

OLMSTED COUNTY MARKET AREA

2016-2020 Housing Framework:

Aspiring to Accommodate
Regional Growth





Acknowledgements

The 2016-2020 Housing Framework is the result of a multi-year, community-based planning process jointly led by Olmsted County and Rochester Area Foundation. Together, these institutions and Mayo Clinic Rochester engaged Maxfield Research to conduct a study of the housing needs of Olmsted County's residents, and invited Greater Minnesota Housing Fund to co-host a series of public dialogues about housing challenges and opportunities in Olmsted County.

These and other community partners are already taking steps to address the area's affordable housing shortage. The Olmsted County Housing & Redevelopment Authority exhibited strong leadership in passing a landmark housing levy in 2015 which has provided new, dedicated resources for affordable housing. Rochester Area Foundation has hired a housing director to coordinate the planning process, enhance community awareness of housing issues, and guide the local response. Mayo Clinic Rochester is the region's economic engine, creating jobs and helping to lead a wide range of economic and housing initiatives. The City of Rochester has devoted significant public resources to the creation and preservation of affordable housing and is actively exploring the potential for an inclusionary housing policy.

In support of this strong local leadership, Greater Minnesota Housing Fund has provided analysis of the Maxfield Research market study, developed alternate scenarios for advancing the production of affordable housing in Olmsted County, and calibrated the public and private resources that will be necessary to achieve each scenario. Greater Minnesota Housing Fund prepared this analysis and report in partnership with civic and community partners and the community at large.

About Greater Minnesota Housing Fund

Greater Minnesota Housing Fund (GMHF) is Minnesota's leading nonprofit affordable housing lender and provider of planning and technical assistance. In addition to providing interim and permanent financing for affordable housing, GMHF also operates the Minnesota Equity Fund (MEF), an equity investment vehicle for socially motivated investors to invest in affordable housing, and the NOAH Impact Fund to preserve unsubsidized affordable housing. GMHF is certified by the U.S. Department of Treasury as a Community Development Financial Institution (CDFI) and is a member of the Federal Home Loan Bank of Des Moines. GMHF holds an AERIS rating of AAA +2. GMHF was founded in 1996 to address the affordable housing needs of Minnesota's under-served communities, including cities, towns, rural areas, and tribal nations. Over its 20 year history, GMHF has provided more than \$270 million in financing and leveraged more than \$1 billion in capital investments, which has supported the creation and preservation of more than 14,100 affordable homes across Minnesota.

Executive Summary

Olmsted County's housing market is experiencing unprecedented pressures caused by strong economic growth. There is a rapidly growing need for housing of all types, but the scarcity of affordable housing is at a crisis level. Based on study by Maxfield Research, supplemented with data collected by Greater Minnesota Housing Fund, keeping pace with the need would require producing over 4,500 affordable homes in Olmsted County by the end of 2020. Unfortunately, meeting 100% of the need requires a level of resources that is not available. The 2016-2020 Housing Framework encourages Olmsted County's civic, business, and philanthropic institutions to aspire to accelerating affordable housing production and support the goal of meeting 35% to 40% of the need by producing 1,715 affordable homes in Olmsted County by the end of 2020.

The 2016-2020 Housing Framework presents the tools and information needed so that community leaders and stakeholders throughout Olmsted County can make informed choices about how to meet the housing needs of Olmsted County's residents, given unprecedented demand for new housing of all types that is being driven by Mayo Clinic's Destination Medical Center (DMC) initiative. A housing market that offers the full spectrum of housing choices is critical to a vital economy, to attracting and retaining a qualified workforce, to the educational achievement of children, and to better health outcomes for all residents.

Olmsted County's housing market works well for people with higher incomes, but the market is broken for individuals and families who seek affordable housing options. Olmsted County has not consistently captured its equitable share of the state and regional resources that are widely used to finance the development of affordable housing. Greater Minnesota Housing Fund estimates that every \$1 of local resources can leverage as much as \$8 of private debt and equity, as well as state and other funding. To attract essential state and regional resources and accelerate affordable housing production, Olmsted County's civic and business leaders will need to make a long-term commitment to a coordinated plan of action.

The 2016-2020 Housing Framework presents "high," "medium," and "low" goal options for accelerating affordable housing production in Olmsted County while balancing the need for affordable housing and the availability of resources. Unfortunately, meeting 100% of the need requires a level of resources that is not available. Meeting 10% to 15% of the need (the low/status quo approach) will not support anticipated job growth or address other regional priorities such as ending homelessness, preserving previous investments in affordable housing, or creating new affordable options for an aging senior population. Meeting 25% to 30% of the need (the medium/pragmatic approach) or 35% to 40% of the need (the high/aspirational approach) would leverage increased levels of outside public funds and private capital and position Olmsted County to better address market demand for affordable housing.

The 2016-2020 Housing Framework assumes that community leaders and stakeholders throughout Olmsted County will pursue the high/aspirational goal of producing 343 affordable homes per year over the next five years, for a total of 1,715 affordable homes by the end of 2020.



A housing market that offers the full spectrum of housing choices is critical to a vital economy, to attracting and retaining a qualified workforce, to the educational achievement of children, and to better health outcomes for all residents.

Potential Approaches in Olmsted County



LOW STATUS QUO GOAL 500 units/5 years

10%-15% of Affordable
Housing Needs Met

*Limited public, private and DMC
investments leveraged*

HRA Levy remains flat

Employers/Philanthropies
No New Contributions

No Inclusionary Housing
requirement implemented



MEDIUM PRAGMATIC GOAL 1,250 units/5 years

25%-30% of Affordable
Housing Needs Met

*Moderate public, private and DMC
investments leveraged*

Increase HRA Levy by 10%

Employers/Philanthropies
contribute \$2M/year

Implement a 5% Inclusionary
Housing requirement



HIGH ASPIRATIONAL GOAL 1,715 units/5 years

35%-40% of Affordable
Housing Needs Met

*Maximum public, private and DMC
investments leveraged*

Increase HRA Levy by 15%

Employers/Philanthropies
contribute \$3M/year

Implement a 10% Inclusionary
Housing requirement



Ideal World 4,563 units/5 years

100% of Affordable Housing Needs Met

All available public, private and DMC
investments leveraged

Maximize HRA Levy

Employers/Philanthropies
contribute \$12M/year

Implement a 15%
Inclusionary Housing requirement



A public-private partnership led a multi-year, open planning process to document and assess the region's housing needs and develop approaches to address it.

The Challenge at Hand

Olmsted County is at a crossroads. DMC, an economic development initiative that aims to position Rochester as a world-class health and wellness destination, has attracted \$585 million in state investment. Over the next 20 years, DMC expects to create over 40,000 new jobs. More than \$6 billion in projected private investments related to DMC will afford the region tremendous opportunities while also placing unprecedented growth pressures on Olmsted County and its individual communities in the coming years. Rochester, Byron, Chatfield, Dover, Eyota, Oronoco, Pine Island, St. Charles, Stewartville, and the surrounding townships do not have enough housing to accommodate all of the new residents projected to be attracted to fill the new jobs in the county. The vacancy rate for affordable workforce housing stood at a very tight 1.2% at the end of 2013.

As we know, where there is demand, the market is quick to follow. In Olmsted County, builders and developers have recognized the growing need for a range of single-family homes and apartments, and building permits, particularly for multifamily rental housing, have increased dramatically over the past several years. The market is very good at delivering upscale housing. It is even good at delivering housing for middle-income families. But the market is not meeting the full spectrum of housing needs. It is particularly ineffective at providing affordable housing for people with low and moderate incomes.

More than \$6 billion in projected private investments related to DMC will afford the region tremendous opportunities while also placing unprecedented growth pressures on Olmsted County and its individual communities in the coming years.

This is a critical point for community leaders and stakeholders throughout Olmsted County. According to the *Harvard Business Review*, the typical ratio of doctors to non-doctor workers is 1:16. Mayo Clinic's own website suggests that their ratio is 1:14. That means for every doctor recruited to Olmsted County to fill a new position, 14 more non-doctor workers will be needed, ranging from registered nurses, nurses' aides, and medical assistants to administrative and management staff, receptionists, and office clerks. Some of those jobs will attract the top doctors in the nation to Olmsted County. Those doctors will be looking for housing, as will the newly hired nurses, office clerks, janitors, and more. No one housing style or price point can possibly meet the needs of every worker, so a range of rental and owner options, as well as different styles and price points, will be required.

To accommodate the growing workforce, and indeed to address the tragedy of homelessness in the county and the limited availability of lower-cost housing, Greater Minnesota Housing Fund has partnered with Olmsted County and Rochester Area Foundation to develop the Olmsted County Market Area 2016-2020 Housing Framework. The purpose is to identify the housing needs that are unmet, to educate community members and policy makers about the importance of meeting those housing needs, and to describe how communities throughout Olmsted County might achieve the goal of ensuring that the housing market offers a full spectrum of housing choices. Doing so helps build a vital economy, a prominent goal of DMC, and makes it possible to attract and retain the workforce needed to fulfill this vision. Safe, decent, affordable housing is the foundation of educational achievement of children and contributes to better health outcomes and quality of life for all residents.

