

These application instructions (previously referred to as the Multifamily Consolidated RFP Guide) apply to the following Minnesota Housing Finance Agency (Minnesota Housing) Request for Proposals processes:

The Multifamily Consolidated RFP

Housing Tax Credit Round 1

Housing Tax Credit Round 2

The Multifamily Consolidated RFP, offered once per year, provides a means of "one stop shopping" by consolidating and coordinating multiple housing resources into one multifamily application process. Applicants request funding for a specific housing development and/or activities that meet a specific housing need and generally do not apply for specific funding sources.

Minnesota Housing, in conjunction with its funding partners, will select developments and award the most appropriate funding sources. Funding partners include the Metropolitan Council, Greater Minnesota Housing Fund and Metro Housing and Redevelopment Authority (Metro HRA).

The Family Housing Fund, Hennepin County, Ramsey County, the city of Minneapolis (CPED), the city of Saint Paul, Minnesota Department of Human Services, Minnesota Department of Employment and Economic Development, the United States Department of Housing and Urban Development and the United States Department of Agriculture participate in the review of proposals.

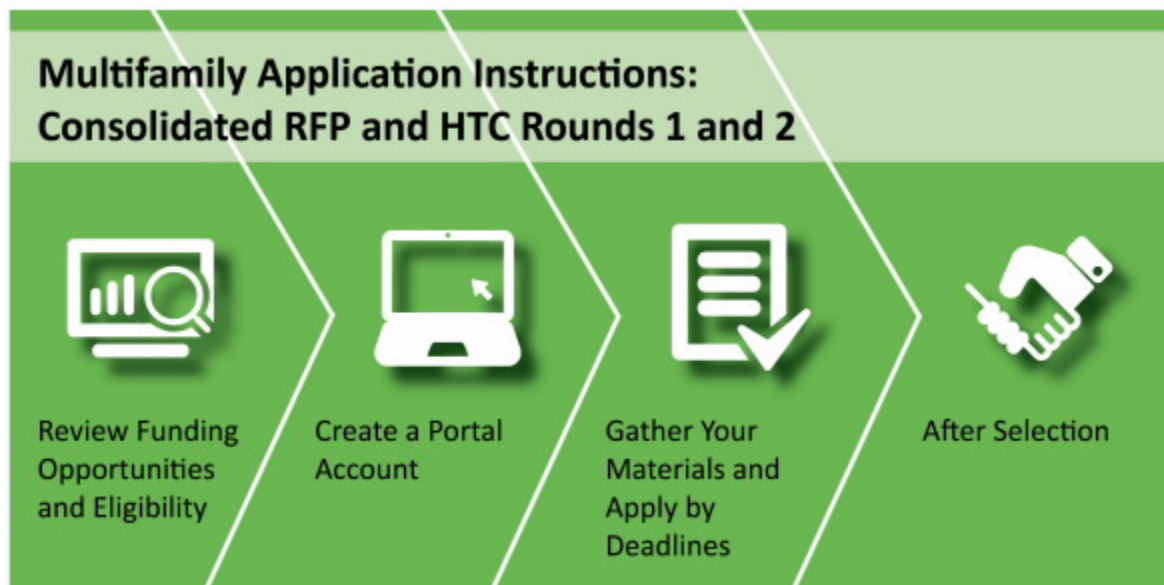
The Housing Tax Credit (HTC) Round 1 is offered through the Multifamily Consolidated RFP and uses a forward selection process, with selections taking place in the fall of the year preceding the allocation year of the credits.

The Housing Tax Credit (HTC) Round 2 makes available for allocation any tax credits remaining or returned since HTC Round 1. Additionally, HTC Round 2 establishes a waiting list for credits that may be returned. In HTC Round 2, all projects located in suballocator jurisdictions may apply directly to Minnesota Housing.

For more information on the HTC application cycle and who is eligible to apply for HTC Round 1 and/or HTC Round 2, refer to the current [HTC Program Procedural Manual](#).

This document is intended to provide general instructions and information regarding Minnesota Housing's process. Each housing resource is subject to specific requirements and limitations that are not set out in detail in, or modified by, this document. The allocation of tax credits is governed by the HTC QAP, HTC Procedural Manual, and HTC Self scoring worksheets and applicants for 9% or 4% tax credits should consult those documents.

