



HOUSING AND REDEVELOPMENT AUTHORITY AGENDA
Tuesday, October 15, 2013
Immediately Following Regular Council Meeting
Coon Rapids City Center
Council Chambers

Call to Order

Roll Call

Approval of Minutes of Previous Meeting
September 3, 2013, Regular Meeting

New Business

1. Cons. Loan Agreement for Commercial Loan, KyleEstates III, LLC (Simonson's Simonson's Salon and Spa), 3490 Northdale Boulevard:
 - a. Approve Business Development Loan to KyleEstates III, LLC and Approve Loan Agreement
 - b. Authorize Chair and Secretary to Execute Loan Agreement and Additional Documents as Necessary

2. Increased Funding Request for Rehabilitation Advisor Visit Services of the Coon Rapids Housing Improvement Program

Other Business

Adjourn



HRA Regular

Meeting Date: 10/15/2013

SUBJECT: Approval of Minutes

Attachments

9-3-13 Regular Meeting

UNAPPROVED

HOUSING AND REDEVELOPMENT AUTHORITY MEETING OF SEPTEMBER 3, 2013

A meeting of the Coon Rapids Housing and Redevelopment Authority was called to order by Chair Howe at 6:52 p.m. on September 3, 2013, in the Council Chambers.

Members Present: Chair Tim Howe, Commissioners Paul Johnson, Ron Manning, Jerry Koch, Bruce Sanders, and Steve Wells

Members Absent: Commissioner Denise Klint

CALL TO ORDER

Chair Howe called the meeting to order at 6:52 p.m.

ROLL CALL

Commissioner Klint was absent.

APPROVAL OF MINUTES OF JULY 17, 2013, REGULAR MEETING

Commissioner Koch noted the starting and ending times of the meeting were identical and should be corrected.

MOTION BY COMMISSIONER KOCH, SECONDED BY COMMISSIONER WELLS, FOR APPROVAL OF THE MINUTES OF THE JULY 17, 2013, REGULAR MEETING. THE MOTION PASSED 5-0-1, COMMISSIONER JOHNSON ABSTAINED.

CONS. PURCHASE OF SINGLE-FAMILY HOUSE, 2285 MAIN STREET:

A. APPROVE PURCHASE AGREEMENT

B. AUTHORIZE CHAIR AND SECRETARY TO EXECUTE PURCHASE AGREEMENT

C. AUTHORIZE STAFF TO EXECUTE OTHER DOCUMENTS AS NECESSARY

Community Development Specialist Matt Brown shared the staff report.

Commissioner Koch confirmed that because no one is current living at the home and because we are working with the Twin Cities Community Land Bank there will be no other fees or relocation costs. Mr. Brown said that is correct, adding that within the purchase agreement the seller is waiving any relocation claim. He added the only additional cost will be demolition of approximately \$10,000-12,000.

Chair Howe asked if this location is the farthest home west. Mr. Brown said the home is the second house from the east from the Alexandra's Cove area.

Housing and Redevelopment Authority Minutes **UNAPPROVED**

September 3, 2013

Page 2

MOTION BY COMMISSIONER MANNING, SECONDED BY COMMISSIONER SANDERS, TO APPROVE THE PURCHASE AGREEMENT FOR THE PROPERTY AT 2285 MAIN STREET WITH A SALE PRICE OF \$95,000, AUTHORIZE THE CHAIR AND SECRETARY TO EXECUTE THE PURCHASE AGREEMENT, AND AUTHORIZE STAFF TO EXECUTE OTHER CLOSING DOCUMENTS AS NECESSARY TO CLOSE ON THE PROPERTY.

THE MOTION PASSED UNANIMOUSLY.

OTHER BUSINESS

There was no other business to come before the HRA.

ADJOURN

MOTION BY COMMISSIONER KOCH, SECONDED BY COMMISSIONER JOHNSON, TO ADJOURN THE SEPTEMBER 3, 2013, MEETING AT 6:56 P.M. THE MOTION PASSED UNANIMOUSLY.

Respectfully submitted,

Cathy Sorensen
City Clerk



HRA Regular

1.

Meeting Date: 10/15/2013

Subject: Consider Loan Agreement for Commercial Loan, KyleEstates III, LLC, 3490 Northdale Blvd.

From: Matt Brown, Community Development Specialist

INTRODUCTION

The HRA is asked to consider loan documents for a commercial loan for Simonson's Salon and Spa at the former Canyon Grille site at 3490 Northdale Boulevard.

DISCUSSION

Simonson's Salon and Spa has applied for a \$100,000 loan from the HRA's revolving loan fund to assist with purchase and renovation of the former Canyon Grille site at 3490 Northdale Boulevard. Funded by an allocation of the HRA account and repayments of Minnesota Investment Fund loans, the HRA created the loan fund in March 2013 as a tool to facilitate development projects meeting City goals. Simonson's opened its first location in Anoka in 1983 and currently operates salons in Anoka, Maple Grove, and Plymouth. The Maple Grove and Plymouth salons relocated into newly constructed owned facilities over the last few years. The Anoka location is the last remaining leased facility. The proposed Coon Rapids location will replace the Anoka salon and will double its amount of space. Simonson's plans to relocate 34 employees to the new location and add five new employees. Simonson's offers a full array of salon and spa services, including hair styling, therapeutic massage, facials, body waxing, and manicures and pedicures.

