

**ST. LOUIS COUNTY  
HOUSING AND REDEVELOPMENT AUTHORITY**

**AGENDA**

**December 1, 2020  
9:45 a.m.**

1. Call to Order
2. Approve Minutes of September 8, 2020 Meeting
3. MN Housing Finance Agency MCPP (20-06)

Adjourn:

**ST. LOUIS COUNTY HOUSING AND REDEVELOPMENT AUTHORITY (HRA)  
PROCEEDINGS**

Tuesday, September 8, 2020

The St. Louis County Housing and Redevelopment Authority (HRA) meeting was called to order at 10:19 a.m., in the Government Services Center, Duluth, MN, with the following members present: Commissioners Frank Jewell, Patrick Boyle, Beth Olson, Paul McDonald, Keith Musolf, Mike Jugovich and Chair Keith Nelson – 7. Absent: None – 0.

Commissioners Frank Jewell and Beth Olson attended the meeting by WebEx.

Commissioner Jugovich, supported by Commissioner McDonald, moved to approve the minutes from the July 28, 2020, HRA meeting. A roll call vote was taken, the motion passed; seven yeas, zero nays.

Commissioner Jugovich, supported by Commissioner McDonald, moved that the HRA Board does hereby approve the 2021 budget in the amount of \$420,593 with \$220,593 funded from the levy and \$200,000 funded from the HRA existing fund balance when available; and further, that the HRA Board certifies the 2021 levy in the amount of \$220,593 and recommends that the St. Louis County Board of Commissioners certify the levy at this amount. HRA Executive Director Matthew Johnson noted the proposed increase was a \$3,217 increase from last year's budget and he intends to put the money to good use throughout the county. After further discussion, a roll call vote was taken, the motion passed; seven yeas, zero nays. HRA Resolution No. 20-05.

**HRA RESOLUTION No. 20-05**

WHEREAS, The Commissioners of the St. Louis County Housing and Redevelopment Authority (HRA) have reviewed the HRA proposed 2021 budget and levy.

THEREFORE, BE IT RESOLVED, That the HRA Board does hereby approve the 2021 budget in the amount of \$420,593 with \$220,593 funded from the levy and \$200,000 funded from the HRA existing fund balance when available.

RESOLVED FURTHER, That the HRA Board certifies the 2021 levy in the amount of \$220,593 and recommends that the St. Louis County Board of Commissioners certify the levy at this amount.

Unanimously adopted September 8, 2020.

At 10:24 a.m., September 8, 2020, Commissioner McDonald, supported by Commissioner Jugovich moved to adjourn the meeting. A roll call vote was taken, the motion passed; seven yeas, zero nays.

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Keith Nelson, Chair of the St. Louis County HRA

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Phil Chapman, Deputy Auditor/Clerk of the St. Louis County HRA

## **HRA BOARD LETTER NO. 20 - 06**

**DATE:** December 1, 2020

**RE:** Minnesota Housing Finance  
Agency Minnesota City  
Participation Program

**FROM:** Matthew E. Johnson  
Planning and Community Development Director  
HRA Executive Director

### **RELATED GOAL:**

To encourage, maintain, and expand economic and housing development opportunities and expand the property tax base in the HRA service area.

### **ACTION REQUESTED:**

The St. Louis County Housing and Redevelopment Authority (HRA) is requested to authorize application to participate in the Minnesota Housing Finance Agency - Minnesota City Participation Program.

### **BACKGROUND INFORMATION:**

The Minnesota Housing Finance Agency (Minnesota Housing) has issued a request for applicants to participate in the Minnesota City Participation Program (MCPPE). The program uses the Tax Exempt Bond Housing Pool Allocation authorized by the Office of Minnesota Management and Budget enabling cities and counties to provide first-time homebuyer loans in their communities. Under the MCPPE, Minnesota Housing sells bonds on behalf of local governments to assist them in meeting local housing goals.

The benefits of participating in the MCPPE are as follows:

- Lower interest rate and closing costs
- No administrative fees charged to participating communities

The bond proceeds supply funding for home mortgage loans available to low-and moderate-income, first-time home buyers. The program is administered entirely by Minnesota Housing. St. Louis County citizens access funding from approved mortgage originators throughout the county.

St. Louis County has historically been one of the higher volume users of MCPPE funding in the state. County mortgage originators have accessed greater than \$84.1 million to assist 802 families since 2004. During 2020, the county's originators processed 100 loans and accessed \$12.5 million in mortgage funding. The county's 2020 allocation was \$2.788 million meaning local loan originators accessed unused funding from other areas of the state to achieve a usage rate of 448 percent. There are no penalties or fees

associated with under or over usage of MCPP funding. The income limit for a four-person household is currently \$105,500 and the purchase price limit throughout St. Louis County is \$294,600. Attached are reports on St. Louis County and statewide usage of the MCPP program.

