



2022 Multifamily RFP/2023 HTC Round 1 RFP TA Kickoff – Introduction to Minnesota Housing

Tuesday, April 19, 2022



Minnesota Housing | mnhousing.gov

Our Mission

The Core Purpose

Housing is the foundation for success, so we collaborate with individuals, communities and partners to create, preserve and finance housing that is affordable.

Question and Answer Session

- There will be a Question and Answer (Q & A) session after all topics have been presented.
- You can type your questions in the Questions tab or chat feature of the GoTo Webinar toolbar at any time, **OR**
- You can wait and ask questions during the Q & A session.
- **NOTE:** Due to time constraints, questions will not be answered until the end of the entire presentation and after all topics have been introduced.

Technical Assistance

Technical assistance provided by Minnesota Housing staff is only advisory and does not guarantee that a development will receive points under a particular category or be selected for funding.

While every effort is made to ensure the accuracy of the technical assistance, such assistance is subject to, and does not modify or override, the requirements of Minnesota Housing's Qualified Allocation Plan, the Self-Scoring Worksheet, Multifamily Applications Instructions, Multifamily Underwriting Standards, or other documents related to applications for funding.

Applicants are encouraged to review the materials available on Minnesota Housing's website and consult with legal counsel, and if applicable, a knowledgeable tax professional, to ensure compliance with all applicable application, submission, and project requirements.



Introduction to the Multifamily Consolidated Request for Proposals

James Lehnhoff and Summer Jefferson

Consolidated Request for Proposals (RFP) Overview

- Annual Process
- One Application – Multiple Resources
 - Housing Tax Credits
 - Deferred Loans
 - Amortizing Loans
 - Public Funding Partners
- Single Scoring Rubric



Consolidated Request for Proposals (RFP) Overview

- Match Funding to Eligible Uses and Project Types
- Option for Dual Funding Structure
- Minimize Gaps
- Maximize Resource Allocation
- [Consolidated RFP resources webpage](#) > Multifamily Application Instructions



Multifamily Consolidated RFP Funding Resources & Structures

- 9% Low-income Housing Tax Credits (LIHTC)
- 4% LIHTC via Tax-exempt Volume Limited Bonds
- State Appropriations for Deferred Loans
 - Economic Development Housing Challenge (EDHC)
workforce housing
 - Preservation Affordable Rental Investment Fund (PARIF)
- State Housing Infrastructure Bonds for Deferred Loans
 - Permanent Supportive Housing
 - Senior Housing
 - Preservation of federally assisted units



Multifamily Consolidated RFP Funding Resources...but wait, there is more!

- Federal Resources
 - HOME
 - National Housing Trust Fund
 - Section 811 Project Based Rental Assistance
- Amortizing First Mortgages (primarily HUD Risk-share)
- Partners:
 - Deferred loans
 - Project-based rental assistance

Consolidated RFP Project Types and Activities

Project Types

- Workforce Housing
- Permanent supportive housing
- Preservation
- Senior housing

Eligible Activities

- New construction; acquisition (land or structures); rehabilitation; adaptive reuse/conversion; preservation; demolition

