

# **Predevelopment Resources that can be used for Site Acquisition**

**June 2011**

## **Corridors of Opportunity / Living Cities Integration Initiative**

**\$14.3 million**

LISC, Family Housing Fund, and Twin Cities Community Land Bank will oversee the investment of \$10 million in commercial debt and \$4.3 million in PRI that can be blended to achieve catalytic results through acquisition, predevelopment, and construction (limited to Hiawatha, Central and SW corridors).

## **Livable Communities Demonstration Account (LCDA) (Met Council)**

**\$6.5 million (includes \$1 million for predevelopment, and \$1 million for the LAAND Fund)**

Development grants provide funding for basic public infrastructure and site assembly to support development that will commence within three years (may be extended 2 more years) – patient capital

## **Land Acquisition for Affordable New Development (LAAND) (MHFA/Met Council / FHF)**

**\$1 million (see LCDA)**

Funds are available to Livable Communities participating communities in seven-county area to help them acquire land for affordable housing projects. Cities have up to two years to purchase the property (extended from one year); may have a purchase agreement up to twelve months prior to applying; and holding costs are eligible.

## **Hennepin County TOD Fund (Hennepin County)**

**\$2 million in Capital Bonds per year through 2012 for TOD projects**

Hennepin County established the TOD Fund in 2003 to support both redevelopment and new construction that enhances transit usage. Since the program began, Hennepin County has awarded over \$13 million in general obligation bonding to both urban and suburban projects. The funding can be allocated as a recoverable loan or grant.

## **Preservation Affordable Housing Investment Fund (PARIF) (MHFA)**

**\$14,425,000**

Deferred loan. Loans for acquisition / rehabilitation, debt restructuring or equity takeout. Existing rental housing in jeopardy of losing project-based federal assistance (i.e. Section 8, Section 236 Interest Reduction Contract, Rural Development 515, etc.) as well as existing supportive housing developments.

## **Housing Trust Fund (HTF) Capital (MHFA)**

**\$21,110,000**

Deferred loan. Development, construction, acquisition, preservation, and rehabilitation of low-income rental housing. Priority is given for development serving households experiencing LTH (i.e. emergency shelters, transitional housing, permanent rental, or permanent supportive housing).

## **Local Initiatives Support Corporation (LISC)**

**Loans and line of credit up to \$2 million, recoverable grants ranging from \$15,000 - \$60,000**

LISC's financial tools include feasibility and technical assistance grants, predevelopment recoverable grants, predevelopment and acquisition loans, dedicated loan funds, and equity for community development corporations.

## **Greater Metropolitan Housing Corporation (GMHC)**

**No cap**

GMHC provides technical assistance and high risk predevelopment (seed) loans to organizations to assist in the development of quality affordable housing. Loans can cover architectural fees, surveys, environmental and soil testing, land costs, and consultants, etc. as well as bridge loans. GMHC also administers the funding during the predevelopment phase.