

Family Housing Fund

**Metropolitan Housing
Resource Program**

Program Guide

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The Metropolitan Housing Resource Program funds are made available through the Family Housing Fund. These funds were included in the Minnesota Housing's Consolidated RFP for the development, construction, acquisition, preservation and rehabilitation of permanent affordable rental housing.

Form of Awards:

Funds are awarded in the form of a zero percent (0%), 30 year deferred subordinated loan. Loans may be structured with an interest rate to be eligible for inclusion in basis for developments using low income housing tax credits. Alternately, loans may be awarded in the form of cash-flow notes.

Eligible Communities:

Any municipality in the seven-county metro area or any development in a municipality in the seven-county metro area provided that the proposed project is consistent with the housing element of the municipality comprehensive plan, and action plan for carrying out negotiated housing goals.

Eligible Applicants:

Eligible applicants are limited profit and non-profit entities, Minnesota Cities, and Housing and Redevelopment Authorities.

Eligible Projects:

Funding is available for certain costs associated with projects that help municipalities meet their housing goals - including, but not limited to acquisition, rehabilitation, and construction of permanent affordable housing. All projects must meet the applicable Minnesota Green Communities criteria.

The Family Housing Fund gives preference to projects that meet the Fund's program priorities:

Preservation: Preserve federally-assisted and locally-assisted housing, with priority to projects with deep tenant subsidy (project-based rental assistance), real risk of leaving federal programs, and acquisition costs supported by appraisal.

Ending Long-Term Homelessness: Serve long-term homeless families and individuals through permanent supportive housing. Preference will be given to projects that serve families and youth.

Creation of New Affordable Housing: Provide new housing opportunities for low-income families in strategic areas with strong linkages to jobs and/or transit. Preference for projects that meet Transit Oriented Development (TOD) standards.

Income Limits:

100% of assisted units must be initially occupied by households with incomes less than 60% of Twin Cities area median income adjusted for family size. New tenants occupying the units during the term of the mortgage must also meet the income limits at the time of initial occupancy.

Gross Rent Limits:

Maximum gross rents shall not exceed 30% of 60% of the metro area median income by unit size, and will be subject to the Minnesota Housing market review.

Loan processing:

Please contact the Family Housing Fund staff person indicated on your funding award letter for information on loan processing.

Family Housing Fund:

If you need further information in regards to the Family Housing Fund, please go to the Fund Website at www.fhfund.org