Eligible Financing Activities

- Construction financing; permanent financing



Consolidated RFP General Timeline

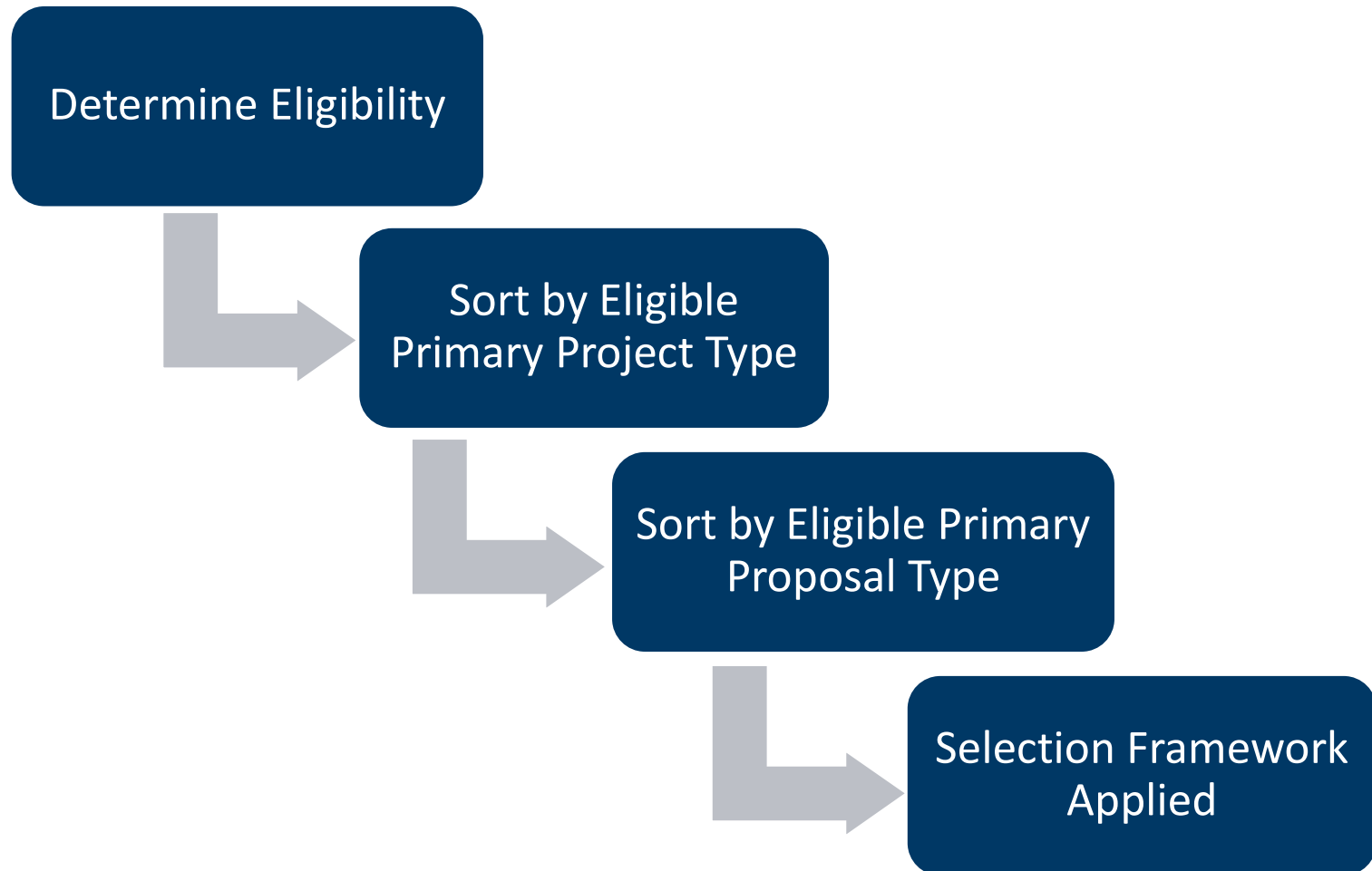
The Consolidated RFP generally follows the same timeline each year:

- January through April: Technical assistance (TA)
- April: Publication of application materials
- May: Intent to Apply (ITA)
- July: Applications due
- December: Board selections

Multifamily Selection Framework

Selection Framework	
• Eligibility	• Available Funding
• Project Feasibility	• Geographic Balance
• Organizational Capacity	• Project Type
• Financial Capacity	
• Strategic and Selection Priorities/Score	
• Deferred Loan Funding Priorities	
• Underwriting and Design Standards	

