



COON RAPIDS MORTGAGE ASSISTANCE FOUNDATION

Special Meeting

September 16, 2013

2:00 p.m.

Coon Rapids City Hall

Conference Room 1

-
1. **Call to Order**
 2. **Roll Call**
 3. **Adopt Agenda**
 4. Consider approval of Minutes of the April 11, 2013, Special Meeting
 5. Consider Application Packet for Funding Request made to the Foundation
 6. **Other Business**
 7. **Adjourn**



Mortgage Assistance Foundation

Meeting Date: 09/16/2013

Subject: Consider Application Packet for Funding Request made to the Foundation

From: Cheryl Bennett, Housing and Zoning Coordinator

Information

INFORMATION:

Attachments

Staff Memo

Attachments



TO: Coon Rapids Mortgage Assistance Foundation
Board of Directors

FROM: Cheryl Bennett,
Housing and Zoning Coordinator

SUBJECT: Consider Acceptance of Application Packet
for Funding Requests made to the Foundation
– Item 4

DATE: September 16, 2013

Introduction

The attached application form and materials packet has been developed for use when applying to the Foundation for funding requests. Staff is requesting the Board of Directors review the materials, provide comment and accept the application packet for use.

Background

In December 2012, the Board approved Project Funding Guidelines for Fund 82000 and approved a funding program for grants and loans. When first discussed, the funding guidelines were originally considered for use with funds under the control of the Foundation – Fund 82000. However, as discussion progressed, it was the consensus of the Board that the program fund, Fund 20000, might also be accessed for larger projects or continued development of a project or program initiated with Fund 82000. The attached application packet has been developed with the intent of soliciting applications for grants and/or loan applications meeting the Foundation's criteria. Applications would be reviewed by the Board and the Board would direct the funding source based on its review. The Board would make awards from Fund 82000. The Board would provide recommendations to the City Council on awards accessing Fund 20000.

The attached application packet is intended to assist applicants in the funding request process. Funding availability would be announced through the City's communications and marketing office. As previously directed by the Board, the initial application process will be offered on an open basis with no specific period established for accepting applications.

Action Requested

Staff requests the Board accept the attached application packet for use when considering funding requests presented to the Coon Rapids Mortgage Assistance Foundation.

CB

Attachment



FUNDING APPLICATION

(Refer to the Foundation's Project Funding Guidelines and Application Narrative Guidelines for additional submission requirements.)

CONTACT/PROFILE INFORMATION:

Applicant Organization: _____

Address: _____

Telephone: _____ Fax: _____ Website: _____

Project Contact: _____

Contact Telephone: _____ E-mail: _____

Project Title: _____ Amount Requested: \$ _____

Proposed Start Date: _____ Proposed End Date: _____

SUBMISSION REQUIREMENTS: All applications must include the information listed below in addition to the information required in the Application Narrative Guidelines.

1. If applicant is a nonprofit organization, a copy of your current IRS determination letter indicating tax exempt 501(c)(3) status.
2. A year-end financial statement for the most recently completed fiscal year (you may submit a copy of your IRS Form 990, audit or unaudited balance sheet and statement of income and expenses).
3. Current year operating budget and current year-to-date income and expense statement.
4. If applicable, a list of the organization board members, include any relevant community involvement.
5. If applicable, a letter or resolution from the governing board of your organization indicating that this application has been reviewed and endorsed by the board.

CERTIFICATION: By submitting this application, the applicant or organization agrees to the following:

1. The applicant/organization will spend funds solely for the purposes stated in the application; will refund the unexpended portion of such funds, if any; and will submit interim and final reports as required by the Foundation.
2. The applicant/organization agrees that payment of funds will be at the convenience of the Foundation, including the cancellation of the grant or loan and/or modification of previously agreed upon payment schedules, should such cancellation or modification be deemed necessary by the Foundation.
3. That the Foundation, in researching this application, may review any and all of the information submitted as part of this request with the advisors of the Foundation's choosing, if deemed necessary by the Foundation.