Here's how to get started:



Review Funding Opportunities and Eligibility

Available Funding

Consolidated RFP/ HTC Round 1	HTC Round 2
Amortizing mortgages	Amortizing mortgages
Housing Tax Credits	Housing Tax Credits (HTC)
Deferred loans	Deferred loans, subject to funding availability
Project-based Rental Assistance from Metro HRA	

A number of funding sources depend on availability of state or federal resources. Notification of state sources and amounts available will be provided following the conclusion of Minnesota's legislative session.

Consolidated RFP: Funding Partner Programs

[Review a complete list and overview](#) of our funding partner programs and priorities.

Project Eligibility, Feasibility and Organizational Capacity

Projects must fall into the categories listed below in order to be eligible for funding:¹

Eligible Housing Types	Eligible Projects	Eligible Activities
Permanent general occupancy rental housing Permanent Supportive Housing	Have a minimum of four units Scattered site buildings on different tracts of land if the project is 100 percent rent restricted.	New construction Acquisition of land or existing structures Rehabilitation of housing Adaptive reuse/conversion to housing from another use Preservation Demolition Construction financing Permanent financing Rental assistance Operating assistance if eligible for capital funding from the National Housing Trust Fund

NOTE: Developments with age restrictions may not be eligible under some funding sources.

Applicants must also satisfy the following feasibility and capacity funding requirements, including:

Overall Project Feasibility	Organizational Capacity
Whether the proposed site is appropriate for the proposed housing Whether the proposed housing is needed in the intended market based upon population, job growth and very low housing vacancy rates Whether the costs of developing the housing are reasonable Whether the applicant has demonstrated cost containment efforts for all stages and aspects of the development without compromising overall development quality Whether the housing is economically viable For Permanent Supportive Housing, whether the service model, staffing and secured funding are adequate to address the needs of the population to be served	The applicant's related housing experience Whether the applicant has successfully completed similar projects or is partnering with other organizations that have successfully completed similar projects Whether the applicant has strong current and expected ongoing capacity to complete the proposed housing as well as other proposals being developed by the organization Whether the applicant has the capacity to maintain the rental housing long term

¹ Tax credit eligibility is governed by the HTC QAP, HTC Procedural Manual, and HTC Self scoring worksheets.
Multifamily Application Instructions
Consolidated RFP and HTC Rounds 1 and 2

Ineligible Projects

Any residential rental unit that is part of a hospital, nursing home, sanitarium, life care facility, or intermediate care facility for the mentally and physically handicapped is not for use by the general public and is not eligible for housing tax credits under section 42. Projects with buildings having four or fewer residential units must comply with 42(i)(3)(c). Some programs may have other ineligible project types; see specific program manuals available on Minnesota Housing's website for additional detail.

Strategic Priorities and Selection Priorities

When determining funding awards, Minnesota Housing will give priority to those proposals that best meet the greatest number of [Strategic and Selection Priorities](#). These priorities reflect Minnesota Housing's strategic policy goals outlined in the current funding round. Proposals must meet at least one strategic priority to be eligible for funding from Minnesota Housing, and developments that best meet the most of these criteria will receive priority.

Underwriting and Design Standards

Minnesota Housing Multifamily Underwriting Standards

Refer to the [Minnesota Housing Multifamily Underwriting Standards](#) for information on Minnesota Housing's underwriting standards.

Rent and Income Limits

Minnesota Housing will require income and rent limits consistent with those specified in the owner's application, provided that they are not higher than applicable program statutory income and rent limits.

Multifamily Design Standards

Minnesota Housing is committed to constructing or rehabilitating multifamily housing to a standard that when properly maintained, remains decent, safe and affordable for a long-term duration.

Applications are subject to an architectural concept review that is conducted by the Minnesota Housing staff architect assigned to the development. In evaluating various design/construction alternatives available to a particular development, Minnesota Housing seeks to find solutions that create the most lasting value with the lowest life-cycle costs while maintaining a reasonable initial cost. Design concept changes may be required as a condition of selection.