Multifamily Selection Framework



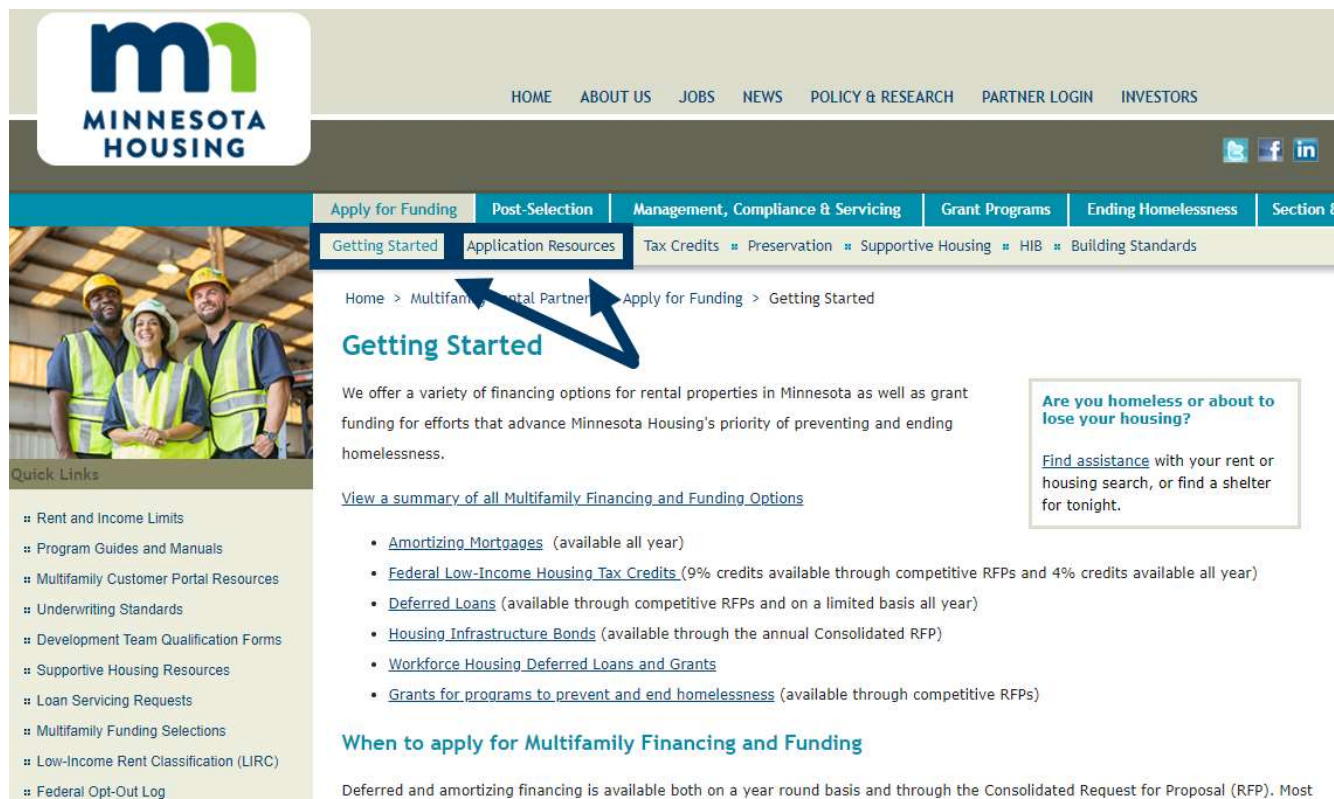


Introduction to Underwriting

Erin Coons

Minnesota Housing Underwriting – Getting Started

- <https://www.mnhousing.gov/sites/multifamily/gettingstarted>
- <https://www.mnhousing.gov/sites/multifamily/applicationresources>



The screenshot displays the Minnesota Housing website's multifamily financing section. The header includes the Minnesota Housing logo and navigation links: HOME, ABOUT US, JOBS, NEWS, POLICY & RESEARCH, PARTNER LOGIN, and INVESTORS. A secondary navigation bar lists: Apply for Funding, Post-Selection, Management, Compliance & Servicing, Grant Programs, Ending Homelessness, and Section 8. Below this, a sub-navigation bar highlights 'Getting Started' and 'Application Resources', with other links like Tax Credits, Preservation, Supportive Housing, HIB, and Building Standards. The main content area features a breadcrumb trail: Home > Multifamily Rental Partner > Apply for Funding > Getting Started. The 'Getting Started' heading is followed by a paragraph about financing options for rental properties. A blue arrow points from the 'Getting Started' link in the sub-navigation bar to the 'Getting Started' heading. Below the paragraph is a link to 'View a summary of all Multifamily Financing and Funding Options'. A list of financing options includes Amortizing Mortgages, Federal Low-Income Housing Tax Credits, Deferred Loans, Housing Infrastructure Bonds, Workforce Housing Deferred Loans and Grants, and Grants for programs to prevent and end homelessness. A sidebar on the left titled 'Quick Links' lists various resources like Rent and Income Limits, Program Guides, and Underwriting Standards. A right sidebar contains a box asking 'Are you homeless or about to lose your housing?' with a link to 'Find assistance'.