The total project cost is expected to be \$1,628,500. This includes \$700,000 for purchase of the building, \$771,599 for construction, \$47,369 for professional fees, and a \$75,000 contingency. The project will be primarily financed by an SBA 7a loan from Wells Fargo Bank in the amount of \$1,315,500 (80.78% of project cost). The owner will provide cash equity in the amount of \$213,000 (13.08%) and the HRA's loan will be \$100,000 (6.14%). The proposed term of the HRA loan is 15 years with a 6.0% interest rate, which reflects market rate. Because the SBA 7a program will only finance 80% of the project cost and 85% of appraised value, the HRA loan is necessary for the project to move forward. The borrower is KyleEstates III, LLC, which will own the property and lease to Full Presence, Inc. dba Simonson's Salon and Spa. The loan will be secured by a mortgage and personal guaranty.

Uses		Sources	
Building Acquisition	\$700,000	SBA 7a Loan, Wells Fargo Bank	\$1,315,500
Construction	\$771,599	Personal Cash	\$213,000
Professional Fees	\$47,369	HRA Loan	\$100,000
Contingency	\$75,000		
Other	\$34,532		
Total	\$1,628,500		\$1,628,500

Staff feels that this project is a good candidate for an HRA loan for several reasons. First, while HRA loan funds are primarily intended to be used in the City's older commercial districts, the building at 3490 Northdale Boulevard has sat vacant for over four years and has a unique building design that has prevented many alternative uses. Second, Simonson's is a high-profile, established business with a successful history. Staff from Central Minnesota Development Company, which will service the HRA loan, reviewed the loan application and recommends approval of the credit request. The business has sufficient cash flow to cover the debt and the borrower has excellent personal credit.

A loan agreement, which stipulates the terms, is attached. Because this financial assistance package is a market-rate loan generally available to other similar businesses, staff has determined that it is exempt from the Minnesota Business Subsidy Act and does not require a public hearing.

RECOMMENDATION

Staff recommends that the HRA:

- a. Approve a \$100,000 business development loan to KyleEstates III, LLC and approve the loan agreement.
- b. Authorize the Chair and Secretary to execute the loan agreement and additional loan documents as necessary for closing.

BUDGET IMPACT:

Sufficient funds exist in the HRA account for this loan.

Attachments

Loan Agreement

Location Map

LOAN AGREEMENT

KyleEstates III, LLC

LOAN: \$100,000 TERM LOAN

PART 1. PARTIES, DATE, TERM AND PURPOSE

1.1 **Parties.** The parties to this Agreement are as follows:

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF COON RAPIDS, a Minnesota municipal corporation whose business address is 11155 Robinson Drive, Coon Rapids, MN 55433, (hereinafter referred to as "Lender");

Lender administers a loan program to facilitate development and redevelopment in the City of Coon Rapids, Minnesota (the "City").

KyleEstates III, LLC, a Minnesota Limited Liability Company, whose business address is 13950 Grove Drive, Suite 300, Maple Grove, MN 55311, (the "Borrower"); and

Kyle R. Simonson, whose address is 6509 Eagle Lake Drive, Maple Grove, MN 55369, (the "Individual Guarantor"); and

Deidre L. Simonson, whose address is 6545 Lancaster Lane North, Maple Grove, MN 55369, (the "Individual Guarantor"); and

Full Presence, Inc., a Minnesota Corporation, whose registered address is 4315 Peony Lane North, Plymouth, MN, 55446, (the "Corporate Guarantors"); and

KyleEstates Management Company, LLC, a Minnesota Limited Liability Company, whose business address is 13950 Grove Drive, Suite 300, Maple Grove, MN 55311, (the "Corporate Guarantors"); and

Guarantors, the Individual Guarantors and the Corporate Guarantors may hereinafter be referred to collectively as (the "Guarantors" and/or "Guarantor").

1.2 **Date of this Agreement.** The date of this Agreement is October _____, 2013.

1.3 **Term of this Agreement.** The term of this Agreement shall be from the date of this Agreement set forth above and continue thereafter until all indebtedness has been paid in full.

1.4 **Purpose of this Agreement.** Borrower has requested credit accommodations from Lender, to which Lender has agreed. Lender has granted to Borrower the following credit accommodations, on the conditions set forth herein:

Term Loan of One Hundred Thousand Dollars (\$100,000) to be used for the purchase and renovation of the real estate commonly known as 3490 Northdale

Blvd. NW, Coon Rapids, MN 55433 and having Anoka County PIN 05-31-24-13-0042 (the "Property").

