

Minnesota Housing, in partnership with Greater Minnesota Housing Fund (GMHF) and the Metropolitan Council, announces the availability of funds through the Consolidated Single Family Request for Proposals (Single Family RFP).

The Single Family RFP provides funding for the Community Homeownership Impact Fund (Impact Fund) and the Workforce and Affordable Homeownership Development Program.. We encourage applicants to review the Impact Fund Program Concept and the Community Homeownership Impact Fund Procedural Manual on Minnesota Housing's [Impact Fund webpage](#) for details about the programs. The Manual guides implementation and requirements for both programs.

Community Homeownership Impact Fund (Impact Fund)

Eligible Applicants

- Local governments
- Housing and Redevelopment Authorities
- Nonprofit organizations
- For-profit organizations and private developers
- Indigenous housing corporations and Tribal governments
- Public housing agencies
- Joint powers boards established by two or more cities

Eligible Activities

- *Affordability Gap**: Deferred loans or grants to homebuyers to cover the difference between the purchase price of a home and the first mortgage for which a homebuyer qualifies.
- *Housing Infrastructure Bond (HIB) Proceeds**: 3-year, 0% interest, deferred, forgivable loans to awarded administrators. Loans will be forgiven if awarded administrators satisfy contract conditions.
 - Finance the construction or rehabilitation of single-family homes.
 - Costs of land acquisition, demolition, and utility connections for community land trusts.
 - All eligible applicants above are eligible to receive HIB proceeds.
- *Interim Loans*: 26-month, interest bearing, unsecured, deferred, repayable loans to awarded administrators to finance the acquisition and construction of homes. Interim loans will require the following:
 - Monthly interest payments
 - Quarterly financial reporting that requires ability to meet net asset and current ratios, according to contract conditions.
 - If applicants are interested in a secured loan, please reach out to Minnesota Housing for more information.
- *Owner-Occupied Rehabilitation**: Deferred loans or grant to homeowners to cover the costs of home rehabilitation or to write down Community Fix Up interest rates.
- *Value Gap*: Grants to administrators to cover the difference between the total development cost and appraised value of a unit.

** Not eligible for Workforce and Affordable Homeownership Development Program.*

Income Limits

Proposed projects must serve households up to 115 percent area median income (AMI) according to Impact Fund's income limits. Current income limits are posted on the [Impact Fund webpage](#).

Funding Priorities

Each proposal will be evaluated based on the extent to which it meets the Selection Standards and Funding Priorities. Applicants are encouraged to review the [2022 Single Family Scoring Criteria](#).

Workforce and Affordable Homeownership Development Program

Minnesota Housing will also provide funding to preserve and increase the supply of workforce and affordable housing throughout Minnesota. Priority will be given to smaller projects in Greater Minnesota and suburban communities within the seven-county Twin Cities metropolitan area, for communities with populations of less than 10,000 and new construction projects.

Eligible Grantees

- Tribal governments
- Nonprofit organizations
- Cities
- Cooperatives
- Community Land Trusts

For-profit organizations are not eligible to apply for funding.

Eligible Activities

- New construction of single-family homes
- Acquisition, rehabilitation, resale of single-family homes

Funds may not be used to provide downpayment assistance or financing for owner-occupied rehabilitation.

Funding Timeline

Applicants must complete and submit an application through the Single Family Consolidated RFP process. More information on the timeline can be found on the [RFP Timeline](#).

The program will be guided by the Minnesota Housing Community Homeownership Impact Fund Program Procedural Manual, Challenge statute (Minn. Stat. 462A.33), Challenge rules (Minn. R. 4900.3600-4900.3652), and the Workforce and Affordable Homeownership Development Program statute (Minn. Stat. 462A.38). Please familiarize yourself with the program guidance.

Co-Funder Information

Greater Minnesota Housing Fund (GMHF) and the Metropolitan Council each have their own program requirements and guidelines. While applications are solicited through the Consolidated Single Family RFP, GMHF and the Metropolitan Council have funding timelines and approval processes separate from Minnesota Housing. Below is a summary of funding provided by the co-funders:

- **GMHF** provides funding for homebuyer affordability gap in the form of deferred, subordinate loans at 0% interest. The maximum loan amount per homebuyer is \$8,500. GMHF will give preference to proposals which apply a racial and economic equity lens to promote economic inclusion in the benefits of homeownership among households of color, immigrant households, and households with disabled members, and that seek to leverage cross-sector health and housing partnerships to improve community and individual health through investments in affordable housing.
- **The Metropolitan Council's** Local Housing Incentives Account (LHIA) funds are intended to assist Livable Communities Act (LCA) participating communities meet their negotiated affordable and lifecycle housing goals through the preservation or expansion of single family and multi-family

affordable housing. Only LCA participating cities OR development authorities (i.e. County, port authority) serving those cities can receive LHIA funds. Grantees must match LHIA awards on a dollar-for-dollar basis with a source of funding that is either directly from or is designated by the participating city or development authority; sources include CDBG, HOME, TIF, Housing Trust Fund dollars, tax abatements, local housing revenue bonds, and the appraised value of donated land. For single family awards, development gap funds are limited to no more than half of the difference between the purchase price of the home and the total per-unit hard costs, unless a mechanism is in place to ensure a minimum affordability term of 15 years.

We encourage applicants to review each co-funder's program information guides, which are posted on the [Impact Fund webpage](#).

