



2023 ANNUAL REPORT

# Supporting an Ecosystem of **HOUSING IMPACT**





GMHF supports the creation  
of **STRONG COMMUNITIES**  
and **AFFORDABLE HOMES**  
through strategic investments  
and effective partnerships.

## Letter from the President and Board Chair

Let's begin with a big win for Minnesotans: in 2023, we partnered with organizations throughout Minnesota to successfully advocate for a record \$2 billion in new State housing investments. We're currently leading efforts to help the state effectively deploy those resources to partners and communities statewide to create new and preserve existing affordable housing.

Greater Minnesota Housing Fund provided extensive technical assistance to loan applicants and borrowers, emerging developers of color, and healthcare organizations seeking to invest in housing. Our Emerging Developers of Color (EDOC) Program entered its third year and continues to expand its impact in technical assistance, training, direct lending and investment, and supporting a stronger ecosystem for emerging developers. Our Housing and Health Equity (H&HE) Initiative saw the "graduation" of its first cohort of health system fellows and the creation of a new advocacy group, Healthcare for Housing Minnesota. In 2023 we launched a new Rural Tribal Capacity Building Program to support rural and Tribal communities in achieving their housing goals.

GMHF and Minnesota Equity Fund (MEF) investment in affordable housing continues to grow. In 2023, GMHF and MEF financed a combined 1,519 affordable housing units through lending and syndication. GMHF closed \$107.1 million in loans and awarded \$118.5 million in loans to new projects. MEF deployed \$21.6 million in syndications with

\$13.5 million committed for additional investment in housing. We invite you to learn more about our work and impact across funds, programs, initiatives, and partnerships in this report.

In 2023, GMHF welcomed Andrea Brennan as our second President & CEO. GMHF's Board was pleased to hire a strong, experienced, and equity-focused leader, celebrate the success of the last 27 years, and oversee a smooth leadership transition. Thank you to our board and staff for their dedicated work and to all partners who work alongside GMHF to help meet housing needs for all Minnesotans.

While we are immensely proud of the work we've done, there remains significant unmet housing needs across our state. This includes the severe shortage of affordable rental homes, a growing need to stabilize existing affordable rental units, and persistent racial disparity gaps in access to affordable and sustainable homeownership. GMHF will continue to develop and grow strategic partnerships to advance our mission of supporting the creation of affordable homes and sustainable communities for individuals and families in Minnesota.



Andrea Brennan  
President & CEO



Nancy Vyskocil  
Board Chair

# \$107.1M

of Loans Closed

# 1,519

Affordable Housing Units Financed

# \$476.3M

Total Development Costs\*

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\* Total Development Costs (or capital mobilized) refers to all other loans and investments received for a development, over and above GMHF's investment.

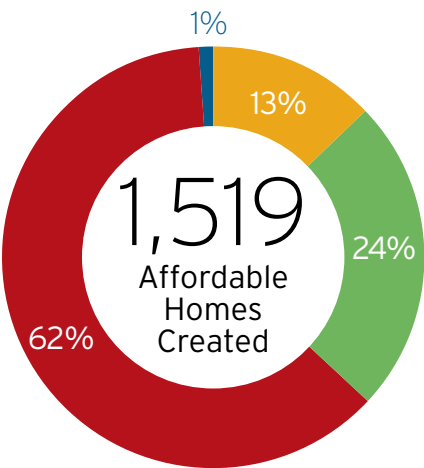


A photograph of a family in a doorway. A man in a plaid shirt and a woman in a white lace top are embracing. A young man in a white t-shirt and dark pants is standing in the doorway, looking towards the camera. The scene is brightly lit, suggesting a sunny day outside. The text "EVERYTHING begins at HOME." is overlaid on the image.

**EVERYTHING**  
begins at **HOME.**

Minnesotans need quality affordable housing options to create lives they envision for themselves. Grounded in our strategic plan, we used our strengths as an experienced lender and policy-shaping partner to rally solutions to address unmet housing needs. 2023 was a year of learning, partnership, and advocacy. We’re using what we learned to build momentum in 2024.

## 2023 Affordable Housing Impact



3,800  
Residents Housed

\$118.5M  
Low-Cost Loans  
Awarded<sup>1</sup>

\$21.6M  
Equity Capital  
Mobilized<sup>2</sup>

Units by Area Median  
Income (AMI)

Units	AMI
196	0-30%
365	31-50%
950	51-80%
8	81-120%

## 2023 Economic Development Impact



Household Rent Savings  
in 2023<sup>3</sup>



Created Directly and  
Indirectly through  
Construction<sup>4</sup>

1 This figure represents only GMHF's Revolving Loan Fund.  
2 Through Minnesota Equity Fund Low-Income Housing Tax Credits.  
3 Across 1,519 units created in 2023 tenants average a rent savings of \$600 per household per month or \$7.2K per year.  
4 This is an industry standard, Community Development Finance Institution (CDFI) Fund calculation. Based on total development costs of all lending and investing, which was about \$476.3M in 2023, divided by \$35,000, approximately 13,600 jobs were created directly and indirectly from development projects.



## Housing Solutions in **KEY IMPACT AREAS**

We've identified key impact areas to address stable housing needs on the continuum of income and experiences in Minnesota communities. GMHF supported projects and policy with impact in these three areas.



### STABLE HOMES

We produce and preserve homes because they are the foundation for child development, school achievement, career success, and healthy families.



### TARGETED COMMUNITY INVESTMENT

We partner with local communities to invest in housing that revitalizes neighborhoods, spurs reinvestment, supports economic development, and meets the unique needs of each community.



### EQUITABLE COMMUNITIES & WEALTH BUILDING

We work with local and regional housing and community partners to create strong and more equitable communities and build generational wealth through homeownership and real estate development.