Getting Started

We offer a variety of financing options for rental properties in Minnesota as well as grant funding for efforts that advance Minnesota Housing's priority of preventing and ending homelessness.

[View a summary of all Multifamily Financing and Funding Options](#)

- [Amortizing Mortgages](#) (available all year)
- [Federal Low-Income Housing Tax Credits](#) (9% credits available through competitive RFPs and 4% credits available all year)
- [Deferred Loans](#) (available through competitive RFPs and on a limited basis all year)
- [Housing Infrastructure Bonds](#) (available through the annual Consolidated RFP)
- [Workforce Housing Deferred Loans and Grants](#)
- [Grants for programs to prevent and end homelessness](#) (available through competitive RFPs)

When to apply for Multifamily Financing and Funding

Deferred and amortizing financing is available both on a year round basis and through the Consolidated Request for Proposal (RFP). Most

Quick Links

- Rent and Income Limits
- Program Guides and Manuals
- Multifamily Customer Portal Resources
- Underwriting Standards
- Development Team Qualification Forms
- Supportive Housing Resources
- Loan Servicing Requests
- Multifamily Funding Selections
- Low-Income Rent Classification (LIRC)
- Federal Opt-Out Log

Are you homeless or about to lose your housing?

[Find assistance](#) with your rent or housing search, or find a shelter for tonight.

Multifamily Workbook

- <https://www.mnhousing.gov/sites/multifamily/applicationresources>

A link to the Multifamily Workbook can be found on the middle of the Application Resources page.

- [Innovative Construction Techniques Pre-Application Requirements](#)

General Documents:

- [2022 Multifamily Workbook](#)
- [Troubleshooting the Multifamily Workbook](#)
- [2022 Multifamily Workbook Release Notes](#)
- [2022-2023 Qualified Allocation Plan](#)
- [2022-2023 Self-Scoring Worksheet](#)
- [Scoring Guide: 2022 RFP/2023 HTC](#)
- [Underwriting Standards](#)
- [Bond Tests Analysis](#)
- [2023 HTC Market Study Guidelines](#)



Multifamily Workbook

MINNESOTA HOUSING MULTIFAMILY WORKBOOK INSTRUCTIONS

Workbook Version: 02/28/2022 Ver 1.0

This workbook version must be used when applying to Minnesota Housing for funding in the 2022 RFP/2023 HTC Round 1, 2023 HTC Round 2, the 2023 Available Financing Round, the 2023 HTC 4% Only Round, and other funding rounds as determined by Minnesota Housing. To avoid errors in the submission process, be sure to download the current version from the Multifamily Customer Portal.

A completed Workbook along with the required documentation and exhibits comprise a complete application package. For complete instructions on submitting an application, please refer to our website: <http://www.mnhousing.gov/>

TABS TO COMPLETE

The tabs in this Workbook are color coded to assist applicants in filling out the proper information.

Blue	All applicants must complete the blue tabs.
Green	Applicants applying for Housing Tax Credits from Minnesota Housing or a suballocator, or that have already received tax credits, must also complete the green tabs.
White	The white tabs are read-only and cannot be filled out by the applicant.

DATA ENTRY AND VALIDATION

Light blue cells indicate where information is required from the applicant. In some cases, incomplete data entry will result in other required fields being left unpopulated.

Light blue	Light blue cells indicate where information is required from the applicant.
White	White cells indicate standard text or formulas that are locked from editing.

CELL COMMENTS/INSTRUCTIONS

Many cells have embedded comments, indicated by a small red triangle in the upper right hand corner. Click or hover over the triangle to see the comments. These comments contain important information related to populating the Workbook and the cell.

WARNING MESSAGES

Some cells and sheets have inputs and limits that if not completed, exceeded or not met, will generate an error message or warning in red text. If a warning pops up in any cell, justification is required.

Review the Instructions tab prior to completing the Workbook.

Some cells are locked from editing and are populated by cells from other tabs.

