



Midwestern Affordable Housing Innovations & Strategies

Leaning into Change and
Innovation

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Changing lives and creating communities
by developing and sustaining housing
for those most in need

Beyond Shelter, Inc.

Learning Objectives

Explore

The **value of partnerships** between PHA & Non-profit Development Partners



Explore

Funding mechanisms for affordable housing development



Explore

Examples of **innovative projects** resulting from partnership between PHAs and Beyond Shelter, Inc.

Repositioning



Disposition

Demolition &
Disposition

Reinvestment of
sales proceeds into
new development



Streamlined
Voluntary
Conversion

RAD

Section 18





Repositioning may mean changing your mindset, learning new ways of achieving your mission, and modifying the day-to-day operations of your organization.



NON-PROFIT DEVELOPMENT PARTNERS

- Shared Mission
- Affordable housing development is primary focus
- Experience - Details Matter
- Time is Money

What can a Development Partner do for me?

Housing Authority

- Continue daily operations
- Navigate HUD processes
- Manage tenant needs
- Manage organizational change
 - Job descriptions
 - Personnel
 - Funding streams
 - Accounting system
 - Board education
 - Staff education

Development Partner

- Procuring professional services
- Visioning / Master Planning
- Coordinating with City
- Prepare & monitor timelines
- Test financial models
- Secure professional reports
- Write funding applications
- Negotiating debt & equity terms
- Manage financial closing
- Manage construction draws
- Assist PHA with project accounting
- Oversee initial lease-up
- Assist PHA setting up project accounting
- Oversee first year operations

New Development

- Burleigh County Housing Authority
- Clay County HRA
- Fargo HRA
- Fergus Falls Housing Authority
- Grand Forks Housing Authority
- Housing Authority of Cass County
- Minot Housing Authority
- Moorhead Housing Authority
- Stark County Housing Authority



Disposition & New Development

- Fargo Housing & Redevelopment Authority
- Minot Housing Authority
- Traill County Housing Authority
- Williston Housing Authority



Demolition and Disposition

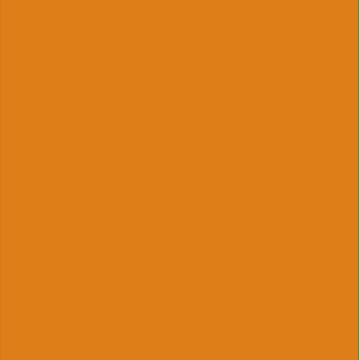
- Housing Authority of Cass County
- Burleigh County Housing Authority





SHOW US THE MONEY

- Public Housing funds
- Private Equity
- Bank Debt
- Federal Funds
- State Funds
- Foundation grants



Leverage

Public Housing Authority Funds

- Capital Funds
- Unencumbered Funds
- Sales Proceeds
- Powerful source of seed money
- Loans to project



Private Equity

4% Low Income Housing Tax Credits & Bond Financing

- Credits not competitive
- Bond cap may be competitive
- Private LLLP ownership



Historic Tax Credits

- Historic Register
- Maintain historic character
- Private LLLP ownership

9% Low Income Housing Tax Credits

- Maximize equity
- Highly competitive
- Private LLLP ownership



Public Funds

Federal

- HOME Investments Partner Program
- Community Development Block Grant (CDBG)
- Housing Trust Fund
- Federal Recovery Funds

Local

- Payment in Lieu of Taxes
- Waiver of Fees
- Land Donation
- Local match may be required to leverage other funds

State

- Housing Infrastructure Bonds
- Low and Moderate Income Rental Program
- Flexible Financing for Capital Costs
- Economic Development Housing Challenge Program
- Preservation Affordable Rental Investment Fund
- Publicly Owned Housing Program
- Housing Incentive Fund

Debt

- Community Banks
- National Banks
- Community Reinvestment Act
- Interest Rate Buydowns
- PHA / GP Loans
- Soft Loans / Cashflow Loans



The image features a decorative header at the top consisting of a grid of colored squares in shades of red, orange, green, and teal. Below this grid is a dark red background with the text "Innovative Housing Authority Developments" in white. On the left side of the dark red background, there are several thin, curved, light-colored lines.