## ANNIE'S HOUSE OF REFUGE & RESTORATION

DULUTH



PHOTO COURTESY OF DIVINE KONNECTIONS

Annie's House of Refuge & Restoration is a 5-unit single-room occupancy (SRO) supportive housing project. Owned and operated by Divine Konnections, a local nonprofit, this property provides housing and wraparound services to young BIPOC mothers experiencing homelessness. With culturally specific coaching and mentoring, Divine Konnections supports residents by providing stability and helping them on the journey from homelessness to homeownership. All units serve households at or below 30% AMI with built-in Housing Support rental assistance.

Founded by Deyona Kirk, Divine Konnections is a Black woman led organization receiving an Emerging Developers of Color Program predevelopment grant from GMHF. This project also received a Community Development Block Grant from the City of Duluth.

### GMHF LENDING

Amortizing First Mortgage	\$399K
Mezzanine Loan	\$42K
<b>Total Development Cost</b>	<b>\$563K</b>

## LAGOON AVENUE ESTATES

MINNEAPOLIS



PHOTO COURTESY OF JAMES CRUMBLE

Lagoon Avenue Estates from emerging developer James Crumble is a two building, 17-unit property with a mix of 1- and 2-bedroom units. Located in the heart of Uptown, the property is within walking distance of shopping, restaurants, and recreation. All 17 units are rent and income-restricted, affordable to households with incomes at or below 50% AMI. This project also received Naturally Occurring Affordable Housing (NOAH) Preservation Funds from the City of Minneapolis.

### GMHF LENDING

Amortizing First Mortgage	\$1.8M
Mezzanine Loan	\$189K
<b>Total Development Cost</b>	<b>\$2.6M</b>

## MIDWELL APARTMENTS

MINNEAPOLIS



PHOTO COURTESY OF RUETER WALTON DEVELOPMENT

Midwell Apartments is an 86-unit new construction development in the Phillips Neighborhood of South Minneapolis. Developed by Rueter Walton, this project features 1-, 2-, and 3-bedroom units, with 11 units reserved for formerly homeless Minnesotans. All units rent at or below 60% AMI. Allina Health was a key partner on this project — part of our Housing & Health Equity Initiative — and invested \$3M as part of their community impact strategy to improve social determinants of health through housing investments.

### GMHF LENDING

Construction/Bridge Loan	\$6.8M
MEF Investment	\$10.2M
<b>Total Development Cost</b>	<b>\$27M</b>





## POLICY & SYSTEMS CHANGE

We work to advance housing policies and systems change to improve access and opportunity, while enhancing effectiveness of public and private sector institutions leveraging new capital resources to address housing needs.

Policy Partner for

# \$2B

in Housing Support

In 2023, the Minnesota legislature approved nearly \$2 billion in housing investments to support the creation and preservation of affordable housing and increased homeownership opportunities. GMHF, with lobbying support from Fredrickson & Byron, played a critical role as an advocate for these resources and is currently advancing deployment of funds to communities across the state. Key investments include:

### COMMUNITY STABILIZATION PROGRAM

New legislation for a \$90M program which preserves naturally occurring affordable housing (NOAH) properties. Thanks to the leadership of Representative Mike Howard and support from the Senate Housing Chair Port and Governor Walz, the State provided support for statewide NOAH preservation. GMHF had been advocating for this funding since 2019. The program allows Minnesota Housing to grant funds to a statewide intermediary/CDFI to preserve naturally occurring affordable housing through acquisition and rehabilitation.

### HOMEOWNERSHIP INVESTMENT GRANTS

Creation of a new Homeownership Investment Grant Program along with a \$40M appropriation was part of 2023 legislation. Minnesota Housing can allocate funds to establish revolving loan accounts at CDFIs who can offer resources to developers and homebuyers directly. GMHF and Minnesota Habitat for Humanity have provided recommendations for use of the funds and look forward to the eventual rollout.

### NEW INVESTMENTS IN GREATER MINNESOTA

GMHF supported establishing several new programs serving the needs of Greater Minnesota communities, including the \$8M Greater Minnesota Housing Infrastructure Program. This program recognizes the high cost of infrastructure required in rural communities to support new housing development.

### STATE HOUSING TAX CREDIT CONTRIBUTIONS FUND

GMHF advocated for the establishment and funding of a state tax credit to support housing development and preservation. Authorized a few years ago, this state tax credit was available for the first time in the Fall of 2023. The program provides around \$10M per year in credits from 2023-2028 for individual and corporate taxpayers that make contributions to support affordable housing. GMHF moved quickly to commit funding to Minnesota Housing Partnership and contract with Mary Tingerthal to coordinate efforts to raise awareness about the tax credit program with developers, identify eligible projects, and promote the program to potential contributors. As a result, nearly \$7M in contributions were received by the December 2023 deadline.



# Housing Production, Investment & Grantmaking Since Inception

Revolving Loan Fund		Minnesota Equity Fund		NOAH Impact Fund I		Grantmaking
Units*	Lending	Units*	Capital	Units	Capital	
21,707	\$772.5M	2,628	\$249.8M	701	\$23.5M	\$27.2M

Since 1996,  
GMHF has  
made over

\$1.1B

in direct capital investments  
across all funds, to mobilize

\$3.74B

of capital from  
other funders.

\* Includes some duplication of units funded by both GMHF's Housing Development Loan Fund and Minnesota Equity Fund.

## Grantmaking

\$998.6K

in total grantmaking, including

\$569K

for strategic initiatives and

\$429.6K

for emerging developers of color across Minnesota.