However, it is not enough to simply make a statement of support of providing affordable housing. Action will be required. Olmsted County's communities, institutions, and leaders need to come together to decide what path they will choose:

- **HIGH: an aspirational approach** that leverages the maximum in available state and other funding by committing generous local resources using the full toolbox of local funding and policy changes available; or
- **MEDIUM: a pragmatic approach** where local resources and policy changes are somewhat constrained and the leveraging of state and other funding is less than optimal; or
- **LOW: a status quo approach** that relies on currently available housing resources and lets the market take the lead in determining what housing is produced.

The 2016-2020 Housing Framework presents the tools and information needed so that community leaders and stakeholders throughout Olmsted County can make informed choices about how to meet the housing needs of Olmsted County's residents.

The Scale of the Need

In an ideal world, all housing needs in Olmsted County would be met. Every individual, family, household, and senior citizen would have a place to call home that costs no more than 30% of their available income. Ideally, this plan would lay out a framework to achieve this goal. Unfortunately, the need is very great and resources are limited.

Based on a study by Maxfield Research, nearly 1,000 units of affordable housing would need to be produced each year for the next five years in order to meet 100% of Olmsted County's affordable housing need. This would require about \$135 million per year in a combination of state funding and private debt and equity. And in order to leverage that state funding and private capital, another \$25 million per year in local funds would be needed. Each year. For the next five years.

The authors of this report recognize that this ideal goal of meeting 100% of Olmsted County's affordable housing needs is not realistic. While private debt and equity is readily available, it must be leveraged by state resources, which in turn must be leveraged by local dollars. There are simply not enough state resources available to achieve this goal, nor enough local dollars to allocate to the cause, even if the public will were there.

For this reason, the 2016-2020 Housing Framework lays out three alternatives: aspirational, pragmatic, and status quo approaches, or simply high, medium, and low goals. These goals would achieve the following benchmarks of affordable housing need respectively

- Meet 35%-40% of affordable housing need (high/aspirational);
- Meet 25%-30% of affordable housing need (medium/pragmatic); and
- Meet 10%-15% of affordable housing need (low/status quo).

Production Goal Level	Percent of Affordable Housing Need Met	Number of Affordable Units Created or Preserved per Year	Number of Affordable Units, 5-Year Total, 2016-2020
IDEAL WORLD	100%	913 units	4,563 units
HIGH: ASPIRATIONAL GOAL	35%-40%	343 units	1,715 units
MEDIUM: PRAGMATIC GOAL	25%-30%	250 units	1,250 units
LOW: STATUS QUO GOAL	10%-15%	100 units	500 units

The 2016-2020 Housing Framework is the result of a community-based planning process and incorporates feedback from numerous stakeholders with varied interests. It was developed by Greater Minnesota Housing Fund in partnership with Olmsted County and Rochester Area Foundation. It provides tools and information for successfully meeting the challenge of creating affordable housing throughout Olmsted County and calls to action community leaders and stakeholders throughout Olmsted County.

The 2016-2020 Housing Framework: An Open Planning Process

The 2016-2020 Housing Framework is inspired by the leadership of Olmsted County, Rochester Area Foundation, and Mayo Clinic Rochester because they perceived unmet housing demand and they recognize that housing supports economic development and is the foundation of stable families. Olmsted County and Rochester Area Foundation led the conversation about housing needs in communities throughout Olmsted County to encourage engagement and solicit ideas among stakeholders. The key undertakings toward realizing an actionable framework with achievable housing production goals included:

- **Housing Need Study:** Olmsted County, Rochester Area Foundation, and Mayo Clinic Rochester jointly funded a housing study conducted by Maxfield Research, a Minneapolis-based real estate consulting firm, which was started in August 2013, completed in February 2014, and presented at a joint press conference in May 2014.
- **Housing Summit:** Olmsted County elected officials held a Housing Summit in October 2013 to initiate a public dialogue about local affordable housing issues.
- **Community Stakeholder Meetings:** Olmsted County and Rochester Area Foundation hosted a series of 12 community stakeholder meetings about a full range of housing issues over a six month period, facilitated by Greater Minnesota Housing Fund, a St. Paul-based philanthropic housing planning and finance organization.
- **9-City Housing Dialogue:** Olmsted County and the City of Rochester invited all nine cities in the Olmsted County Market Area to participate in a joint meeting of the Committee of the Whole in July 2014 to share the findings of the Maxfield Research housing study and discuss local housing priorities and strategies.
- **Key Leader Conversations:** Olmsted County, Rochester Area Foundation, and Greater Minnesota Housing Fund met with mayors, city council members, city administrators, and key staff from all nine cities in the Olmsted County Market Area in May 2015 to discuss local housing priorities and strategies.
- **Capacity Building:** Olmsted County reorganized its HRA, hired an Executive Director, restructured its Board, and passed, for the first time, an HRA levy. Rochester Area Foundation established and filled a new Housing Initiative Director position.
- **Inclusionary Housing Research:** Grounded Solutions, a national inclusionary housing policy expert, evaluated the potential for such a policy in 2015 at the request of Greater Minnesota Housing Fund and in 2016 at the request of the City of Rochester.

¹ *Comprehensive Housing Needs Assessment for Olmsted County, Minnesota.*

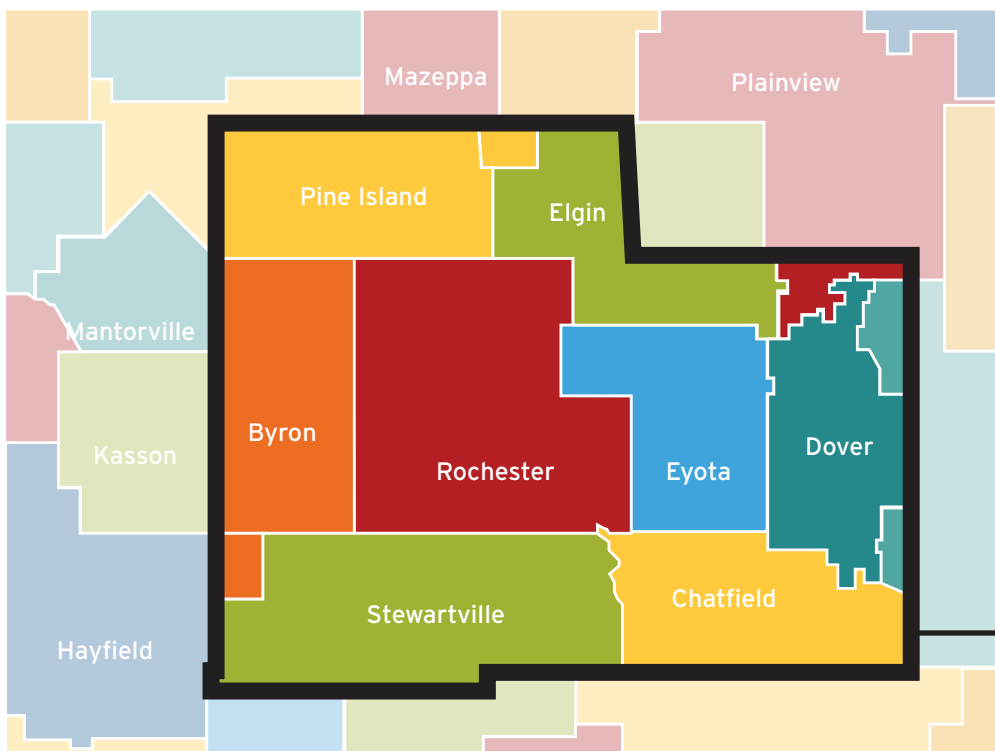
Affordable Housing is Critical to Creating Healthy Communities

Communities throughout Olmsted County aspire to be vibrant, livable, inclusive places where people of all backgrounds can find ample opportunity for employment; live in safe, decent, and affordable housing; patronize local businesses; and engage actively in community life.

Every community in Olmsted County needs affordable homes to support job growth and economic development. Housing is a critical part of a community's economic infrastructure, as important as schools, roads, and bridges. Affordable housing is an essential building block of livable communities and is crucial to a growing economy, enabling employers to attract and retain a qualified workforce.

Stable homes create a foundation for childhood development, school achievement, career success, and healthy families. Strategic investments in housing revitalize neighborhoods, stimulate reinvestment, increase the property tax base, and strengthen the local housing market. Addressing the tragedy of homelessness is both the right thing and the smart thing to do, given its enormous toll on families and children and its broad social and economic impacts.

Communities are stronger and healthier when economic, educational, and housing opportunities are available to everyone. To remain competitive and vital, a community needs to offer housing of all types, affordable at a variety of income levels and desirable for people at different stages of life.



The 2016-2020 Housing Framework is coordinated with other ongoing economic development initiatives to support the construction or preservation of the maximum number of affordable homes by the end of 2020 in the cities of Rochester, Byron, Chatfield, Dover, Eyota, Oronoco, Pine Island, St. Charles, and Stewartville, as well as the townships in Olmsted County.

OLMSTED COUNTY

Destination Medical Center Vision Drives Housing Demand

DMC is a public-private partnership that is striving to position Mayo Clinic and the City of Rochester as the world's premier center for high quality health care. Mayo Clinic is a world leader and innovative pioneer in patient care, medical research, and residency education and is an economic engine for Rochester, Olmsted County, and the State of Minnesota.