PART 2. LOAN TERMS AND REPAYMENT

- 2.1 **Promissory Note.** In consideration of the receipt of the Term Loan (the "Loan"), Borrower shall repay to the Lender the Loan pursuant to the terms of the Promissory Note of even date (the "Note"), the form of which is attached hereto as Exhibit A and which Note terms include the following: interest at a rate of 6.0% per annum (the "Note Rate"); Principal and Interest payments of \$843.86 per month beginning December 1, 2013 and continuing on the first day of each month thereafter, until November 30, 2028, on which day the entire remaining principal balance plus accrued interest shall be due and payable in full; the Note may be prepaid in full at any time during the loan term with no prepayment penalty, subject only to the requirement that the Borrower provide Lender with at least 30 days written notice of the intent to prepay the obligation. Partial prepayment will not be allowed.
- 2.2 **Interest From Date of Closing.** Interest at the Note Rate on the Note principal shall commence to accrue on the Date of Closing and all accrued interest from said date through November 30, 2013 shall be paid in advance to Lender in full on November 30, 2013. Said amount is calculated to be \$16.67.

PART 3. LOAN SECURITY AND GUARANTY

- 3.1 **Secured collateral.** Collateral securing all advances made on all loan accommodations described in this Agreement shall be as follows:
- a. **Second Mortgage.** The Borrower grants Lender a second priority mortgage on the Property. The legal description of the Property is:

Tract A, Registered Land Survey No. 180, Anoka County, Minnesota
 - b. **Hazard insurance proceeds.** The Borrower shall maintain hazard insurance acceptable to the Lender on the Property in an amount sufficient at all times to either cover outstanding indebtedness owed to the Lender, or the value of the collateral, whichever is less, and the Borrower assigns proceeds of any and all hazard insurance on the foregoing collateral to Lender, and shall name the Lender as loss payee on any such policies.
 - c. **The Collateral.** The Second Mortgage and Hazard Insurance proceeds are hereinafter referred to collectively as (the "Collateral".)
- 3.2 **Ownership and care of collateral.** Borrower and Guarantors covenant that this Agreement and any security agreement/mortgage taken in connection with this Agreement will vest in Lender a second priority security interest/mortgage upon the Collateral, subject to no prior liens. Borrower warrants it has good marketable title to the collateral.
- 3.3 **Documentation required to maintain valid second lien.** Borrower and Guarantors covenant that upon request of Lender they will execute such financing statements,

security agreements, lien documents, and other perfection and security instrumentation as will ensure that Lender creates and maintains a valid and perfected second security interest/mortgage and second priority lien on the Collateral.

- 3.4 **Guaranty.** Guarantors herein covenant that they guaranty payment of all loan accommodations referred to in this Agreement and repayment of all advances made thereunder, together with interest and costs of collection, if any, including attorney fees not prohibited by law. Said guaranty is of payment and is a continuing, absolute, and unconditional guaranty.

PART 4. DOCUMENTS FURNISHED PERIODICALLY BY BORROWER AND GUARANTORS AND INSPECTIONS ALLOWED BY BORROWER

- 4.1 **Documents to be furnished periodically.** Borrower and Guarantors will furnish to Lender the following documents at the times indicated throughout the term of this Agreement:

- a. As a condition precedent to closing of this Agreement and upon request of Lender thereafter, evidence satisfactory to Lender that Borrower and the Corporate Guarantors are able and authorized to enter into and consummate the credit transactions referred to in this Agreement shall be provided. Such evidence shall include, but is not necessarily limited to, the following: Borrower's and the Corporate Guarantors' articles of organization/Articles of Incorporation; certificate of good standing from the state; company authorization resolutions; company minutes; and if Lender requests in a separate writing, an opinion of Borrower's and the Corporate Guarantors' counsel to the foregoing effect.
- b. As a condition precedent to closing of this Agreement and upon request of the Lender thereafter, appropriate loan documents to support the credit accommodations in this Agreement, including, as appropriate, promissory notes, mortgages, lease assignments, subordination agreements, other perfection documents, insurance and other collateral assignments, insurance certificates identifying Lender as loss payee, setoff disclosures, and any and all other documents and instruments which in the opinion of Lender are necessary to validate and consummate the credit transactions referred to in this Agreement will be received by Lender.
- c. Annual accountant prepared, reviewed financial statement of Borrower and the Guarantors, to be received by Lender within 120 days after each fiscal year end.
- d. Annual personal financial statements of Individual Guarantors, to be submitted concurrently with the Borrower's statement required above.
- e. Annual personal income tax returns (including all schedules and K-1's) of the Individual Guarantors, to be submitted concurrently with the Borrower's statement required above.

- 4.2 **Borrower and Corporate Guarantors' record keeping and Lender inspection of Collateral and records.** Borrower and the Corporate Guarantors will keep true and

accurate books and records of their business operations and accounts, and Borrower and the Corporate Guarantors will permit Lender at any reasonable time and during regular business hours to inspect the Property, any of Lender's secured collateral, and to examine Borrower's and the Corporate Guarantors' books, records, and files, and make copies thereof, and to discuss the affairs of Borrower and/or the Corporate Guarantors with their members/shareholders, officers, directors, and employees.