More than just a lender we work to support innovative housing solutions all over Minnesota. Grantmaking is one tool we use to support an ecosystem of impact for developers and grantee-partners statewide. In 2023, GMHF provided grants that advanced program areas and for strategic initiatives directly responding to urgent housing needs. Grant awards included:

### HOUSING INSTITUTE 8 MINNESOTA HOUSING PARTNERSHIP

This initiative works to close the gap between affordable units available and people who need them in rural communities. Housing leaders and stakeholders share experiences, learn best practices, and develop creative solutions together over an 18-month period. Using a team-based model, the institute creates lasting connections to support vibrant rural communities and regions.

### TENANT HOTLINE HOME LINE

This confidential hotline provides free and low-cost legal support, renter education, and tenant advocacy services so tenants can address issues for themselves. The service is available in English, Spanish, Somali, and Hmong. HOME Line works to improve statewide policy supporting tenant rights and empowerment in the process.

### EVERGREEN HOUSE PILOT PROJECT GREEN NEW DEAL HOUSING

This pilot project supported the construction of the Evergreen House, a one-story, 1500ft<sup>2</sup>, 3-bedroom home in Duluth. The high-performance design uses less energy, has a roof-mounted solar array, and will likely include an EV charging station. Working to address generational inequities in homeownership, this well-designed sustainable home was made for buyers at or below 115% AMI.

### MINNESOTA HOMELESS STUDY WILDER RESEARCH

This study is designed to elicit better understanding of circumstances for Minnesotans experiencing homelessness. From initial counts, 10,522 people experienced homelessness at least one night in 2023. The point-in-time study provides information needed to help address system-wide causes and improve programs and policies with the goal of eliminating homelessness.

### EMERGING DEVELOPERS OF COLOR GRANTS

In addition to organizational grants, we continued grantmaking through our EDOC Program. Grants supported predevelopment, training, and education for developers creating community-aware solutions for all Minnesotans. With 22 grants awarded in the Twin Cities Metro and Greater Minnesota, as well as technical assistance, these newer developers got the boost they needed to begin or continue their development journey.

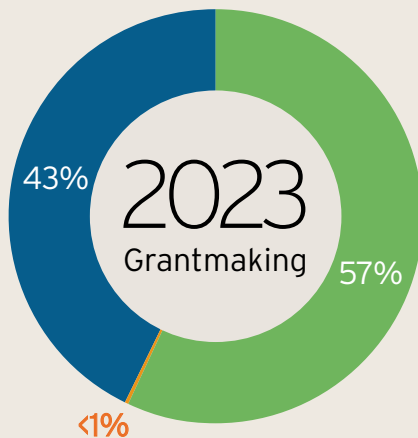


## GRANTMAKING 2023

### STRATEGIC INITIATIVES

Clay County Housing & Redevelopment Authority (HRA)	\$50K
Green New Deal Housing	\$10K
HOME Line	\$100K
HousingLINK	\$25K
Minnesota Homeownership Center	\$50K
Minnesota Housing	\$50K
Minnesota Housing Partnership	\$41K
Minnesota Housing Partnership	\$150K
Neighborhood HealthSource	\$28K
Northcountry Cooperative Foundation	\$25K
Wilder Research	\$40K

**Total Strategic Initiatives Grantmaking** **\$569K**



### EMERGING DEVELOPERS OF COLOR (EDOC)

#### Training & Education

Jackie Funk	\$1K
Alisha Gehlert	\$1K
Libin Hashi	\$0.8K
Wendy Jourdain	\$1K
Youa Vang	\$0.8K

**Total Training & Education** **\$4.6K**

#### Predevelopment

1075 Properties	\$20K
Ashley DuBose Entertainment	\$20K
Atlas Real Estate Development	\$25K
BLUU Northside Cooperative Housing	\$25K
Build Wealth MN	\$50K
CURA Foundation	\$10K
Develecor	\$10K
Divine Konnections	\$50K
Face to Face	\$50K
Hazaelee Sellers	\$10K
Jamar Smith	\$10K
Magnolia Flats	\$40K
Magnolia Homes	\$10K
Phenomenal Women, LLC	\$50K
Reinvesting in Communities and Housing (RICH)	\$10K
Richard White Investments	\$10K
Wenrich Property & Development LLC	\$25K

