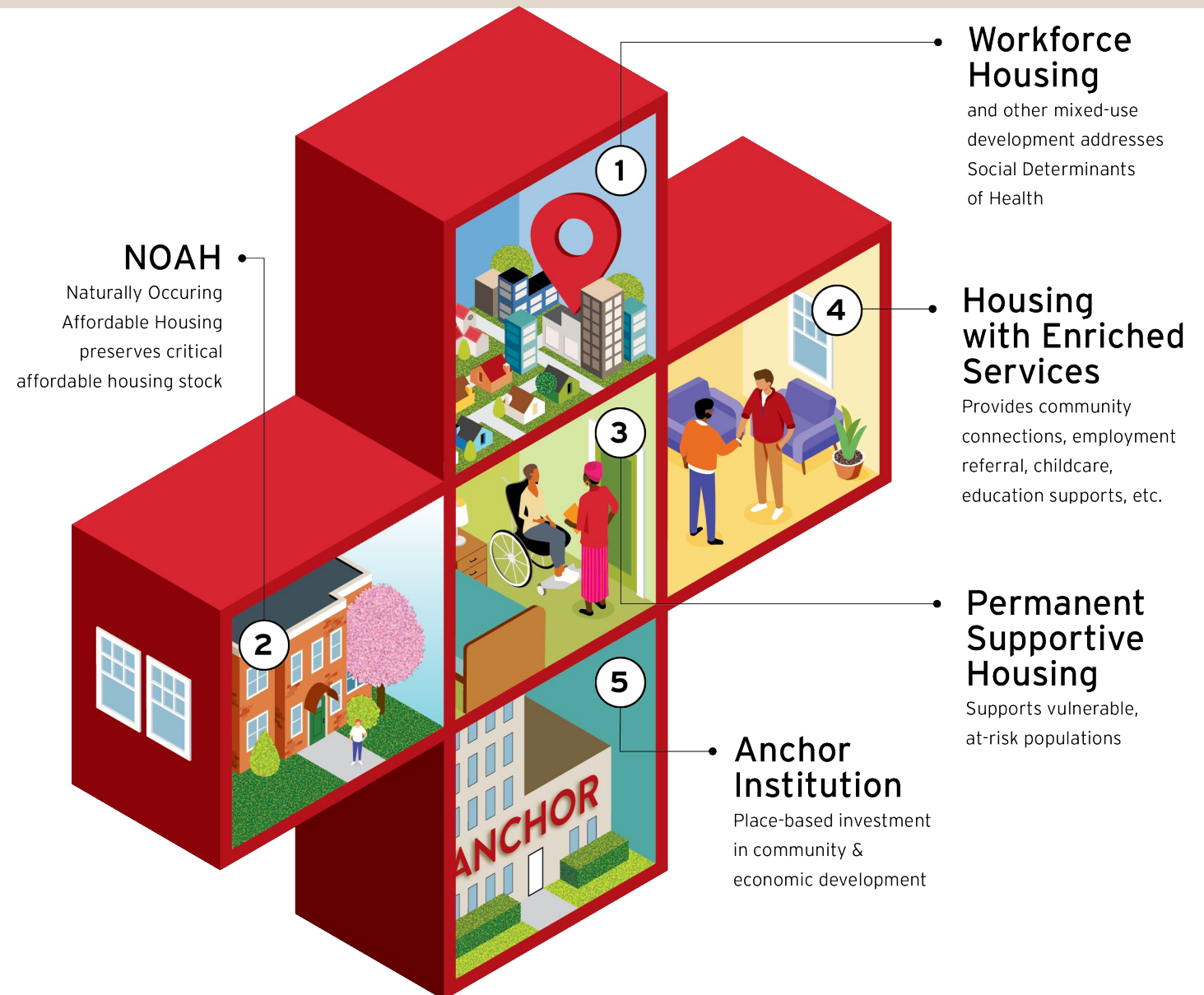


Housing & Health Equity Initiative



DEVELOPMENT TYPES

While Housing & Health Equity developments can vary widely and include a broad range of strategies, there exists five core types that increase housing stability – the foundation for multiple social determinants of health. GMHF's Housing & Health Equity Initiative works with healthcare partners, developers, and community-based institutions to translate complex goals and siloed efforts into tangible, aligned developments.