Minnesota Housing has established minimum design standards that are applicable to the construction/rehabilitation project being proposed. Minnesota Housing's Rental Housing Design and Construction Standards incorporate requirements from a variety of sources to further the agency's charge to facilitate the provision of decent, safe and sanitary housing in the state. Some provisions are requirements of federal programs, some stem from Fair Housing Act, and some stem from building codes or other areas of state statute. Overall, our standards ensure that affordable housing financed by the agency is sustainable, cost-effective, healthy, and energy efficient. The type of housing and funding program often dictates which standards apply. Refer to the Minnesota Housing [Building Standards](#) web page for the Rental Housing Design/Construction Standards and other design information.

NOTE: If claiming points for universal design, refer to the design requirements in the [Housing Tax Credit Self-Scoring Worksheet and Deferred Loan Priority Checklist](#) associated with universal design.



Create a Portal Account

Applicants apply for funding through Minnesota Housing's online Portal, which allows them to log in, custom build an application checklist based on the type of proposal they will submit and upload all application materials. **Each item has descriptive help text for submission.** [Review instructions on how to navigate the Portal and submit an application.](#)

To apply through the Portal, applicants will need to request a user account. To request an account, please complete the [online form](#).

NOTE: Refer to the [Multifamily Customer Portal User Guide](#) for more information.

Property and Project Numbers

On many Minnesota Housing forms, applicants are asked to provide a property number (D#) and a project number (M#). A D# is a four digit number assigned by Minnesota Housing to represent the property. Applicants will receive an email notification once a D# is assigned. For the 2018 RFP/2019 Consolidated Multifamily RFP and HTC Round 1, the Portal will automatically assign an M# and a secondary M# number in case applicants are submitting a dual application. Applicants need to list the primary M# in their workbook and the Housing Tax Credit Self-scoring Worksheet and Deferred Loan Priority Checklist. Enter the secondary M# in the dual application workbook and dual Housing Tax Credit Self-scoring Worksheet and Deferred Loan Priority Checklist.

The D#, M# and secondary M# can be found in the project detail section of an applicant's project.

Funding Round

Projects

Project

Sample Project

[Printable View](#)

[Back to List](#)

[Project Phases \[1\]](#)

Project Detail

Project Name	Sample Project	Funding Round	2018 RFP/2019 HTC Round 1
Primary Address	400 Wabasha Street	Project #	M17836
City	Saint Paul	Secondary Project #	M17837
ZIP Code	55101	D #	D0484
County	Ramsey		
Project Status	In Process		



Gather Your Materials and Apply by Deadlines

Applicant Responsibilities

Applicants are responsible to know all requirements that are needed to submit a complete application based on the specific housing proposal and activity type.

Required Submission Items	How to Submit	Application Due Date
Consolidated RFP (including HTC Round 1)		
Preservation Pre-application	Multifamily Customer Portal	May 15, 2018
Intent to Apply	Multifamily Customer Portal	June 5, 2018
Qualification Forms and Financial Information Development Team Sponsor	Multifamily Secure Upload Tool	June 5, 2018
Fee Remittance Form , including supporting documentation Appraisal Fee ² ○ Land Only ○ Existing Buildings and Adaptive Reuse LMIR Application Fee Tax Credit Application Fee NOTE: All fees are non-refundable	Minnesota Housing Attention: Tamara Wilson 400 Wabasha Street North, Suite 400 St. Paul, MN 55102	June 5, 2018
Application Package	Multifamily Customer Portal	June 14, 2018
HTC Round 2 – Projected Due Dates		
Preservation Pre-application	Multifamily Customer Portal	January 2, 2019
Intent to Apply	Multifamily Customer Portal	January 15, 2019
Qualification Forms and Financial Information Development Team Sponsor	Multifamily Secure Upload Tool	January 15, 2019
Fee Remittance Form , including supporting documentation Appraisal Fee ³ ○ Land Only (with identity of interest) ○ Existing Buildings and Adaptive Reuse LMIR Application Fee Tax Credit Application Fee NOTE: All fees are non-refundable	Minnesota Housing Attention: Tamara Wilson 400 Wabasha Street North, Suite 400 St. Paul, MN 55102	January 15, 2019
Application Package	Multifamily Customer Portal	January 31, 2019

The Consolidated Multifamily RFP, HTC Round 1 and HTC Round 2 are highly competitive in nature. A typical funding round will result in requests equal to four to five times the amount of funding that is available; therefore, incomplete applications will not be processed and resubmission will not be allowed during these funding rounds.