Multifamily Workbook – continued

FUNDING REQUEST

Indicate the type(s) of funding you are requesting by placing a checkmark next to the desired funding type(s) and entering the request amount(s).

FIRST MORTGAGE / DEFERRED LOAN REQUEST

Minnesota Housing First Mortgage: Check the 'Minnesota Housing First Mortgage' box to request an amortizing first mortgage from Minnesota Housing. The Request Amount will populate based on data entered on the Mortgage Calc tab and the workbook will automatically calculate the origination fees based on the combined mortgage (including TIF if applicable) calculated on the Mortgage Calc tab.

Deferred Loan(s): Check the 'Deferred Loan(s)' box to request deferred funds from Minnesota Housing and/or its funding partners listed in parentheses below. The total amount being requested (including funding partner amounts) must be entered in cell G21 on the Sources tab.

Requests for Minnesota Housing HIB are considered both a deferred loan request and a tax exempt bond – long term request. Check 'Deferred Loan(s)' and enter the amount in cell G21 on the Sources tab, and check 'Tax Exempt Bonds – Long Term' and enter the Request Amount in the Tax Exempt Bond Request section below.

Bridge Loan: Check the Bridge Loan box to request a bridge loan from Minnesota Housing. The total amount being requested must be entered in cell G7 on the Sources tab.

	Request Amount
<input type="checkbox"/> Minnesota Housing First Mortgage	
<input type="checkbox"/> Deferred Loan(s) (includes Minnesota Housing, Greater Minnesota Housing Fund and Metropolitan Council resources)	
<input type="checkbox"/> Bridge Loan	

TAX EXEMPT BOND REQUEST

For all proposals that include a structure using tax exempt bonds, check the appropriate box and complete the blue fields below.

For Long Term bonds: Check the box and enter the Request Amount.

For Short Term bonds: Check the box and the amount will populate from the Sources tab, cell G8.

Requests for Minnesota Housing HIB are considered both a deferred loan request and a tax exempt bond – long term request. Check 'Deferred Loan(s)' in the section above and enter the amount in cell G21 on the Sources tab, and check 'Tax Exempt Bonds – Long Term' and enter the Request Amount below.

	Request Amount	Issuer	Issuer Name below
<input type="checkbox"/> Tax Exempt Bonds – Long Term			

The Funding Request tab is where you will indicate what funding resources you are requesting from the Agency.

The information within these cells pulls from the Sources page.

You can navigate to the Sources page by clicking the Sources tab at the bottom of the Workbook.

Housing Income | Income & Expense | Mortgage Calc | Cash Flow | Development Costs | Sources | HTC Info | Details ...

Multifamily Workbook - continued

SOURCES								
Total Development Cost from Development Costs tab:							\$800	
CONSTRUCTION SOURCES								
Name of Source	Term (Months)	Rate	Amount	Per Unit	Committed	Notes		
Minnesota Housing Bridge Loan			0	0	<input type="checkbox"/>			
			0	0	<input type="checkbox"/>			
			0	0	<input type="checkbox"/>			
			0	0	<input type="checkbox"/>			
			0	0	<input type="checkbox"/>			
Total Construction Financing			0	0				
PERMANENT CAPITAL SOURCES OF FUNDING								
Name of Source	Term (Years)	Rate	Amount	Per Unit	Committed	Include in HTC Gap	End Loan	Notes (Enter info about status and estimated timing of funding)
First Mortgage	0	#####	0	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
General Partner Cash			0	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Syndication Proceeds			0	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
State Historic Proceeds			0	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Federal Historic Proceeds			0	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Deferred Loan Request			0	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Sales Tax Rebate			0	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Energy Rebates			0	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
			0	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
			0	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
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			0	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
			0	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Deferred Developer Fee			0	0	<input type="checkbox"/>		<input type="checkbox"/>	
Total Permanent Financing			0	0				
FUNDING GAP REMAINING			800	0				
NEW OR ADDITIONAL RENTAL ASSISTANCE OR OPERATING SUBSIDY FUNDING								
Type of Source	Name of Source	OS Funding Use	Term (Years)	# of Units	Annual Amount	Per Unit	Secured or Applied for	
						0		

