

Minnesota Housing, in partnership with Greater Minnesota Housing Fund (GMHF) and the Metropolitan Council, announces the availability of funds through the Consolidated Single Family Request for Proposals (Single Family RFP).

The Community Homeownership Impact Fund (Impact Fund) guides the use of funds awarded by the Agency. We encourage applicants to review the Impact Fund Program Concept and the Community Homeownership Impact Fund Procedural Manual on Minnesota Housing's [Impact Fund webpage](#) for details about the program.

Types of Funding Available

- *Affordability Gap*: Deferred loans or grants to homebuyers to cover the difference between the purchase price of a home and the first mortgage for which a homebuyer qualifies.
- *Housing Infrastructure Bond (HIB) Proceeds*: Deferred loans to community land trusts for the costs of land acquisition, demolition, and utility connections.
- *Interim Loans*: Interim construction loans to administrators to finance the acquisition and construction of homes.
- *Owner-Occupied Rehabilitation*: Deferred loans or grant to homeowners to cover the costs of home rehabilitation or to write down Community Fix Up interest rates.
- *Value Gap*: Grants to administrators to cover the difference between the total development cost and appraised value of a unit.

Co-Funder Information

GMHF and the Metropolitan Council each have their own program requirements and guidelines. Below is a summary of funding provided by the co-funders:

- **GMHF** provides funding for homebuyer affordability gap in the form of deferred, subordinate loans at 0% interest. The maximum loan amount per homebuyer is \$8,500. GMHF will give selection preference to projects that address critical workforce housing needs and projects aimed at reducing racial and ethnic disparities in homeownership.
- **The Metropolitan Council's** Local Housing Incentives Account (LHIA) funding helps cities in meeting their negotiated affordable and lifecycle housing goals by supporting new or preserved affordable housing developments. Grantees must match LHIA awards on a dollar-for-dollar basis; grants are for the value gap, which is limited to no more than half of the difference between the purchase price of the home and the total per-unit hard costs, unless a mechanism is in place to ensure a minimum affordability term of 15 years; and funding is limited to projects within the seven county Twin Cities Metropolitan Area.

We encourage applicants to review each co-funder's program information guides, which are posted on the [Impact Fund webpage](#).

Impact Fund Eligibility Requirements

Eligible Applicants

- Local governments
- Housing and Redevelopment Authorities
- Nonprofit organizations
- For profit organizations and private developers
- American Indian tribes or tribal housing corporations
- Public housing agencies
- Joint powers boards established by two or more cities

Eligible Activities

All activities must be single family homeownership projects.

- New Construction (Value Gap Grants, Interim Loans, Affordability Gap deferred loans, HIB loans)
- Acquisition, Rehabilitation, Resale (Value Gap Grants, Interim Loans, Affordability Gap deferred loans, HIB loans)
- Stand-Alone Affordability Gap (Affordability Gap deferred loans or grants)
- Owner-Occupied Rehabilitation (Owner-Occupied Rehabilitation deferred loans or grants)

Income Limits

Proposed projects must serve households at or below the following income limits:

- Housing Infrastructure Bond Proceeds funding: Up to 80 percent area median income (AMI) or the income limit that qualifies the organization for tax-exempt status
- All other sources of funding: Up to 115 percent AMI

Current income limits are posted on the [Impact Fund webpage](#).

Proposal Considerations

Each proposal will be evaluated based on the extent to which it meets the Selection Standards and Funding Priorities. Applicants are encouraged to review the [2019 Single Family Scoring Criteria](#).

Financial Leverage

Minnesota Housing will award points to Applicants that have secured commitments of dollars to close funding gaps. Only committed financial leverage will be considered when applications are scored.

Committed Leverage

Committed leverage is the dollar amount of leveraged funds dedicated specifically to the proposed project. Applicants must provide documentation (e.g., award letter, funding contract, etc.) of the committed leverage. The documentation must include the following:

- Name of the organization, contact person, and his or her contact information;
- The amount of cash or the value of the in-kind contribution committed to the proposed project;
- The period of time the funds will be available for the Applicant's use; and
- The terms and conditions of the commitment including but not limited to:
 - How funds are to be used (e.g., lump sum allocated to a project or pipeline funds available on an ongoing, etc.);
 - Funding type (e.g., loan or grant);

Committed leverage includes the Applicant's own funds or funding from a third-party. The funds must be for the proposed project. Operating funds, other general use funds, and lines of credit are not considered leverage.