PART 5. FINANCIAL COVENANTS AND LIMITATION ON CERTAIN ACTIVITIES OF BORROWER

- 5.1 **Indebtedness, liens, and disposition of assets.** Borrower and the Corporate Guarantors shall not, without the prior written consent of Lender, which will not be unreasonably withheld, do any of the following: except for trade debt incurred in the normal course of business and indebtedness to Lender contemplated by this Agreement; incur indebtedness for borrowed money; sell, transfer, assign, pledge, lease, grant a security interest in, or otherwise encumber any of Borrower's and/or the Corporate Guarantors' assets, except to Lender.
- 5.2 **Ownership stability of Borrower.** Borrower covenants that unless prior written approval has been provided by Lender, Borrower's majority limited liability company membership interest holders in control of Borrower at the time of this Agreement shall not sell or otherwise relinquish majority ownership control of Borrower.
- 5.3 **Ownership stability of Corporate Guarantors.** The Corporate Guarantors covenant that unless prior written approval has been provided by Lender, the owners of a majority of the outstanding stock/membership interests of each Corporate Guarantor at the time of this Agreement shall not sell or otherwise relinquish their majority ownership control of the respective Corporate Guarantor.
- 5.4 **Change of business form or identity.** Borrower and the Corporate Guarantors will not, without the prior written approval of Lender, change their respective business forms, business names or trade names, change location, or acquire or merge or consolidate with any other entity.
- 5.5 **Business taxes and insurance.** Borrower and the Corporate Guarantors covenant to pay all taxes associated with their respective businesses, including but not limited to income taxes, sales taxes, employee taxes, and all other business related taxes, whether federal, state, county, municipal, or imposed by any other governmental unit. Borrower and the Corporate Guarantors further covenant to maintain liability, hazard insurance policies in coverages and with such endorsements as are satisfactory to Lender, and to pay all workman's compensation and unemployment premiums or charges, when due, to maintain all insurance policies and employment-related coverages in full force and effect throughout the term of this Agreement.
- 5.6 **Subordination of Borrower and the Corporate Guarantors debt owed to third party.** Any existing principal indebtedness owed by Borrower and or either Corporate Guarantor to current and or former limited liability company membership interest holders or corporate shareholders, shall be relegated to and remain in a subordinated position to the

indebtedness owed to Lender pursuant to this Agreement and as designated in any Debt Subordination Agreements. Borrower and the Corporate Guarantors shall cause appropriate agreements to that effect to be entered into between Borrower and the Corporate Guarantors and any said third party.

Unless otherwise agreed by the Lender in a separate writing, principal and interest repayment will not be permitted on any subordinated debt owed by Borrower or either of the Corporate Guarantors.

PART 6. DEFAULT

6.1 **Default defined.** Default under this Agreement shall consist of anyone or more of the following events:

- a. Failure to pay when due any amount required of Borrower or any Guarantor under this Agreement or under any promissory note, security agreement, or other loan instrument or document executed in connection with this Agreement.
- b. Failure to perform any act or deed required of Borrower or any Guarantor or failure to refrain from any act prohibited, under this Agreement or under any related instrument or document executed in connection with this Agreement.
- c. Failure of majority limited liability company membership interest holders of Borrower to maintain their status as majority owners of Borrower and/or as shareholders/membership interest holders of the Corporate Guarantors.
- d. Any warranty, representation, or statement made or furnished to Lender by or on behalf of Borrower or any Guarantor which is false or misleading in any material respect, either now or at the time made or furnished.
- e. The dissolution or termination of Borrower's or the Corporate Guarantors' existence as a going business, insolvency, appointment of a receiver for any part of Borrower's or any of Guarantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower or by or against any Guarantor.
- f. Failure to discharge taxes or other liens, other mortgages or charges levied or assessed against the Collateral (other than the liens created under this Agreement by the parties).
- g. Lender, in good faith, deems itself insecure.
- h. Any other event defined as an event of default in any separate promissory note, security agreement, mortgage or other instrument or document executed in connection with this Agreement.
- i. The Loan of the Borrower herein shall also be in default if there is an event of default on any other loans made by Lender to Borrower and any Guarantor or to

any entity wherein any Guarantor under this Agreement is also a guarantor of that separate loan.

- j. Death of either Individual Guarantor to the extent life insurance assigned or pledged to the Lender, or other sources of funds or security, are unavailable to reasonably substitute for the financial security which the deceased Individual Guarantor had provided to the Lender with his/her Guaranty during his/her life.
- k. Any attempt by any Guarantor to revoke the guaranty or impair its enforceability.

6.2 **Remedies.** In the event default occurs, Lender may exercise anyone or more of the following rights and remedies:

- a. Declare the entire balance of the Loan or any or all loans governed by this Agreement as immediately due and payable.
- b. Take possession of the Collateral by self help or judicial action, foreclosure, or other procedures and dispose of the Collateral pursuant to applicable laws of the State or Federal Governments.
- c. Commence and prosecute an action to collect the Loan from Borrower or any Guarantor, or any or all of them.
- d. Refuse to make any further advances under this Agreement or under any instrument or document executed in connection with this Agreement.
- e. Exercise such additional or alternative remedies as are available to Lender under the terms of this Agreement, under any instrument or document executed in connection with this Agreement, or under applicable law.