Applicant (Print Name)

Applicant Position/Title

Applicant Signature

Date



PROJECT FUNDING GUIDELINES

The Coon Rapids Mortgage Assistance Foundation welcomes applications for grants and loans at any time throughout the year. Eligible applicants must be current or future residents of the City of Coon Rapids requesting support for housing related projects. Projects for consideration can include, but are not limited to:

1. Housing structure preservation
2. Housing value enhancements, including architectural fee assistance
3. Housing accessibility (livability) improvements
4. Incubator or pilot projects related to housing can be considered with the goal of transferring successful programs to Fund 20000. Emphasis may be placed on programs where funds cannot easily be acquired from another source.

Proposed uses of funds are also limited by the following:

1. Any program or proposal must be tied to or support an identified housing related need in the City of Coon Rapids as identified by the City of Coon Rapids Comprehensive Plan adopted August 2009 and funds must be used within the corporate limits of the City of Coon Rapids.
2. Grant dollars are limited to the funds available to the Foundation from the net annual earnings on its investments after all expenses of the Foundation have been deducted. The majority of funding opportunities will be deployed as loans, which will be considered on an individual project basis.

Interested applicants may contact any Foundation board member or staff to discuss their ideas, but all funding decisions are made by the full board after a staff review has determined that the applicant has met the above criteria.

December 2012
Coon Rapids Mortgage Assistance Foundation

The Coon Rapids Mortgage Assistance Foundation is a nonprofit corporation affiliated with the City of Coon Rapids, Minnesota. The Foundation was created in 1979 in association with the issuance of Housing Development Revenue Bonds that assisted development of affordable owner-occupied residential property in Coon Rapids by providing below market interest mortgage rates.



FUNDING APPLICATION NARRATIVE GUIDELINES

Use the outline below as a guide to your project narrative.

- A. Cover letter introducing your organization; include a brief summary describing your proposal.

- B. A brief summary of your organization. Include:
 1. The organization's mission and goals.
 2. The organization's relationship to other organizations with similar missions and goals.
 3. A summary of past projects and accomplishments, if applicable.

- C. Proposed Project Description. Include:
 1. Project overview, including a description of the area that will benefit from your project.
 2. Specific objectives and details of the project to help achieve those objectives, including:
 - a. The opportunity or need your proposal addresses.
 - b. How your proposal is associated with or supports an identified housing related need in the City of Coon Rapids as identified by the City of Coon Rapids 2009 Comprehensive Plan.
 - c. A statement on how this project will impact housing in Coon Rapids.

- D. Reasons for the loan or grant request and the amount. Include:
 1. A project budget, including:
 - a. A budget narrative if necessary to explain your numbers.
 - b. The total project cost.
 2. A list of other sources of funds, including their timing and the amounts, specifying current sources.
 3. Indicate where your organization will obtain future funding to support the project if it is continued. Be specific.

GOALS, OBJECTIVES, AND POLICIES

Given the existing housing conditions and development prospects, the City has adopted the following goals, objectives, and policies to address housing production and maintenance.

Goal #1: Housing Quality - A high-quality living environment, the preservation of stable residential neighborhoods, and, where necessary, the upgrading of the existing housing stock in the City.

Objectives:

- 1-1. Removal or buffering of non-residential uses that are a blighting influence on their residential surroundings.
- 1-2. Elimination of blighting influences and conditions such as unkempt or weedy yards, glaring lights, unscreened storage, poorly maintained exteriors, uninhabitable homes, and an excessive number of vehicles parked on residential properties.
- 1-3. Removal of substandard housing units that are economically unfeasible to rehabilitate.
- 1-4. Construction of high quality new housing.
- 1-5. Remodeled ramblers that are attractive to young homebuyers.

