



2025 Single Family Request for Proposals Information Session

April 2025

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Agenda

- Key Details and Definitions
- Eligible Activities
- Application Materials
- Scoring and Selection
- Tips and Technical Assistance
- Questions

Our Mission

Housing is foundational to a full life and a thriving state, so we equitably collaborate with individuals, communities and partners to create, preserve and finance housing that is affordable.



Deadline and Submission

Deadline:

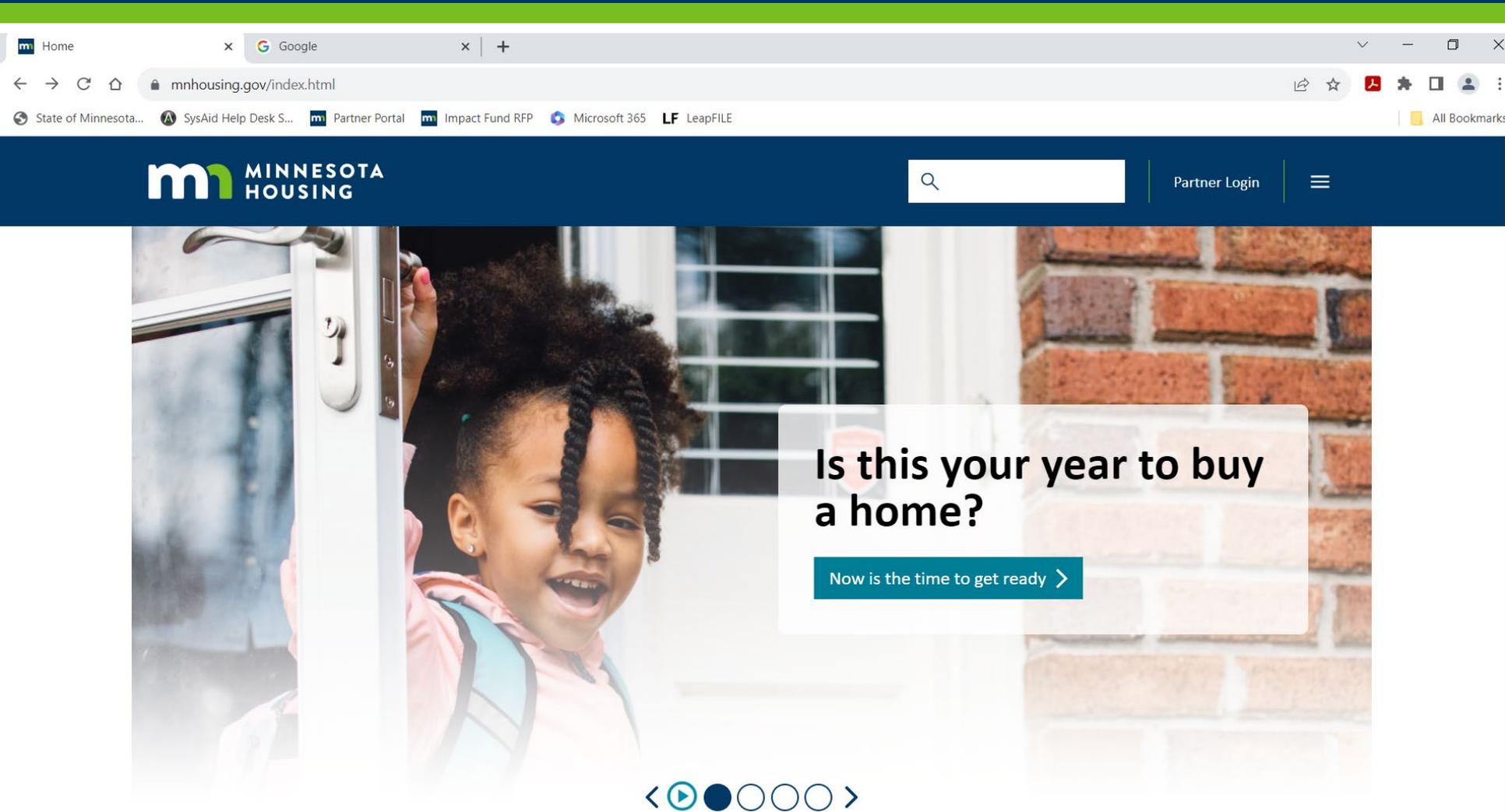
All application materials must be received by Minnesota Housing on or before:

Thursday, July 10, 2025, at noon

Upload:

Upload your application using the [Single Family Secure File Exchange](#) to the email address: impact.fund.mhfa@state.mn.us

Locating the Impact Fund Webpage www.mnhousing.gov



Available Funds



Minnesota Housing:

- Economic Development and Housing Challenge Funds (Challenge)
- Housing Infrastructure Bond Proceeds
- Housing Infrastructure Appropriations
- Workforce Affordable Housing Development
- Interim Construction Loans

Interim Loans

- 42-month deferred, repayable loans
- Below market interest rate
- Combine with other construction financing
- Interest accrues when funds are disbursed
- No prepayment penalty
- Availability more limited than in previous years



Greater Minnesota Housing Fund



Single Family Gap Financing

332 Minnesota Street • St. Paul, MN 55101 • 651-221-1997



Eligible Applicants include

- Cities
- Federally recognized American Indian Tribes or Subdivisions located in Minnesota
- Tribal housing corporations
- Private developers
- Nonprofit organizations
- School districts, cooperative units, or charter schools

Affordability Gap & Value Gap



 **Sell for Market Value**

Value Gap Scenario



Housing Activities:

- New Construction
- Acquisition, Rehab, Resale

Total Development Cost	\$375,000
Fair Market Sale Price	<u>(-) \$250,000</u>
Value Gap	\$75,000

Affordability Gap Scenario



Purchase Price	\$250,000
Buyer's First Mortgage	<u>(-) \$200,000</u>
Affordability Gap	\$50,000

Examples:

- Downpayment Assistance
- Closing Cost Assistance

Total Unit Subsidy Scenario



Total Development
Cost:
\$325,000

Value Gap:
\$75,000

Fair Market
Sale Price:
\$250,000

**Affordability
Gap:**
\$50,000

Buyer's first
mortgage:
\$200,000

Value Gap subsidy	\$75,000
Affordability Gap subsidy	<u>(+) \$50,000</u>
Total Unit Subsidy	\$125,000

Eligible Activities include:

- Acquisition, Rehabilitation, Resale
- New Construction
- Owner-Occupied Rehabilitation
- Stand-Alone Affordability Gap
- Tribal Indian Housing Program

Acquisition, Rehabilitation, Resale



Eligible Uses:

- Value Gap
- Affordability Gap
- Land acquisition, utility connections, demolition (CLTs only)

Special requirements:

- Minnesota Green Communities
- Lead Safe rules

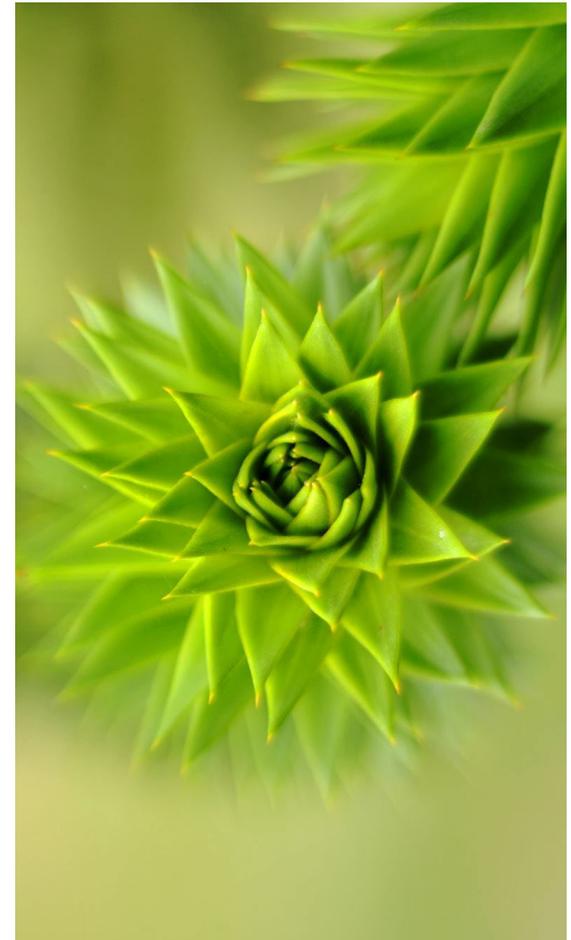
Minnesota Green Communities

Criteria applies to:

- Acquisition, Rehabilitation, Resale
- New Construction

Single Family Green Community Resources:

- [2025-2026 Single Family Overlay to the 2020 Green Communities Criteria](#)
- [2020 Green Communities](#)
- [2025-2026 Single Family Intended Methods Worksheet](#)



New Construction, 1



Types of Units

- Stand-alone single-family homes
- Duplex, triplex, quadplex (1 unit owner-occupied)
- Townhomes, rowhomes, condos

Design examples

- Large family homes
- Accessory dwelling units
- Accessible homes



New Construction, 2

Eligible Uses

- Value Gap
- Affordability Gap
- Land acquisition, utility connections, demolition (CLTs only)

Special Requirements

- Minnesota Green Communities criteria
- Visitability
- Prevailing Wage



Visitable Unit Design

- 32” Clear opening doorways
- At least 1 no-step entrance
- ½ Bath or larger on main level

Waivers

- Limited circumstance, home-by-home basis
- No blanket waivers

Prevailing Wage Triggers

- New Construction project, **and**
- \$200,000 or more in grant proceeds, **or**
- \$500,000 or more in loan proceeds

Exemptions

- Total financial assistance less than \$100,000 for a single project site
- No more than 10 fully detached single family units



Owner-Occupied Rehabilitation

Types of Repairs

- Safety, habitability, preservation, energy efficiency
- Owner-occupied homes

Eligible Uses

- Grants for homes that will be placed in land trusts
- Forgivable loans
- Community Fix Up Loan interest rate write-down

Special Requirement: Lead Safe Standards



Affordability Gap Options

Need-based assistance for buyers purchasing homes.

Additional Affordability Gap Options

- Minnesota Housing Programs
 - Deferred Payment loans
 - Monthly Payment loans
- Greater Minnesota Housing Fund
- Other local programs



Affordability Gap Requirements

Household Eligibility

- 25% Housing expense to Gross Income ratio
- Waivers allowed by request on case-by-case basis

Eligible Uses

- Grants for homes that will be placed in land trusts
- Forgivable loans

Forgivable Loan Overview

Loans are 0% Interest, deferred, forgivable

- Income Limit: 80% AMI
- Variable loan length based on loan amount
- Repayable upon qualifying event
- Loans assigned to Minnesota Housing

Affordability Gap & Owner-Occupied Rehabilitation Loan Structure

Loan Term	10 Years	20 Years
Maximum Loan Amount	\$50,000	\$100,000
Forgiveness Schedule	1/10 th per year	1/20 th per year
Maximum Forgiven per Year	\$5,000	\$5,000



Tribal Indian Housing Program

Eligible Applicants: Current Tribal Indian Housing Program administrators

Eligible Use: Recapitalize Tribal Indian Housing Program revolving funds

Use of funds must be consistent with current two-year Tribal Indian Housing Program plans

Income Limits



Impact Fund Income Limits

Effective for Impact Fund units completed or closed on or after **June 1, 2024**.

Gross Household Income	11-County Twin Cities Metro Area*	Rochester MSA**	Balance of State
50%	\$62,100	\$58,600	\$55,900
60%	\$74,600	\$70,400	\$67,100
80%	\$99,400	\$93,800	\$89,500
100%	\$124,200	\$117,200	\$111,800
115%	\$142,900	\$134,800	\$128,600

*Counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, and Wright.

**Dodge and Olmsted counties.

Administration Fee

- **Maximum Fee Amount:**
 - \$1,000 per unit for New Construction and Acquisition Rehabilitation
 - \$1,000 or \$2,000 per unit for Owner-Occupied Rehabilitation
- **Eligible costs:** application intake, household eligibility, loan origination and processing, document preparation, tracking and reporting
- **Ineligible costs:** subsidies for marketing, loans not funded, etc.