PART 7. MISCELLANEOUS PROVISIONS

7.1 **Limited Liability Company status and authority of Borrower.** Borrower herein covenants that it is a limited liability company duly organized and existing and in good standing under the laws of the State of Minnesota and has the appropriate power and authority to own its property and carry on its business as it is being conducted at the time of this Agreement; Borrower has full power, authority, and proper authorization to enter into this Agreement and the loan and security transactions attendant thereto.

7.2 **Corporation status and authority of the Corporate Guarantor.** The Corporate Guarantor covenants that it is a corporation duly organized and existing and in good standing under the laws of the State of Minnesota and has the appropriate power and authority to own its property and carry on its business as it is being conducted at the time of this Agreement; that it has full power, authority, and proper authorization to enter into this Agreement and the loan and security transactions attendant thereto.

7.3 **Status and authority of the Limited Liability Company Corporate Guarantor.** The limited liability company Corporate Guarantor covenants that it is a limited liability company duly organized and existing and in good standing under the laws of the State of

Minnesota and has the appropriate power and authority to own its property and carry on its business as it is being conducted at the time of this Agreement; and has full power, authority, and proper authorization to enter into this Agreement and the loan and security transactions attendant thereto.

- 7.4 **No waiver.** No delay or failure by Lender in the exercise of any right or remedy under this Agreement or under law shall constitute a waiver thereof, and no single or partial exercise by Lender of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy.
- 7.5 **Agreements upheld despite invalidity of any clause.** If a court of competent jurisdiction determines any clause or provision of this Agreement to be invalid or void for any reason, such findings will not affect the validity and enforceability of the balance of this Agreement.
- 7.6 **Collection costs and expenses.** Borrower and Guarantors agree to pay upon demand all of Lender's court costs and disbursements, including attorney's fees, and other expenses allowed by law or the court, incurred in connection with this Agreement and the enforcement thereof or in connection with the loan or the collection thereof.
- 7.7 **Modifications in writing only.** Any modification of this Agreement must be in writing and signed by all parties hereto to be valid.
- 7.8 **Applicable law.** The loan documents discussed herein shall be governed by and construed in accordance with the laws of the State of Minnesota. The Lender may, in its discretion, utilize the laws of other states where property of the Borrower or any Guarantor is located to enforce this Agreement and collect the indebtedness. Lender may also in its sole discretion utilize any applicable federal laws of the United States of America to enforce this Agreement and the Lender's rights in the Collateral pledged in this Agreement and collect the indebtedness described herein.
- 7.9 **Notice of litigation.** Borrower and Guarantors shall promptly inform Lender in writing of all material adverse changes in Borrower's or any Guarantor's financial condition, and all litigation and claims and all threatened litigation and claims affecting the Borrower or any Guarantor that could materially affect the financial condition of the Borrower or any Guarantor.
- 7.10 **Notices.** All notices required to be given under this Agreement shall be given in writing and shall be effective when actually delivered or when deposited in the United States mail, first class, postage prepaid, addressed to the party to whom the notice is to be given at the address on the cover page of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying the purpose of the notice is to change the party's address.

IN WITNESS WHEREOF, the parties have set their hands the day and year first above written.

LENDER:

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF COON RAPIDS, MUNICIPAL CORPORATION

By: _____
Tim Howe, Chair

By: _____
Bruce Sanders, Secretary

Dated: _____

BORROWER:

**KyleEstates III, LLC, a
Minnesota Limited Liability Company**

By: _____
Its: President

Dated: _____

INDIVIDUAL GUARANTOR:

Kyle R. Simonson

Dated: _____

INDIVIDUAL GUARANTOR:

Deidre L. Simonson

Dated: _____

CORPORATE GUARANTORS:

**KyleEstates Management Company, LLC
a Minnesota Limited Liability Company**

By: _____
Its: President

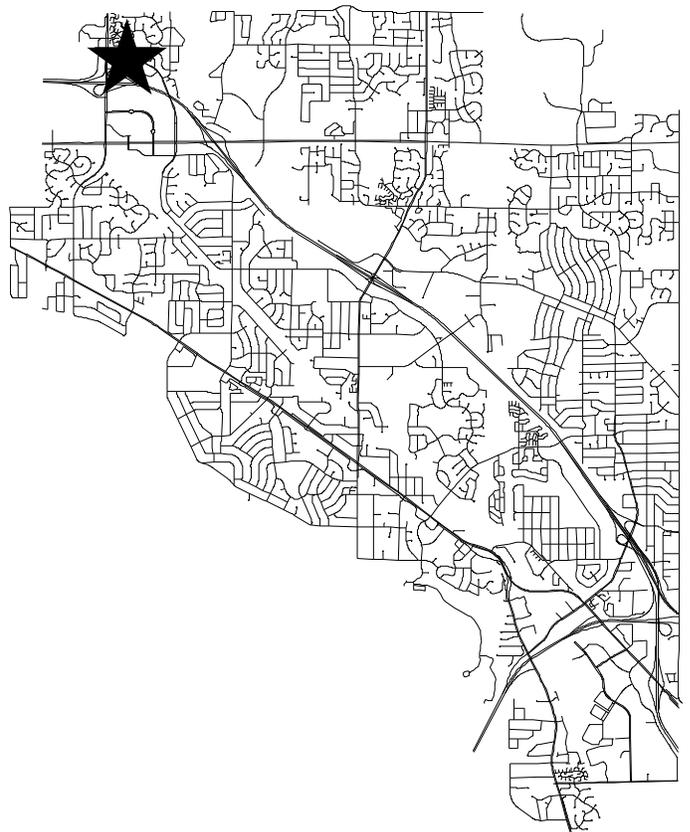
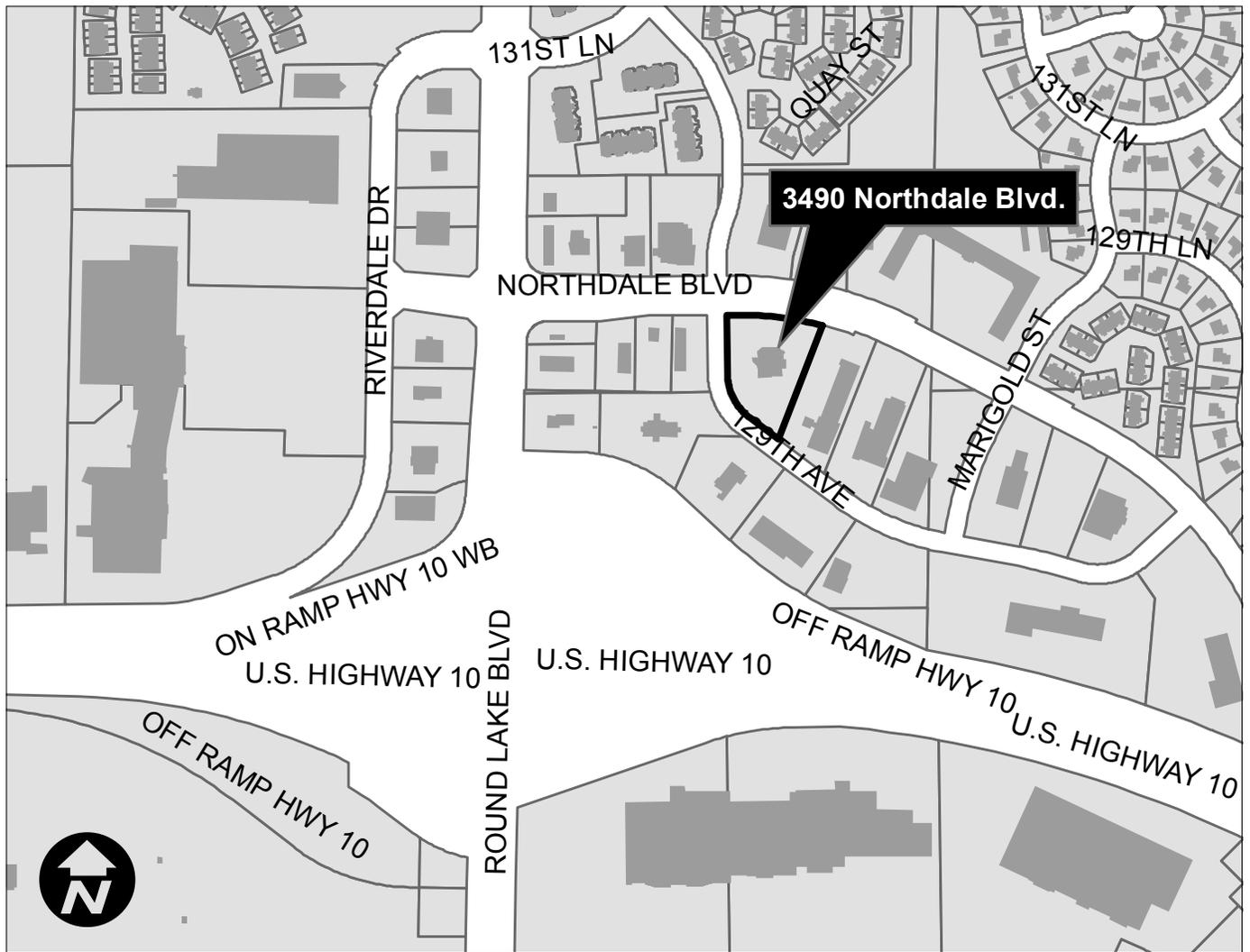
Dated: _____

CORPORATE GUARANTORS:

**Full Presence, Inc.,
a Minnesota Corporation**

By: _____
Its: President

Dated: _____





HRA Regular

2.

