



Publicly Owned Housing Program (POHP) Checklist

Construction Loan Financing

For 2024 POHP RFP: Effective July 2024

Owner and Development Information

Public Housing Authority (PHA) Name	Development Name	D#	M#

NOTE: You must not start rehabilitation work prior to the construction loan closing with Minnesota Housing.

Listed below is an overview of the phases after a POHP project has been selected for further processing. The table lists documents and applicable requirements. For more information and access to forms and resources, visit the [POHP webpage](#).

1. Procurement of Architect/Engineer
2. Environmental Reports and Design Phase
3. Bidding and Contract Awards
4. Construction Loan Closing
5. Construction Phase
6. Construction Complete/Project Closeout

1. Procurement of Architect/Engineer

ID	Document Name	Requirements
A	Owner-Architect Agreement (AIA Form)	<p>If an architect is not engaged, an Owner - Architect Agreement will not be applicable.</p> <p>If an architect is engaged, Minnesota Housing accepts the AIA B Series Owner-Architect Agreement or Model Form of Agreement Between Owner and Design Professional (HUD Form 51915). The contract must be approved by a Minnesota Housing staff architect. Minnesota Housing does</p>

ID	Document Name	Requirements
		not accept design-build contracts without prior approval.
B	Evidence of Insurance - Architect	If an architect is engaged, Evidence of Professional Liability Insurance must be submitted. Refer to Minnesota Housing's insurance requirements .
C	W-9 and EFT Forms	A SWIFT Vendor ID number is needed for processing construction draws. If you have a SWIFT Vendor ID number: <ul style="list-style-type: none"> • Call the Helpline at 651.201.8106 to verify that your information (address, bank routing number, and account number) is correct • Contact your POHP loan processor and provide your verified SWIFT Vendor ID number. If you do not have a SWIFT Vendor ID number: <ul style="list-style-type: none"> • Complete and submit a W-9 form and an EFT form. If you are unsure about your SWIFT Vendor ID number: <ul style="list-style-type: none"> • Call the Helpline at 651.201.8106.

2. Environmental Reports and Design Phase

ID	Document Name	Requirements
A	Authority's Enabling Resolution	Enabling resolution and minutes from the government entity establishing the authority.
B	Authority's Bylaws	Bylaws and any amendments must be submitted.
C	HUD Declaration of Trust	HUD's Declaration of Trust showing the legal description of the subject property is required.
D	Evidence of Insurance – Owner	Certificate of Insurance for General Liability is required. Certificate of Insurance for Property may be required. Refer to Minnesota Housing's insurance requirements .

ID	Document Name	Requirements
E	Environmental – Asbestos-Containing Materials	<ul style="list-style-type: none"> • An asbestos-containing materials survey is required for the entire property, or at minimum, the areas to be rehabilitated. • An abatement plan is required for hazardous materials to be abated during rehabilitation. • An operations and maintenance (O&M) plan is required for all hazardous materials that will remain after rehabilitation. <p>Refer to the Environmental Standards webpage for information: Asbestos Inspection Survey. If abatement is required, the PHA must procure an environmental services consultant to create the abatement scope of work and bid documents during this phase.</p>
F	Environmental – Lead-Based Paint	<ul style="list-style-type: none"> • For buildings constructed prior to 1978, a visual assessment for deteriorated paint is required for the entire property. • The lead hazard evaluation and lead hazard reduction methods used shall comply with all applicable regulations. When two or more standards govern the same condition, conformance to the most restrictive standard is required. • If you have a lead-based paint inspection on file from a prior date, submit it to Minnesota Housing. • If no lead-based paint inspection is available, lead-based paint testing is required for the rehabilitated areas and areas where deteriorated paint was discovered in the visual assessment. • An abatement plan is required for hazardous materials to be abated during rehabilitation. • An operations and maintenance (O&M) plan is required for all hazardous materials that will remain after rehabilitation. <p>Refer to the Environmental Standards webpage for information: Lead-based Paint. If abatement is required, the PHA should procure an environmental services consultant to create the abatement scope of work and bid documents during this phase.</p>
G	Environmental – Radon Evaluation	<p>Environmental reports may be requested based on the scope of work.</p> <p>Refer to the Environmental Standards webpage for information on testing and mitigation: Radon Mitigation. If mitigation is required, the PHA should procure an environmental services consultant to create the abatement</p>