Policies:

- 1-1. The City will respond to complaints about owner occupied properties just as aggressively as it does with renter occupied properties that are not being maintained or are apparent nuisances in the neighborhood.
- 1-2. The City will assure the maintenance of its housing stock by developing and distributing informational materials that help home and apartment owners address maintenance and housing system problems.
- 1-3. The City will provide information for rental property owners to help them screen tenants and deal with tenant related issues that eventually lead to deteriorating properties.
- 1-4. The City will provide information, upon request, that does not violate data privacy rules about neighborhood property maintenance or construction activity.
- 1-5. The City will work with homeowners' associations to help them plan for and manage their maintenance needs.
- 1-6. The City will continue to monitor housing maintenance and outside storage regulations.

Housing

- 1-7. The City will provide those neighborhoods that have the highest housing maintenance violations the highest priority for financial programs to encourage reinvestment.
- 1-8. The City will protect the integrity and desirability of established residential neighborhoods by considering the discontinuation of isolated and aging nonresidential uses through buyout and/or amendments to the future land use map as opportunities arise.
- 1-9. The City will use, if necessary, its legal condemnation authority to remove substandard housing for which rehabilitation has been determined to be economically unfeasible.
- 1-10. The City will continue its program that helps owners of single-level ramblers to update and renovate their properties in a sensitive way that respects the architectural character of the rambler.
- 1-11. The City will continue to encourage existing home renovations such as second story additions and exterior curb appeal improvements.
- 1-12. The City will add to its financial assistance programs to help low-income property owners address deteriorating housing problems.
- 1-13. The City will give high priority to rehabilitating its aging housing stock when determining the appropriate use of Community Development Block Grant funds.
- 1-14. The City will use HUD's Section 8 housing quality standards to determine whether a house is in need of substantial rehabilitation or beyond repair, except where a particular funding program or regulation specifies an alternate definition.
- 1-15. The City will help protect the quality of its housing stock by ensuring that there is full disclosure of existing code violations. Implementation could include a Truth in Housing or Point of Sale requirement. At the very least, this will mean promotion to real estate agents and prospective home buyers or sellers of the practice of contracting for private home inspections prior to purchase of any Coon Rapids home. Promotional efforts may include but shall not be limited to periodic educational items in City publications and information made available to the public by City staff.
- 1-16. The City will undertake efforts to reduce the number of homes that fall into foreclosure and/or have severe maintenance problems.

Goal #2: Housing Variety - A variety of housing types and designs to allow all people a housing choice.**Objectives:**

- 2-1. New housing units that are designed using “universal design” principles.
- 2-2. No less than 60% of the City’s housing supply being detached single-family homes (includes detached homes in a common interest community).
- 2-3. No less than 75% of the housing stock being owner-occupied.
- 2-4. More upper bracket housing costing more than \$300,000 to balance the high percentage of housing units valued below \$250,000.

Policies:

- 2-1. The City will continue development management approaches which encourage a wide variety of housing types and ownership and rental options.
- 2-2. The City will encourage developments for retired and handicapped persons and continue programs offering City financial assistance for these special housing needs.
- 2-3. The City will continue to offer the flexibility of the Planned Unit Development process in order to achieve affordable housing units.
- 2-4. The City will identify underused nonresidential sites that may be suitable for higher density residential use.
- 2-5. The City will designate infill areas and redevelopment sites along major streets and adjacent to commercial or other high activity areas for townhouse and/or apartment type uses.
- 2-6. The City will encourage upper bracket homes where townhouse and/or apartment units are not compatible with the surrounding neighborhood.
- 2-7. The City will accommodate energy conserving technologies and construction techniques, including active and passive solar energy features, by advocating their use in application for new residential development and by amending City Code or City policies as appropriate to allow residents to take advantage of new approaches.
- 2-8. The City will assist in attempts to obtain any applicable funds for City approved development proposals designed to maximize the opportunity of providing a variety of housing types, costs, and densities that meet City objectives. Sources may include, but

Housing

are not limited to, federal programs such as the Home Investment Partnership Program (HOME) or Section 202 financing for senior housing, state aid such as the Low Income Tax Credit Program or the Low/Moderate Income Rental Program, Metro Council funds such as the Local Housing Investment Account, or nonprofit assistance such as the Family Housing Fund or Habitat For Humanity.