Meeting Date: 10/15/2013

Subject: Request Increased Funding for Rehabilitation Advisor Visit Services of the Coon Rapids Housing Improvement Program

Submitted For: Cheryl Bennett, Housing and Zoning Coordinator

From: Cindy Hintze, Administrative Specialist

INTRODUCTION

The City offers Coon Rapids homeowners Rehabilitation Advisor Visit services at no cost through the Coon Rapids Housing Improvement Program. This service, also known as Remodeler Advisor Visits, is provided through a program administration service contract with the Center for Energy and Environment. The Housing and Redevelopment Authority is requested to increase the contract amount for these services through the end of the current contract, which extends through December 31, 2014.

DISCUSSION

The Remodeler Advisor Visit (RAV) service provides one-on-one rehab and/or construction project advice to homeowners upon request. The service is intended to assist residents in improving their homes by providing technical help before and during construction. It is available to all homeowners. The service was approved under the Coon Rapids Housing Improvement Program by the City Council on December 21, 2004, and has been provided under contract by the program administrator since initiation of the program in March 2005. (A similar service was provided previous to that time through an agreement between the City and the North Metro I-35W Corridor Coalition.) In December 2006, the funding allocation for this service, provided through the HRA Administration fund, was established at \$10,000 per calendar year of the contract.

The contracted charge for an individual RAV service was established in 2004 at \$130; it remains at this cost today. The current budget of \$10,000 provides RAV services for 77 Coon Rapids homeowners per year. Since 2006, this funding level has been sufficient to cover the number of RAV services requested, with yearly usage ranging from 33 to 75 percent of funding. However, throughout much of this time, economic conditions, falling housing values and access to credit limited residential reinvestment. This year, staff has witnessed a much greater demand for this service and funds are nearing depletion at this time. This increased demand likely results not only from improving economic conditions but also greater outreach efforts by staff, including program open houses, the Coon Rapids *Connection* and introduction of the Home for Generations II remodeling reinvestment program. Through surveys of RAV participants, staff has received overwhelmingly positive feedback from residents. Use of this service extends throughout the City as shown in the attached map.

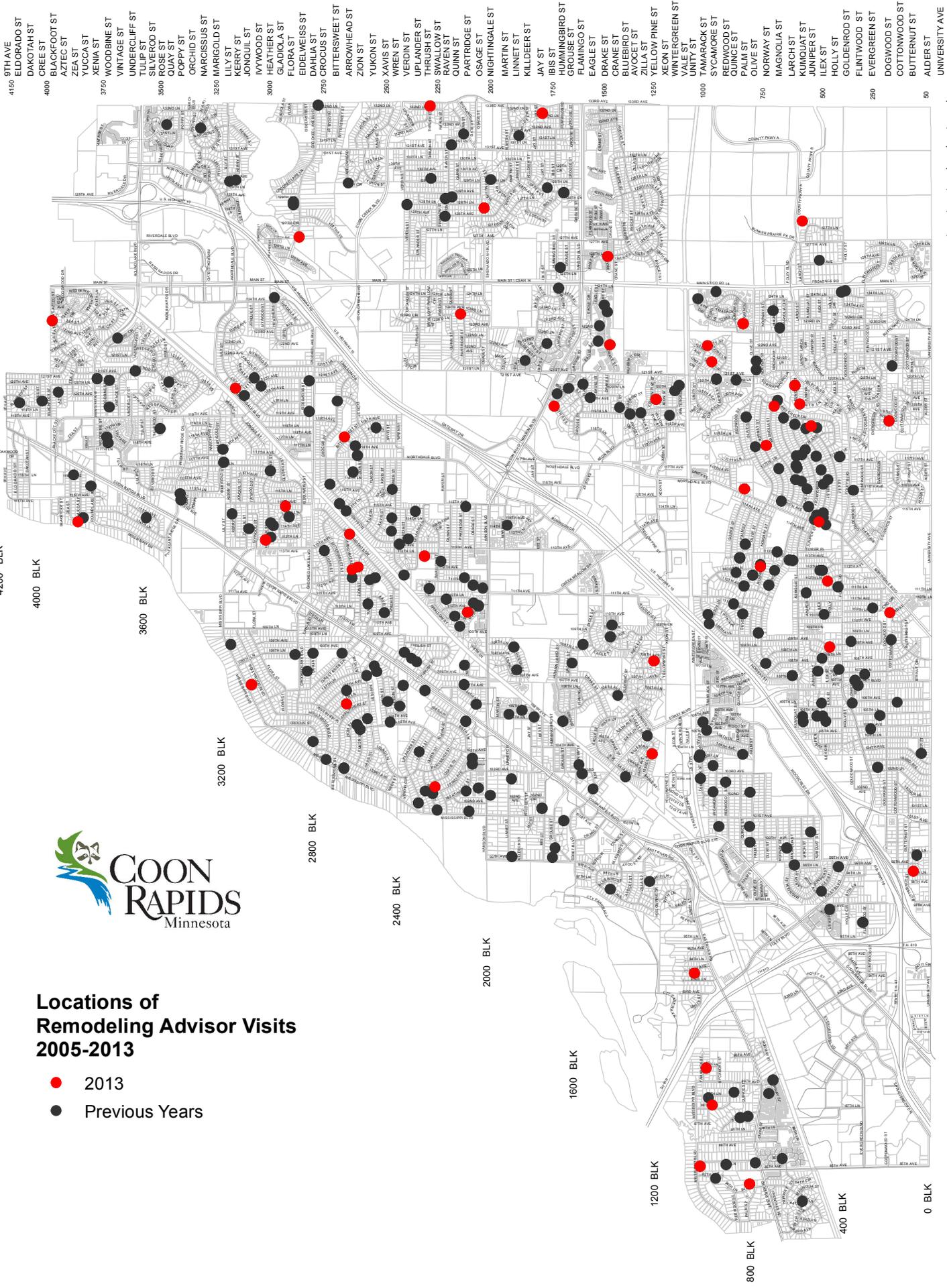
The current program administration contract runs through the end of 2014. Staff is requesting the HRA approve an additional \$5,000 per year from the HRA Administration fund for increased funding of the Remodeler Adviser Visit services for years 2013 and 2014. Unused funds are not carried forward at the end of the calendar year but remain in the HRA Administration fund.

