



# Homeownership Capacity 2023 - 2025 Application for Funding Technical Assistance

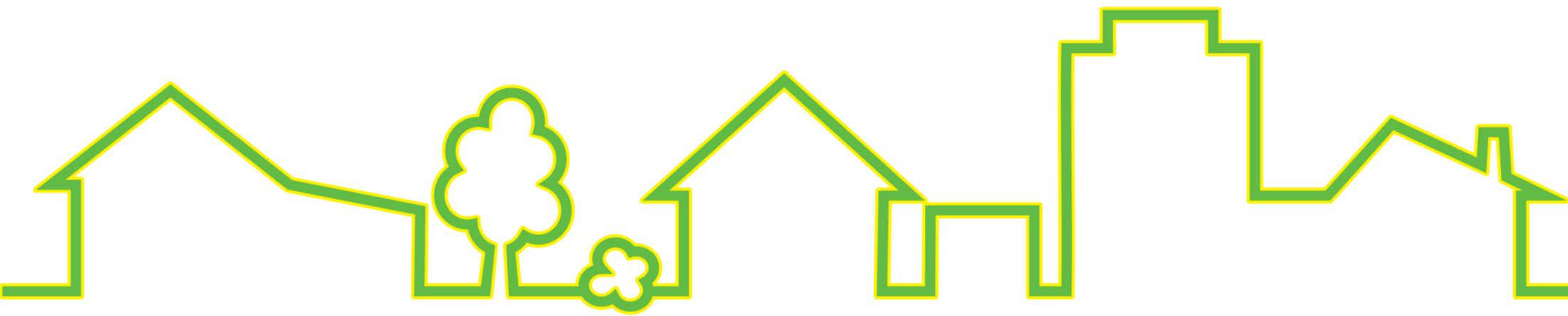
July 3<sup>rd</sup> , 2023  
10:00 AM – 11:00 AM

# Our Mission

Housing is the foundation for success, so we collaborate with individuals, communities and partners to create, preserve and finance affordable housing.

# Homeownership Capacity Agenda

- Program Overview
  - Description
  - Program Services
  - Eligible Clients
  - Program Performance Thresholds
  - Fee for Service
- Application for Funding
  - Application Overview
  - Application Materials
  - Application Timeline
- Contacts



# The Homeownership Capacity Program Overview 2023 - 2025

# Homeownership Capacity Description

The Homeownership Capacity Program provides financial support to eligible nonprofit and government organizations that provide enhanced financial education and one-on-one financial coaching to Black, Indigenous, and People of Color (BIPOC) communities and low-income households who have the goal of homeownership.

# Homeownership Capacity Description

## What does it mean to be “financially empowered?”

- Knowing when and how to find reliable information to make financial decisions
- Knowing how to process financial information to make financial decisions
- Knowing how to execute financial decisions and adapt as necessary to stay on track



# Homeownership Capacity Program Services



**There are three eligible  
Program Services eligible  
under the Program:**

- 1) Financial Education
- 2) Financial Coaching
- 3) Post-completion Services

# Homeownership Capacity Program Services

## **Financial Education** may:

- assist with the Clients' knowledge of current and ongoing financial obligations;
- ability to feel secure in their financial future and more empowered to make financial choices that allow them to enjoy life;
- delivered in person, phone or online in a group setting; and
- topics must be discussed more general, be culturally relevant and allow for peer sharing.



# Homeownership Capacity Program Services

## **Financial Coaching** must be:

- Individualized based on the unique needs of each Client and their financial goals;
- non-judgmental, supportive and encouraging while providing the Client with tools to make informed financial decisions; and
- delivered in person, phone or online.

# Homeownership Capacity Program Services

**Financial Coaching** should be culturally relevant to the Client(s) and may include, but are not limited to, the following topics:

- Financial goal attainment
- Money management skills
- Improved savings, debt levels and credit scores
- Financial confidence

# Homeownership Capacity Program Services

**Post-completion services** are continued Financial Education or Financial Coaching after the Client had reached Program Completion or an Outcome. It may include:

- educational opportunities specific to post-home purchase (e.g., home maintenance basics, home insurance coverage, home equity, home sale, etc.);
- continued one-on-one Financial Coaching regardless of the Outcome;
- delivered to Clients in person, phone or online.