**Total Predevelopment** **\$425K**

**Total EDOC Grantmaking** **\$429.6K**



## Regional Map of Minnesota

Creating and preserving affordable housing in Minnesota's 87 counties

GMHF has invested

**\$1.1B**

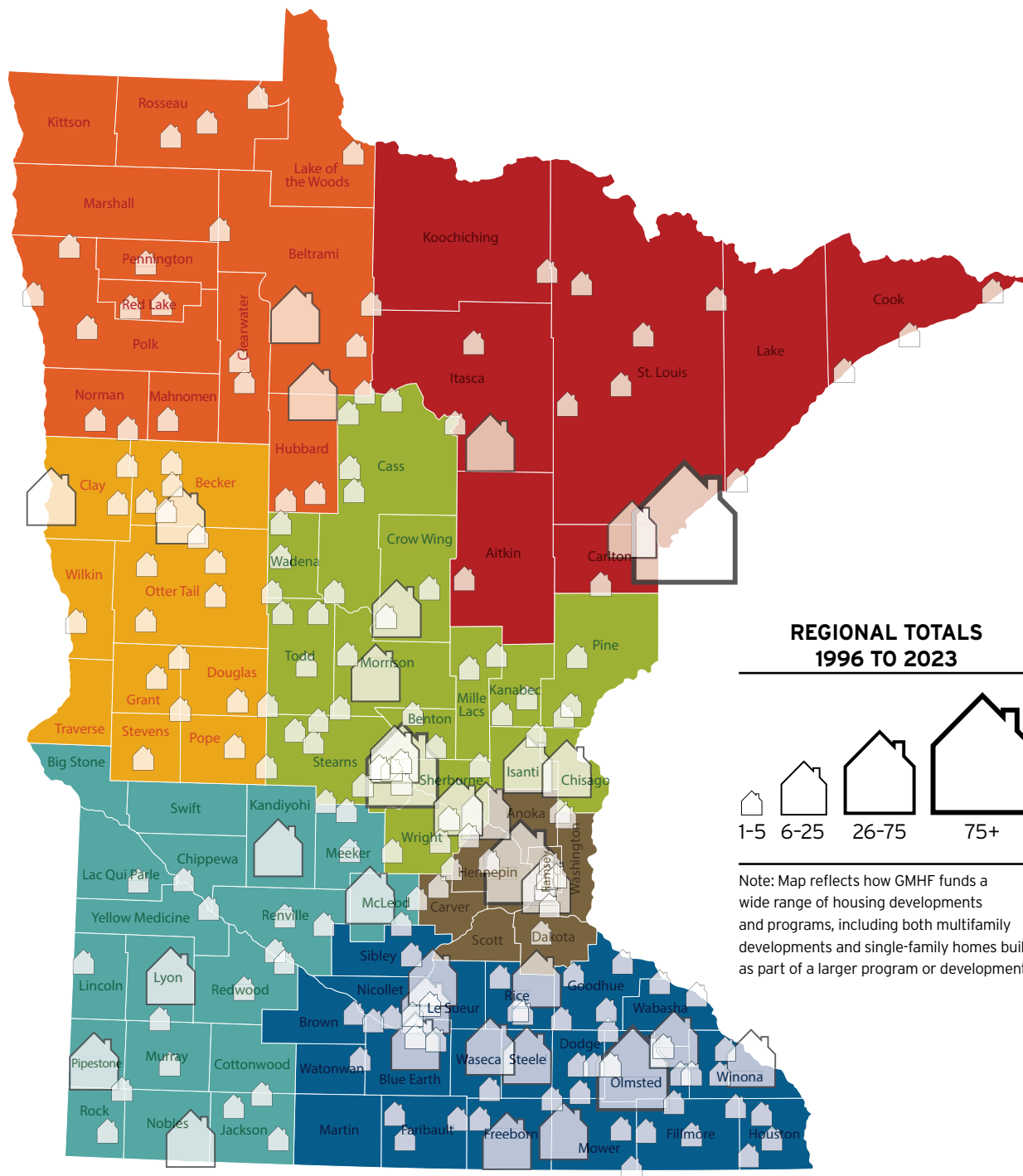
in 200+ communities, creating

**21,707** homes

for families, children, and individuals in low-income, cost-burdened households, with an estimated

**\$3.74B**

total capital impact from GMHF's lending and investing across all funds since 1996.





A photograph of an older woman with dark hair pulled back, wearing glasses and a light blue t-shirt. She is sitting in a black chair, looking over her shoulder towards the right with a warm smile. The background is a softly blurred indoor space, possibly a home, with a doorway and a potted plant visible.

# GMHF PROGRAMS and **INITIATIVES**

Creating informed, responsive housing solutions  
with a focus on addressing social and racial inequities.



# Emerging Developers of Color Program

Disrupting systemic race-based barriers to real estate investment, financing, and development.

Historically, the development and housing industries have been party to systemic injustices which leave diverse developers out of the conversation. Our Emerging Developers of Color Program provides capacity-building support for BIPOC developers in Minnesota.

## Irene Ruiz-Briseño

Emerging Developers of Color Program Manager  
[iruizbriseno@gmhf.com](mailto:iruizbriseno@gmhf.com)

## BUILDING CAPACITY, RELATIONSHIPS, AND EQUITY

Our commitment to providing substantial technical assistance (TA) to developers is a core strength of the EDOC program establishing us as a trusted resource for emerging developers of color statewide. From support navigating RFPs and feedback on proformas to letters of interest for financing. Time spent on TA supports developers on their journey of creating community impact. We provided 60+ hours of technical assistance every month.

Building relationships with developers of color and with institutional partners helps bridge the gap historic inequities have caused. In 2023, EDOC program staff worked closely with staff at the City of Saint Paul and City of Minneapolis, connecting developers of color to Saint Paul Inspiring Communities, Minneapolis Homes

Financing, and each city's respective NOAH Preservation Fund programs. We cultivated new relationships with Minnesota Housing Partnership, Urban Land Institute, LISC Twin Cities, Minnesota Multi-Housing Association (MHA) and the City of Bloomington for new programming in 2024.

## 2023 PROGRAM ACTIVITIES & ACCOMPLISHMENTS

We awarded over \$49.2M in financing & \$429.6K in grants to BIPOC individuals, BIPOC-led organizations, Tribal organizations, and emerging developers of color.

- **Outreach & Engagement:** Staff connected with nearly 100 prospective developers of color responding to requests for information on loans, grants, technical assistance, or referrals to other



of technical assistance provided



in financing



in predevelopment, training, and education grants



resources and partner organizations. This outreach included in-person meetings and convenings in Otter Tail, Saint Cloud, Bemidji, Rochester, and at a gathering of 11 Tribal Nations in Prior Lake. Designed to deliver information, create connections, and share resources, staff organized events, including:

- **Real Estate & Proforma Trainings** for developers interested in acquisition and rehab of Small NOAH projects.
- **Emerging Developer Expos** held in Saint Paul and Rochester with partner organizations nearby who support emerging developers.
- **Real Estate Solutions** was a day-long symposium co-designed by and for practitioners working with emerging developers to address racial equity challenges in the industry.
- **Developers of Color Predevelopment Grant RFP:** We provided direct financial assistance grants to developers to enhance their capacity to create and preserve affordable housing. Eligible applicants were individuals, Tribal governments, non-profit organizations, and for-profit organizations led by or serving people of color. Funds could be used for predevelopment costs like consultants and project managers or for training and education to build capacity for development projects.