ID	Document Name	Requirements
		scope of work and bid documents during this phase.
H	B3 or Limited Scope Sustainability Form	<p>Minnesota Housing staff will determine if Buildings, Benchmarks, and Beyond (B3) requirements are applicable to your project. Details regarding B3 requirements can be found on the B3 webpage.</p> <p>If the project is deemed “non-applicable” and receives a B3 waiver, Minnesota Housing’s Limited Scope Project Sustainability Requirements form must be completed.</p>
I	Design – 75%-90% Contract Documents	A draft of the bid/construction documents must be submitted. A Minnesota Housing staff architect will provide comments and outline requirements during the review process; these must be incorporated in the 100% bid/construction documents.
J	Design – 100% Contract Documents	<p>Approval is given by a Minnesota Housing staff architect when all plan review comments and requirements noted during the draft review are incorporated in the 100% bid/construction documents.</p> <p>A Minnesota Housing staff architect must also review and approve the scope of work for abatement of lead-based paint, asbestos, or radon that will be completed as part of the project.</p>

3. Bidding and Contract Awards

ID	Document Name	Requirements
A	Owners and Encumbrance Report	<p>Report from a title company identifying the last recorded owner, legal descriptions, and open recorded liens and encumbrances of record. The report should be dated within 120 days of loan closing.</p> <p>For title companies that include a section in their O&E report that states “this report is for the use of certain parties”: Request Minnesota Housing Finance Agency be included in this list</p>
B	Authority’s Certified By-laws	Certified bylaws and any and all amendments must be submitted. The certification must be dated within 90 days of loan closing, and they must be signed by the secretary of the authority. Minnesota Housing's Certification of Bylaws template must be used.
C	Authority’s Borrowing Resolution	A copy of the resolution adopted by the authority’s governing board authorizing the PHA to borrow funds from Minnesota Housing must be submitted. The resolution must be dated within 90 days of loan closing.

ID	Document Name	Requirements
		<p>Refer to the Minnesota Housing's Borrowing Resolution Requirements for more information.</p> <p>At closing: The original signed resolution (or a certified copy) must be delivered prior to or at closing.</p>
D	Workforce Equal Pay Declaration Form	<p>Cities, counties, and other political subdivisions are required to submit the Workforce Equal Pay Declaration Form when using General Obligation bonds for capital projects.</p>
E	Architect's Opinion Letter	<p>If an architect is hired for the project, Minnesota Housing requires the architect to submit an opinion letter addressed to Minnesota Housing. The purpose of this letter is to certify that the architect is licensed to practice in the state of Minnesota and is prepared to perform architectural services under Minnesota Housing's terms. Minnesota Housing's form of Architect's Opinion Letter must be completed.</p>
F	Executed Construction Contract	<p>The PHA must supply either the AIA Construction Contract form, the HUD form of construction contract, or other form of contract. This must be a fixed price contract and must be approved by the Minnesota Housing staff architect. Minnesota Housing does not accept design-build contracts.</p> <p>At closing: The executed contract must be submitted to Minnesota Housing.</p>
G	Building Permits	<p>A draft copy of the building permit(s) accompanied by a letter from the building official stating: (1) the amount of the permit fees; and (2) that the only requirement to be complied with in regard to an issuance of the building permits is the payment of the permit fees. Minnesota Housing does not accept a draft permit that includes a list of deficiencies that must be corrected prior to issuance of the permit.</p> <p>At closing: A copy of the issued building permit(s) signed by the building official, including a copy of the permit fee paid receipt, is required.</p>
H	Evidence of Insurance - Contractor	<p>Certificate of Insurance for General Liability is required.</p> <p>Certificate of Insurance for Builder's Risk may be required.</p> <p>Refer to Minnesota Housing's insurance requirements.</p>