H&HE Case Studies & Projects



Families find security and chance to rebuild lives

Duluth's Steve O'Neil Apartments provides homes & coaching to stabilize homeless families

The opening of Steve O'Neil Apartments marked a new chapter in the lives of 44 formerly homeless families who now have safe, affordable homes with on-site support services to help them live healthier lives and break the cycle of long-term homelessness.

The development is located in the heart of downtown Duluth, close to jobs and public transportation, and offers family life skills coaching, an on-site early childhood center, and shared meals. Residents pay no more than 30% of their income for rent.

The 44-unit permanent supportive housing community and six-room emergency homeless family shelter is named for homeless advocate, St. Louis County Commissioner and GMHF board member Steve O'Neil, who passed away in 2013.

Homeless service provider, Churches United in Ministries (CHUM) saw a tremendous need for a family-centered residential community in Duluth when demand at its emergency shelters doubled between 2009 and 2013, with 75 families seeking shelter, including 141 children. Many of the families seeking shelter were headed by single mothers who had also experienced homelessness as a child.

Steve O'Neil Apartments Duluth, Minnesota

GMHF Predevelopment Loan:	\$1M
GMHF Construction Loan:	\$9.9M
GMHF Gap Loan Financing Contribution:	\$500K
Minnesota Equity Fund (MEF) Investment:	\$10.5M
MEF Impact Investor: UnitedHealth Group (UHG)	
Total Development Cost:	\$12.9M

Community Partners: Center City Housing Corp., Churches United in Ministry (CHUM), City of Duluth, Duluth HRA, Duluth LISC, Duluth Superior Area Community Foundation, Greater Minnesota Housing Fund, Minnesota Equity Fund, Minnesota Housing, Northland Foundation, One Roof Community Housing, United Health Group

Greater Minnesota Housing Fund (GMHF) provides development loans, grants and equity investments for affordable housing throughout Minnesota, and is a certified Community Development Financial Institution (CDFI). Minnesota Equity Fund (MEF) is a subsidiary of GMHF and works with investors to provide equity capital to affordable housing developments.







Health & Housing
CASE STUDIES

Hotel to Housing

Duluth Inn, Duluth, Minnesota
A Housing & Health Equity Prototype



Duluth Inn was converted to Permanent Supportive Housing by Churches United in Ministry (CHUM) in 2021.

Duluth Inn provides 43 living units with services and technology for telehealth appointments for residents.

CHUM was initially leasing rooms to provide a safe environment for homeless senior citizens during the COVID-19 pandemic.

St Lukes Hospital will acquire and operate the housing with CHUM providing services.

GMHF provided \$1.6M permanent 30 year first mortgage financing



Project Example

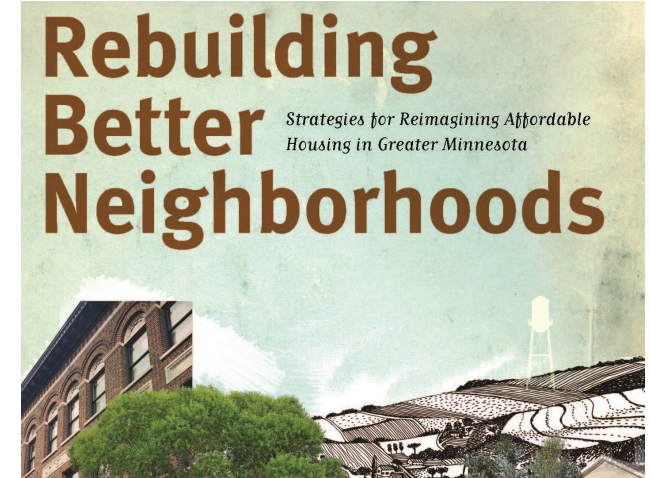
A History of Innovation

Employer-Assisted Housing Resource Guide

A primer for employers and community leaders

GREATER MINNESOTA
HOUSING FUND

- ❖ Employer-Assisted Housing
- ❖ Green and Sustainable Communities
- ❖ Workforce Housing
- ❖ Community & Neighborhood Design
- ❖ Community Capacity Building



The mission of Greater Minnesota Housing Fund is to **support the creation of strong communities and affordable homes** by making strategic investments and forming effective partnerships.



