Minnesota Housing's 2012 Affordable Housing Plan

October 24, 2012

Minnesota Housing Partnership
Agenda

- Introductions, Overview
  Chip Halbach
- 2012 MHFA Priorities and Input,
  Groundwork for 2013
  Mary Tingerthal
- Table: Allocation of Flexible
  Funding Sources
  Chip Halbach
- MHP: Observations
  Chip Halbach
- Question and Answer
  Mary Tingerthal, Chip Halbach
- Wrap Up
  Chip Halbach
2012 Affordable Housing Plan

• Sources and Uses of Resources Available to the Agency
• For program period October 2011 through September 2012
• To Minnesota Housing board 10/27
• One year plan
FY2012 Affordable Housing Plan

The Process

• Regional Housing Dialogues
• Stakeholder Meetings
• Minnesota Housing Staff Input
• Minnesota Housing Board Special Session
• Draft Plan
• Final Plan
FY2012 Affordable Housing Plan
Overview by Strategic Priority

<table>
<thead>
<tr>
<th>Strategic Priority</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance New Opportunities for Affordable Housing</td>
<td>$316,382,115</td>
<td>48.8%</td>
</tr>
<tr>
<td>Preserve Existing Affordable Housing</td>
<td>$331,869,868</td>
<td>51.2%</td>
</tr>
<tr>
<td>Prevent and End Long-Term Homelessness</td>
<td>$34,965,304</td>
<td>5.4%</td>
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<tr>
<td>Mitigate Foreclosure Impact</td>
<td>$126,067,430</td>
<td>19.4%</td>
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</tbody>
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Overall AHP $658 Million
FY2012 Affordable Housing Plan
New Resources by Source

- Federal Resources: $211,125,492 (32.1%)
- Bond Proceeds: $290,000,000 (44.1%)
- Housing Investment Fund (Pool 2): $69,400,000 (10.5%)
- State Appropriations: $58,556,573 (8.9%)
- Housing Affordability Fund (Pool 3): $29,202,268 (4.4%)
## FY2012 Affordable Housing Plan
### New Resources by Program v 2011

<table>
<thead>
<tr>
<th>Program Category</th>
<th>2010-11 Original AHP (Annualized)</th>
<th>2012 AHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homebuyer</td>
<td>$296,731,275</td>
<td>$271,204,957</td>
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<tr>
<td>Home Improvement</td>
<td>$32,136,011</td>
<td>$26,215,000</td>
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<tr>
<td>Rental Production - New Construction and Rehabilitation</td>
<td>$122,499,984</td>
<td>$113,339,756</td>
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<tr>
<td>Rental Assistance Contract Administration</td>
<td>$171,625,000</td>
<td>$181,625,000</td>
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<tr>
<td>Non-Capital Resources to Prevent and End Long-Term Homelessness</td>
<td>$23,282,141</td>
<td>$22,005,304</td>
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<tr>
<td>Portfolio Management</td>
<td>$15,750,000</td>
<td>$4,375,015</td>
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<tr>
<td>Multiple Use Resources</td>
<td>$35,375,300</td>
<td>$36,458,538</td>
</tr>
<tr>
<td>Other</td>
<td>$3,693,556</td>
<td>$3,060,763</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$701,093,266</strong></td>
<td><strong>$658,284,333</strong></td>
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</tbody>
</table>
FY2012 Affordable Housing Plan
Program & Policy Highlights

• Launch of Rental Rehab Pilot Program

• Conduit Financing for Preservation

• Community Recovery Financing
  » Fix-up Fund Pilot for Good Credit/High LTV Borrowers
  » Flexible Purchase Financing for Foreclosure Recovery
FY2012 Affordable Housing Plan
Program & Policy Highlights

• Reallocation of HOME Funds for efficient administration
• Continuation of non-profit organizational support, including CHDO operating support
• Continued commitment to resident-owned manufactured housing parks
• Continued commitment to ending long-term homelessness
FY2012 Affordable Housing Plan

Key Research & Policy Analysis

- Housing Needs Assessment
- Reengineering Preservation Policies and Tools
- Senior Housing Options
- Rent Assistance & Service Funding for Supportive Housing
- Response to Changes in Mortgage Markets & Use of Entry-Cost Assistance
- Energy Efficiency for Multifamily
Where Goes the Gap

- Overall level of “gap” funding
- Two discretionary uses: HOME and Pool 3
- Major changes in program funding
Wrap

• 2012 Affordable Housing Plan: www.mnhousing.gov/idc/groups/administration/documents/webcontent/mhfa_011693.pdf
• Minnesota Housing Partnership: www.mhponline.org
  – MHP Connect Blog: www.mhponline.org/mhp-blogs/mhp-connect
• Chip Halbach: chalbach@mhponline.org
• Commissioner Mary Tingerthal: Mary.Tingerthal@state.mn.us