



Minnesota Housing & Department of Human Services Adult Mental Health Division Supplemental Operating Subsidy Application for Previously Funded Operating Subsidy Grants

Introduction, Eligibility and Instructions:

Minnesota Housing and the Department of Human Services Adult Mental Health Division offer previously funded operating subsidy grantees the opportunity to complete an abbreviated operating subsidy application to provide operating support for a period of up to two years. Applications received under the abbreviated process will be subject to the same selection criteria used for new applications. Decisions are based on funding availability. This opportunity is intended for current grantees with grants ending by December 31, 2011; eligible grantees will be notified directly by Minnesota Housing.

Applications for the Supplemental Operating Subsidy Application are due March 1, 2011.

Eligible applicants must meet the following criteria:

1. A need for the funds must still be demonstrated.
2. The operating subsidy program is a "last resort" source intended to support revenue shortfall or unique expenses related to the operation of supportive housing. The applicant must demonstrate that all other potential funding sources have been exhausted.
3. The applicant will continue to comply with all previous commitments made as part of the former grant. Applicants must also be in compliance with all current agreements, including the Homeless Management Information System (HMIS) and the Program Outcomes Status Report (POSR) when applicable, before applying for a supplemental grant.
4. New awards will only be considered when the applicant is in the last draw period of their current grant, demonstrating actual utilization of the grant.

Please complete the following:

- Minnesota Multifamily Rental Housing Common Application Form, Section I, A-C; Section II, A-C; and Section VIII (Affirmative Action Requirement).
http://www.mnhousing.gov/idc/groups/public/documents/webcontent/mhfa_001970.xlt
- BudRep workbook for upcoming budget year, "Budget," "Budget Notes," "Rent Table," and "Operating Subsidy" tabs completed.
http://www.mnhousing.gov/idc/groups/multifamily/documents/document/mhfa_005845.xls
- Utility Allowance from Local HRA/PHA (if applicable).
- Rental Assistance Payment Standards.
- A copy of the most recent version of the Memorandum of Understanding (MOU) between the Owner, Property Manager and Service Provider.
- If the current grant is DHS-funded, a copy of the most recent Cooperative Agreement for the Housing with Supports for Adults with Serious Mental Illness (HSASMI) program.
- If applying for DHS funding, include a letter of support from the local mental health entity (County, Adult Mental Health Initiative or Tribal Mental Health).
- Verify an up to date Qualifications Form is in place for each member of the development team (Developer/Owner, Management & Marketing Agent and Service Provider).
http://www.mnhousing.gov/resources/apply/multifamily/MHFA_006628.aspx
- Supplemental Operating Subsidy Application Narrative Questions.
http://www.mnhousing.gov/housing/management/subsidy/MHFA_009028.aspx

If funding is awarded, Minnesota Housing requires that the grant agreement be executed with the owner of the development. Applicants will be required to submit due diligence items as detailed on the Closing Checklist, available at:

http://www.mnhousing.gov/housing/management/subsidy/MHFA_009028.aspx

Note: With the new grant agreements, grantees will be required to register annually for the Low Income Rental Classification (LIRC), or a similar real estate tax treatment (e.g., PILOT, exemption, etc.). More information on LIRC is available at:

<http://www.mnhousing.gov/housing/developers/lirc/index.aspx>

Send one electronic version of the entire application packet to mhfa.app@state.mn.us; mail one signed, original version of the entire application packet to—

Minnesota Housing
400 Sibley Street, Suite 300
Saint Paul, MN 55101-1998
Attn: Andrew Hughes

If you have any questions, please contact any of the following staff—

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