

# Community Development Committee

Meeting date: March 3, 2008

## ADVISORY INFORMATION

<b>Date:</b>	February 25, 2008
<b>Subject:</b>	Update on LHIA Grant Award Selection Process
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	Livable Communities Act, Minnesota Statutes 473.254
<b>Staff Prepared/Presented:</b>	Linda Milashius, Senior Planner, 651-602-1541
<b>Division/Department:</b>	HRA and Livable Communities Programs, Community Development

### Proposed Action

None. Information only.

### Background

In 1995, the Minnesota Legislature adopted two significant pieces of legislation related to affordable housing: the Metropolitan Livable Communities Act (Minn. Stat. §473.25 - §473.254) and the Governor's Economic Vitality and Housing Initiative (1995 Laws, Chapter 224, section 6). The Metropolitan Livable Communities Act created a fund (Local Housing Incentives Account) available to participating communities to provide a full range of housing opportunities and to preserve and rehabilitate affordable housing. The Governor's Economic Vitality and Housing Initiative, to be implemented by Minnesota Housing (formerly Minnesota Housing Finance Agency), targeted appropriations to supporting and complementing regional economic development and redevelopment efforts. Also in 1995, the Family Housing Fund was awarded a McKnight Foundation Grant, a portion of which was earmarked to support the creation of low income housing opportunities in the suburban metropolitan area.

In an effort to coordinate affordable housing resources available for the metro area, Minnesota Housing, the Met Council, and the Family Housing Fund convened the Metropolitan Housing Implementation Group (MHIG). In addition to representatives from these three entities that provided dollars collaboratively to support affordable housing, MHIG was also composed of representatives from the Corporation for Supportive Housing, Greater Minneapolis Metro Housing Corporation (GMMHC), Local Initiatives Support Corporation (LISC), FNMA, Minnesota Housing Partnership (MHP), Minneapolis Public Housing Authority and HUD. These groups helped advise and inform the funding selection process but did not participate in contributing funding through the MHIG.

MHIG developed joint selection criteria to ensure that consistent policies were used by members of MHIG to inform funding decisions on housing projects in the metro area. The selection criteria were a tool to implement the policies articulated in the Metropolitan Council's Regional Blueprint, as well as the Metropolitan Livable Communities Act, Governor's Economic Vitality and Housing Initiative, and affordable housing initiatives of the Family Housing Fund. MHIG also developed and implemented a coordinated and comprehensive funding application and selection process. Delivery of a combination of resources from members of the MHIG was streamlined through a single application process and joint review process. The Livable Communities Local Housing Incentives Account applications have always been reviewed and selected through the collaborative MHIG process.

Since it has been nearly five years since most Community Development Committee members have been briefed on the MHIG process, and because some members have heard about MHIG only through the LHIA funding recommendations twice a year, at the March 3rd meeting, staff will provide the committee with a brief overview of MHIG. The information will focus on the application and selection process, changes in the MHIG structure, and recent changes implemented and being proposed to the joint selection criteria.