332 Minnesota Street
Suite 1650-West
Saint Paul, MN 55101

651.221.1997 main
800.277.2258 toll-free
651.221.1904 fax
www.GMHF.com



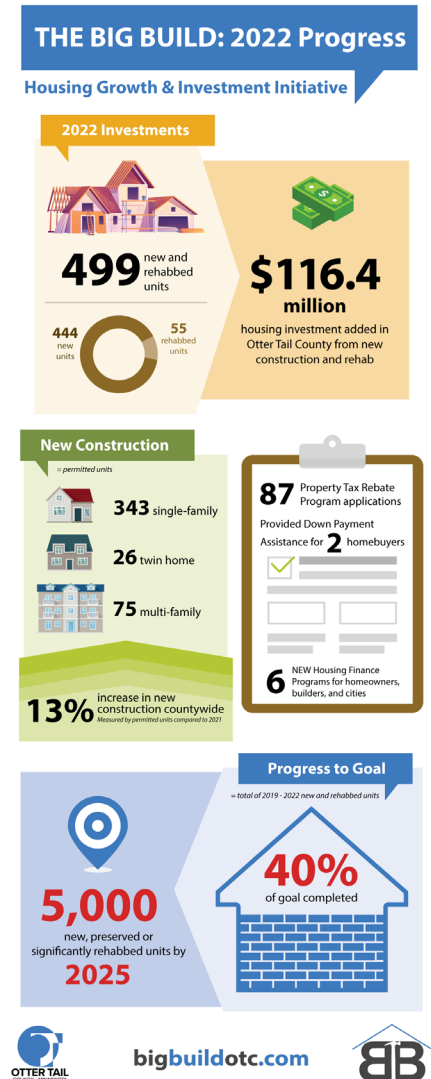
INFRASTRUCTURE STRATEGIES

Housing, broadband, childcare



The Big Build

- › 499 new and rehabbed homes
 - › 444 new units (13% increase from 2021)
 - › 55 rehabbed units
- › 87 tax rebate applications
- › \$116.4 million housing investment from new construction and rehab
- › Completed County Housing Needs Analysis
- › Invested \$2 million to develop 6 new and expand existing housing finance programs
- › Approved 3 Community Growth Partnership Grants



INFRASTRUCTURE STRATEGIES

Housing, broadband, childcare



Project Support and Assistance Programs

- › Housing project support for:
 - › Battle Lake Blue Spruce rental town homes
 - › Battle Lake Hidden Meadows
 - › New York Mills South Point apartments
 - › Pelican Rapids County highway garage redevelopment
 - › North Fields of Dalton affordable senior rental homes
- › First full year of Housing Choice Voucher Program and Public Housing Program administration



Outreach & Communications

- › 200+ people attended housing and workforce events
 - › Housing Summit
 - › Pelican Rapids Housing Summit
 - › Quarterly housing convenings
- › 16 press releases issued to local and regional media
- › 163 social media posts
- › 21 email newsletters
- › Housing webpage redesign
- › Presentations to city council, township, chamber, industry associations, and community organizations



Community & Economic Development Annual Report



2022 Community & Economic Development

ANNUAL REPORT SUMMARY

Housing

The need to expand housing opportunities is critical in addressing the county's workforce needs. The Big Build housing growth and investment initiative continued to show progress in 2022 to increase the construction of new housing units, build partnerships to expand capacity, seek funding opportunities, and advocate for increased funding and support of housing.

200+ people attended housing events to learn, engage, and activate housing growth and partnerships. Events included:

- Housing Summit
- Pelican Rapids Housing Summit
- Quarterly housing convenings

444 new housing units and 55 rehabbed units adding up to \$116.4 million of housing investment.



\$2 million invested to develop 6 new and expand existing housing finance programs providing support for owner-occupied and rental construction and rehabilitation.

- Provided Down Payment for 2 homebuyers
- Approved 87 Property Tax Rebate Program applications

9 first time homebuyers purchased homes with lower interest rate mortgages and down payment assistance through the Minnesota Cities Participation Program, a partnership between local lenders, Otter Tail County, and Minnesota Housing Finance Agency.