**RECOMMENDATION:**

It is recommended that the HRA Board approve the submission of an application to participate in the Minnesota Housing - MCPP.

## **HRA BOARD RESOLUTION NO. 20 -**

### **Minnesota Housing Finance Agency - Minnesota City Participation Program**

BY COMMISSIONER\_\_\_\_\_

WHEREAS, The Minnesota Housing Finance Agency (Minnesota Housing) has issued a request for applicants to participate in the Minnesota City Participation Program (MCPPE); and

WHEREAS, The St. Louis County Housing and Redevelopment Authority (HRA) is an eligible applicant and HRA participation in the MCPPE is consistent with the mission and vision of the HRA; and

WHEREAS, Minnesota Housing's acceptance of the HRA application will provide affordable mortgage financing to first-time home buyers throughout St. Louis County.

THEREFORE, BE IT RESOLVED, That the County HRA Board approves submission of an application to Minnesota Housing for the 2021 MCPPE.

RESOLVED FURTHER, That upon acceptance of the application by the Minnesota Housing Finance Agency, the HRA Board authorizes the Executive Director and a representative of the County Attorney to execute all the necessary documents related thereto.

**Minnesota Housing Finance Agency**  
**Minnesota City Participation Program Allocations**

	Bond Issuance	Allocation	Commitment Fee (refundable)	Processing Fee (non-refundable)	Actual Usage	Percent Usage	Number of Loans	Average Loan	
2004 Duluth	\$ 46,509,000	\$ 1,245,441	\$ 12,454.41	\$ 260	\$ 1,977,470	159%	18	\$ 109,859	
2005 SLC	\$ 41,850,000	\$ 3,575,018	\$ 35,750.18	\$ 760	\$ 4,190,885	117%	43	\$ 97,462	
2006 SLC	\$ 92,121,560	\$ 2,864,468	\$ 28,644.68	\$ 580	\$ 8,877,023	310%	95	\$ 93,442	
2007 SLC	\$ 45,042,380	\$ 2,651,719	\$ 26,517.19	\$ 520	\$ 3,489,716	132%	30	\$ 116,324	
2008 SLC	\$ 45,308,360	\$ 3,099,913	\$ 30,999.13	\$ 620	\$ 3,010,809	97%	33	\$ 91,237	
2009 SLC	Program suspended - inability to issue mortgage revenue bonds								
2010 SLC	\$ 48,606,760	\$ 2,971,287	n/a	n/a	\$ 2,158,223	73%	22	\$ 98,101	
2011 SLC	\$ 51,674,520	\$ 3,099,522	n/a	n/a	\$ 529,519	17%	6	\$ 88,253	
2012 SLC	\$ 52,073,490	\$ 3,251,580	n/a	n/a	\$ 3,221,411	99%	32	\$ 100,669	
2013 SLC	\$ 52,407,321	\$ 3,257,550	n/a	n/a	\$ 5,424,112	167%	52	\$ 104,310	
2014 SLC	\$ 55,588,572	\$ 3,427,708	n/a	n/a	\$ 5,198,023	152%	53	\$ 98,076	
2015 SLC	\$ 55,965,866	\$ 3,429,118	n/a	n/a	\$ 6,363,121	186%	62	\$ 102,631	
2016 SLC	\$ 56,298,352	\$ 3,496,783	n/a	n/a	\$ 5,343,447	153%	52	\$ 102,759	
2017 SLC	\$ 56,609,709	\$ 3,147,222	n/a	n/a	\$ 5,509,727	175%	53	\$ 103,957	
2018 SLC	\$ 60,050,215	\$ 3,417,934	n/a	n/a	\$ 8,157,706	239%	78	\$ 104,586	
2019 SLC	\$ 60,422,570	\$ 3,251,967	n/a	n/a	\$ 8,171,869	251%	73	\$ 111,943	
2020 SLC	\$ 52,892,965	\$ 2,788,101	n/a	n/a	\$ 12,494,022	448%	100	\$ 124,940	10/31/2020
Total	\$ 873,421,640	\$ 48,975,331			\$ 84,117,083		802		