² Scattered site developments may be subject to additional fees if the geographic area is large. Preservation pre-applications that meet Risk of Loss Due to Market Conversion have an earlier appraisal fee deadline as outlined in Minnesota Housings online Portal.

³ Scattered site developments may be subject to additional fees if the geographic area is large.

NOTE: Applicants must use the most current version of application forms, which can be found in the Portal or on Minnesota Housing's website for each funding round.

Application Reference Materials

Consult the following resources for scoring guidance when applying for funds from Minnesota Housing:

Application Type	Scoring Guide	HTC Self-Scoring Worksheet (9% or 4% or both)	Deferred Loan Priority Checklist
Consolidated RFP	x	If applying for tax credits, refer to HTC guidance	x
HTC Round 1	x	x	
HTC Round 2	x	x	

In addition,

Refer to the [Application Resources page](#), which contains links to various materials that may be utilized in completing the application package.

The [Multifamily Financing Product Summary](#) provides basic information on multifamily housing resources available through the Consolidated Multifamily RFP and the year-round funding process.

Many of Minnesota Housing's funding sources and programs have [information sheets](#) that provide additional information about eligible activities and program funding sources.

[Training tutorials](#) are also available on Minnesota Housing's website.

Consolidated RFP: Dual Application Guidance

A dual application is an application for projects that are financed and structured with 9% tax credits and that have a simultaneous application structured with 4% tax credits, or, in certain circumstances, deferred loan funding only. Minnesota Housing will not issue tax-exempt bonds for developments located in Minneapolis, St. Paul or Dakota County.

Why submit a Dual Application?

Minnesota Housing will review the application and score it as a 4% and 9% proposal per the respective criteria and priorities as outlined in Minnesota Housing's Qualified Allocation Plan. The two proposals should have the same structure and selection priorities (same unit mix, tenant population, design/scope of work, M & Os, rents, etc.) If Minnesota Housing determines that a 4% structure would be appropriate, Minnesota Housing will work with the developer to adjust the proposal accordingly. Some funding sources do not work with 9% credits, so being able to structure proposals under either scenario allows more resources to be deployed and more developments to be funded in the funding round.

Dual Application Proposals

Proposals that meet the Preservation strategic priority and/or selection criterion and contain 40 units or more, as defined in the Housing Tax Credit Self-Scoring Worksheet, are required to submit a dual 9% and 4% tax credit application. All other proposals that meet one or more of Minnesota Housing's strategic priorities (with the exception of preservation) have the option to submit a dual 9% and 4% tax credit application. Dual application proposals must meet one of the following size criteria:

The project has more than 40 units and has \$2.5 million or more in equity proceeds

The project has fewer than 40 units or has less than \$2.5 million in equity proceeds, and the application includes a detailed Letter of Interest from an investor or a syndicator that documents that initial underwriting has taken place and that preliminary terms are included. The Letter of Interest must be signed by both the investor and applicant.

Minnesota Housing may make adjustments to selection conditions on applications chosen and scored with a 4% structure, including changes to the rent structure and tenant population. Any modifications to the scoring as a 4% structure will be communicated at the time of selection.

Deferred Only/9% Dual Applications are optional for projects that meet the Supportive Housing Strategic Priorities as outlined in the HTC Self-Scoring Worksheet. For deferred only applications, refer to the [Deferred Loan Priority Checklist](#). These proposals may submit a second application requesting deferred funding only, without tax credits.

Additional Guidance for both 4% and 9% or Combined 4% and 9% Proposals

Applicants should submit two Housing Tax Credit Self-scoring Worksheets reflecting both the 9% and 4% proposals. The dual application should be structured as the same project (unit mix, tenant focus, design/scope of work, management and operating expenses, rent structure) and with only minor variations due to the 4% structure.

Minnesota Housing may make adjustments to selection conditions on applications chosen and scored with a 4% structure, including changes to rent structure and tenant population. Any modifications to the scoring as a 4% structure will be communicated at the time of selection.

Minnesota Housing will not issue tax-exempt bonds where the amount necessary to meet the 50 percent test is less than \$2,000,000.



After Selection

If a project is selected for further processing, Minnesota Housing will send a letter to applicants detailing the terms and conditions of funding along with next steps.

All selected proposals will be subject to funding priorities and conditions of selection through for the term of the loan or applicable period set out in the loan or HTC documents.

