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CITY OF SAINT PAUL

# INSPIRING COMMUNITIES

## 729 Burr and 930 York



## Inspiring Communities

- Awarded under RFP7
- Dayton's Bluff Neighborhood Housing Services (DBNHS) is developer
- Sales to a first-generation homebuyer
- At or below 60% AMI (\$74,520 for a 4-person household)



# 729 Burr Street

- District 5
- Ward 2





## 729 Burr Street

- Acquired in 2009 through First Look Program
  - Early access to bank-owned foreclosed property
- 40' x 90' (3,600 SF)
- No alley access
- No topography issues





## 729 Burr Street

- New construction of single family home
  - 4 bedrooms, 3 baths
  - 2-stall garage
  - Approx. 3,000 SF





## 729 Burr Street

Land	\$ 26,000
Construction Costs	\$ 391,500
Soft Costs	\$ 60,500
<u>Develop Fee</u>	<u>\$ 32,000</u>
<b>Total Development Costs</b>	<b>\$ 510,000</b>
<i>Estimated Sales Price</i>	<i>(\$ 240,000)</i>
<b>Total Development Gap (TDG)</b>	<b>\$ 270,000</b>
TDG Less Land Cost	\$ 244,000

According to program guidelines, the buyer can access up to \$40,000 in affordability gap



# 930 York Ave

- District 5
- Ward 6





## 930 York Ave

- Acquired in 2009 through First Look Program
  - Early access to bank-owned foreclosed property
- 30' x 125' (3,750 SF)
- alley access
- topography







## 930 York Ave

- New construction of single family home
  - 3 bedrooms, 2 baths
  - 2-stall garage
  - Expansion space with egress window and roughed in bath in basement
  - Approx. 1,500 SF
- 18' wide and requires shoring due to proximity of neighboring homes





## 930 York Ave

Land	\$ 27,500
Construction Costs	\$ 425,000
Soft Costs	\$ 60,500
<u>Develop Fee</u>	<u>\$ 30,500</u>
<b>Total Development Costs</b>	<b>\$ 543,500</b>
<i>Estimated Sales Price</i>	<i>(\$ 240,000)</i>
<b>Total Development Gap (TDG)</b>	<b>\$ 303,500</b>
TDG Less Land Cost	\$ 276,000

According to program guidelines, the buyer can access up to \$40,000 in affordability gap



# Inspiring Communities

## Loan Terms

- HRA finances the cost of the land
- Note and Mortgage for Total Development Gap
- 0% interest
- Forgiven upon sale to an eligible end buyer

## Source of Funds

- DBNHS is certified as a Community Based Development Organization (CBDO) and can use **CDBG** for new construction activities



## HRA Board Action

- Approval sale of two HRA-owned parcels
- Authorize entrance into development agreements
- Approve waiver of the \$200,000 subsidy cap
- Authorize expenditures in the amount of \$520,000