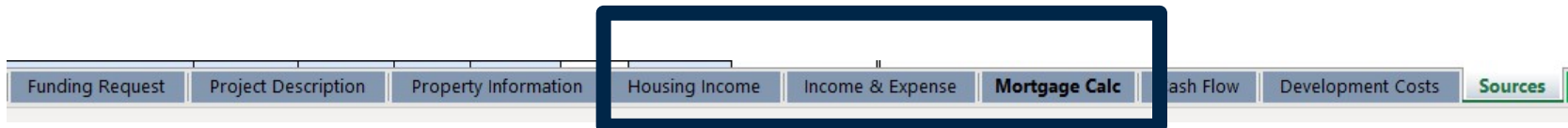
The Sources page is where you will list all resources being used to fund the development.

This includes both permanent and construction resources.

Underwriting Sizing

Steps to Sizing Awards

1. Operating budget review – rents and expenses
2. Maximize the amortizing debt
 - Higher of proposed or Agency mortgage sizing
3. Development budget review
4. Size low income housing tax credits
5. Size deferred funding



Technical Assistance

How to receive technical assistance for your application:

- Go to: www.mnhousing.gov/sites/multifamily/applicationresources
- Complete the Technical Assistance Request Form.
- Requests will be directed to the appropriate staff.

Possible topics include:

- General inquiry about Agency programs and financing
- Architecture/design standards/construction innovation
- Providing supportive housing to high priority homeless
- Providing supportive housing to people with disabilities
- Management and operating expenses
- Scoring
- Application submissions
- Financial structure
- Agency underwriting
- Portal
- Other

The screenshot shows the '2022 Technical Assistance Request Form' from Minnesota Housing. The form is titled '2022 Technical Assistance Request Form' and shows '0% Complete'. It includes a thank you message and a note about the annual Consolidated Request for Proposals due in July 2022. The form has four sections with input fields: 1. Contact person for request, 2. Contact email, 3. Contact phone number, and 4. Developer/Sponsor(s)/Parent Company (if applicable).



Introduction to Housing Tax Credits

Nicola Viana

Housing Tax Credits Agenda

Program Basics

- General Overview
- Qualified Allocation Plan (QAP)
- Types of Housing Tax Credits
- Eligibility
- Requirements

Application Process

- Request for Proposals (RFP); Round 2; 4% Only
- Scoring

What are Housing Tax Credits?

- Low Income Housing Tax Credits (HTC) are a federal resource
 - Reduces investor's federal tax liability for 10 years
 - In exchange, investor buys HTCs and agrees to 30 years of affordability
 - Proceeds from sale of credits used for affordable housing
- Outlined in Internal Revenue Code (IRC) Section 42 and Internal Revenue Service (IRS) guidance

HTC Qualified Allocation Plan

- Qualified Allocation Plan (QAP) and Self-Scoring Worksheet
 - Geographic distribution and funding set-asides
 - Funding rounds, rules, and procedures
 - Funding priorities

Types of HTC

9% HTC

- 70% subsidy
- Competitive

4% HTC

- 30% subsidy
- Tax-exempt volume limited bonds

HTC Eligibility

- Eligible properties: Acquisition with rehabilitation, rehabilitation, or new construction of eligible rental housing
- Minimum set-asides:
 - **20/50** – 20% of units serving households at or below 50% Multifamily Tax Subsidy Project (MTSP) limits
 - **40/60** – 40% of units serving households at or below 60% MTSP
 - **Average Income Test** – A minimum of 40% of the units in the project are both rent restricted and occupied by individuals whose imputed income average at initial occupancy is at or below 60% MTSP limits

HTC Requirements

- Units must comply with requirements pertaining to:
 - Household income
 - Rent limits
 - Property requirements
- Compliance period:
 - 15 years PLUS the Extended Use Period; ranges from 15 to 35 years.
- Compliance team at Minnesota Housing

HTC Application Process


- Minnesota Housing awards or allocates housing tax credits in two ways:
 - 9% and 4% + Deferred Funding
 - Competitively through the annual Consolidated RFP
 - Round 2 – Only 9% is available
 - 4% Only
 - Year-round
 - For bonds issued pursuant to an allocation of state volume cap by Minnesota Management and Budget (MMB)