Developer Fee

Application Types

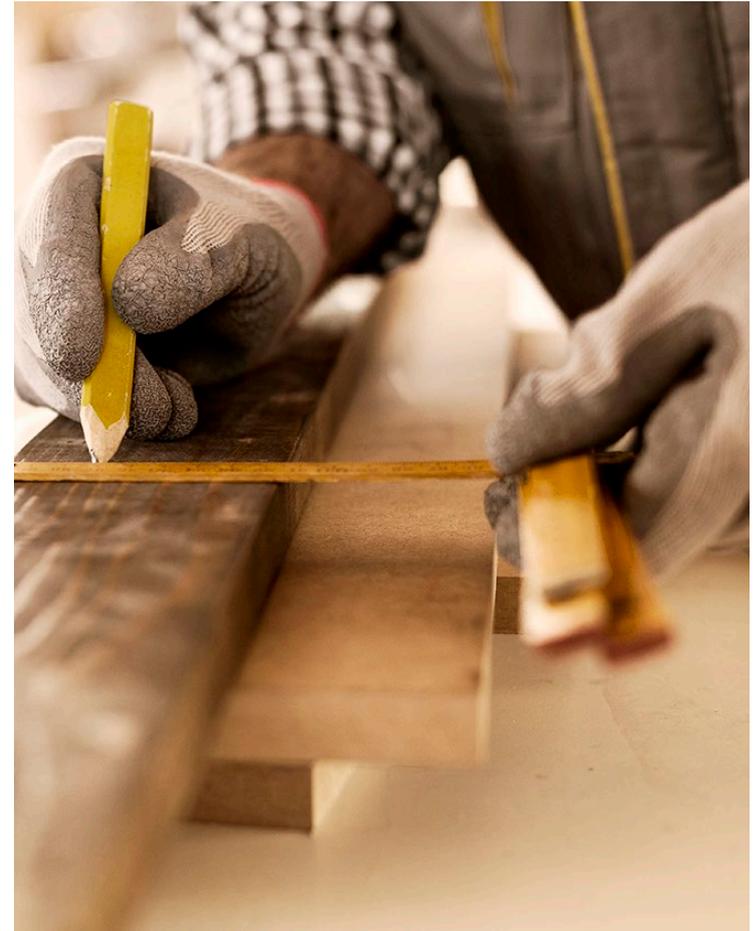
- Acquisition, Rehabilitation, Resale
- New Construction

When to use:

- Direct involvement, primary responsibility for construction

Maximum Developer Fee:

- 10% of Total Development Costs



General Application

If using Firefox, you may be prompted to open the file or save the file. Please use “Save As” option to download all Excel files rather than “Open.”

Application Materials

- [Single Family RFP Application Instructions](#)
- [Income Limits](#)

General Application

All applicants must complete the General Application and applicable Risk Assessment form. Nonprofit organizations and for-profit business entities may also need to complete the applicable Internal Controls Certification form.

- General Application - [Word](#) | [PDF](#)
- [Open Closed Award Status Report](#)
- [Risk Assessment Form - For-Profit Business Entities](#)
- [Risk Assessment Form - Nonprofit Organizations](#)
- [Risk Assessment Form - Political Subdivisions](#)
- [Internal Controls Certification - For-Profit Business Entities](#)
- [Internal Controls Certification - Nonprofit Organizations](#)

Activity Application

Additional Submission Items by Proposal Housing Activity Type

Only complete the applicable Activity Section(s).

New Community Land Trust applicants that have not applied through the Single Family RFP previously must complete the Community Land Trust Supplemental Application.

Acquisition/Rehabilitation/Resale Housing Activity Section

- [Acquisition/Rehabilitation/Resale Activity Application](#)
- [Acquisition/Rehabilitation/Resale Activity Workbook](#)
- Also see the Single Family Green Communities Resources section below.

Stand-Alone Affordability Gap Activity Section

- [Affordability Gap Application](#)
- [Affordability Gap Workbook](#)

New Construction Activity Section

- [New Construction Activity Application](#)
- [New Construction Workbook](#)
- [Prevailing Wage Certification](#) (if applicable)
- Also see Single Family Green Communities Resources section below

Owner-Occupied Rehabilitation Activity Section (includes CFUL Write Down)

- [Owner-Occupied Rehabilitation Application](#)
- [Owner-Occupied Rehabilitation Workbook](#)
- Also see the Lead-Based Paint Guidebook in the Green Resources section below

Tribal Indian Housing Program (TIHP) Activity Section

- [Tribal Indian Housing Program Application](#)
- [Tribal Indian Housing Program Workbook](#)

How to Request Affordability Gap

Which application should I use to request Affordability Gap?

Are you also requesting Value Gap?

Yes

- Acquisition, Rehab, Resale Application
- New Construction Application

No

- Stand-Alone Affordability Gap Application



Multiple Applications

When do I complete multiple applications?

