



State Housing Tax Credit Due Diligence Checklist Designated Contributions for New Construction and Rehabilitation Loan Financing

Effective November 2023

Project Information

Project Name:

Development Number:

Project Number:

SHTC Contribution Program Amount:

Instructions

Listed below is an overview of the requirements for projects that have received a Designated Contribution through the State Housing Tax Credit (SHTC) Contribution Program. The table lists documents and applicable requirements for loans less than \$100,000 and loans of \$100,000 or greater. The requirements are applied based on the total cumulative contributions to a project through the SHTC Contribution Program.

1. Initial Due Diligence
2. Project Closeout

Table 1: Initial Due Diligence

Document	Requirements	Loans less than \$100,000	Loans of \$100,000 or greater
Qualification Attestations	This document contains attestations to confirm the Recipient is an eligible recipient of SHTC funds and the project meets eligibility criteria. Minnesota Housing will publish the attestation document(s) when available.	X	X

Document	Requirements	Loans less than \$100,000	Loans of \$100,000 or greater
No Control or Ownership Certification OR Attorney Opinion Letter	<p>Recipients attest that the contributors have no ownership or control of the Qualified Project. If a contributor has any ownership or control in a project, an Attorney Opinion Letter stating the Recipient is not disqualified and meets the requirements of the applicable statutes to receive funds from the program is required. Minnesota Housing will publish the attorney opinion letter template when it is available.</p> <p>SHTC Certification Business SHTC Certification Individual</p>	X	X
Organizational Chart and Documents	<p>Provide an organizational chart identifying the ownership entity, and percentages of the ownership. Identify each principal within the ownership structure and roles of each principal. Provide organizational documents for the Recipient and its general partner(s)/managing member(s), as applicable. Refer to Ownership Organizational Document Requirements.</p>	X	X
Certificates of Insurance	<p>During Construction: Builder’s Risk Certificate of Insurance and Comprehensive General Liability Certificate of Insurance.</p> <p>For Existing/Completed Buildings: Property Certificate of Insurance and Comprehensive General Liability Certificate of Insurance</p> <p>Certificates must include borrower name and property address. Minnesota Housing must be listed as certificate holder on both certificates, mortgagee/loss payee on property/builder’s risk insurance, and additional insured on liability insurance</p>		X
SWIFT Vendor ID Number	<p>A SWIFT Vendor ID number will be needed for processing disbursements:</p> <ul style="list-style-type: none"> If Recipient has a SWIFT Vendor ID number, please call the Helpline at 651.201.8106 to verify that your 	X	X

Document	Requirements	Loans less than \$100,000	Loans of \$100,000 or greater
	<p>information (address, bank routing number, and account number) is correct.</p> <ul style="list-style-type: none"> If Recipient does not have a SWIFT Vendor ID number, please complete and submit a W-9 form and an EFT form. <p>If you are unsure about your SWIFT Vendor ID number, please call the Helpline at 651.201.8106.</p>		
Relocation Plan	<p>All developments selected for rehabilitation activities must submit a relocation plan that addresses both temporary relocation, including in-place displacement and permanent displacement.</p> <p>The relocation plan should detail the number of tenants who will be relocated, the number of days each tenant will be displaced, the daily estimate for lodging and meals, and details of other costs as applicable; e.g., temporary storage costs and transportation costs.</p>	X	X
Prevailing Wage Certification , if applicable	<p>The state has determined that developments that receive funds from Minnesota Housing must comply with state prevailing wage requirements under Minnesota Statutes Chapter 177 and Minnesota Statutes Section 116J.871, as applicable. For all questions related to prevailing wage requirements and documentation, direct questions to karen.bugar@state.mn.us at the Minnesota Department of Labor and Industry.</p> <p>*Prevailing wage requirements may apply to a project if the cumulative amount of Minnesota Housing funding exceeds the threshold, even if the SHTC Contribution Program loan amount is below prevailing wage requirements</p>	*	*
Equal Opportunity Policy Statement	<p>Minnesota Housing is committed to equal housing and equal employment opportunity. Both the Recipient and the general contractor must separately submit an Equal Employment Opportunity Policy Statement form.</p>	X	X

Document	Requirements	Loans less than \$100,000	Loans of \$100,000 or greater
Sources and Uses Workbook	A project Workbook including development costs, sources, and uses must be completed and resubmitted after a bid is selected and all sources of funding and final project costs have been determined. Minnesota Housing will publish a template when it is available.	X	X
Documents for Other Sources of Funding, if applicable	Copies of loan documents or grant agreements from other sources. Documents will be reviewed for conflicting requirements that may need to be resolved prior to closing such as loan terms, income requirements, use of loan proceeds, etc. Approvals and modifications from all lenders must be included, if applicable.	X	X
Owners and Encumbrance Report (O & E Report) or Title Commitment	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.	X	X
Borrowing Resolution	Resolution authorizing (1) the transaction, (2) execution of loan and other transaction related documents, and (3) designating the person(s) authorized to execute the documents. The resolution must be dated within 90 days of loan closing.	X	X
Certificate of Good Standing	Certificate of Good Standing issued by the Minnesota Secretary of State dated within 30 days of the transaction/closing date. Needed for Recipient and, if applicable, general partners/LLC members.	X	X
Other documents, as necessary	Minnesota Housing may request other documents as necessary to verify the Recipient, loan, and project are eligible to receive funds from the SHTC Contribution Program.	X	X

Table 2: Project Close Out

Document	Requirements	Loans less than \$100,000	Loans of \$100,000 or greater
Government Data Practices Act Disclosure Statement with Attachment 3	This form is used to inform tenants that their household composition, income and other information will be reported to Minnesota Housing. It must be signed and dated by all household members age 18 and older.	X	X
Certificate of Project Completion or Sworn Construction Statement	Submitted by the architect/professional engineer or qualified rehabilitation specialist.		X
Certificate of Occupancy	Certificate of occupancy issued by a local government agency or zoning/building department.	X	X
Photos of Completed Work	Digital photos showing a typical sampling of work completed.	X	X
SHTC Disbursement Form, with attachments	Funds are disbursed to the Recipient after review and approval of the SHTC Contribution Program Disbursement Request Form, including proof of payment for costs paid to contractors/vendors from the initial disbursements and any additional documentation Minnesota Housing, at its sole discretion, deems necessary.		X
Other documents, as necessary	Minnesota Housing may request other documents as necessary to verify the Recipient, loan, and project are eligible to receive funds from the SHTC Contribution Program.	X	X