# Homeownership Capacity Program Services

**Post-completion services:** Other financial empowerment services could include or be referred for the following, as applicable:

- Workforce or career development
- Entrepreneurship opportunities
- Educational opportunities
- Other services identified by the Client

# Homeownership Capacity Eligible Clients

**Upon Intake, a Client is eligible to receive Program Services if they meet all of the below:**

- Reside or intend to reside in Minnesota;
- Have expressed an interest in obtaining homeownership or improving their homeownership potential as a goal;
- Have demonstrable barriers to achieving homeownership and have a likely path to addressing such barriers within three years of working with Grantee;
- Have adequate income needed to support homeownership or will achieve adequate income through the support of Program Services; and
- Are willing to make a commitment to working with Grantee in a timeframe agreed upon by the Client and provider to increase Client's financial empowerment and the probability of successful homeownership;

# Homeownership Capacity Program Performance Thresholds

The Program Performance Thresholds and must be followed by all Grantees:

- Intake
- Program Completion
- Program Outcome

The Program Performance Thresholds all have the option to enter a Client as “Client Stopped Communication” at any point after the Intake. The [Program Services](#) are to be provided until the Client reaches Program Completion or Outcome, which may extend beyond the Program Term identified in the Grant Contract.

# Homeownership Capacity Program Performance Thresholds

## Intake

- The Financial Coach determines that the Client is an Eligible Client. The Client completes the Intake and obtains the required documentation with the Grantee for participation in the Program.
- For additional guidance, refer to the [Client File and DCS Reporting Chart](#), where it outlines the required Client File documentation and Data Collection System (DCS) entry fields.

# Homeownership Capacity Program Performance Thresholds

## Program Completion

When a Client has achieved financial empowerment or is no longer progressing towards their financial goal. Clients will either be:

- **Pursuing homeownership**

- If the Client is pursuing homeownership, they must be referred to pre-purchase homebuyer education and counseling.

- **Not pursuing homeownership**

- If the Client is not pursuing homeownership, a Program Outcome should still be reported if the Client is financially empowered.
- If the Client is not pursuing homeownership and if the Client is not financially empowered, an Outcome should not be entered.



# Homeownership Capacity Program Performance Thresholds

## Program Completion

Program Completion can occur any time after Intake. For additional guidance, refer to the [Client File and DCS Reporting Chart](#), where it outlines the required Client File documentation and Data Collection System (DCS) entry fields.

# Homeownership Capacity Program Performance Thresholds

## Program Outcomes

The Financial Coach must continue to engage with the Client until one of the following Outcomes occur:

- Client is financially empowered and purchases a home.
- Client is financially empowered and is pursuing homeownership one year after Program Completion.
- Client is financially empowered and decided not to purchase.

Supporting documentation for “Client is financially empowered and purchases a home” is required. Program Outcome can occur up to 12 months after Program Completion. For additional guidance, refer to the [Client File and DCS Reporting Chart](#), where it outlines the required Client File documentation and Data Collection System (DCS) entry fields.

# Homeownership Capacity Fee for Service

## Fee for Service Model

*\* Performance thresholds incorporated into the Program design*

*+ Additional Fee for Service for achieving certain Program Performance Thresholds and has supporting documentation to support achievement.*

<b>Program Performance Thresholds + Incentives</b>	<b>Fee per Client</b>	<b>Program Services</b>	<b>*Conditions</b>
<b>Intake *</b>	\$ 1,100.00	\$ 1,100.00	
<b>Program Completion *</b>	\$ 100.00	\$ 100.00	
+ Credit Change at Program Completion	\$ 100.00		<i>Credit Score at Intake must be &lt;640 and must demonstrate =/&gt; 50 point increase</i>
<b>Outcome *</b>	\$ 100.00	\$ 100.00	
+ Purchased a Home at Outcome	\$ 100.00		<i>Final Outcome is Purchased a Home</i>
<b>TOTAL Potential Earning</b>	<b>\$ 1500.00</b>	<b>\$ 1,300.00</b>	

# Homeownership Capacity Fee for Service

## Fee for Service: *Additional Fees for Service*

### Credit Change at Program Completion

- Credit Score at Intake must be <640 and must demonstrate => 50 point increase
- Minnesota Housing recognize Clients with credit scores >640 have other barriers to homeownership, however, the data shows us that credit is the main contribution to BIPOC communities and low-income households inability to access homeownership.
- Minnesota Housing is not incentivizing for a 50 point increase in credit score. We are incentivizing Grantees who work with Clients with lower credit scores and are able to assist in elevating the Client's ability to be more empowered financially and systematically. Therefore, being more impactful on the Client and their goal to obtain homeownership.