Innovative Housing Authority Developments

TYPES OF PROJECTS

- Permanent Supportive Housing
- Rapid Response to changing needs
- Redevelopment
- Unique Financing





Permanent Supportive Housing

PHA Roles:

- Owner
- General Partner
- Co-General Partner
- Management Agent
- Service Provider



Properties:

- Cooper House, Fargo, ND
- Gateway Gardens, Moorhead, MN
- La Grave on First, Grand Forks, ND
- Edwinton Place, Bismarck
- Garitz Grove, Fergus Falls

Innovations:

- Early adopters of Housing First low barrier housing
- Key players in helping Cities execute 10-year plans to end homelessness
- Meeting needs of homeless in rural MN

Workforce Housing

PHA Roles

- Co - General Partner
- Property Manager
- Down payment Assistance
- HCV with Mortgage





Properties:

- Bluestem Homes, Fargo, ND
- Patterson Heights, Dickinson, ND
- Washington Townhomes, Fieldcrest Apartments, & Sunset Ridge, Minot, ND

Innovations:

- Lease purchase homeownership opportunity
- Housing for Essential Service Workers & Law Enforcement Personnel
- Flood Recovery Replacement Housing

Dakota Apartments 2, Bismarck, ND

Burleigh County Housing Authority

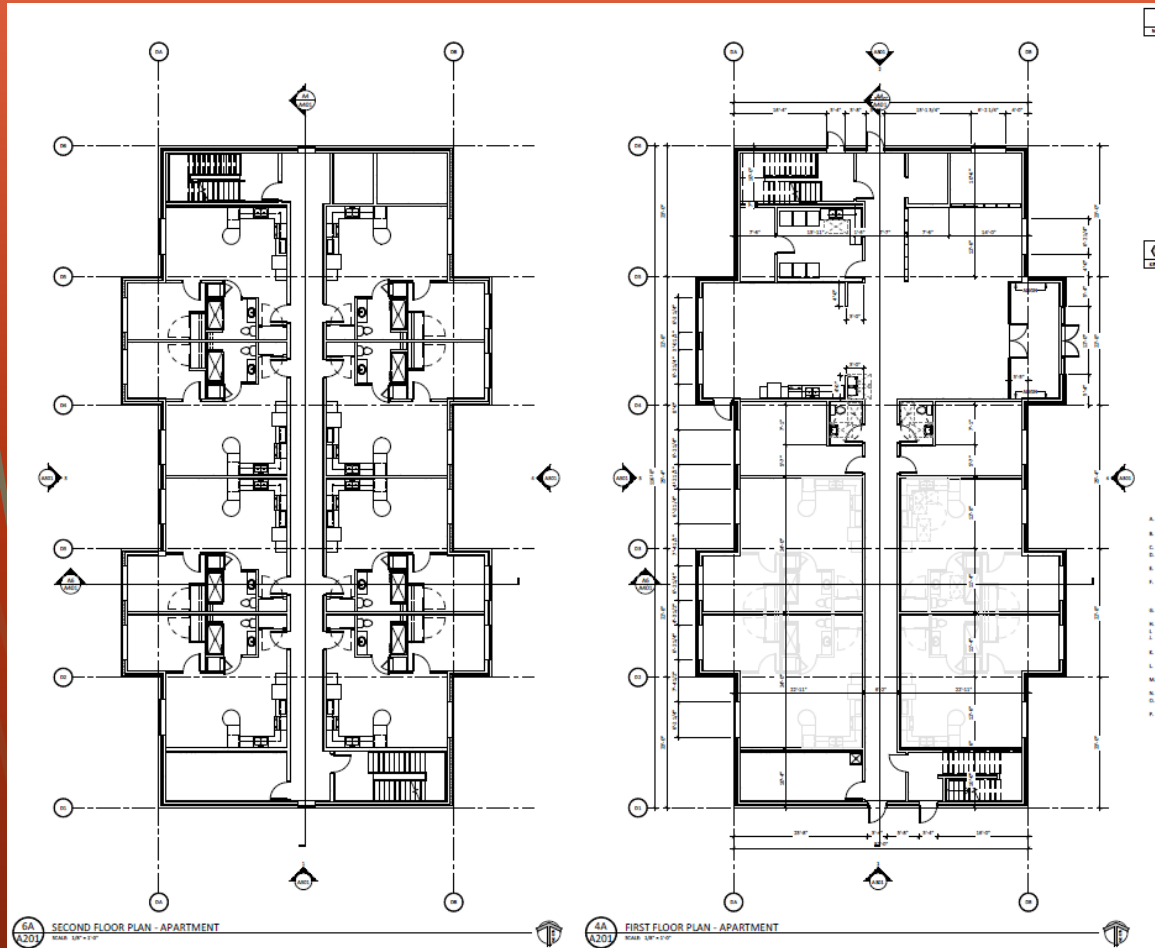
- Demolition and disposition of 17 functionally obsolete public housing units
- New construction of 34-unit LIHTC project
- Ground lease to Owner LLLP
- Three structures
- 2 BR family townhouses (14)
- 1 BR senior apartments (20)
- Anticipated ground breaking in early fall 2022



