

# New San Marco

Duluth, Minnesota (opened May 2007)



**Developer/Sponsor** Center City Housing Corp. (CCHC)

**Architect** LHB

**General Contractor** Watson-Forsberg

**Units** 70

**Project Description** The New San Marco Apartments is a new construction project with 70 units of affordable permanent housing serving the homeless in downtown Duluth. The project is located on an urban infill redevelopment site donated by the City of Duluth. The building has two wings. Thirty permanent supportive Single Room Occupancy (SRO) housing units for chemically dependent individuals are housed in the first wing. The second wing has forty units of supportive efficiency apartments for people with a history of homelessness. Thirty-six of the units will be set aside for individuals experiencing chronic homelessness for a year or more, or for those who have had at least four episodes of homelessness in the past three years. The New San Marco opened in May 2007, and the building quickly filled with residents. Since then, occupancy has been near 100%.

**A Green Advantage** The New San Marco Apartments were constructed with various sustainable elements that will benefit both the residents and the surrounding community, including:

- Re-use of urban infill site next to public transportation and downtown amenities.
- Overall energy efficiency—32% more efficient than state code.
- High efficiency steam heating and hot water system.
- Natural daylighting, energy-efficient lighting and controls.
- Ceiling fans in units.
- Energy Star appliances.
- Low maintenance landscaping not requiring irrigation.
- Continuous ventilation of bathrooms for moisture control.
- Low-VOC paints, sealants, and adhesives.
- Durable building materials—brick exterior, high-impact sheetrock interior.
- Construction waste management plan.
- Early indications suggest the New San Marco is exceeding energy performance expectations.

**Rents** All rents are affordable to persons making 50% of area median income with 25 of the units further restricted to persons making 30% of area median income. Thirty of the units are assisted by state Group Residential Housing supplements and 40 units have Project Based Section 8 rental assistance.



## Project Financing

<b>Minnesota Green Communities</b>	<b>\$150,000</b>
LIHTC Equity—NEF	\$5,964,410
Minnesota Housing Ending Long-Term Homelessness Investment Fund	\$621,077
Minnesota Housing Trust Fund	\$529,522
Minnesota Housing HOME	\$500,000
Federal Home Loan Bank of Des Moines	\$500,000
HUD Supportive Housing Program	\$400,000
Greater Minnesota Housing Fund	\$300,000
City of Duluth, HOME	\$200,255
Duluth Housing Investment Fund	\$50,000
Owner Equity	\$20,000
Minnesota Power Grant	\$10,000
<b>Total Project Financing</b>	<b>\$9,245,264</b>

**Amenities** The New San Marco has multiple common and support areas to meet the needs of the residents. These include enclosed courtyards, a dining area, lounges, laundry facilities, offices for social service providers, an exam room, and a 24-hour, fully-staffed front desk area. Meals will be provided for persons residing in the SRO units and available to efficiency-unit residents for a small fee.

**Social Services** The New San Marco Apartments brings housing and supportive services under one roof to help overcome the causes of persistent homelessness in Duluth. Service provision is a collaborative effort combining the work of two local nonprofits: the Center for Alcohol and Drug Treatment (CADT) and the Human Development Center (HDC). These agencies are currently key providers of social services including advocacy, mental health treatment, and alcohol and chemical dependency recovery for low-income and/or homeless individuals in Duluth.

CADT provides one case manager, as well as a nurse, to assist with health and security issues and offer connections to social services on a 24-hour basis. HDC provides one case manager to assist residents with their mental health issues including case management, psychiatric nursing services, and medication management.

**Developer** Center City Housing Corp., a community-based Minnesota 501(c)3 corporation, was established in August of 1986. CCHC endeavors to be Duluth’s primary and preferred nonprofit developer of affordable housing with projects distinguished by quality construction and a commitment to tenants’ rights and affordability. CCHC currently owns and manages 229 units of housing affordable to low-income households ranging in size from single room occupancy to five bedrooms. CCHC will own and operate the New San Marco Apartments as well as coordinate the provision of services to the project.

**Contact Information** Property Management by Center City Housing. Please contact (218) 733-7133.

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**Lessons Learned** “We had a very robust integrated design process, with the team meeting every other week. It solved NIMBY problems, and was key to keeping all the green features in the project when bids came in 25% over our budget.”

“One of two overhead lights was taken out of the room plans when we were looking to save costs because bids came in so high. Looking back, we would have kept them in for better lighting.”

—Project team, New San Marco



Minnesota Green Communities, a collaboration of the Greater Minnesota Housing Fund, the Family Housing Fund, and Enterprise, is an initiative designed to foster the creation of affordable, healthier, and more energy-efficient housing throughout Minnesota. The initiative will support the production of affordable housing with markedly reduced energy costs, use of materials beneficial to the environment, conservation-minded land use planning, and attention to the creation of healthy environments and lifestyles for individuals, children, families, and communities. For more information, please visit [www.mngreencommunities.org](http://www.mngreencommunities.org).

Minnesota Green Communities c/o Greater Minnesota Housing Fund  
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