# Homeownership Capacity Fee for Service

## Fee for Service: *Additional Fees for Service*

### Purchased a Home at Outcome

- Minnesota Housing recognize the Client's outcome may not be "Purchased a Home;" however, the Homeownership Capacity's goal is homeownership.
- Minnesota Housing would like to incentivizing Grantees who help Clients obtain their goal of homeownership.





# Questions



# Homeownership Capacity 2023 - 2025 Application for Funding

# Homeownership Capacity Application Overview

- **Funds Available:**

- \$2,000,000.00

- **Program Performance Term:**

- October 1, 2023 – September 30, 2025
- New Clients service

- **Contract Term:**

- October 1, 2023 – November 15, 2025
- 1.5 months after Performance term to allow for final reporting and Intake disbursements





# Homeownership Capacity Application Overview



- **Application now available!**
  - Reopened on Tuesday, June 28, 2023
- **Application close date:**
  - Friday, July 14, 2023, at 3:00 P.M.
- **Application Materials available on the [Minnesota Housing](#) website**

# Homeownership Capacity Application Materials

## Application Materials

- **Prepare your Application for Funding**
- **Apply**
- **This Homeownership Capacity 2023-2025 Application for Funding Technical Assistance Webinar**
  - This training will be posted on the website after 3 business days

# Homeownership Capacity Application Materials

## Application Materials

- **Prepare your Application for Funding**
  - [The Manual \(version 2023\)](#)
    - All new Program requirements for this Homeownership Capacity 2023-2025 Program Term and going forward
    - Past Homeownership Capacity grant contracts and program terms will need to follow the Manual (version 2021)
  - [Application Program Overview, Questions and Tips](#)
    - Outlines the Application's requirements (due dates, submission, etc.), the Application narrative questions via .pdf format and the online Application tips

# Homeownership Capacity Application Materials

## Application Materials

- **Apply**
  - [Homeownership Capacity RFP Questions/Application](#)
    - Application Questions and how to submit the Online Application can be found in the [Homeownership Capacity Program Overview, Questions and Tips](#)
    - The below docs are supporting documents to the Application for Funding and must be submitted in the Online Applications
  - [Homeownership Capacity Workbook](#)
  - [Organizational Capacity Review Form-Non Profit Organization](#)
    - Financial statements, organization certificate of good standing, insurance certificate and other organizational information
  - [Application Certification Signature Page](#)
    - Authorized signature for the Application submission
  - [Affirmative Action Certification](#)

# Homeownership Capacity Application Timeline

- **Application close date:**
  - Friday, July 14, 2023 at 3:00 P.M.
- **Organizational Capacity Review**
  - Review of financial statements
- **Reviewers and Selections Scoring**
  - July-August
- **Funding Determination**
  - (late) August 2023
- **Final Recommendation and Award**
  - Minnesota Housing Board approval September 2023
  - Grant Contracts will be delivered in late September
- **Program Term and Performance Period**
  - Begins October 1, 2023

# Homeownership Capacity Application Timeline

## Reviewers Scoring

- Two Reviewers per Application
- Reviewers scores will be averaged and average score below 30 will not move towards the Selection Scoring
- A reviewers' score of 30 points or higher does not guarantee funding
- The substance of the Application is what will be reviewed, not the writing, editing or organizational skills of the Applicant
- Reviewers' Scores:
  - Community Need and Outreach 20 points
  - Staff Experience and Program Design 30 points
  - Past Prod/Demonstrated Experience and Goals 20 Points
  - **Total Maximum Reviewers Points 70 Points**

## Selections Scoring

- Five to seven Selection committee members
- Selection committee scores will be averaged and combined with the Reviews score.
- Selections' Scores:
  - Agency Strategic Priorities and Objectives 30 points

## Final Score

- Reviewers Scores and Selections score will be combined for a total maximum points of 100 points
- Scores with less than 60 points will not be recommended for funding
- Funding determination will include:
  - Final score
  - Achieving program performance thresholds
  - Funding availability



# Homeownership Capacity Application Timeline

- **Board Approval**
- **Awards and Grant Contracts via email**





# Questions

# Homeownership Capacity Contacts

## Thank you!



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