2020 MCPP Usage Report 1.16.2020 - 10.31.2020 (Applies to Start Up Program Loans Only)

For Informational Purposes Only

						**Additional Start Up Loans		Step Up Loans		Total Loan Activity		Downpayment and Closing Cost Loans	
Applicant Name	Allocation Amount	Committed Loans	Committed Amount	*Usage Test	% of Usage	Committed Loans	Committed Amount	Committed Loans	Committed Amount	Committed Loans	Committed Amount	% of First Mortgage Loans	Total Amount of Downpayment Loans
Albert Lea/Freeborn Co.	\$ 424,561.70	22	\$2,158,159.00	MET	508%	2	\$ 223,199.00	3	\$ 551,629.00	27	\$2,932,987.00	96%	\$ 196,388.00
Alexandria	\$ 194,230.54	6	\$877,571.00	MET	452%	0	\$ -	3	\$ 613,664.00	9	\$1,491,235.00	100%	\$ 91,700.00
Anoka	\$ 4,982,122.65	316	\$70,481,780.00	MET	1415%	87	\$ 20,699,655.00	114	\$ 27,912,568.00	517	\$119,094,003.00	97%	\$ 5,415,862.00
Becker	\$ 479,206.88	2	\$342,481.00	MET	71%	1	\$ 182,360.00	2	\$ 266,271.00	5	\$791,112.00	80%	\$ 29,900.00
Bluff Country HRA	\$ 553,023.12	19	\$2,524,304.00	MET	456%	2	\$ 379,970.00	0	\$ -	21	\$2,904,274.00	300%	\$ 672,108.00
Breckenridge	\$ 100,000.00	1	\$112,917.00	MET	113%	3	\$ 373,283.00	0	\$ -	4	\$486,200.00	75%	\$ 30,000.00
Carver	\$ 1,475,350.18	41	\$8,721,555.00	MET	591%	7	\$ 1,888,981.00	22	\$ 5,566,932.00	70	\$16,177,468.00	114%	\$ 838,640.00
Chippewa	\$ 166,580.78	3	\$287,103.00	MET	172%	2	\$ 198,870.00	1	\$ 143,976.00	6	\$629,949.00	67%	\$ 28,200.00
Chisago	\$ 779,024.43	51	\$10,695,281.00	MET	1373%	16	\$ 3,583,045.00	16	\$ 3,942,338.00	83	\$18,220,664.00	82%	\$ 598,588.00
City of Blue Earth	\$ 100,000.00	3	\$247,077.00	MET	247%	1	\$ 80,845.00	0	\$ -	4	\$327,922.00	525%	\$ 185,590.00
Clay County/Moorhead	\$ 890,514.52	49	\$8,175,131.00	MET	918%	12	\$ 2,058,919.00	7	\$ 1,323,831.00	68	\$11,557,881.00	12%	\$ 78,000.00
Cloquet	\$ 171,899.11	4	\$604,477.00	MET	352%	3	\$ 496,931.00	1	\$ 161,405.00	8	\$1,262,813.00	388%	\$ 265,997.00
County of Blue Earth	\$ 943,656.08	22	\$3,403,629.00	MET	361%	4	\$ 523,062.00	5	\$ 1,142,794.00	31	\$5,069,485.00	13%	\$ 27,011.00
Crow Wing	\$ 904,603.93	18	\$2,733,515.00	MET	302%	3	\$ 519,043.00	4	\$ 817,624.00	25	\$4,070,182.00	92%	\$ 185,270.00
Headwaters Regional Dev. Commission	\$ 1,201,859.77	6	\$932,626.00	MET	78%	6	\$ 939,399.00	5	\$ 861,295.00	17	\$2,733,320.00	35%	\$ 55,500.00
Hennepin	\$ 11,592,031.17	370	\$80,133,645.00	MET	691%	127	\$ 29,858,983.00	203	\$ 51,675,936.00	700	\$161,668,564.00	93%	\$ 7,196,401.00
Isanti	\$ 555,946.81	56	\$11,590,124.00	MET	2085%	13	\$ 2,879,978.00	5	\$ 1,081,899.00	74	\$15,552,001.00	97%	\$ 711,263.00
Kandiyohi	\$ 597,602.45	17	\$2,180,167.00	MET	365%	4	\$ 818,908.00	9	\$ 1,606,493.00	30	\$4,605,568.00	50%	\$ 132,600.00
McLeod	\$ 500,633.36	19	\$2,969,408.00	MET	593%	1	\$ 153,500.00	4	\$ 507,230.00	24	\$3,630,138.00	96%	\$ 217,918.00
Mower	\$ 557,130.21	67	\$8,699,522.00	MET	1561%	8	\$ 999,064.00	18	\$ 2,887,672.00	93	\$12,586,258.00	94%	\$ 831,100.00
North Mankato	\$ 195,734.15	4	\$679,474.00	MET	347%	0	\$ -	7	\$ 1,537,954.00	11	\$2,217,428.00	100%	\$ 113,536.00