Completed Housing Needs Analysis that demonstrated a need for over 4,500 housing units by 2036.

Housing Project Support

- **Battle Lake Blue Spruce rental town homes**
Approved tax abatement for the construction of 12 rental town home units that are currently under construction.
- **Battle Lake Hidden Meadows single-family homes**
Construction underway on two new affordable single-family homes that will be sold to eligible homebuyers.
- **New York Mills South Point apartments**
Approved tax abatement and awarded public infrastructure grant for the construction of 60-unit market rate rental apartment building, which is anticipated to start construction in spring 2023.

- **Pelican Rapids County Highway Garage redevelopment**
Prepared concept site layout and completed the redevelopment tax increment financing district qualifications report.
- **North Fields of Dalton affordable senior rental homes**
Prepared preliminary development plan.



Housing Choice Voucher Program

Otter Tail County's Housing Choice Voucher Program is a partnership between the Housing & Redevelopment Authority (HRA) and local residential property owners. The purpose of the program is to provide rental assistance to eligible households throughout the County, excluding Fergus Falls and Wadena, to lease an existing rental unit.

100 households served monthly and 10 new vouchers are issued on average each month to eligible residents to look for housing. Program participants include families, elderly, and disabled households, with two-thirds being single member households.

- Quarterly workforce convenings

Developed in-demand skills training partnership with M State, starting with leadership training in January 2023.

Provided \$2,500 to 5 Otter Tail County employers to participate in the Racial Equity Dividends Index, helping them better prepare for and understand diversity in their workforce.



Workforce Navigation Program

Workforce Navigation Program launched in 2022 to build relationships between Otter Tail County employers and create a pipeline of highly skilled students in the workforce.

Grant awarded from the Minnesota Department of Labor & Industry Youth Skills Training

With the expanded K12 Navigator online tool to allow schools and students to connect with employers willing to offer career exploration and learning activities.

Otter Tail County employers registered on the K12 Navigator directory.

REGISTER TO ENGAGE WITH THE FUTURE WORKFORCE
[K12Navigator.org](https://www.k12navigator.org)

65 students from 1 school districts field trips to 6 businesses representing the agriculture and manufacturing industries. Students explore career pathways in these high-demand industries.

Workforce Steering Committee was organized to provide guidance to:

- Minnesota Youth Skills Training fund disbursement among school districts
 - Identify challenges and strategize solutions for schools and businesses doing work-based learning and career exploration
 - Build sustainable relationships between schools and businesses to become Youth Workforce Navigation champions for the long term future
- Membership includes school and business partners representing a range of geographies and industries.

Will build out 323 miles and serve 1,500 households with a total investment of \$11.3 million.

App was created internally for efforts with local broadband is used to inform provider Minnesota Border-to-Border Grant Program.

rooms were completed at K Center and Otter Tail County (public wi-fi and virtual meeting room) was created to highlight the quality of life by supporting the County.

22 workshop series, hosted and the Fergus Falls Senior Center internet fraud and phishing, file transfer use of devices.

American Connection Corps Fellow did partnerships for countywide arts, digital literacy, and digital

Growth Partnership

Partnership Grant program is County Community Development program are to increase the quality of life by supporting development, and commercial

Communities:

Grant provided for the removal of a blighted property on Lake Superior Market & Wellness

Grant provided to support the Williams Company

Grant provided to support the Williams Company



INFRASTRUCTURE STRATEGIES

Housing, broadband, childcare, and outdoor recreation.

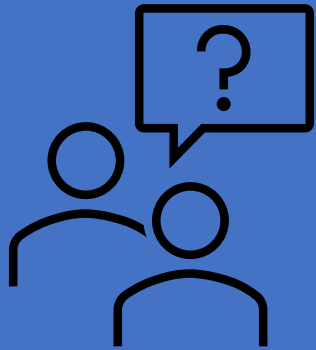


Don't Forget About Our Housing Programs!



ottertailcountymn.us/housing

QUESTIONS



› Eric Muschler

emuschler@gmhf.com

› Amy Baldwin

abaldwin@co.ottertail.mn.us

› Tanya Westra

twestra@co.ottertail.mn.us

› Barbara Dacy

bdacy@co.ottertail.mn.us