Funding Sources

- Capital Funds (for Demo)
- Affordable Housing Program (AHP)
- LIHTC
- Housing Trust Fund
- CDBG
- Bank Debt
- Ground Lease
- Payment in Lieu of Taxes





Innovation

- Community Revitalization
- New development functions as two projects
 - Family
 - Senior
- Solar panel ready
- Stormwater retention for larger site

Cooks Court, Minot, ND

Minot Housing Authority

- MHA identified need
- Reached out to BSI – Co GPs
- Met with City regarding funding
- Committed PBV for 30% AMI units
- Signed on as property manager
- 40 units new construction – 62+
- Attached parking garages
- Guest room
- Community space



Funding Sources

- City CDBG (flood recovery)
- LIHTC
- ND Housing Incentive Fund
- Bank Debt
- Payment in Lieu of Taxes





Innovation

- Community Revitalization
- City did site prep then donated site – Geo-piers
- Attached indoor parking
- Shared tenant garden

La Grave on First, Grand Forks, ND

Grand Forks Housing Authority

- 10-year plan to end homelessness
- GFHA sole GP
- BSI Developer
- Committed PBV for 30% AMI units
- GFHA Property Manager
- 42 units of new construction for chronically homeless
- On site services
- Commercial Kitchen
- Housing First



Funding Sources

- City land donation
- Affordable Housing Program (AHP)
- LIHTC
- Housing Trust Fund
- HOME Funds
- Otto Bremer Trust
- Tribal funds
- Payment in Lieu of Taxes





Innovation

- Housing First
- Commercial Kitchen – job training
- Serene lobby
- SAMSA grant for services

The Monterey & Brighton Place, West Fargo, ND

Housing Authority of Cass County

- Master planning process
- 85 units senior + 36 townhouses
- 65+
- Project based vouchers
- New office for Housing Authority
- Enclosed parking under building
- Spacious community room
- Craft room
- Media room
- Fitness room
- Salon





FOSS
ARCHITECTURE
+ INTERIORS



NOTABLE STEPS IN THE PROCESS:



- Demo/Dispo application to HUD
- Tenant Protection Vouchers
- Relocation of tenants – most permanently
- Site purchased land, LLC formed by HRA
- 2 Separate projects
- 2 Separate ownership entities
- 2 Land Leases to Owner, LLPs
- 2 funding packages; financial closings
- 2 building permits; construction contracts
- PHA is General Partner in both Owner, LLPs, with control over daily operations
- Right of First Refusal



Innovative Approaches

- Comprehensive master planning opportunity
- Coordination with City – participating in larger community revitalization plan
- Storm water retention capacity
- Included new office for HRA in new building







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