

Hamm's East End Apartment Project

Housing and Redevelopment Authority
June 26, 2024

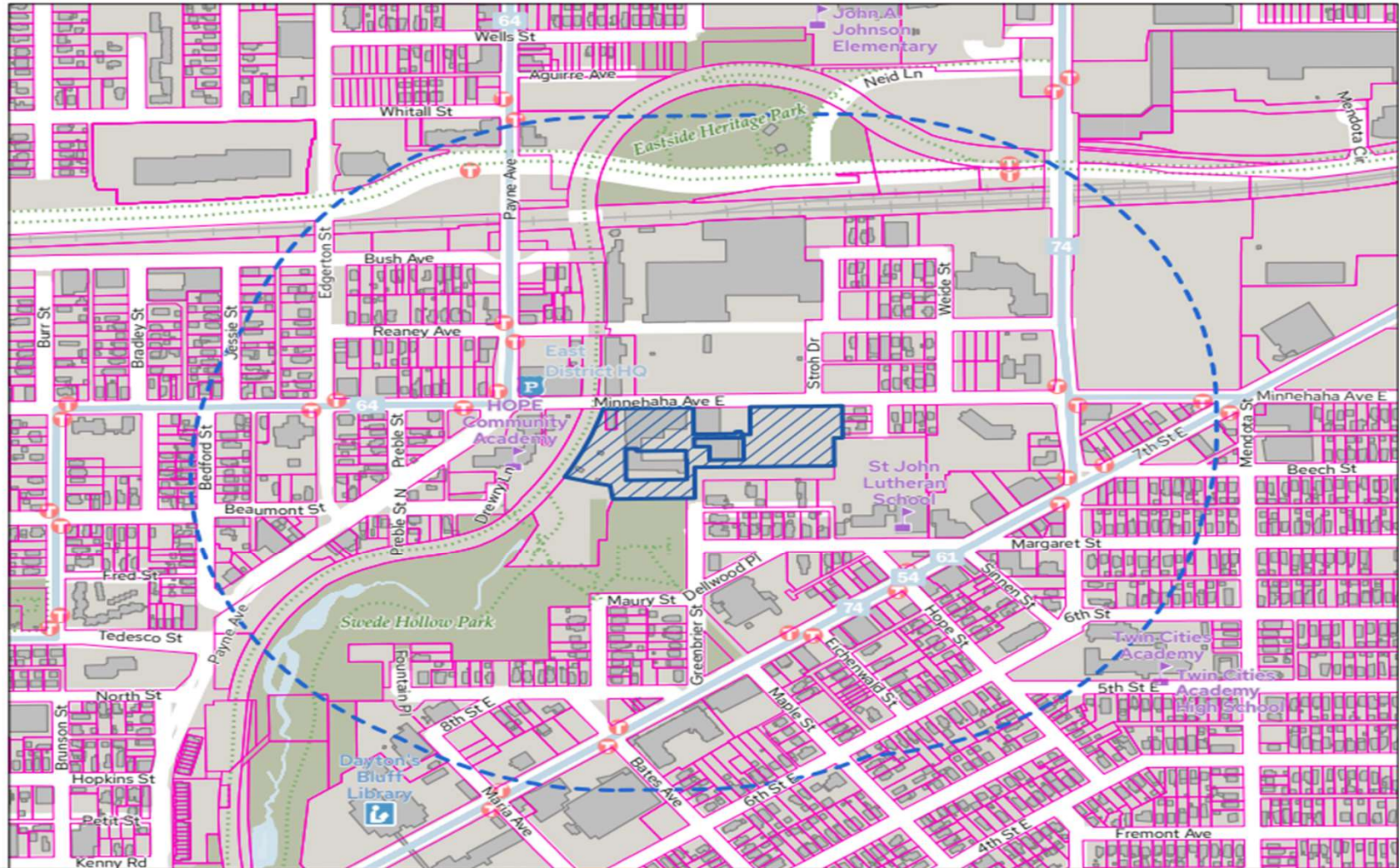


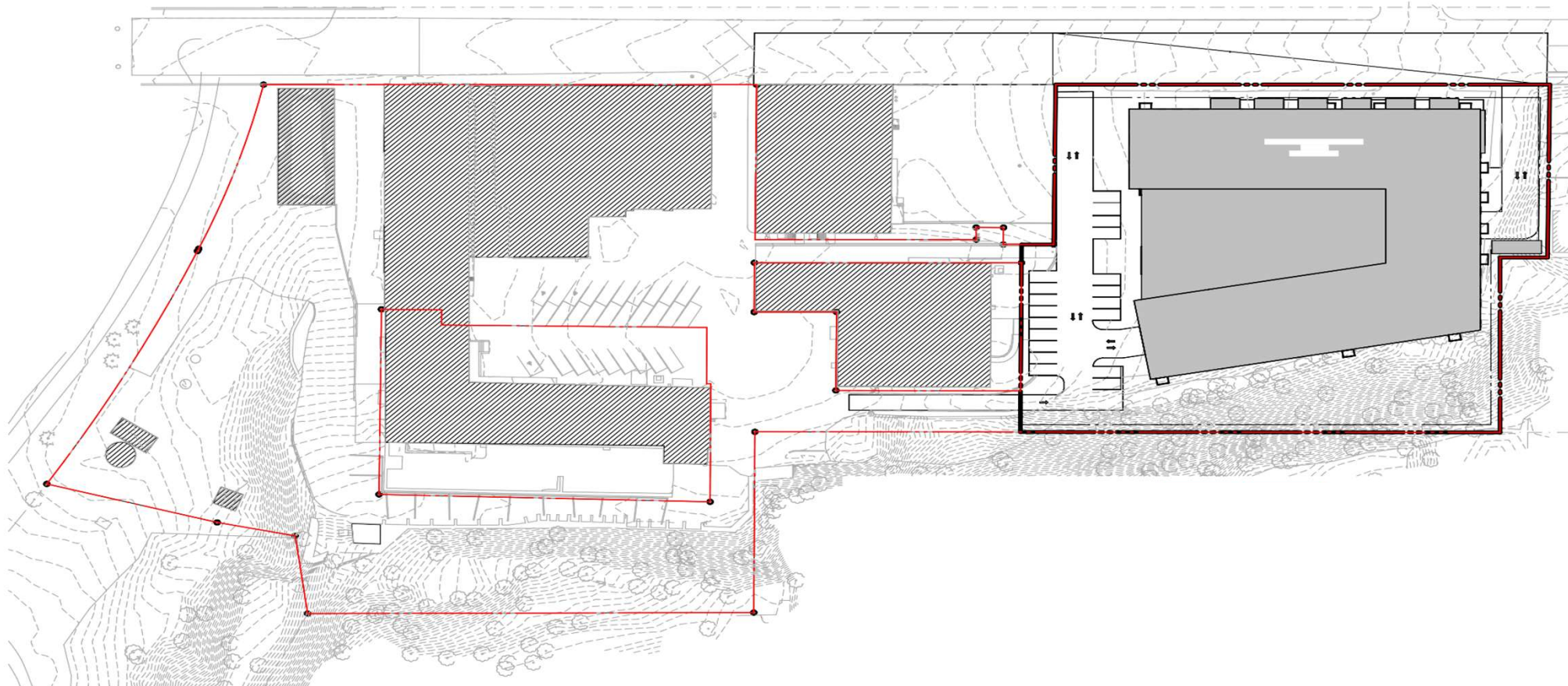
SAINT PAUL
MINNESOTA

STPAUL.GOV

Hamm's HRA Redevelopment Site

HRA Board Report Map







East End Apartments

- New construction of five story building over multiple levels of structured parking
- 120 affordable apartments with a family friendly unit mix
- Apartments will be affordable at a range of 30% AMI to 60% AMI
- Financial assistance being requested is for the apartment component of the project









Hamm's East End Apartments application to the Minnesota Housing Finance Agency (MHFA)

- JB Vang application to MHFA for deferred loan of \$14,966,480
- HRA funding commitment reservation and land write down in an HRA resolution is required for the MHFA application to be competitive
- Proposed \$4,000,000 HRA loan reservation commitment
- Staff have determined there are sufficient funds for the loan
- Proposed \$700,000 HRA land write down



Hamm's East End Apartments Tax Credits and MHFA Leverage

Federal tax credits leveraged by 4% bonds	\$24,111,808
MHFA deferred funding request	<u>\$14,966,480</u>
	\$39,078,288

HRA loan and land write down	\$4,700,000
------------------------------	-------------

\$1.00 HRA funds leverage up to \$8.3 dollars of State and Federal funds