- Allocation Amount: Based on state population and per capita amount formula
- 2023 HTC estimate: \$14.8 million
 - Minnesota Housing: \$11 million
- Set-asides: Nonprofit and Rural Development (RD)
- Suballocators
 - Minneapolis
 - St. Paul
 - Dakota County
 - Washington County

Scoring – Align Your Project



Website: mnhousing.gov



Quick Links

- Rent and Income Limits
- Program Guides and Manuals
- Multifamily Customer Portal Resources
- Underwriting Standards
- Development Team Qualification Forms
- Supportive Housing Resources
- Loan Servicing Requests
- Multifamily Funding Selections
- Low-Income Rent Classification (LIRC)
- Federal Opt-Out Log

Apply for Funding **Post-Selection** **Management, Compliance & Servicing** **Grant Programs** **Ending Homelessness** **Section 8**

Getting Started • Application Resources • **Tax Credits** • Preservation • Supportive Housing • HIB • Building Standards

Home > Multifamily Rental Partners > Apply for Funding > Tax Credits

Housing Tax Credits

The [Low-Income Housing Tax Credit \(HTC\) Program](#) is a financing program for qualified residential rental properties. The HTC program offers investors a 10-year reduction in tax liability in exchange for capital to build eligible affordable rental housing units in new construction, rehabilitation, or acquisition with rehabilitation.

Quick Links:

- [Qualified Allocation Plan \(QAP\)](#) - This page has basic information about the QAP process, proposed QAP changes, and history only. Scroll down for the current QAP and supporting documents.
- [Average Income Test \(AIT\)](#)
- [4% Housing Tax Credits for Use with Projects Financed by Tax Exempt Volume Limited Bonds \(4% Only\)](#)
- [Carryover of Housing Tax Credits](#)
- [Final Housing Tax Credit Allocation or Award Certification \(Form 8609\)](#)
- [Qualified Contract](#)
- [eNews Archive for Tax Credits](#)
- [Current Applicants and Previous Awards](#)

Early Release

Check out the [March 23 eNews](#) that includes updates to Consolidated RFP dates, Innovative Construction Techniques, early release documents and other Multifamily news.



Introduction to Housing Infrastructure Bonds (HIB)

Summer Jefferson

Housing Infrastructure Bonds Agenda

Program Overview

- What are Housing Infrastructure Bonds?
- Funding Impact Since 2012
- How Housing Infrastructure Bonds Work to Finance Housing

Multifamily Eligible Uses

- Permanent Supportive Housing
- Senior Housing
- Preservation

Application Process

What are Housing Infrastructure Bonds?

- Housing Infrastructure Bonds (HIB) are tax-exempt bonds issued by Minnesota Housing and authorized by the Minnesota Legislature
 - Standing legislative authorization since 2012
 - Bond proceeds used to fund loans for affordable housing

Funding Impact of HIB

- HIB Investment to Date
 - Just under \$500 million invested in affordable multifamily rental units since 2012
 - Over 5,000 units created or preserved, including units in the pipeline
- Allow for private ownership
- Finance deeply affordable permanent housing that the market is unable to provide
- Leverages other existing funding sources
- Range of uses for one source (in statute)

How HIB Works to Finance Housing

HIB loans are flexible and can be structured with or without 4% housing tax credits

HIB Loan Paired With HTC		HIB-Only Loan	
Sources	Amount	Sources	Amount
HIB Loan	\$6,000,000	HIB Loan	\$9,000,000
4% Tax Credit Syndication Proceeds	\$3,000,000	Other Funding	\$3,000,000
Other Funding	\$3,000,000	Total Development Cost	\$12,000,000
Total Development Cost	\$12,000,000		

How HIB Works to Finance Housing

- Benefits of Flexibility
 - Projects can be placed in optimal structure
 - Projects where equity prospects may be limited have a viable alternative without tax credits
 - Projects with fewer than 30 units
 - Projects in smaller communities
 - Nonprofit sponsors new to development
 - Able to stretch resources to provide more housing