DMC's bold plan to *create approximately 40,000 new jobs over the next 20 years* will result in tremendous pressure on Olmsted County's housing market and unprecedented demand for new housing of all types. Maxfield Research and Greater Minnesota Housing Fund estimate that over 8,000 new homes will need to be built in the Olmsted County Market Area by the end of 2020 to meet the housing demand generated by the projected job growth associated with DMC's initial growth phase.

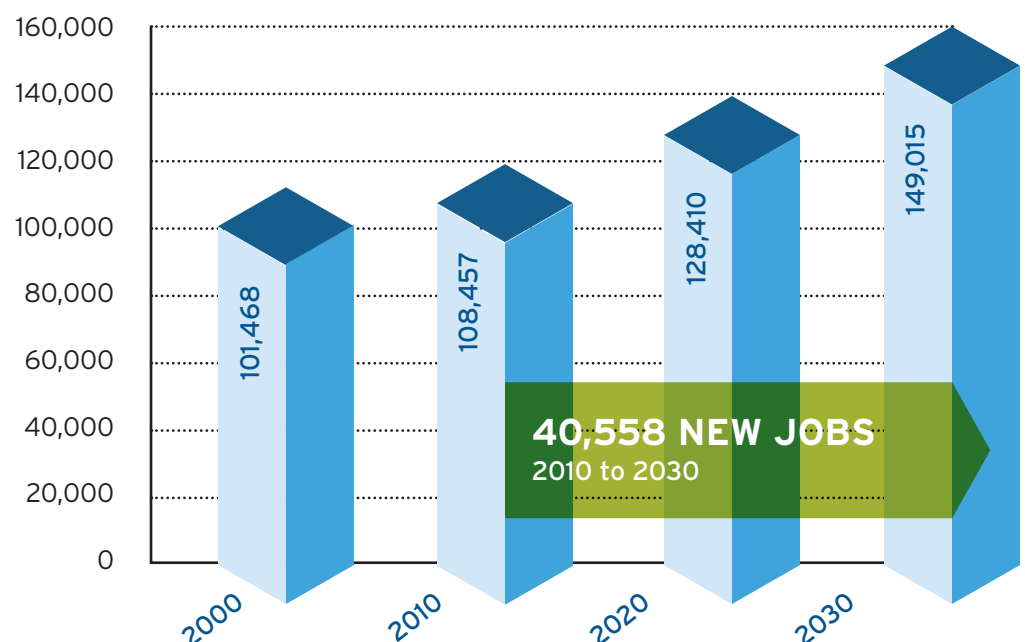
Some employers may not feel that housing is a pressing issue today. However, being proactive is the best course of action. Developing new housing can take two or three years, from concept to occupancy. If stakeholders delay acting until human resources departments start hearing that housing is an issue for attracting and retaining qualified workers, it will be too late to solve the problem and a full blown housing crisis will be unavoidable.

"Without adequate housing options, many individuals and families attracted by job opportunities in Olmsted County will be forced to live elsewhere, restraining economic growth and making it difficult to realize the region's full potential and brightest future."

*Stephanie Podulke,
Former Chair, Olmsted
County Board of
Commissioners*

TOTAL JOBS IN OLMSTED COUNTY: 2000 TO 2030

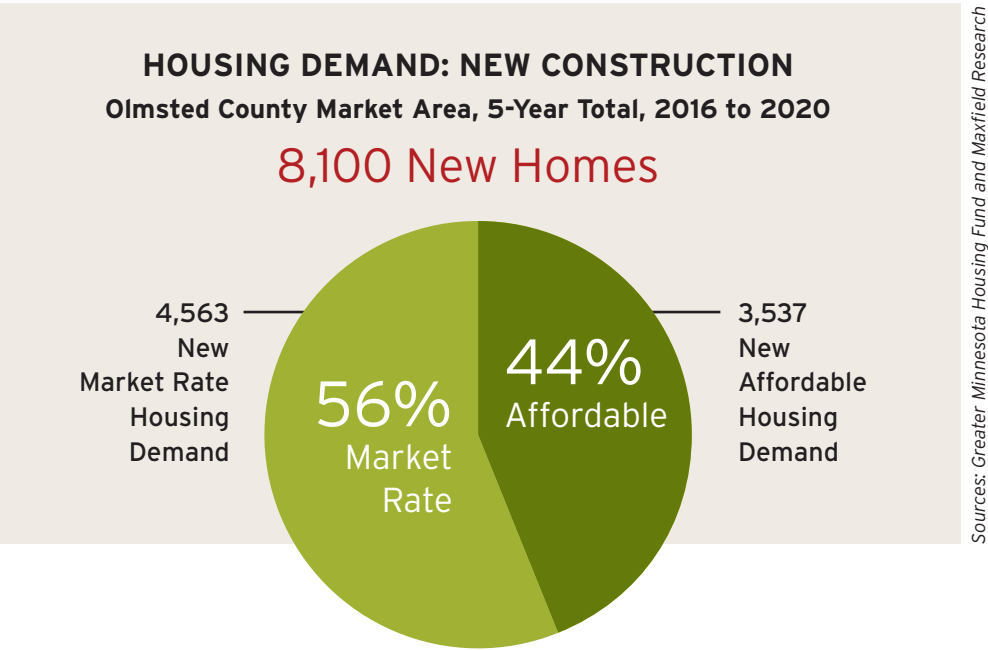
Source: Greater Minnesota Housing Fund, Rochester-Olmsted Council of Governments



Demand is Great: 8,000 New Homes Needed to Sustain Job Growth

More than 8,000 new homes will be need to be built in the Olmsted Couty Market Area by the end of 2020 to meet the housing demand generated by the job growth projected in DMC’s initial 2015-2019 growth phase. Of the total demand, roughly 4,500 are needed for market rate homebuyers and renters and roughly 3,500 affordable homes will be needed for homebuyers and renters with lower incomes.

To sustain economic growth in the Olmsted County Market Area driven by the creation of thousands of jobs across the full spectrum of skills and wages, it will be critical that for-sale and rental housing options be available for individuals and families at every income level.



HOUSING CONTINUUM

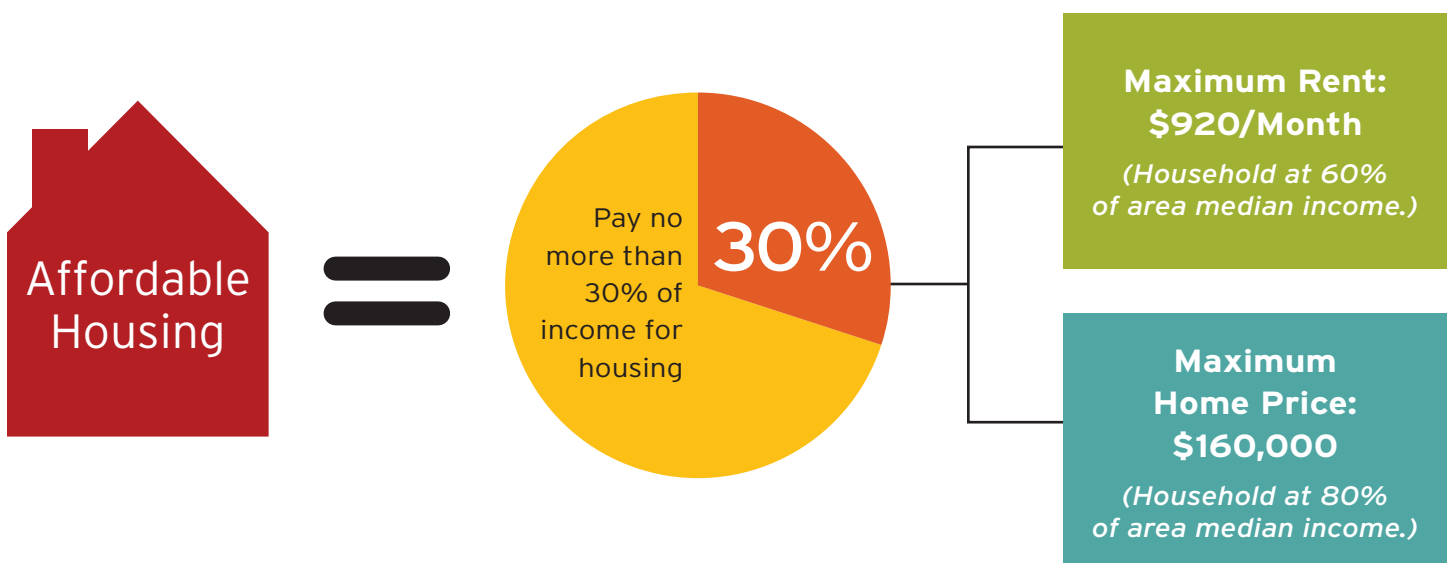


The Housing Market is Broken for Many People

Olmsted County's housing market works well for people with higher incomes, but *the market is broken* for individuals and families who seek affordable housing options. The most striking findings of the recent Maxfield Research housing study include:

- **Vacancy Rates are Extremely Low:** Affordable rental housing has an extremely low 1.0% vacancy rate, leaving very few options for lower-income workers and seniors.
- **Rents are Increasingly Unaffordable:** The average market rent of \$957 per month is substantially higher than what many lower-income workers and seniors can afford.
- **Homeownership is Increasingly Out of Reach:** The for-sale housing market is enjoying robust production and increasing sales, but the average price of a single-family home of \$200,000 is increasingly out of reach for many working individuals and families.
- **New Construction is Mostly Market Rate:** In 2014 and 2015, the City of Rochester issued building permits for a near-record total of 1,530 multifamily units, of which only 176 units or 11% were considered affordable.