NW MN Multi-Co. HRA	\$ 1,188,396.87	15	\$1,831,738.00	MET	154%	3	\$ 364,511.00	5	\$ 957,514.00	23	\$3,153,763.00	91%	\$ 147,920.00
Oakdale	\$ 394,211.01	13	\$2,587,364.00	MET	656%	26	\$ 5,936,602.00	12	\$ 3,275,337.00	51	\$11,799,303.00	98%	\$ 574,150.00
Olmsted	\$ 2,192,016.46	118	\$21,854,224.00	MET	997%	15	\$ 2,875,018.00	39	\$ 8,314,221.00	172	\$33,043,463.00	95%	\$ 1,599,800.00
Osakis	\$ 100,000.00	0	\$0.00	NOT MET	0%	0	\$ -	1	\$ 98,875.00	1	\$98,875.00	100%	\$ 2,900.00
Otter Tail	\$ 817,728.54	14	\$1,946,982.00	MET	238%	2	\$ 434,147.00	1	\$ 175,757.00	17	\$2,556,886.00	94%	\$ 137,634.00
Owatonna/Steele County	\$ 514,193.72	29	\$4,008,366.00	MET	780%	7	\$ 1,128,578.00	9	\$ 1,546,642.00	45	\$6,683,586.00	96%	\$ 328,610.00
Ramsey	\$ 3,330,529.59	130	\$27,058,489.00	MET	812%	34	\$ 7,864,908.00	57	\$ 13,797,150.00	221	\$48,720,547.00	95%	\$ 2,273,457.00
Red Wing	\$ 230,024.87	2	\$382,935.00	MET	166%	4	\$ 649,346.00	2	\$ 294,779.00	8	\$1,327,060.00	88%	\$ 63,800.00
Rice	\$ 923,942.05	25	\$4,487,143.00	MET	486%	9	\$ 1,498,665.00	7	\$ 1,502,407.00	41	\$7,488,215.00	100%	\$ 395,400.00
Saint Louis	\$ 2,788,101.37	100	\$12,494,022.00	MET	448%	13	\$ 1,947,405.00	16	\$ 2,499,705.00	129	\$16,941,132.00	2%	\$ 31,500.00
Sartell	\$ 261,099.53	9	\$1,772,682.00	MET	679%	4	\$ 823,949.00	4	\$ 807,993.00	17	\$3,404,624.00	735%	\$ 1,097,208.00
Scott	\$ 2,034,206.76	66	\$15,803,446.00	MET	777%	18	\$ 4,363,430.00	32	\$ 8,519,083.00	116	\$28,685,959.00	15%	\$ 166,100.00
SE MN Multi-Co. HRA	\$ 1,047,419.27	20	\$3,402,694.00	MET	325%	12	\$ 2,036,035.00	9	\$ 1,760,553.00	41	\$7,199,282.00	266%	\$ 1,203,381.00
Sherburne	\$ 1,239,770.30	75	\$15,759,897.00	MET	1271%	18	\$ 4,300,186.00	27	\$ 6,866,126.00	120	\$26,926,209.00	32%	\$ 359,740.00
St Cloud	\$ 949,531.31	40	\$6,065,990.00	MET	639%	53	\$ 7,731,950.00	15	\$ 2,729,878.00	108	\$16,527,818.00	105%	\$ 1,184,042.00
St James	\$ 100,000.00	0	\$0.00	NOT MET	0%	1	\$ 142,500.00	2	\$ 314,169.00	3	\$456,669.00	3600%	\$ 966,800.00
Stevens	\$ 134,768.23	10	\$1,035,649.00	MET	768%	2	\$ 191,413.00	0	\$ -	12	\$1,227,062.00	33%	\$ 15,900.00
SW Regional Dev. Commission	\$ 1,624,834.33	19	\$2,242,911.00	MET	138%	4	\$ 573,045.00	8	\$ 1,360,064.00	31	\$4,176,020.00	81%	\$ 219,158.00
Swift	\$ 130,508.00	2	\$168,667.00	MET	129%	1	\$ 151,515.00	0	\$ -	3	\$320,182.00	33%	\$ 9,500.00
Washington	\$ 3,246,647.50	103	\$23,879,918.00	MET	736%	27	\$ 6,652,206.00	57	\$ 13,818,619.00	187	\$44,350,743.00	95%	\$ 1,916,125.00
Winona	\$ 378,785.06	8	\$1,128,642.00	MET	298%	20	\$ 2,610,345.00	1	\$ 114,000.00	29	\$3,852,987.00	93%	\$ 246,750.00
Wright	\$ 1,900,538.39	97	\$20,946,013.00	MET	1102%	26	\$ 5,854,621.00	42	\$ 9,940,495.00	165	\$36,741,129.00	95%	\$ 1,681,149.00
Totals	\$52,892,965.00	1,991	\$387,407,718.00		732%	601	\$ 124,988,370.00	775	\$ 181,294,878.00	3,367	\$ 693,690,966.00	95%	\$ 32,522,596.00

\*Participants must use at least 50% of their allocation by the end of the program year in order to participate next year.

\*\*Not MCPP Eligible. Borrower income is above 80% of Area Median Income.