RECOMMENDATION

Staff recommends the Housing and Redevelopment Authority approve an increase of \$5,000 in annual funding of the Rehabilitation Advisor Visit services for program years 2013 and 2014.

Attachments

Map



4150 9TH AVE
 4100 ELDORADO ST
 4050 DAKOTA ST
 4000 CREE ST
 3950 BLACKFOOT ST
 3900 AZTEC ST
 3850 ZEA ST
 3800 YUCCA ST
 3750 XENIA ST
 3700 WOODBINE ST
 3650 VINTAGE ST
 3600 UNDERCLIFF ST
 3550 TULIP ST
 3500 SILVEROOD ST
 3450 ROSE ST
 3400 QUAY ST
 3350 POPPY ST
 3300 ORCHID ST
 3250 NARCISUS ST
 3200 MARIGOLD ST
 3150 LILY ST
 3100 KERRY ST
 3050 JONQUIL ST
 3000 IVYWOOD ST
 2950 HEATHER ST
 2900 GLADIA ST
 2850 FLORA ST
 2800 EDELWEISS ST
 2750 DAHLIA ST
 2700 CROCUS ST
 2650 BITTERSWEET ST
 2600 ARROWHEAD ST
 2550 ZION ST
 2500 YUKON ST
 2450 XAVIS ST
 2400 WREN ST
 2350 VERDIN ST
 2300 UPLANDER ST
 2250 THRUSH ST
 2200 SWALLOW ST
 2150 RAVEN ST
 2100 QUINN ST
 2050 PARTIDGE ST
 2000 OSAGE ST
 1950 NIGHTINGALE ST
 1900 MARTIN ST
 1850 LINNET ST
 1800 KILDEER ST
 1750 JAY ST
 1700 HUMBINGBIRD ST
 1650 GROUSE ST
 1600 FLAMINGO ST
 1550 EAGLE ST
 1500 DRAKE ST
 1450 CRANE ST
 1400 BLUEBIRD ST
 1350 ZILLA ST
 1300 YELLOW PINE ST
 1250 XEON ST
 1200 WINTERGREEN ST
 1150 VALE ST
 1100 UNITY ST
 1050 TAMARACK ST
 1000 SYCAMORE ST
 950 REDWOOD ST
 900 QUINCE ST
 850 PALM ST
 800 OLIVE ST
 750 NORWAY ST
 700 MAGNOLIA ST
 650 LARCH ST
 600 KUMQUAT ST
 550 JUNIPER ST
 500 ILEX ST
 450 HOLLY ST
 400 GOLDENROD ST
 350 FLINTWOOD ST
 300 EVERGREEN ST
 250 DOGWOOD ST
 200 COTTONWOOD ST
 150 BUTTERNUT ST
 100 ALDER ST
 50 UNIVERSITY AVE

133RD AVE
 132ND AVE
 131ST AVE
 130TH AVE
 129TH AVE
 128TH AVE
 127TH AVE
 126TH AVE
 125TH AVE
 124TH AVE
 123RD AVE
 122ND AVE
 121ST AVE
 120TH AVE
 119TH AVE
 118TH AVE
 117TH AVE
 116TH AVE
 115TH AVE
 114TH AVE
 113TH AVE
 112TH AVE
 111TH AVE
 110TH AVE
 109TH AVE
 108TH AVE
 107TH AVE
 106TH AVE
 105TH AVE
 104TH AVE
 103RD AVE
 102ND AVE
 101ST AVE
 100TH AVE
 99TH AVE
 98TH AVE
 97TH AVE
 96TH AVE
 95TH AVE
 94TH AVE
 93RD AVE
 92ND AVE
 91ST AVE
 90TH AVE
 89TH AVE
 88TH AVE
 87TH AVE
 86TH AVE
 85TH AVE
 84TH AVE
 83RD AVE

4200 BLK

4000 BLK

3600 BLK

3200 BLK

2800 BLK

2400 BLK

2000 BLK

1600 BLK

1200 BLK

800 BLK

400 BLK

0 BLK



Locations of Remodeling Advisor Visits 2005-2013

- 2013
- Previous Years