Financing is available and the production of market rate housing is keeping pace with demand. But public and private funding for affordable housing is limited and competition for those scarce resources is intense. Olmsted County has not consistently captured its equitable share of the state and regional resources that are widely used to finance the development of affordable housing. To attract essential state and regional resources and accelerate affordable housing production, Olmsted County's civic and business leaders will need to make a long-term commitment to a coordinated plan of action.



Balancing Housing Need and Available Resources

The vast majority of affordable housing in Greater Minnesota (and in Minnesota generally) is produced via public-private partnerships. Typically, affordable housing is financed with a blend of private debt, private equity, state and regional resources, and local resources.

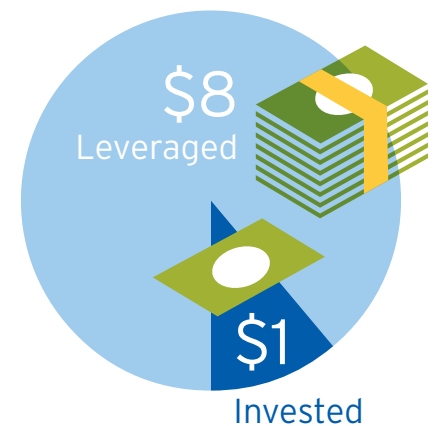
Private capital is readily available, but must be leveraged with other resources because the incentive to invest is restrained by affordable rents that restrict cash flow. This is a critical point for local funders who seek to provide resources for affordable housing. Minnesota Housing and its partners (including Greater Minnesota Housing Fund) are by far the primary source of state funding for affordable housing in Greater Minnesota. Competition for those scarce state resources is intense and requires leveraging with local resources that have little or no debt service such as property tax abatements, deferred loans, grants, and in-kind gifts.

The key to accelerating affordable housing production is leveraging local resources to attract state and other funding as well as private debt and equity. Competing successfully for state and regional dollars requires a substantial and ongoing local public and private funding commitment for affordable housing. However, there is a considerable payoff: **Greater Minnesota Housing Fund estimates that every \$1 of local resources can leverage as much as \$8 of private debt and private equity, as well as state and other funding.**

The capacity exists for builders, developers, and communities throughout Olmsted County to construct new affordable housing and preserve existing affordable housing. However, the ability to produce more affordable housing is constrained by local funding commitments which are essential to leveraging state and regional dollars. Local nonprofit and for-profit developers have been attempting to address affordable housing demand for years within a constrained resource environment. A greater commitment is necessary to meet future demand. This will require leadership, partnership, cooperation, determination, and a long-term commitment by communities and stakeholders throughout Olmsted County.

Meeting 100% of the affordable housing need in Olmsted County would require Olmsted County to receive far more than its equitable share of Minnesota Housing's resources well into the future. With this in mind, Greater Minnesota Housing Fund has outlined high (aspirational), medium (pragmatic), and low (status quo) goals for affordable housing production so that community leaders and stakeholders throughout Olmsted County can make informed choices about how to meet the housing needs of Olmsted County's residents.

Below is an explanation of the components of each approach and the anticipated result. Note that these are fixed points on a continuum of housing needs, and the actual goal established and the production outcome achieved may vary.



The key to accelerating affordable housing production is leveraging \$1 in local resources to attract \$8 in state and other funding as well as private debt and equity.

HIGH/Aspirational Goal: Meet 35%-40% of the affordable housing need by creating 343 affordable homes per year (1,715 affordable homes over five years).

The high/aspirational approach would require significant funding commitments from local government, employers, and philanthropy but would maximize the amount of state funding and other resources that could be leveraged to build new or preserve existing affordable housing in Olmsted County. Substantial local funding would consistently leverage Olmsted County's equitable share of resources from Minnesota Housing, Greater Minnesota Housing Fund, the Minnesota Department of Employment & Economic Development, and the Federal Home Loan Bank. The combination of local, state, and other resources would leverage private capital, thus accelerating affordable housing production far beyond current levels. However, affordable housing production would still fall short of meeting the needs of Olmsted County's residents.



HIGH ASPIRATIONAL GOAL 1,715 units/5 years

35%-40% of Affordable
Housing Needs Met

*Maximum public, private and DMC
investments leveraged*

Increase HRA Levy by 15%

Employers/Philanthropies
contribute \$3M/year

Implement a 10% Inclusionary
Housing requirement

Achieving the high/aspirational goal would require effort on the following fronts:

- **Increase the HRA Levy by 10%.** Olmsted County showed great leadership in 2015 by passing its first housing levy, which approved a small property tax increase and resulted in \$1,000,000 per year being dedicated to support affordable housing production in Olmsted County. There are caps to the amount an HRA can levy; the Olmsted County levy is currently approximately 50% maximized. If the HRA Board votes to increase the levy by 10% per year over the next five years, the levy would raise an average of about \$1.2 million per year, or a total of about \$6 million over the next five years.
- **Employers and Philanthropy Contribute \$3 Million per Year.** In 2000, when Rochester and Olmsted County faced a critical shortage of workforce housing, local major employers and philanthropic organizations led the way with contributions totaling \$12 million. First Homes, a subsidiary of Rochester Area Foundation, was formed to lead the community response to the crisis. If local major employers and philanthropic organizations were to contribute today as they did before, taking inflation into account, they would contribute over \$17 million. The high/aspirational approach calls for a more conservative amount of about \$15.3 million over the next five years, or about \$3 million per year.
- **Implement a 15% Inclusionary Housing Requirement for New Market Rate Developments.** Many cities and counties across the United States, including in Minnesota, require that all new market rate housing developments set aside a certain percentage of affordable units. Generally, the percentage varies by housing type, often from 10% to 20% for rental housing and 5% to 15% for for-sale housing. Grounded Solutions, a national inclusionary housing policy expert, evaluated the potential for such a policy in Rochester. If Rochester adopted an inclusionary housing policy that required 15% affordability in new market rate rental housing and 10% affordability in new market rate for-sale housing, that would result in an estimated 113 inclusionary units per year, or 565 inclusionary units over the next five years, in Rochester.

- **Secure a Modest DMC Housing Infrastructure Investment.** DMC has earmarked an estimated \$29 million per year from 2016 to 2020 to pay for site preparation, building demolition, and environmental remediation, among other things, for projects within DMC’s development district. This includes retail, office, hospitality, and residential development. Although competition for DMC’s housing infrastructure funds will likely be intense, DMC’s development plan calls for market rate and affordable housing to be prioritized within DMC’s development district. The high/aspirational approach conservatively assumes that DMC’s housing infrastructure funds can be secured at a level of about \$1.2 million per year, or a total of about \$6 million over the next five years; at that level, affordable housing production in DMC’s development district would reach 40 to 45 units per year or a total of about 200 units over the next five years.

The amount of state and regional funding from partners like Minnesota Housing and private debt and equity from banks and other financial institutions depends on the number of affordable units produced. Securing local resources of about \$6.8 million per year (a total of about \$34 million over the next five years) would leverage total financing estimated at \$56.3 million per year (a total of about \$281.5 million over the next five years), a leverage ratio of more than 8 to 1. The high/aspirational approach seeks to maximize local investment, which would leverage the maximum available state and regional funding, as well as private capital.

MEDIUM/Pragmatic Goal: Meet 25%-30% of the affordable housing need by creating 250 affordable homes per year (1,250 affordable homes over five years).

The medium/pragmatic approach calls for securing a moderate amount of local investment, which is then able to leverage a moderate amount of state funding and other resources that would be used to build new or preserve existing affordable housing in Olmsted County. Constrained local funding would leverage less than Olmsted County’s equitable share of resources from Minnesota Housing, Greater Minnesota Housing Fund, the Minnesota Department of Employment & Economic Development, and the Federal Home Loan Bank. There would also be a parallel reduction in private investment. Hence, affordable housing production would be greater than current levels, but fall well short of meeting the needs of Olmsted County’s residents.

Achieving the medium/pragmatic goal would require effort on the following fronts:

- **Increase the HRA Levy by 5%.** Olmsted County showed great leadership when passing its first housing levy in 2015. However, the high/aspirational goal of a 10% increase each year for the next five years may concern the HRA Board, which is sensitive to increasing property taxes. If the HRA Board votes to increase the levy by 5% per year over the next five years, the levy would raise an average of about \$1.1 million per year, or a total of about \$5.5 million over the next five years.