- 2-9. The City will, to the extent possible, document the characteristics and neighborhood experiences of community based residential facilities in the City, so that better relations may be forged between such facilities and surrounding neighborhoods.
- 2-10. The City will develop procedures that result in productive discussions between developers and surrounding residents when there is neighborhood opposition to a housing proposal that meets City objectives.

Goal #3: Affordability - Housing opportunities at a cost low- and moderate-income individuals and families can afford without compromising essential needs.

Objectives:

- 3-1. A housing supply that has between 20% and 25% of all units affordable to families with an income at 60% of the area median family income (AMI).
- 3-2. The preservation of existing affordable units, including the manufactured housing at Creekside Estates manufactured home park.

Policies:

- 3-1. The City will use the Metropolitan Council's definition of affordable housing which is housing that costs no more than 30% of the income of a family earning 60% of the Twin Cities median family income.
- 3-2. The City accepts the Metropolitan Council's suggested allocation of 200 affordable units between 2011 and 2020 and will continue its efforts to support affordable housing opportunities for current and future residents through provision of location choices for varied housing types, participation in housing assistance programs responsive to local needs, and provision of fiscally prudent public assistance to projects that are a benefit to the community as a whole.
- 3-3. The City will continue its current development management system of providing reasonable standards that do not contribute to excessive housing production costs and a development review process that provides for efficient and timely decisions.
- 3-4. The City will not require new affordable housing to be located adjacent to existing concentrations of affordable housing.

- 3-5. The City will not require new affordable housing to be located adjacent to existing concentrations of affordable housing.
- 3-6. The City will consider and attempt to reasonably mitigate the loss of or impact on the quality of the existing supply of affordable housing units by any new development or redevelopment proposal that requires removal of affordable homes or that would significantly increase traffic, noise, or other negative impacts near those homes. However, such considerations will not necessarily override other legitimate development concerns.
- 3-7. The City will consider any potential housing affordability impact prior to adopting or amending any development-related or construction-related regulation. Negative impacts will be balanced against concerns for the general public health, safety, or welfare. Where possible, strategies for mitigating negative affordability impacts will be identified.
- 3-8. The City will meet with owners of subsidized properties eligible to leave the subsidy program, to learn about their plans and to discuss any obstacles that may keep them from renewing their program contract.
- 3-9. The City will meet with owners of market rate rental properties to explain the Federal Section 8 voucher program and encourage them to participate in the program.

Goal 4: Nondiscrimination - Equal opportunity in home ownership and renting.

Objective:

- 4-1. No discrimination against persons seeking housing based on age, religion, race, ethnic origin, sexual preference, gender, or disability.

Policies:

- 4-1. Staff will investigate any allegations of housing discrimination to see if the City of Coon Rapids should intervene in the dispute.
- 4-2. The City will conduct ongoing education efforts as necessary to promote equal availability of housing opportunities and fair treatment of all renters and buyers regardless of age, religion, race, ethnic origin, sexual preference, gender, or disability.
- 4-3. The City will establish a process for early citizen involvement in the siting of new subsidized housing developments.
- 4-4. The City will continue to participate in the local housing incentives program of the *Metropolitan Livable Communities Act*.



Mortgage Assistance Foundation

Meeting Date: 09/16/2013

SUBJECT: Consider approval of Minutes of the April 11, 2013, Special Meeting

Information

Attachments

Minutes

COON RAPIDS MORTGAGE ASSISTANCE FOUNDATION – SPECIAL MEETING

The April 11, 2013, meeting of the Board of Directors was called to order by President Naeve at 9:38 a.m.

