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NEWS RELEASE

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NOTE TO EDITORS: A digital photo of the award presentation will be available upon request after 3 p.m.; call (507) 280-3306 and leave a message.

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First Homes receives regional collaboration award

Rochester Area Foundation's First Homes initiative has received an Outstanding Collaboration Award from the Southern Minnesota Initiative Foundation.

The annual award was presented Wednesday at a regional ceremony in Owatonna. The award was presented in recognition of First Homes' efforts in using collaboration to create results far beyond what any single organization or sector could have accomplished on its own.

Since its inception in 1999, First Homes has used collaboration as a tool to enable it to be well on its way to building 875 starter homes for working families in a 30-mile radius of Rochester. A severe housing shortage in the Rochester area prompted the program's kickoff – fueled by \$1 million from the Rochester Area Foundation and \$4 million from Mayo Clinic.

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Partnering with First Homes are area residents, lenders, state agencies, other foundations, cities and counties, builders, organizations, regional authorities and professional groups.

After the initial leadership gifts from the Rochester Area Foundation and Mayo Clinic, more than \$13 million in pledges has been received from community residents, businesses and organizations.

With community firmly behind the project, First Homes has been able to realize major investments from state, federal and private charitable sources. The Greater Minnesota Housing Fund and the Minnesota Housing Finance Agency have partnered with First Homes in offering guidance and experience.

Local governments have played an important role in First Homes' success, too.

"Public officials' leadership in Rochester and nearby communities has enabled the leveraging of additional community resources in tax increment financing and other incentives," Steve Thornton, executive director of the Rochester Area Foundation, said.

Since 1999, \$13.1 million has been raised, which has helped leverage an additional \$115 million in additional donations and funds from other agencies to assist income-qualified homebuyers purchase starter homes.

First Homes is well on its way toward its goal of 875 new residences. Since funding kicked off in 2000, more than 500 new residences have been built with First Homes' funds. The total includes more than 280 new single-family homes and 225 new below-market-rate rental units.

First Homes single-family homes and rental units have been built in Byron, Dover, Grand Meadow, Hayfield, Kasson, Pine Island, Plainview, Rochester and Spring Valley.

"First Homes demonstrates what can be accomplished when people from different sectors come together and truly work in partnership," Marilyn Frauenkron Bayer, Southern Minnesota Initiative Foundation board trustee, said. "The work of this collaboration will impact the Greater Rochester community for years to come because of their success in working with people new to the issue of affordable housing. For example, First Homes engaged a number of local employers who in the past may not have seen housing as their issue in terms of worker impact."

First Homes received one of two collaboration awards at the regional ceremony. Interfaith Hospitality Network of Greater Rochester also was among those receiving the award, chosen from more than 40 nominees.

For more information on First Homes, call (507) 287-7117 or visit <http://www.FirstHomes.org> on the Web.