MEDIUM PRAGMATIC GOAL 1,250 units/5 years

25%-30% of Affordable
Housing Needs Met

*Moderate public, private and DMC
investments leveraged*

Increase HRA Levy by 10%

Employers/Philanthropies
contribute \$2M/year

Implement a 5% Inclusionary
Housing requirement

Meeting 10% to 15% of the need (the low/status quo approach) will not support anticipated job growth or address other regional priorities such as ending homelessness, preserving previous investments in affordable housing, or creating new affordable options for an aging senior population.

- **Employers and Philanthropy Contribute \$2 Million per Year.** The workforce housing crisis in 2000 inspired generous contributions from major employers and philanthropic organizations in Rochester and Olmsted County. However, the high/aspirational goal of raising about \$3 million per year or a total of about \$15.3 million over the next five years may be perceived by some community leaders and stakeholders as ambitious.. Hence, the medium/pragmatic approach calls for a more conservative amount of \$10 million over the next five years, or \$2 million per year.
- **Implement a 10% Inclusionary Housing Requirement for New Market Rate Developments.** Grounded Solutions evaluated inclusionary housing policy options for Rochester. While the high/aspirational approach asks market rate developers to do more to provide affordable units, elected officials may decide to implement a lesser requirement initially. If Rochester adopted an inclusionary housing policy that required 10% affordability in new market rate rental housing and 5% affordability in new market rate for-sale housing, that would result in an estimated 66 inclusionary units per year, or 330 inclusionary units over the next five years, in Rochester.
- **Secure a Small DMC Housing Infrastructure Investment.** DMC has prioritized the development of market rate and affordable housing in DMC's development district. However, increasing land costs and a lack of sites may limit the opportunity for residential development. The medium/pragmatic approach assumes that affordable housing production in DMC's development district would be reduced to 30 to 35 units per year or a total of about 150 units over the next five years; at that level, DMC's housing infrastructure funds would be about \$800,000 per year, or a total of about \$4 million over the next five years.

As noted previously, the level of public and private funding from outside resources depends on the number of affordable units produced. Securing local resources of about \$4.9 million per year (a total of about \$24.5 million over the next five years) would leverage total financing estimated at \$41 million per year (a total of about \$204.9 million over the next five years). This is still a leverage ratio of more than 8 to 1. However, the medium/pragmatic approach seeks a moderate level of local investment, realizing that the leveraging of state and regional funding, as well as private capital, will not be optimal.

LOW/Status Quo Goal: Meet 10-15% of the affordable housing need by creating 100 affordable homes per year (500 affordable homes over five years).

A low/status quo approach reflects the current housing market realities and assumes that no new housing policies are implemented and no new local resources are identified to increase the rate of affordable housing production (either the

construction of new affordable housing or the preservation of existing affordable housing). The only positive factors taken into account are existing commitments from the City of Rochester to use TIF (primarily for rental housing) and CDBG (primarily for owner-occupied single-family home rehabilitation); and from Olmsted County to maintain its HRA levy (for both rental and for-sale housing). As with the aspirational and pragmatic approaches, the level of local funding directly impacts the potential to attract resources from state and regional funders as well as private debt and equity; without enhanced local resources, leverage opportunities are missed. Hence, affordable housing production would continue to fall well short of meeting the needs of Olmsted County's residents.

Achieving the low/status quo goal would require effort on the following fronts:

- **Maintain the HRA Levy at its 2016 Level.** With no changes to the HRA levy, approximately \$1 million per year or a total of \$5 million over the next five years will be dedicated to supporting affordable housing production in Olmsted County.
- **Seek No New Contributions from Employers or Philanthropy.** If no capital campaign is launched, there will be no new contributions from local major employers or philanthropic organizations to support affordable housing production in Olmsted County.
- **Fail to Implement an Inclusionary Housing Requirement for New Market Rate Developments.** If Rochester does not pursue, or considers but declines to adopt, an inclusionary housing policy, no inclusionary housing units would be realized in Rochester. While other communities in Olmsted County could adopt their own inclusionary housing policies, they would have a limited impact because upwards of 90% of residential development in Olmsted County occurs in Rochester.
- **Leave DMC's Housing Infrastructure Investment on the Table.** If affordable housing is not developed in DMC's development district, and market rate developments in DMC's development district are not required to include some affordable units under an inclusionary housing policy, DMC's housing infrastructure funds would not be available to defray infrastructure costs and benefit the construction of affordable housing in DMC's development district, which runs along 2nd Street Northwest between St. Mary's Hospital near US Highway 52 and Mayo Clinic's campus in Downtown Rochester.

As noted previously, the level of public and private funding from outside resources depends on the number of affordable units produced. Securing local resources of about \$1.8 million per year (a total of about \$9 million over the next five years) would leverage total financing estimated at \$16.2 million per year (a total of about \$81.1 million over the next five years). This is still a leverage ratio of more than 8 to 1. However, the low/status quo approach seeks little local investment, realizing that the leveraging of state and regional funding, as well as private capital, will be greatly diminished.



LOW STATUS QUO GOAL 500 units/5 years

10%-15% of Affordable
Housing Needs Met

*Limited public, private and DMC
investments leveraged*

HRA Levy remains flat

Employers/Philanthropies
No New Contributions

No Inclusionary Housing
requirement implemented

Pursuing An Aspirational Goal: 1,715 Affordable Homes by 2020

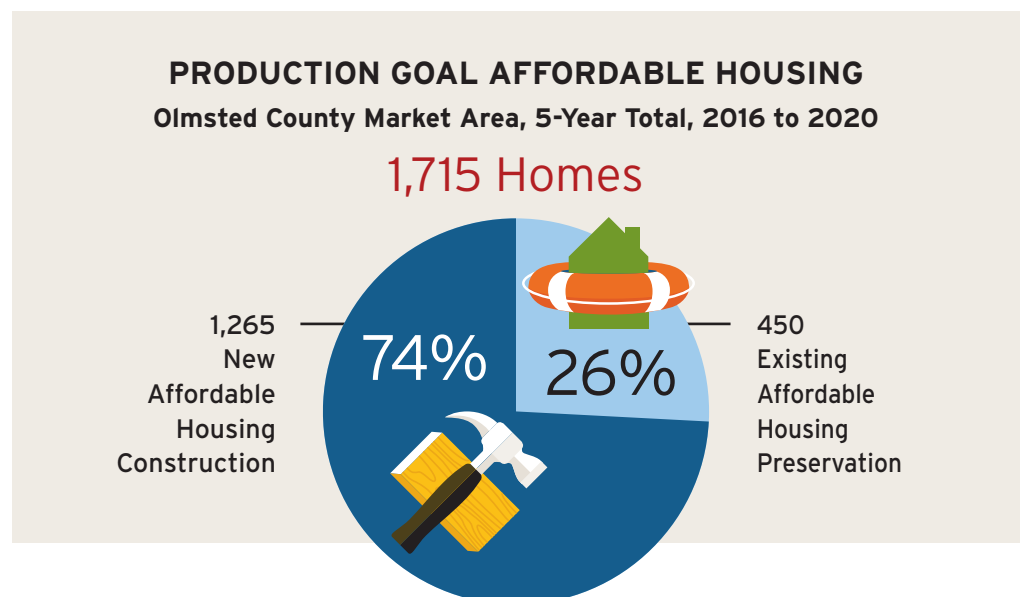
The 2016-2020 Housing Framework presents the tools and information needed so that community leaders and stakeholders throughout Olmsted County can make informed choices about how to meet the housing needs of Olmsted County's residents.

The authors of this report encourage Olmsted County's civic and business leaders to pursue the high/aspirational goal or the medium/pragmatic goal, presented above. Either goal would be a significant undertaking. The high/aspirational approach would secure generous local resources, maximize the leverage of outside public funds and private capital, and meet an estimated 35% to 40% of the projected need for affordable housing in Olmsted County through 2020. The medium/pragmatic approach would assume constrained local resources, leverage outside public funds and private capital sub optimally, and meet an estimated 25% to 30% of the projected need for affordable housing in Olmsted County through 2020.

The low/status quo approach is certainly the easiest to implement, but meeting an estimated 10% to 15% of the projected need for affordable housing in Olmsted County through 2020 will not support the job growth that is anticipated under DMC's bold initiative, or address other regional priorities such as ending homelessness, preserving previous investments in affordable housing, or creating new affordable options for an aging senior population.