Financial Leverage

Applicants that have secured commitments of dollars to close funding gaps will meet Minnesota Housing's funding priorities. Only committed financial leverage will be considered when applications are reviewed.

Committed Leverage

Committed leverage is the dollar amount of leveraged funds dedicated specifically to the proposed project to close a funding gap. Applicants must provide documentation (e.g., award letter, funding contract, etc.) of the committed leverage. The documentation must include the following:

- Name of the organization, contact person, and his or her contact information;
- The amount of cash committed to the proposed project;
- The period of time the funds will be available for the Applicant's use; and
- The terms and conditions of the commitment including but not limited to:
 - How funds are to be used (e.g., lump sum allocated to a project or pipeline funds available on an ongoing basis, etc.); and
 - Funding type (e.g., loan or grant).

Committed leverage includes the Applicant's own funds or funding from a third-party. The funds must be for the proposed project. Operating funds, value of in-kind material and/or labor, other general use funds, lines of credit, borrower and seller's own resources are not considered leverage.

Pending Leverage

Pending leverage is leverage that has not been formally committed to the Applicant or the proposed project. Applicants must submit pre-commitment documentation for all pending leverage no later than **September 1, 2022**. Pending leverage will not be considered without pre-commitment documentation.

Organizational Capacity Review

Minnesota Housing will conduct an organizational capacity review of each applicant that is a nonprofit or a for-profit organization. The organizational capacity review is not an audit or a guarantee of the organization's financial health or stability. Rather, it assesses the organization's capacity to carry out the proposed project, if funded.

All nonprofit and for-profit organizations must complete either the Organization Capacity and Review Form – Nonprofit Organizations or Organization Capacity and Review Form – For-Profit Organizations and submit all required documentation.

All other applicants are not required to complete an Organization Capacity and Review form.

Application Materials

All Single Family RFP application materials are available on the [Impact Fund webpage](#).

All Applicants must complete and submit the following:

- Single Family RFP General Application
- Single Family RFP General Workbook
- Single Family RFP Housing Activity Section and Workbook **for each type** of Housing Activity for which funds are requested:
 - Acquisition/Rehabilitation/Resale Housing Activity Section(s) and Workbook(s) – (Non-CLT or CLT)
 - (Stand-Alone) Affordability Gap Housing Activity Section(s) and Workbook(s) – (Non-CLT or CLT)
 - New Construction/Demolition - Rebuild Housing Activity Section(s) and Workbook(s) – (Non-CLT or CLT)
 - Owner-Occupied Rehabilitation Program Housing Activity Section(s) (includes Community Fix Up Loan (CFUL) Program Write-down) and Workbook(s)
 - Tribal Indian Housing Program Housing Activity Section(s) and Workbook(s)
- Activity-specific required documents. See activity application for list of required documents.
- Supplemental forms, if applicable
 - Community Land Trust (CLT) Supplemental Application (New CLTs only)
 - Organization Capacity and Review Form – Nonprofit Organizations
 - Organization Capacity and Review Form – For Profit Organizations

Application Deadline and Submission Instructions

Applicants must submit an electronic copy of the all completed application materials to Minnesota Housing no later than:

Thursday, July 14, 2022 at 12:00pm

Electronic Copy Delivery Instructions

Submit all files in **one upload** using the [Single Family Secure File Exchange](#) (LeapFILE™), accessible on the [Partner Login page](#), to impact.fund.mhfa@state.mn.us.

Applicants should use the following naming conventions for each file: “Organization Name Application Form” Example: “ABC Development Acquisition Rehab Resale Workbook”

Technical Assistance

Applicants are encouraged to review the recorded Single Family technical assistance webinar on the [Impact Fund webpage](#). The 2021 Single Family RFP has some changes, however many of the information in the 2019 webinars are still relevant in the 2022 Single Family RFP.

Email Updates

Sign up for Impact Fund eNews on the [Minnesota Housing website](#).

Approval Date and Award Notification

Board Approval

The Minnesota Housing Board of Directors is expected to consider the Agency's funding recommendations for the Single Family RFP in **December 2022**.

Minnesota Housing reserves the right to not select proposals. Proposals selected for funding through the Single Family RFP are subject to availability of funding.

Award Notification

Selected proposals will be posted on Minnesota Housing's website following the board meeting. All applicants will receive a letter following the board meeting with the Agency's funding decision. Awardees will receive an award letter and funding contracts within approximately three months of Minnesota Housing's board date.

Co-funders will select projects through their own separate funding processes and will notify applicants separately of their funding decisions.

Contact Information

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The Single Family RFP is subject to all applicable federal, state, and municipal laws, rules, and regulations.

Minnesota Housing reserves the right to withdraw this request for proposals, to not make selections, and to modify dates and submission material requirements as it deems necessary. Minnesota Housing will post notice of any such changes on its website and is not able to reimburse any Applicant for costs incurred in the preparation or submittal of proposals. Minnesota Housing also reserves the right, in its sole discretion, to approve nonmaterial errors or nonmaterial omissions in application submissions.

It is the policy of Minnesota Housing to further fair housing opportunity in all of Minnesota Housing's programs and to administer its housing programs affirmatively, so that all Minnesotans of similar income levels have equal access to Agency programs regardless of race, color, creed, religion, national origin, sex, sexual orientation, marital status, status with regard to receipt of public assistance, disability, or family status.