## SAINT PAUL INSPIRING COMMUNITIES DEVELOPMENT PROJECTS

GMHF partnered with the City of Saint Paul to support their Inspiring Communities program by providing technical support and construction lending to these developers. The program provides focused investment in neighborhoods most impacted by foreclosure and vacancy by constructing new housing on vacant lots owned by the Saint Paul Housing and Redevelopment Authority (HRA). The City of Saint Paul provided value gap and affordability gap funds to the projects.

All homes built through the program must be sold to homebuyers with household incomes at or below 80% AMI. Support for future homebuyers is offered by partners like Neighborhood Development Alliance, CLUES, Model Cities of Saint Paul, NeighborWorks Home Partners, and LSS Financial Counseling.



**1195 BUSH AVENUE**  
SAINT PAUL  
Dayton's Bluff Neighborhood

Kali Terry of New Verticals Development acquired the vacant lot to construct a duplex with 3 bedrooms and 1 bathroom in each unit. The project expects to break ground in April 2024.

**GMHF LENDING**  
Construction Loan     \$367K



PHOTO BY MEGAN SAUNDERS

**695 COOK AVENUE**  
SAINT PAUL  
Payne-Phalen Neighborhood

Dalton Outlaw of Outlaw Development acquired the city-owned lot to build a duplex with 3 bedrooms and 1.5 bathrooms in each unit. The project closed and began construction in December 2023.

**GMHF LENDING**  
Construction Loan     \$395K



**965 MARION STREET**  
SAINT PAUL  
Payne-Phalen Neighborhood

The second of two duplexes from Black-owned development company, Outlaw Development. Transforming a once-vacant lot, this duplex will feature 3 bedrooms and 1.5 bathrooms in each unit.

**GMHF LENDING**  
Construction Loan     \$383K



GMHF fosters relationships  
to positively **TRANSFORM**  
**HEALTH OUTCOMES**  
through stable, affordable housing.



# Housing & Health Equity Initiative

Advancing affordable housing development and impact investment for health equity.

Stable housing is foundational for healthy people and healthy communities. Our Housing & Health Equity Initiative continues to convene health organizations and connect housing experts to advance a pipeline of projects that create, innovate, and preserve affordable housing in Minnesota.

## Eric Muschler

Director of Housing & Health Equity  
[emuschler@gmhf.com](mailto:emuschler@gmhf.com)

## THE HOUSING & HEALTH EQUITY FELLOWS PROGRAM



2023's Housing and Health Equity (H&HE) work was centered on our H&HE Fellows Program. This fellowship focused on building transformational relationships with healthcare leaders statewide. In partnership with the Center for Community Investment and Minnesota Housing, we convened 30 fellows from six of the top ten healthcare systems in Minnesota. Fellows expanded their understanding of roles for their institutions and new avenues to advance affordable housing, bringing fresh perspectives back to their respective organizations.

Thank you to these innovative partners working to improve outcomes in housing and health equity:

Allina Health  
Blue Cross Blue Shield Minnesota  
CentraCare  
Children's Minnesota  
Essentia Health  
M Health Fairview

## 2023 PROGRAM ACTIVITIES & ACCOMPLISHMENTS

- **Graduated the inaugural class of 30 H&HE Fellows.**
- **Formed Healthcare for Housing Minnesota**, a new group made up of fellows program graduates, to continue their collective learning and advance their work.
- **Drafted institutional plans for expanding health system roles in affordable housing.**
- **Established National Partnerships** with the **Center for Community Investment (CCI)**, **Neighborworks America**, and the **Build Health Places Network** providing cross-sector learning opportunities through training, technical assistance, sharing best practices and opportunities to grow impactful work.
- **Distributed Housing & Health Equity newsletters with stories, resources, and research of direct healthcare partnerships**, innovative programs, and investment.
- Identified and **advanced new models and partnerships**, including mixed use projects, and expanding **Federally Qualified Health Clinics** with affordable and supportive housing opportunities.

## Healthcare for Housing Minnesota

### HOUSING & HEALTH EQUITY FELLOWS TO CONTINUE THEIR WORK IN A NEW WAY.

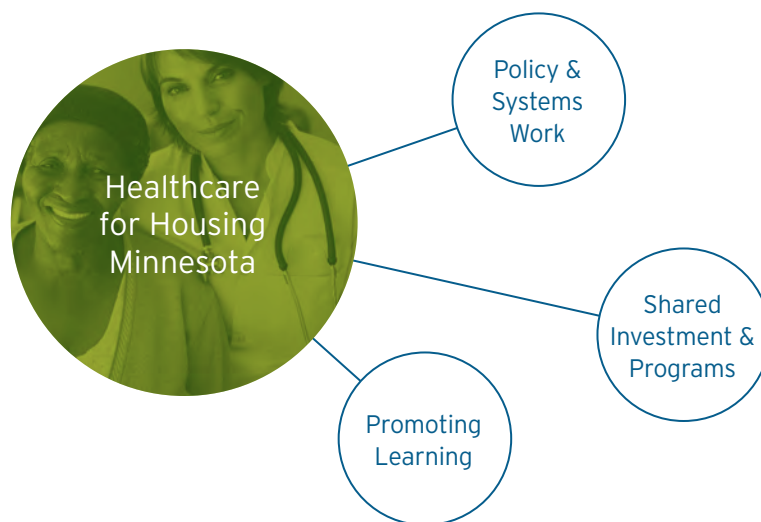
In 2023, Fellows were encouraged to create transformational work plans building on strengths and opportunities they identified in their organizations. In total, plans in discussion and seeking approval for action in the coming few years offer nearly \$60M in potential projects and innovative ideas. To continue building this pipeline, fellows requested GMHF convene the group in 2024, forming a new coalition called **Healthcare for Housing Minnesota**.



are paying more  
than they can afford  
for their housing

In Minnesota, over 50% of renters are paying more than they can afford for their housing. To address the needs of cost-burdened communities, Healthcare for Housing will work to “convene healthcare institutions to advance housing stability as the most critical social determinant of health to achieve health equity.” Healthcare for Housing’s agenda includes:

- **Policy and Systems Work:** serving as champions and a collective voice on housing and community investment in social determinants of health.
- **Shared Investment & Programs:** connecting healthcare and housing partnership for advancing an affordable housing pipeline of projects.
- **Promoting Learning:** continuing efforts to learn together and educate others on the critical role housing has on community health.