The 2016-2020 Housing Framework assumes that community leaders and stakeholders throughout Olmsted County will pursue the high/aspirational goal of producing 343 affordable homes per year over the next five years, for a total of

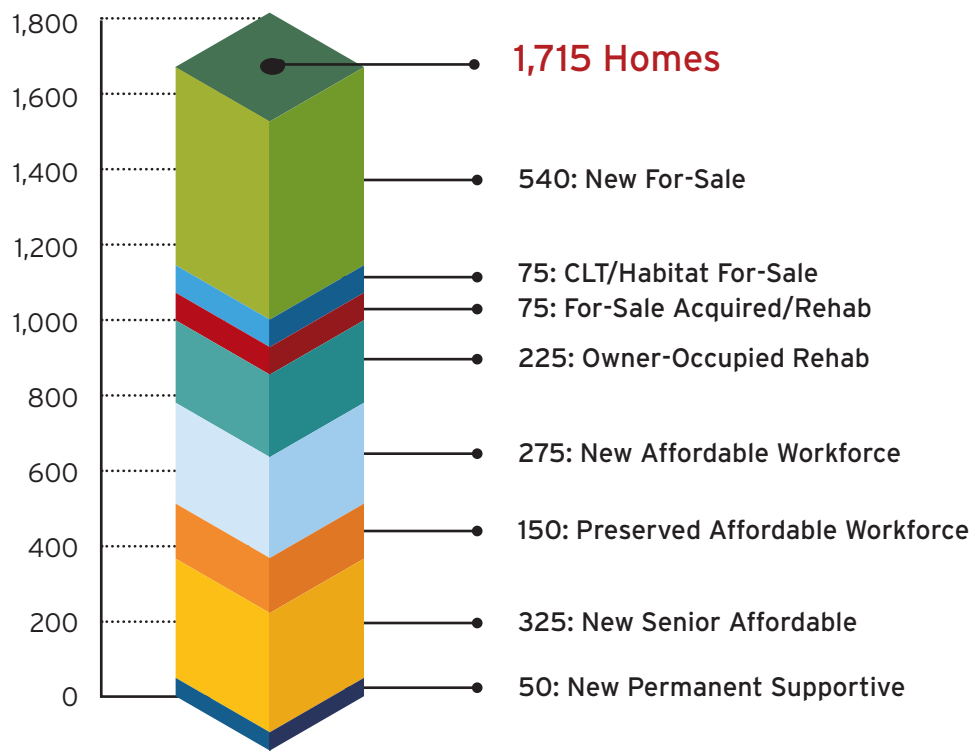
The high/aspirational approach would secure generous local resources, maximize the leverage of outside public funds and private capital, and meet an estimated 35% to 40% of the projected need for affordable housing in Olmsted County through 2020.



AFFORDABLE HOUSING PRODUCTION GOAL

Olmsted County Market Area, 5-Year Total, 2016 to 2020

Source: Greater Minnesota Housing Fund



1,715 affordable homes by the end of 2020. Production should include a variety of housing types, in response to the demand projections made by Maxfield Research and Greater Minnesota Housing Fund:

Affordable Homeownership Production Goals

- 540 (31%) new affordable for-sale homes using traditional gap funds;
- 75 (4%) new affordable for-sale homes under the Community Land Trust and/or Habitat for Humanity models;
- 75 (4%) acquired for-sale homes with major rehabilitation; and
- 225 (13%) owner-occupied homes in need of general rehabilitation.

Affordable Rental Housing Production Goals

- 275 (16%) new affordable workforce rental housing units;
- 150 (9%) units of preserved affordable workforce rental housing;
- 325 (19%) new affordable senior rental housing units; and
- 50 (3%) new permanent supportive rental housing units with services.

Private debt must be leveraged by private equity and gap financing from local resources and from Minnesota Housing and its partners.

Building 1,265 new homes over five years is an average of 250 new homes per year. Preserving 450 existing homes over five years is an average of 90 preserved homes per year. This is a grand total of 340 affordable homes per year. For comparison, given historic production in the Olmsted County Market Area since 2000 and construction costs that are rising faster than inflation, Greater Minnesota Housing Fund projects that, without new housing policies and new local resources, an average of 100 affordable homes would be constructed or preserved each year from 2016 to 2020.

The 2016-2020 Housing Framework focuses on affordable housing rather than market rate housing. Trends in residential development suggest that the market will respond to growing demand for market rate housing. However, creating affordable housing for workers and seniors with lower incomes, people with disabilities, formerly homeless people, and other hard to house populations will require a concerted effort to encourage and incentivize the market.

Essential to Success: A Long-Term Local Commitment

To make meaningful progress toward the creation and preservation of significant affordable housing, Olmsted County's civic and business leaders must work to assemble local resources that can leverage additional outside resources. Potential local resources include:

- Tax Increment Financing (TIF)
- Olmsted County Housing & Redevelopment Authority (HRA) Levy
- Rochester's Community Development Block Grant (CDBG) Funds
- DMC's Housing Infrastructure Funds
- Employer/Philanthropic Investments

TIF is already being used throughout Olmsted County for affordable rental housing, the HRA levy is already available to support affordable housing production, and Rochester is already using its CDBG funds for owner-occupied single-family home rehabilitation. DMC's housing infrastructure funds and employer/philanthropic investments have immense potential for leveraging additional outside resources.

The total cost of constructing 1,265 affordable homes and preserving 450 affordable homes by the end of 2020 is estimated to approach \$281.5 million over five years. Half of this funding is readily available private debt. However, private debt must be leveraged by private equity and gap financing from local resources and from Minnesota Housing and its partners – which are by far the primary sources of funding for affordable housing in Greater Minnesota.

Competing for state and regional dollars requires substantial and ongoing local public and private funding commitments for affordable housing. Greater Minnesota Housing Fund estimates that every \$1 of local resources can leverage as much as \$8 of private debt and equity, as well as state and other funding. The aforementioned local resources total about \$34 million over five years and will likely leverage the outside resources that are needed to achieve the high/aspirational goal of producing 1,715 affordable homes by the end of 2020. While affordable housing is needed in communities throughout Olmsted County, upwards of 90% of residential development in Olmsted County occurs in Rochester.

Building on Past Public-Private Partnerships and a Legacy of Success

After evaluating the previous investments made by Olmsted County's major employers and philanthropic organizations in past eras of exceptional workforce housing demand, and the capacity of public agencies in Olmsted County to use public financing tools on the same basis as other cities and counties in Minnesota, the 2016-2020 Housing Framework identifies the following potential key local resources to support the development of affordable housing in order to meet the aspirational goal of creating and preserving a total of 1,715 units by the end of 2020:

- an Olmsted County HRA Levy totaling roughly \$6 million over five years;
- investments by employers and philanthropy approaching \$15 million over five years;
- Tax Increment Financing (TIF) totaling approximately \$4.8 million over five years;
- Rochester's CDBG funds totaling about \$1.7 million over five years; and
- DMC's housing infrastructure funds totaling about \$6 million over five years.

The key to achieving success is leveraging local resources to attract state and other funding as well as private capital. This will require leadership, partnership, cooperation, determination, and a long-term commitment by Olmsted County's civic and business leaders.

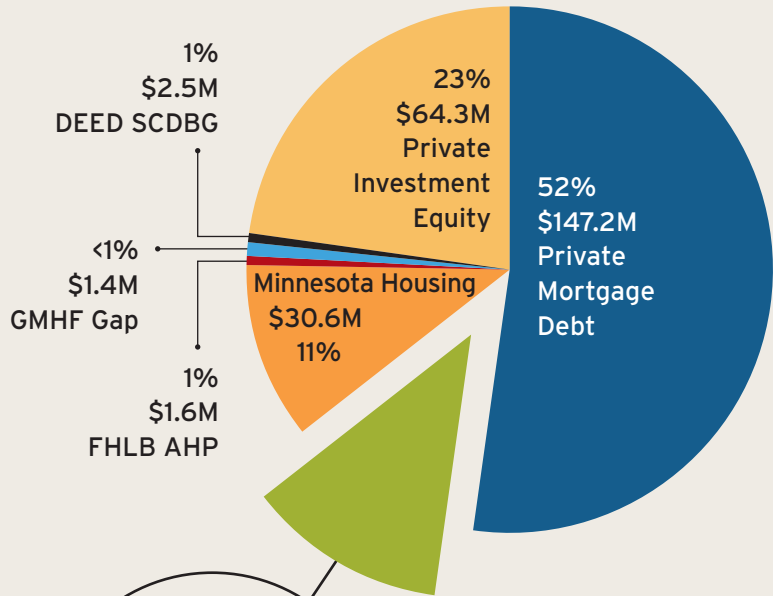
This local commitment to affordable housing complements the larger purpose of fostering the development of over 8,000 new affordable and market rate homes by the end of 2020, all of which are needed in the Olmsted County Market Area to address unprecedented housing demand that is being driven by DMC's bold vision.

While affordable housing is needed in communities throughout Olmsted County, upwards of 90% of residential development in Olmsted County occurs in Rochester.