Pending Leverage

Pending leverage is leverage that has not been formally committed to the Applicant or the proposed project. Applicants may submit pre-commitment documentation for all pending leverage no later than **August 1, 2019**. Pending leverage will not be considered and scored without pre-commitment documentation.

Organizational Capacity Review

Minnesota Housing will conduct an organizational capacity review of each applicant that is a nonprofit or a for-profit organization. The organizational capacity review is not an audit or a guarantee of the organization's financial health or stability. Rather, it assesses the organization's capacity to carry out the proposed project, if funded.

All nonprofit and for-profit organizations must complete either the Organization Capacity and Review Form – Nonprofit Organizations or Organization Capacity and Review Form – For-Profit Organizations and submit all required documentation.

All other applicants are not required to complete an Organization Capacity and Review form.

Application Materials

All Single Family RFP applications materials are available on the [Impact Fund webpage](#).

All Applicants must complete and submit the following:

- Single Family RFP General Application
- Single Family RFP General Workbook
- Single Family RFP Housing Activity Section and Workbook **for each type** of Housing Activity for which funds are requested:
 - Acquisition/Rehabilitation/Resale Housing Activity Section(s) and Workbook(s)
 - (Stand-Alone) Affordability Gap Housing Activity Section(s) and Workbook(s)
 - New Construction/Demolition - Rebuild Housing Activity Section(s) and Workbook(s)
 - Owner-Occupied Rehabilitation Program Housing Activity Section(s) (includes Community Fix Up Loan (CFUL) Program Write-down) and Workbook(s)
 - Tribal Indian Housing Program Housing Activity Section(s) and Workbook(s)
- Activity-specific required documents. See activity application for list of required documents.
- Supplemental forms, if applicable
 - Community Land Trust (CLT) Supplemental Application (CLT's only)
 - Organization Capacity and Review Form – Nonprofit Organizations
 - Organization Capacity and Review Form – For Profit Organizations

Application Deadline and Submission Instructions

Applicants must submit **both** one hard copy and an **identical** electronic copy of the all completed application materials to Minnesota Housing no later than:

Thursday, June 6, 2019 at 12:00pm

Hard Copy Delivery Instructions

Deliver all application materials to:

Minnesota Housing
400 Wabasha Street, Suite 400
Saint Paul, MN 55102
Attn: Single Family RFP Application

Electronic Copy Delivery Instructions

Submit all files in **one upload** using the [Single Family Secure File Exchange](#) (LeapFILE™), accessible on the [Partner Login page](#), to impact.fund.mhfa@state.mn.us.

Applicants should use the following naming conventions for each file: “Organization Name Application Form” Example: “ABC Development Acquisition Rehab Resale Workbook”

Technical Assistance

Minnesota Housing will post a recorded Single Family technical assistance webinar in early-May to the [Impact Fund webpage](#). Applicants are encouraged to review all Single Family application materials prior to viewing the webinar.

Email Updates

Sign up for Impact Fund eNews on the [Minnesota Housing website](#). Select “Single Family Community Development Programs.”

Approval Date and Award Notification

Board Approval

The Minnesota Housing Board of Directors will consider the Agency’s funding recommendations for the Single Family RFP **by October 31, 2019, but will be no later than December 19, 2019** at Minnesota Housing’s board meeting.

Co-funders will select projects through their own separate funding processes.

Award Notification

Selected proposals will be posted on Minnesota Housing’s website following the board meeting. All applicants will receive a letter following the board meeting with the Agency’s funding decision. Awardees will receive an award letter and funding contracts within approximately three months of Minnesota Housing’s board date.

Co-funders will notify applicants separately of their funding decisions.

Contact Information

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The Single Family RFP is subject to all applicable federal, state, and municipal laws, rules, and regulations. Minnesota Housing reserves the right to modify or withdraw this Single Family RFP at any time and is not able to reimburse any Applicant for costs incurred in the preparation or submittal of proposals.

It is the policy of Minnesota Housing to further fair housing opportunity in all of Minnesota Housing's programs and to administer its housing programs affirmatively, so that all Minnesotans of similar income levels have equal access to Agency programs regardless of race, color, creed, religion, national origin, sex, sexual orientation, marital status, status with regard to receipt of public assistance, disability, or family status.