## Transformational change takes time, but **early signs show the impact of H&HE's field-building work** with the following actions occurring in 2023:

- **Allina Health made a \$3M investment** in GMHF's Revolving Loan Fund, part of a \$30M commitment toward community impact investing.
- **Essentia Health donated land for a mixed-use project** that will provide affordable senior housing with a childcare center in Duluth. This adds to their grantmaking and low-interest loans which advance other development projects near the downtown hospital Essentia completed in 2023.
- **CentraCare has taken on a convening and leadership role in the St. Cloud region** pulling together a housing summit with counties, cities, and housing industry leaders to increase affordable housing production in that region.

Others are in various stages of exploring roles that include: using their credible influence, expanding as anchor institutions, growing capacity as advocates, and looking for powerful ways to use assets to create healthier and more equitable communities.





# GMHF LENDING and EQUITY

Leveraging experience and capital to support affordable housing development and preservation in Minnesota.



## Revolving Loan Fund

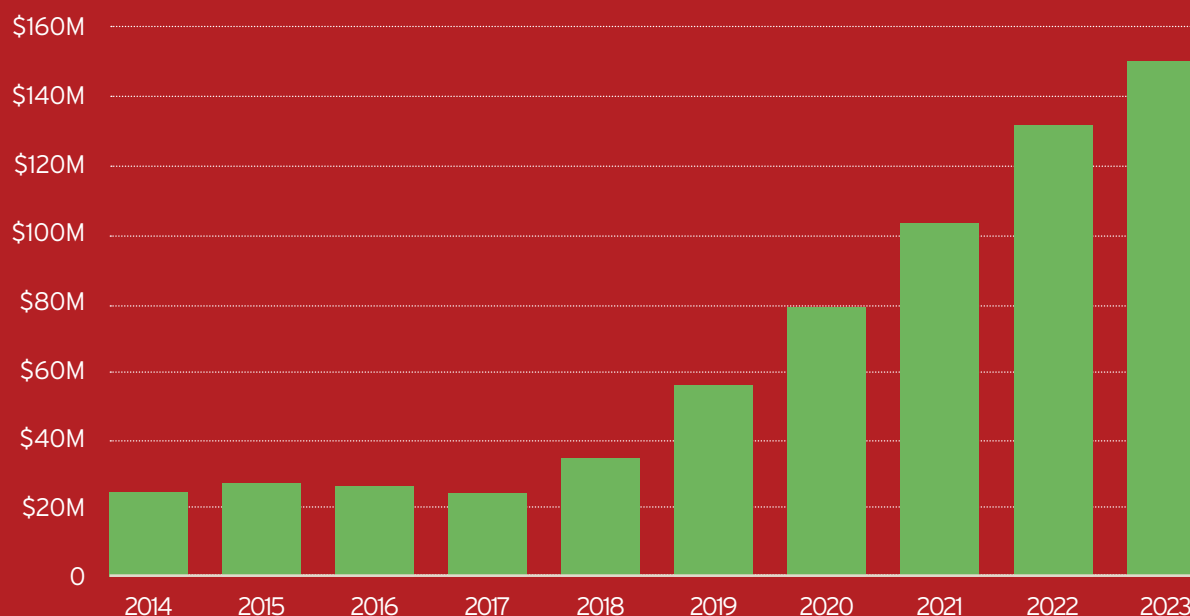
In 2023, GMHF awarded \$118.5M in development loans to create or preserve affordable homes across Minnesota. Developments are in areas that need workforce housing to support economic growth as well as smaller rural communities where housing stock is in lower supply.

### John Rocker

Managing Director of Lending  
[jrocker@gmhf.com](mailto:jrocker@gmhf.com)



### Total Loans Outstanding by Year



\* GMHF and MEF resources are sometimes used to finance the same developments so there may be some overlapping of unit counts.



## 1ST & 3RD APARTMENTS

AUSTIN



1st & 3rd Apartments is a three-story 40-unit new development in southern Minnesota from Three Rivers Community Action Partnership. This project features 3- and 4- bedroom units (28% of the total units) to respond to a community identified need for larger units in the area. With 9 units reserved for permanent supportive housing, Minnesotans experiencing homelessness and Minnesotans with disabilities in these units will pay no more than 30% of their income towards rent. All units will serve households between 30% and 60% AMI.

Partners invested in the success of this project include Hormel Foundation, Mower County, and the City of Austin.

### GMHF LENDING

Construction/Bridge Loan	\$10M
Amortizing First Mortgage	\$1.2M
<b>Total Development Cost</b>	<b>\$16.6M</b>

## PLYMOUTH AVENUE APARTMENTS

MINNEAPOLIS



Plymouth Avenue Apartments is a new construction, two building, 63-unit development with a mix of studio, 1- and 2-bedroom units. 14 units are reserved for permanent supportive housing for Minnesotans likely to experience homelessness and Minnesotans with disabilities. These units are subsidized with housing support so renters will pay no more than 30% of their income towards rent. The remaining units will serve households at or below 50% AMI.

This project received funding from the City of Minneapolis, Hennepin County, and the Metropolitan Council. This is the first tax credit project for James Archer of Matrix Development a BIPOC owned, Minneapolis-based development company.