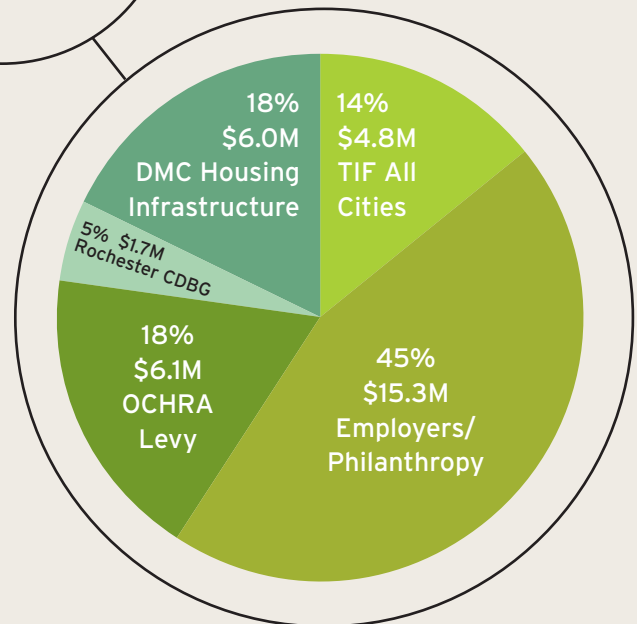
\$34 Million in Local Resources

LEVERAGES \$281.5 MILLION TOTAL*

Olmsted County Market Area, 5-Year Total, 2016 to 2020



**12%
\$34.0M
Local
Resources**



*Estimated Cost to Produce 1,715 Affordable Homes

Source: Greater Minnesota Housing Fund

Essential to Success: Employ Key Strategies and Policies

Local public policies and programs that supplement and support direct public and private investment are critical to creating affordable housing. The 2016-2020 Housing Framework emphasizes a variety of key strategies that should be employed to incentivize the production of affordable housing and formalize expectations between communities and developers. Additionally, DMC's development plan also makes the case for using public policies like inclusionary housing as a tool to stimulate the production of affordable workforce housing. The potential policy and program areas which could be deployed include:

- Inclusionary Housing Policy combined with Development Incentives
- Targeted Use of TIF for Affordable Housing
- Capacity Building of Local Housing Organizations like Olmsted County HRA, Rochester Area Foundation, and In the City for Good
- Complementary Neighborhood Revitalization Programs
- Mixed-Income Housing and Mixed-Use Development Priorities
- Community Land Trust Model, which Recycles Buyer Subsidies
- Transit Oriented Development Priorities
- Green and Healthy Housing Standards and Funding Incentives
- Priority for Permanent Supportive Housing and Ending Homelessness
- Priority for Preservation of Existing Affordable Units
- Pre-purchase Homebuyer Education & Counseling Programs
- Establishment of a Local Affordable Housing Funders' Collaborative

"The people who will be employed in [DMC's development district] will not only be medical and technical professionals, but also retail clerks, hotel housekeeping staff members, food and beverage workers, and other wage employees.... A key strategy of [DMC's] plan is to [mix] market rate housing with affordable units to accommodate the needs of Rochester's growing workforce, low-income, and senior communities."

DMC Development Plan

A Call to Action for Local Partners

Investment of the scale required in the Olmsted County Market Area will need to be extremely well coordinated and have a sound decision-making structure. Rochester Area Foundation, which has a mission to improve the quality of life in the greater Rochester area through philanthropic leadership and community partnerships, has graciously volunteered to provide a home for the 2016-2020 Housing Framework and to help steward its capitalization and implementation. However, Olmsted County's civic, business, and philanthropic institutions will need to take active leadership roles in assembling, managing, and allocating local resources to accelerate affordable housing production.



Formalize Existing Partnerships

While many public and private partnerships and affiliations have been in place for decades, a new formal partnership of affordable workforce housing and economic development leaders must be formally established to engage effectively in the challenge of meeting the Olmsted County Market Area's growing demand for affordable workforce housing. The key partners in this collaborative response would logically include:

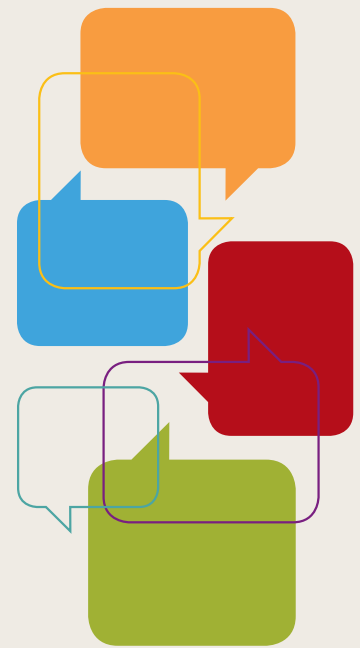
- **Local Government:** Olmsted County, Cities in Olmsted County, Local Agencies
- **Philanthropy:** Rochester Area Foundation, Corporate Donors, Private Donors
- **Private Enterprise:** Mayo Clinic, Other Major Employers, Chamber of Commerce
- **Development Community:** Builders, Developers, Realtors
- **Financial Institutions:** Local and Regional Banks, Investors
- **Community Organizations:** Faith Based Institutions, Community Service Providers

ESTABLISH A FUNDERS' COLLABORATIVE

Meeting the challenge of assembling, managing, and directing resources for affordable housing will require leadership, partnership, cooperation, determination, and a long-term commitment by the participating major funders.

In the funders' collaborative model, the participating major funders would determine local housing priorities, develop an application process, and ultimately determine which affordable housing developments receive funding. Every funder would retain their final decision-making authority as may be required by policy.

One purpose of the funders' collaborative is to formalize a coordinated decision-making process that will enable local affordable housing developments to compete more effectively for and thus leverage state and regional resources, as well as private capital.



Build Organizational Capacity

To maximize the production of affordable housing, community leaders and stakeholders throughout Olmsted County will need to think strategically and build organizational capacity. Two critical organizations are the Olmsted County HRA and Rochester Area Foundation.

Olmsted County shifted its HRA to operate under the Community Services department in December 2013 because of the opportunity to integrate housing resources and social services. Olmsted County began a strategic planning process with its HRA in June 2014 and hired a new Housing Director in December 2014. Olmsted County took the bold step of passing its first HRA levy in 2015, which will provide a dedicated source of funding for affordable housing production and rental assistance for low-income households. Taking these and other steps will bolster the Olmsted County HRA's capacity to address affordable housing issues.

Rochester Area Foundation became active in affordable housing advocacy and production when it established its subsidiary First Homes in 2000, in response to the workforce housing crisis in Rochester and Olmsted County. First Homes went on to facilitate the construction of over 250 affordable workforce apartments and over 350 affordable single-family homes by 2015. First Homes also established and

To maximize the production of affordable housing, community leaders and stakeholders throughout Olmsted County will need to think strategically and build organizational capacity.

continues to operate one of the largest Community Land Trusts (CLT) in Minnesota, with 169 new construction homes and 54 acquisition/rehabilitation homes produced by 2015. Rochester Area Foundation filled a new Housing Initiative Director position in 2016, to help guide the capitalization and implementation of the 2016-2020 Housing Framework. Rochester Area Foundation and First Homes will continue to lead community discussions and actions addressing affordable housing issues.

Public Investment Challenge

Maximizing local resources to leverage outside resources will require effective public-private partnerships. One potential strategy is to seek early commitments from public entities that could thus challenge the private sector to match resources.

After evaluating the capacity of public agencies in Olmsted County to use public financing tools on the same basis as other cities and counties in Minnesota, and analyzing existing programs that support affordable housing, the 2016-2020 Housing Framework identifies a number of key public resources and policies that should be utilized or considered in the effort to attract outside resources and engage the private sector.

Three existing resources - the use of TIF by communities throughout Olmsted County, the recently implemented HRA levy, and the use of Rochester's CDBG funds - are already being employed to support affordable housing. DMC's housing infrastructure funds could also be employed to support affordable housing in DMC's development district. Furthermore, there is a great opportunity given the strength of the local housing market to adopt an inclusionary housing policy - within Rochester at this time, but perhaps elsewhere in Olmsted County in the future - that would leverage some affordable housing in market rate developments.

Conduct a Capital Campaign

Seeking investments from local major employers and philanthropic organizations will be a major undertaking, no matter the scale of the effort or the desired level of support. However, community leaders and stakeholders throughout Olmsted County faced a similar challenge in 1999 and the private sector responded by committing \$12 million, which resulted in over \$150 million in affordable housing development by leveraging TIF and resources from Minnesota Housing and Greater Minnesota Housing Fund.

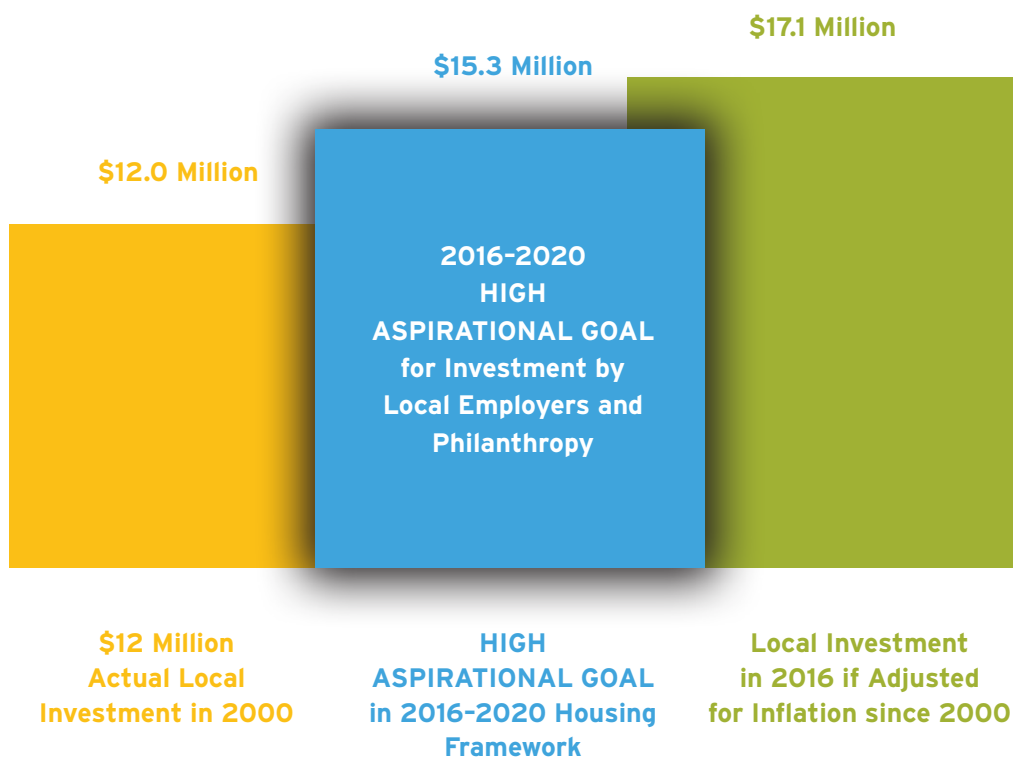
After reviewing previous investments made by Olmsted County's major employers and philanthropic organizations in past eras of exceptional workforce housing demand, the 2016-2020 Housing Framework envisions that employers and philanthropy will desire to continue supporting affordable housing as a matter of self-interest, to ensure a stable workforce and expand economic development. If local major employers and philanthropic organizations were to contribute today as