Sources and Uses of Funding

SOURCE OF FUNDS

Land Write Down	\$700,000
First Mortgage	\$9,670,000
Tax Credit Equity	\$24,111,808
45L Energy Star Credit	\$255,000
GP Equity	\$100
Energy Rebate	\$96,000
Deferred Developer Fee	\$1,900,000
Met Council LCDA Predevelopment	\$275,000
City of Saint Paul	\$4,000,000
Ramsey County Affordable Housing	\$1,500,000
Ramsey County ERF	\$287,100
Ramsey County Critical Corridors	\$500,000
MHFA Application	\$14,966,480
LCDA/TOD/LCDA Application	\$2,000,000
Total	\$60,261,488

USES OF FUNDS

Acquisition – Land	\$1,000,000
Construction – Residential	\$42,000,000
Contingency	\$2,100,000
Environmental Abatement	\$287,100
Syndicator Fee	\$55,000
Professional Fees	\$3,732,500
Financing Fees	\$4,686,888
Developer Fee	\$5,500,000
Capitalized Reserves	\$900,000
Total	\$60,261,488



Next Steps

- **July 10**, Staff will request HRA approval of the \$4,000,000 loan reservation and \$700,000 land write down. An HRA resolution approving this is required for the MHFA application to be competitive.
- **July 11** is the MHFA application deadline.
- Upon receipt of MHFA financing and other commitments, staff will underwrite the East End Apartments project and come back to the HRA for final approval.
- June of 2026 is the closing date for the East End Apartments and adaptive re-use historic project. They will close at the same time.