ID	Document Name	Requirements
I	Sworn Construction Statement	An itemized list of all individuals and companies who will provide improvements, materials, or labor toward the construction project. Minnesota Housing’s form or AIA G702/G703 must be completed and signed by the general contractor.
J	Payment Bond Performance Bond (Dual Oblige)	For construction contract amounts exceeding \$175,000 (excluding construction contingency), the general contractor must submit the following Minnesota Housing 100% Payment and Performance Bonds forms (Dual Oblige) in draft form: Payment Bond and Performance Bond . At closing: Minnesota Housing requires an original, fully executed Payment and Performance Bonds.
K	Draft documents from other sources of financing	Other sources of funding could include DEED Small Cities Development Program, insurance proceeds, other local grants or loans, weatherization program funds, energy rebates, Federal Home Loan Bank, etc. Draft documents will be reviewed for conflicting requirements that may need to be resolved prior to closing such as loan terms, rent and income requirements, use of loan proceeds, etc. At closing: All signed documents must be delivered to Minnesota Housing.
L	POHP Workbook	An updated project Workbook including a Sources and Uses Worksheet must be completed and resubmitted after a bid is selected and all sources of funding and final project costs have been determined.

4. Construction Loan Closing

ID	Document Name	Requirements
A	Invoices for Initial Draw	Minnesota Housing’s closing team will contact you to collect all invoices for development costs/fees included in the Sources and Uses Worksheet that require payment at closing. You will work with your assigned Construction Compliance Officer to prepare your payee list and initial draw (Draw #1). The first draw will be completed and signed simultaneously with the construction loan closing and will be used as a basis for subsequent

ID	Document Name	Requirements
		(monthly) draws.
B	Other Supporting Documentation	<p>Minnesota Housing’s closing team will contact you to collect any additional supporting documents for development costs/fees included in the Sources and Uses Worksheet that require payment at closing. You will work with your assigned Construction Compliance Officer to prepare your payee list and initial draw (Draw #1).</p> <p>The first draw will be completed and signed simultaneously with the construction loan closing and will be used as a basis for subsequent (monthly) draws.</p>

5. Construction Phase

ID	Document Name	Requirements
A	<p>Borrower’s Draw Requisition and Payee Voucher (“Draw”) and Proof of Payment (Minnesota Housing forms)</p>	<p>The PHA must submit draws to the Minnesota Housing Construction Compliance Officer on a monthly basis to pay the costs of rehabilitation and any soft costs up to the amounts budgeted for the project.</p> <p>Contractor pay applications (which become a part of the monthly draw) will be reviewed on site once each month at a regularly scheduled draw meeting with the PHA, general contractor, and if applicable, the architect in attendance. The Minnesota Housing staff architect may or may not attend the on-site draw meetings. The Minnesota Housing staff architect approves the monthly contractor pay application. Photos of rehabilitation progress must be included with the monthly contractor pay application.</p> <p>Funds are disbursed to the PHA (or title company, if used) after the Construction Compliance Officer’s approval of the draw, including proof of payment for costs paid to contractors/vendors the prior month and any additional documentation Minnesota Housing deems necessary.</p>
B	Change Orders	<p>Change orders, architectural supplemental instructions (ASIs,) or any other change directive must be submitted to the Minnesota Housing staff architect for approval prior to the change order being accepted or signed by the applicable parties.</p>

6. Construction Complete / Project Closeout

ID	Document Name	Requirements
A	Certificate(s) of Substantial Completion	Submitted by the architect, a qualified rehabilitation specialist or other approved consultant. It must be on Form AIA G704 or equivalent. The completed punch list(s) must also be submitted.
B	100% Completion – written confirmation	Written confirmation from the architect, qualified rehabilitation specialist or other approved consultant that all work, including punch list items, has been completed.
C	Building Permit – closeout	Evidence that all permits are closed out.
D	Environmental Documentation	<p>If mitigation was required, the appropriate report(s) need to be submitted.</p> <ul style="list-style-type: none"> • Lead Clearance Reports • Asbestos Operations & Maintenance Plans • Minnesota Pollution Control Agency Closeout
E	Final Sworn Construction Statement	Completed AIA G703, Final General Contractor’s Pay Application, or other Minnesota Housing approved format.
F	Photos of Completed Work	Digital photos showing a typical sampling of work completed.