



# University & Dale Apartments

*St. Paul, MN*

## MIXED-USE

Investing in mixed-use projects such as the University and Dale Apartments is one of the ways the AFL-CIO Housing Investment Trust (HIT) is helping America's cities make efficient use of increasingly scarce land available for urban development.

*“These days it is almost impossible to construct affordable housing according to the old model.... This partnership will show others how it can be done – a model to create affordable housing and to create educational opportunities for our citizens.”*

—Mark Campbell  
U.S. Department of Housing and Urban Development  
local representative at groundbreaking ceremony  
September 2004

## PROJECT DESCRIPTION

The University and Dale complex in St. Paul is an innovative mixed-use building consisting of 98 rental units built above a new 32,000 square-foot public library. Eighty percent of the apartments in the five-story building are reserved for very low-, low- and moderate-income tenants. The Rondo Community Outreach Library occupies the first floor with public parking provided underground and residential parking available on the second level above the library. Amenities include community and conference rooms, a picnic and playground area, and laundry facilities. The building is located along the city's Dale Street and University Avenue corridor, a mix of commercial and residential development just minutes from the State Capitol and downtown St. Paul.

# Project Profile

## HIT ROLE

The HIT provided in 2004 construction and permanent financing in the amount of \$6.5 million through the purchase of tax-exempt bonds backed by GNMA securities. Other financing sources included the Minnesota Housing Finance Agency; Family Housing Fund; Low-Income Housing Tax Credits; City of Saint Paul; Multifamily Housing Revenue Bonds; Neighborhood Investment Initiative Funds; and the Metropolitan Council. The project's total development cost was \$15.2 million.

Although HIT financing was only for the residential units, the HIT obtained an agreement that its union labor requirements would apply not only to the housing but to the library as well.

## SOCIAL IMPACT

The University and Dale Apartments project created 98 units of new urban housing, 80% of which are reserved for lower-income residents. Completed in 2006, the project is a key element in St. Paul's ongoing efforts to revitalize a formerly blighted and troubled neighborhood. With direct access to public transportation due to its prime location on the corner of two major streets in St. Paul's Midtown Business area, the project fits within the city's new transit-oriented development plan.

Work on the project generated over 100 family-supporting jobs for local union members.

## ABOUT THE HIT

The AFL-CIO Housing Investment Trust (HIT) is a fixed-income investment company registered with the Securities and Exchange Commission. It manages \$4.6 billion in assets for over 365 investors, which include union and public employee pension plans. The HIT invests primarily in government and agency insured and guaranteed multifamily mortgage-backed securities. The HIT is one of the earliest and most successful practitioners of socially responsible, economically targeted investing, with a track record of almost 50 years that demonstrates the added value derived from union-friendly investments. The investment objective of the HIT is to provide competitive returns for its investors and to promote the collateral objectives of constructing affordable housing and generating employment for union members in the construction trades and related industries. Since its inception, the HIT has invested over \$6.5 billion to finance more than 105,000 units of housing nationwide, generating more than 70,000 union jobs. More information is available on the HIT's website, [www.aflcio-hit.com](http://www.aflcio-hit.com).

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## AFL-CIO HOUSING INVESTMENT TRUST

2401 Pennsylvania Ave, NW Suite 200 Washington D.C. 20037  
T: 202-331-8055 | F: 202-331-8190 | [www.aflcio-hit.com](http://www.aflcio-hit.com)