- Applying for more than one Activity type
- Substantial differences between projects of the same Activity type

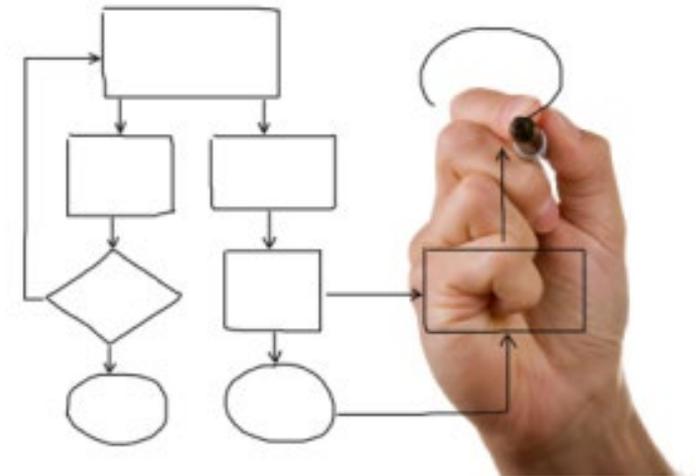
Requirements

- 1 General Application and set of Risk Assessment/Internal Controls forms
- Unique Activity Application and Workbook for each Project

Scoring and Selection

Scoring & Selection Process

- Reviewed and scored by staff
- Reviewed and prioritized by Selections Committee
- Reviewed and voted on by Minnesota Housing board of directors



Threshold Criteria

Will your application qualify for review?

It must be:

- Submitted by an **eligible applicant**
- Complete**
- Submitted **by the application deadline**

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Competitive Selection Criteria

How scoring works

- Three competitive selection criteria
- Scored from 0-5 points each
- 15 possible points

Competitive Selection

- Organizational Capacity
- Project Feasibility
- Community Need



Organizational Capacity

Organizational Capacity

- Experience with similar projects or programs
- Roles of applicant and organizational partners
- Organization financial health
- Past performance

Project Feasibility



Cost Reasonableness

Economic Viability

- Vacancy rates
- Workforce growth
- Housing affordability
- Condition of housing stock

Able to complete within 36 months

Development readiness



Community Need

- What is the housing need in your **Target Area** based on population, local economic factors, and housing conditions? For example:
 - Clear demand for affordable housing.
 - Deteriorated housing stock.
- What is unique about the need in your area?
- How is your proposal best suited to meet the need?

Funding Priorities

- Efficient Use of Resources
- Focus on Households Most Impacted
- Supporting Community and Economic Development
- Increasing and Maintaining the Supply of Affordable Housing



- **Committed leverage**
- **Documentation:**
 - Funding commitment letter, signed and dated, describing funding amount and timeframe
 - Dedicated funds in board-approved strategic plan, budget
- **Project-specific: Good**
- Complete the Leverage worksheet

For example, you have...

- Applied for project support, but funds have **not yet** been approved.
- Dedicated funds to the project in your budget, but do **not** have approval from your board or council.

Pending Leverage Deadline:

September 1, 2025

Community Partnerships

- Partnerships establish connection to community
- Partners can include local government, lenders, contractors, homebuyer educators, realtors, etc.
- Strengthens organizational capacity
- Demonstrates project readiness



Funding Recommendations

Award Decisions

- Minnesota Housing Board will consider funding recommendations on **December 18, 2025**.
- Greater Minnesota Housing Fund board meeting date may vary.



Selection notification via letter

- Within 10 working days of Board approval



Post-Award Information

Debriefing Meetings – for applicants not selected

- cover why not funded
- tips for reapplying

Launch Meetings – for selected applicants

- Impact Fund Contract
- Program Requirements
- Disbursement process
- Reporting/monitoring



Application Tips

- Read the RFP, application and workbook
- Start early!
- Use the RFP Checklist and include all required attachments
- Double check for consistency throughout
- Submit your application on time:

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Yes! We would love to help.

- How application materials work
- Program requirements

No, we can't do that for you.

- Make suggestions
- Proofread applications

Deadline for TA: Tuesday, June 10th

Minnesota Housing Impact Fund

Email: Impact.fund.mhfa@state.mn.us

Website: www.mnhousing.gov

Greater Minnesota Housing Fund:

Wes Johnson, 651.350.7227, wjohnson@gmhf.com

Questions