1. Roll Call

Members Present In Person	Lyle Haney, Treasurer	Al Hofstedt, Director
Members Present via Conference Call	Donna Naeve, President	Scott Schulte, Secretary
Members Absent	Brad Crandall, Director Jim Stanton, Vice President	Tim Howe, Director
Others Present	Cheryl Bennett, Housing and Zoning Coordinator Cindy Hintze, Administrative Specialist	

2. Consider adoption of the agenda.

MOTION BY TREASURER HANEY, SECOND BY DIRECTOR HOFSTEDT, TO ADOPT THE AGENDA AS PRESENTED.

Vote recorded by roll call: Treasurer Haney, yea; Director Hofstedt, yea; Secretary Schulte, yea; and President Naeve, yea.

MOTION PASSED.

3. Consider approval of the March 8, 2013, minutes.

MOTION BY SECRETARY SCHULTE, SECOND BY DIRECTOR HOFSTEDT, TO APPROVE THE MINUTES OF THE MARCH 8, 2013, MEETING.

Vote recorded by roll call: Director Hofstedt, yea; Secretary Schulte, yea; and President Naeve, yea. Treasurer Haney abstained.

MOTION PASSED WITH TREASURER HANEY ABSTAINING.

4. Consider funding request from the Coon Rapids Community Strength Foundation.

President Naeve asked for comments or questions regarding the funding request from the Coon Rapids Community Strength Foundation.

Secretary Schulte said that after reviewing the request and the guidelines in the agenda material provided, he did not find the request to be sufficiently related to housing to support it.

Director Hofstedt agreed, and stated that with the mission of the Coon Rapids Community Strength Foundation and the request letter's mention of the types of uses that foundation supports, he felt the intended use was to promote the City and did not necessarily support housing related issues.

Treasurer Haney stated he agreed with the comments of Secretary Schulte and Director Hofstedt.

President Naeve concurred. She stated she reviewed the request against the 2009 Comp Plan housing goals, objectives and implementation program and was unable to find a link between the request and the funding guidelines.

MOTION BY SECRETARY SCHULTE, SECOND BY TREASURER HANEY, TO DENY THE REQUEST FOR FUNDING.

Vote recorded by roll call: Treasurer Haney, yea; Director Hofstedt, yea; Secretary Schulte, yea; and President Naeve, yea.

MOTION PASSED.

President Naeve asked Ms. Bennett to send notice to the Coon Rapids Community Strength Foundation of the Board's decision.

5. Consider other business.

President Naeve stated she and Ms. Bennett attended the Green Expo this past weekend, and that they may reconsider attending next year based on where to best use resources. She stated that new brochures have been created and used at the expo. She noted that they are not yet in a final form and requested Ms. Bennett send the brochures to the Board members for the opportunity to comment.

President Naeve stated that many residents she and Ms. Bennett spoke with during the Green Expo indicated that they liked the loan programs being offered but that some are not able to access them because they are underwater on their mortgages. President Naeve asked the Board if they wanted additional information on providing loans to property owners in this situation and wanted Ms. Bennett to research providing unsecured loans for maintenance type projects only. She stated one requirement of this type of loan could be that the homeowner be current on their mortgage for a certain length of time and noted this type of loan would not be available to homeowners in a foreclosure situation.

Treasurer Haney stated he would be interested in pursuing additional information on this type of program.

Director Hofstedt stated he was also interested in more information along with suggested program qualifications.

Secretary Schulte stated he was interested and would like more discussion on the topic.

MOTION BY TREASURER HANEY, SECOND BY SECRETARY SCHULTE, TO DIRECT MS. BENNETT TO RESEARCH SUCH A LOAN PROGRAM FOR MAINTENANCE PROJECTS ONLY.

Vote recorded by roll call: Treasurer Haney, yea; Director Hofstedt, yea; Secretary Schulte, yea; and President Naeve, yea.

MOTION PASSED.

6. Adjourn.

MOTION BY SECRETARY SCHULTE, SECOND BY TREASURER HANEY, TO ADJOURN THE MEETING.

President Naeve declared the meeting adjourned at 9:47 a.m.

Recorded by:
Cindy Hintze
Administrative Specialist

DRAFT