### GMHF LENDING

Tax-Exempt Construction/Bridge Loan	\$10.2M
Amortizing First Mortgage	\$4.8M
<b>Total Development Cost</b>	<b>\$20.3M</b>

Both developments include subsidized **permanent supportive units** reserved for Minnesotans experiencing homelessness and Minnesotans with disabilities.



## Minnesota Equity Fund

In 2023, MEF assembled \$21.6M in socially motivated equity capital to finance 81 rental homes, including 56 new units and 25 preserved units with federal Section 8 Rental Assistance through the U.S. Department of Housing & Urban Development (HUD).

MEF makes significant Low Income Housing Tax Credit (LIHTC) equity investments in affordable housing in Minnesota and beyond with support from UnitedHealth Group (UHG) and Cinnaire's multi-investor funds.

### John Errigo

Managing Director of Equity Investing  
& NOAH Fund Manager  
[jerrigo@gmhf.com](mailto:jerrigo@gmhf.com)

In 2023, MEF deployed  
**\$21.6M**  
in socially motivated capital  
to create or preserve



56  
new units  
financed\*



25  
rental units  
preserved

Since 2012, MEF has operated through a highly successful partnership between GMHF and Cinnaire, a non-profit LIHTC syndicator.

Since 2012, MEF invested  
**\$249.8M**  
of LIHTC equity in



\* GMHF and MEF resources are sometimes used to finance the same developments so there may be some overlapping of unit counts.



# Preserving Deeply Affordable Workforce Housing

## HORIZON HEIGHTS TOWNHOMES BURNSVILLE

Horizon Heights Townhomes is an existing 25-unit development from CM Cooper & Associates with 3- and 4-bedroom units in Burnsville. Originally constructed in 1980, all units are subsidized with a Project-Based Section 8 Housing Assistance Program (HAP) that will be renewed and extended for 20 years. With this housing assistance program in place, families living there pay no more than 30% of their income for rent. All 25 units serve

families at or below 50% AMI, which is currently \$62,100 for a family of 4 in Dakota County.

This development needed high-quality stewardship and an infusion of capital to address substantial deferred maintenance and repairs that threatened to close the property. Christopher and Tom Cooper, principals at CM Cooper & Associates, brought their experience in affordable housing

development, management and operation of properties with rental restrictions, and project-based rental assistance to the table. They stepped up to tackle this project with partners Kaas Wilson Architects and Flannery construction to preserve these hard-to-find units and rental community.

In addition to the \$3.1M investment by MEF, Minnesota Housing and Dakota County provided significant funding including a HUD Risk-Share first mortgage of \$2.5M and deferred gap loans totaling \$5.0M.

### MEF INVESTMENT

Project Equity	\$3.1M
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With the housing assistance program, townhome **residents pay no more than 30% of their income** for rent.



PHOTO COURTESY OF CM COOPER & ASSOCIATES



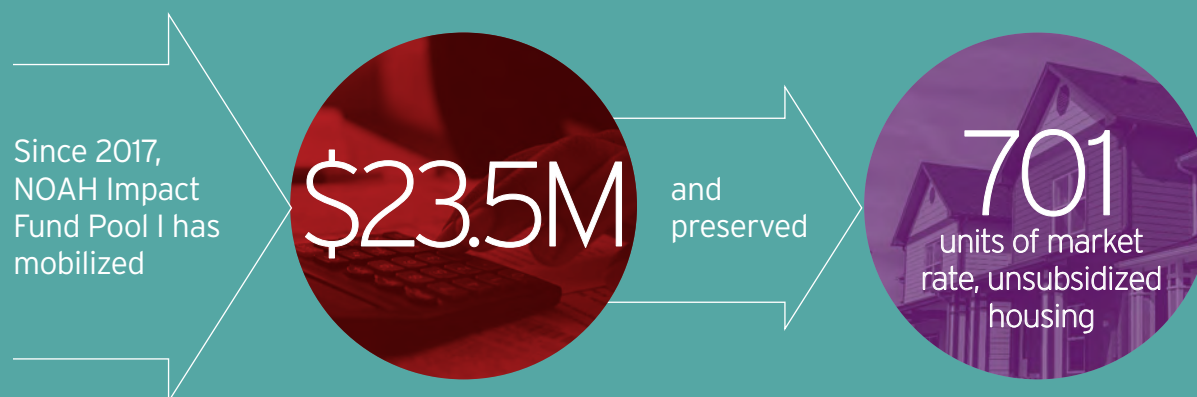
## NOAH Impact Fund

Since 2017, NOAH Impact Fund has mobilized \$23.5M and preserved 701 units of market rate, unsubsidized housing with Pool I investments. In 2023, GMHF actively worked to capitalize Pool II which is set to launch and open to developers in May 2024.

Naturally occurring affordable housing (NOAH) refers to residential rental properties that offer affordability but are not subsidized by federal programs. Most existing affordable housing falls under this category. Preservation of these units is a tool for curbing displacement of families and communities as these properties age.

### John Errigo

Managing Director of Equity Investing  
& NOAH Fund Manager  
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## CREATING OPPORTUNITY

NOAH Impact Fund creates opportunity for socially motivated investors and rental property owner-operators in key areas:

- **Maintaining Affordability**  
Creating long-term affordability options for properties more likely to lose affordability if acquired by profit-seeking investors.
- **Supporting Opportunity**  
Preserving properties near schools, jobs, transit and other opportunities for low-income, cost-burdened households.
- **Preventing Displacement**  
Ensuring people can stay in their homes and afford to live there, supporting stable communities long-term.
- **Stabilizing Properties**  
Supporting necessary renovations and management changes so residents have quality affordable housing.