they did before, taking inflation into account, they would contribute over \$17 million. The high/aspirational approach calls for a more conservative amount of about \$15.3 million over the next five years, or about \$3 million per year.

In addition to making lead funding commitments, key funding partners are well positioned to challenge other major employers and philanthropic institutions to match resources, thus maximizing the impact of the capital campaign. To be successful, such an effort will likely require the assistance of a full-time professional fundraiser as well as being chaired by a key civic or business leader. Greater Minnesota Housing Fund is committed to providing seed money and technical assistance for this leadership. Rochester Area Foundation is committed to providing a home for the framework and stewarding the capital campaign required to implement the framework.

AFFORDABLE HOUSING INVESTMENT BY LOCAL EMPLOYERS AND PHILANTHROPY Olmsted County Market Area

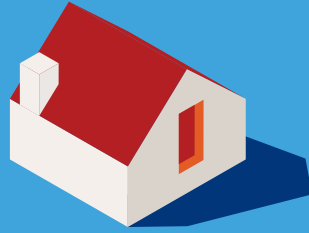
Comparison of 2000 Actual, 2016 Inflation-Adjusted,
and 2016-2020 High/Aspirational Goal.



Looking Ahead to Phase II: 2021-2030

The 2016-2020 Housing Framework focuses on addressing affordable housing demand in the Olmsted County Market Area through 2020. However, DMC's plan projects a greatly expanding workforce fueled by the growing medical, technological, and educational fields through 2034. Based on current demographic and economic trends and the emerging plans of DMC and others, Greater Minnesota Housing Fund and Maxfield Research project that another **14,700 homes will need to be built or preserved in the Olmsted County Market Area from 2021 to 2030**. This includes building approximately **13,000 new homes, of which about 8,000 would be market rate and almost 5,000 would need to be affordable. This includes enhancing the livability and preserving the affordability of nearly 1,700 existing homes**, the majority of which are owner-occupied single-family homes that need renovation but nearly half of which are apartments that are at risk of converting from affordable to market rate.

To ensure that the 2016-2020 Housing Framework remains a living document, as a guide not only through 2020 but also through 2030, elected officials, industry leaders, and the funders that capitalize this effort should convene regularly, under the leadership of Rochester Area Foundation, to recalibrate plans, considering progress toward the housing production goals, evolving housing market conditions, changing priorities of state and regional funders, and broader shifts in capital markets and the economic environment.



Every community in Olmsted County needs affordable homes to support job growth and economic development.

Housing is a critical part of a community's economic infrastructure, as important as schools, roads, and bridges.

To remain competitive and vital, a community needs to offer housing of all types, affordable at a variety of income levels and desirable for people at different stages of life.

Affordable housing is an essential building block of livable communities and is crucial to a growing economy, enabling employers to attract and retain a qualified workforce.

Stable homes create a foundation for childhood development, school achievement, career success, and healthy families.

Strategic investments in housing revitalize neighborhoods, stimulate reinvestment, increase the property tax base, and strengthen the local housing market.

Addressing the tragedy of homelessness is both the right thing and the smart thing to do, given its enormous toll on families and children and its broad social and economic impacts.

The 2016-2020 Housing Framework presents the tools and information needed so that community leaders and stakeholders throughout Olmsted County can make informed choices about how to meet the housing needs of Olmsted County's residents.

Let's make sure there are homes for all in Olmsted County.

**AFFORDABLE
HOUSING PRODUCTION
OPTIONS**

Potential Approaches in Olmsted County 2016-2020

2016-2020 Housing Framework: Balancing Housing Need and Available Resources

Setting a Housing Production Goal given Constrained Resources		IDEAL WORLD: Meet 100% of Housing Need	
2016-2020		Per Year	5 Years
Affordable Housing Production	New Affordable Units	550	2,752
	New Inclusionary Units	157	785
	Preserved Affordable Units	206	1,026
	Affordable Units Produced	913	4,563
	New For-Sale	134	671
	CLT/Habitat For-Sale	37	185
	For-Sale Acq/Rehab	38	190
	Owner-Occupied Rehab	92	458
	New Workforce	345	1,725
	Preserved Workforce	69	343
	New Senior	168	842
	Preserved Senior	7	35
	New Permanent Supportive	23	114
Percentage of Affordable Need Met		100%	
Resources	Private Debt	\$47,088,100	\$235,440,500
	Private Equity	\$53,878,300	\$269,391,500
	Minnesota Housing	\$30,514,900	\$152,574,500
	GMHF, DEED, FHLB	\$4,064,300	\$20,321,500
	Local Funds (See Below)	\$24,794,400	\$123,972,000
	Total Resources	\$160,340,000	\$801,700,000
Local Funds	Olmsted County HRA Levy	\$2,697,800	\$13,489,000
	Rochester CDBG	\$860,000	\$4,300,000
	Infrastructure investment (DMC)	\$4,878,600	\$24,393,000
	Tax Increment Financing	\$3,913,600	\$19,568,000
	Employers/Philanthropy	\$12,444,400	\$62,222,000
	Total Local Funds	\$24,794,400	\$123,972,000
Implications of Housing Production Goal given Constrained Resources		Resources are Oversubscribed	
		<i>Meeting 100% of Housing Need Requires a Level of Resources that is not Available and thus is not Achievable</i>	

Note: This table is for illustrative purposes. The level of housing production will vary depending on public policies, funding resources, and developer capacity.

ASPIRATIONAL GOAL: Meet 35%-40% of Housing Need		PRAGMATIC GOAL: Meet 25%-30% of Housing Need		HRA LEVY ONLY: Meet 10%-15% of Housing Need	
Per Year	5 Years	Per Year	5 Years	Per Year	5 Years
140	700	114	570	70	350
113	565	66	330	-	-
90	450	70	350	30	150
343	1,715	250	1,250	100	500
108	540	78	390	32	160
15	75	11	55	4	20
15	75	11	55	4	20
45	225	32	160	13	65
55	275	40	200	16	80
30	150	22	110	9	45
65	325	48	240	18	90
-	-	-	-	-	-
10	50	8	40	4	20
38%		27%		11%	
\$29,434,500	\$147,172,500	\$21,453,700	\$107,268,500	\$8,581,500	\$42,907,500
\$12,851,750	\$64,258,750	\$9,367,200	\$46,836,000	\$3,746,900	\$18,734,500
\$6,118,500	\$30,592,500	\$4,459,500	\$22,297,500	\$1,783,800	\$8,919,000
\$1,094,250	\$5,471,250	\$797,600	\$3,988,000	\$319,000	\$1,595,000
\$6,801,000	\$34,005,000	\$4,892,500	\$24,462,500	\$1,792,500	\$8,962,500
\$56,300,000	\$281,500,000	\$40,970,500	\$204,852,500	\$16,223,700	\$81,118,500
\$1,217,500	\$6,087,500	\$1,100,000	\$5,500,000	\$1,000,000	\$5,000,000
\$342,500	\$1,712,500	\$342,500	\$1,712,500	\$342,500	\$1,712,500
\$1,206,000	\$6,030,000	\$800,000	\$4,000,000	-	-
\$968,500	\$4,842,500	\$650,000	\$3,250,000	\$450,000	\$2,250,000
\$3,066,500	\$15,332,500	\$2,000,000	\$10,000,000	-	-
\$6,801,000	\$34,005,000	\$4,892,500	\$24,462,500	\$1,792,500	\$8,962,500
Accelerate Housing Production by Leveraging Local Resources				Opportunity is Lost	
Leverage of State and Other Funding, Private Debt, and Private Equity is Maximized by Generous Local Resources.		Leverage of State and Other Funding, Private Debt, and Private Equity is Limited by Constrained Local Resources		Diminished Local Resources Limits Leverage of State and Other Funding, Private Debt, and Private Equity.	

Source: Greater Minnesota Housing Fund

