

## Housing Profile of Hubbard County

### Renter Households

- Rents have gone up 23%
- Incomes have gone down 3%
- 30% of the units were built prior to 1970
- 39.7% are cost burdened

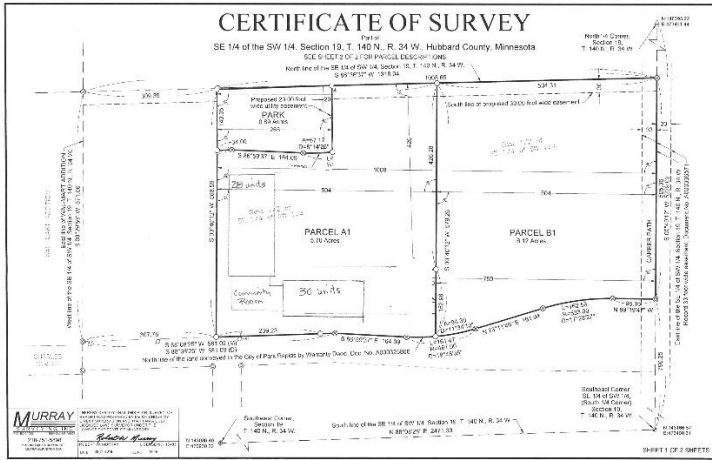
### Owner Households

- Home value have gone up 43%
- Incomes have gone up 8%
- 23% of the units were built prior to 1970
- 29.1% are cost burdened

## Potential Projects Using Local Affordable Housing Aid

### Multifamily Rental Housing Project

HLDC developing a 58 – unit complex in Park Rapids with rents at \$1,000 for 2 BR (affordable to income of \$40,000)



Option 1: MHFA Workforce Housing Development Program		Option 2: Local Funding	
Total Development Costs	6,810,282	Total Development Costs	6,102,813
Bank Financing	4,158,737	Bank Financing	4,158,737
MHFA	1,702,571	Local Tax Abatement*	1,241,431
Required Match	851,285	Local Partners	460,900
Funding Gap to Fill	97,689	Funding Gap to Fill	241,745

\*City & County only based on **increased** capacity

Project Highlights

- Nonprofit ownership – no developer fees
- A portion of profits will go to a local housing trust fund to support owner – occupied rehabilitation and other housing projects.

Housing Subdivision

HLDC purchased a 20 – acre parcel to create an affordable owner – occupied workforce housing subdivision, preliminary design estimated 56 units.



Preliminary Estimates for infrastructure	\$3,111,175
Land Cost	<u>32,919</u>
Total Lot Cost	\$3,144,094
Cost per Lot (56 lots)	56,145

Unit Construction \$227,500  
(\$175/sq ft \* 1,300 sq ft home)

Project Highlights

- HLDC nonprofit developer
- Facilitates additional development

Owner – Occupied Rehabilitation

Hubbard County HRA is working to develop a rehabilitation program to provide assistance to owner – occupied households in the County. With the high cost of new construction it is important that the County maintain the housing stock we have. Minnesota Housing Finance Agency’s Rehabilitation Loan Program has an income limit of \$35,200 (family of 4).

Project Highlights

- Targeted to households that are above the MHFA limit, but still cost burdened.
- Partially funded through local housing trust fund.

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