## THANK YOU TO NOAH IMPACT FUND POOL I INVESTORS





# Staff and Board of Directors

## 2023 STAFF

**Andrea Brennan**  
President & CEO

**Rhiannon Caffee**  
Loan Closer

**John Errigo**  
Managing Director  
of Equity Investing &  
NOAH Fund Manager

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Housing Justice  
Communications  
Coordinator

**John Kieser**  
Senior Accountant

**Jenna Hebert**  
Investment Officer

**Kayla Hemmerle**  
Administrative  
Assistant

**Warren Hanson**  
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CEO (retired mid-year)

**Matt Holland**  
Controller

**Wes Johnson**  
Chief Underwriter  
& Senior Loan Officer

**Kate Knowles**  
Financial Analysis  
Manager, Banking  
& Compliance

**Joshua Kolb**  
Senior Asset Manager

**Holly Krachmer**  
Closing Manager

**Alexis Lancaster**  
Executive Assistant

**Kyle Larsen**  
Chief Financial Officer

**Andrew Lutz**  
Senior Strategic  
Analyst, Loan  
Portfolio & Data  
Systems

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Investment Officer

**Catherine McCarthy**  
Director of Capital  
Development

**Ben Miles**  
Loan Officer

**Nikki Mohs**  
Senior Loan Officer

**Eric Muschler**  
Director of Housing  
& Health Equity

**John Rocker**  
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**Irene Ruiz-Briseño**  
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Program Manager

**Megan Sanders**  
Loan Officer

**Barb Sporlein**  
Chief Operating  
Officer

**Tyler Thompson**  
Senior Financial  
Analyst, Asset  
Management

**Becky Tollefson**  
Lending & Programs  
Coordinator

**Evan Uribe**  
Loan Officer

**Genesia Williams**  
Director of  
Communications  
and Engagement

**Mai Yia Yang**  
Senior Accountant

## 2023 BOARD OF DIRECTORS

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Executive Director,  
Red Lake Reservation  
Housing Authority

**Mitchell Berg**  
**Crookston**  
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Veden Center for  
Rural Engagement  
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**Kim Bretheim**  
**Minneapolis**  
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LHB Architects, FAIA

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**Duluth**  
SVP Chief Retail  
Officer, National Bank  
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& CEO,  
CommonBond

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Studies and  
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Principal Banker,  
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**Lake City**  
Wabasha County  
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United Community  
Action Partnership

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**Duluth**  
Mayor of Duluth

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**Willmar**  
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Navigator and  
Community Liaison,  
Comunidades Latinas  
Unidas En Servicio

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**St. Peter**  
City Administrator,  
City of Saint Peter

**Char Roberts**  
**Red Lake**  
Finance Manager,  
Red Lake Band  
of Chippewa

**Dale Roemmich**  
**Sioux Falls, ND**  
Retired, President,  
First Farmers &  
Merchants National  
Bank

**Nancy Vyskocil**  
**Dent**  
Retired, President,  
Northwest Minnesota  
Foundation

## 2023 Financial Statements

STATEMENT OF ACTIVITY	2023
Contributions	\$ 13,314,955
Program Service Revenues	5,151,011
Amortization of Present Value Discount	1,487,181
Interest and Dividends, Net	2,160,531
Unrealized Gain (Loss) on Investments	1,309,798
Realized Gain (Loss) on Investments	(443,794)
<b>Total Revenue</b>	<b>\$ 22,979,682</b>
Program Services	\$ 7,518,640
Management & General	2,201,101
<b>Total Expense</b>	<b>\$ 9,719,741</b>
Change in Net Assets	\$ 13,259,941
Net Assets, Beginning of Year	\$ 115,039,993
<b>Net Assets, End of Year</b>	<b>\$128,299,934</b>

BALANCE SHEET	2023
Cash	\$ 9,139,601
Restricted Cash	5,391,319
Interest Receivable on Investments	226,208
Investments, Current	27,413,847
Other Receivables	272,157
Contributions Receivable, Current	2,335,000
Right to Use Asset, Current	88,235
Loans & Interest Receivable, Current	23,540,863
<b>Total Current Assets</b>	<b>\$ 68,398,230</b>
Allowance for Credit Losses	81,018
Property and Equipment	33,530
Right to Use Asset, Net of Current	1,942,803
Investments, Net of Current	17,412,678
Investment in NOAH Impact Fund LLC	(944,276)
Investment in MN Housing Finance Agency	1,041,231
Long-Term Loans Receivable	148,570,510
<b>Total Long-Term Assets</b>	<b>\$ 168,137,494</b>
<b>Total Assets</b>	<b>\$236,535,724</b>
Accounts Payable & Accrued Expenses	\$ 1,690,656
Unfunded Commitment Liability	421,573
Unearned Revenue	4,623,097
Grants Payable	225,373
Notes Payable, Current	7,723,017
Lease Liability, Current	88,235
<b>Total Current Liabilities</b>	<b>\$ 14,771,951</b>
Notes Payable, Long-Term	87,430,309
Community Investment Advance	6,000,000
Lease Liability, Net of Current	33,530
<b>Total Long-Term Liabilities</b>	<b>\$ 93,463,839</b>
<b>Total Liabilities</b>	<b>\$108,235,790</b>
Net Assets Without Donor Restriction	\$ 119,484,223
Net Assets With Donor Restriction	8,815,711
<b>Total Net Assets</b>	<b>\$ 128,299,934</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 236,535,724</b>

## 2023 GMHF Funders

Allina Health  
 Bank of the West  
 Blandin Foundation  
 BlueCross BlueShield of Minnesota  
 Buuck Family Foundation  
 CDFI Capital Magnet Fund  
 CDFI FA 2022 Round  
 CNOTE  
 CommonSpirit Health  
 Equitable Recovery Program  
 FR Bigelow Foundation  
 Frey Foundation  
 McKnight Foundation  
 Noa and Ted Saryk  
 Otto Bremer Trust  
 Saint Paul & Minnesota Foundation  
 U.S. Bank  
 Wells Fargo







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