How HIB Works to Finance Housing

- **Eligible Costs**

- Construction Costs
- Developer Fee*
- Acquisition*

*Costs may be ineligible under certain limited circumstances

- **Ineligible Costs**

- All reserves
 - Operating Reserves
 - Lease-up Reserves
- Financing Costs
- Supportive Services
 - Front Desk
 - Case Management

2022 Bonding Request and Eligible Uses

Proposed 2022 Bonding Bill – \$250 Million

Current Multifamily eligible uses:

- Permanent supportive housing
 - Homeless
 - Behavioral health, if homeless
- Senior independent living
- Preservation

Proposed new eligible use:

- New construction – Affordable to households at or below 50% area median income (AMI)

Permanent Supportive Housing

- HIBs are Minnesota's primary tool for providing permanent supportive housing for households experiencing homelessness including:
 - Youth
 - Veterans
 - Long-term homelessness
 - People with severe and persistent mental illness
 - People with substance use disorders

Senior Housing

- New eligible HIB use in 2018 for projects serving seniors 55+
- Must be independent housing, not assisted living
- Statutory Priorities
 - Serving very low-income seniors with annual incomes less than \$31,000
 - Geographic balance between Metro and Greater Minnesota
- Plan for providing or connecting tenants to services


Preservation

- HIBs can be used to preserve existing federally assisted housing or other critical affordable units with rent or income restrictions
- Since 2012, over 1,700 units have been preserved and rehabilitated

HIB Application Process

- Contact Minnesota Housing for technical assistance
- Minnesota Housing awards and allocates HIB competitively through the annual Consolidated RFP process
- After selection, bonds are typically issued once a year the following fall

Website: mnhousing.gov



Quick Links

- Rent and Income Limits
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- Underwriting Standards
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- Supportive Housing Resources
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Apply for Funding | Post-Selection | Management, Compliance & Servicing | Grant Programs | Ending Homelessness | Section 8

Getting Started » Application Resources » Tax Credits » Preservation » Supportive Housing » **HIB** » Building Standards

Home > Multifamily Rental Partners > Apply for Funding > HIB

Housing Infrastructure Bonds

Housing Infrastructure Bonds (HIB) are limited obligation tax-exempt bonds issued by Minnesota Housing and authorized by appropriations from the General Fund of the Minnesota Legislature. The proceeds of HIBs may be used to fund loans that finance specific multifamily housing development purposes. Projects must meet one of the following eligible uses:

- Permanent supportive housing for individuals and families experiencing homelessness, including housing for people with behavioral health needs
- Affordable housing for seniors 55 and older with a preference for serving seniors at the lowest incomes
- Preservation of federally assisted rental housing

Applying for HIB

HIBs are typically awarded once per year through the Multifamily Consolidated Request for Proposals (RFP). Projects applying for HIBs are required to meet at least one strategic priority and RFP eligibility and feasibility requirements.

At the Intent to Apply stage of the RFP application process, applicants must indicate the intent to apply for HIBs and itemize the number of units in the project that will meet the specific requirements of the eligible use being applied for.

Loans funded with HIB proceeds can be structured either with volume-limited private activity bonds, potentially qualifying the development



Introduction to Supportive Housing

Vicki Farden

Supportive Housing Overview

- Permanent Supportive Housing is affordable housing linked with social services tailored to the needs of the population served and designed to foster housing stability and improve quality of life for tenants
- Must follow Housing First principles for low barrier housing access and retention
- Follow industry best practices like person-centered planning and trauma informed care
- Review the Supportive Housing Information and Resources publication
- Review the Supportive Housing webpage

Supportive Housing Incentives

Minnesota Housing incentivizes the creation of supportive housing units by providing points to:

- Create units to serve high-priority homeless households (HPH)
 - HPH are households prioritized for supportive housing by the Coordinated Entry (CE) system
 - Three scoring tiers based on the number of units from a minimum of four units to 100% of units
- Create units to serve people with disabilities (PWD)
 - Extremely low-income people with a disability and likely receiving mainstream disability services
 - Three scoring tiers based on the number of units from a minimum of four units to 25% of units
- Create PWD units that will use Section 811 Project-based Rental Assistance
 - Slightly different tiers for number of units and points

Plan Supportive Housing Units

- Work with the Continuum of Care committee to plan the HPH units and PWD units:
 - What is the market need in the community for HPH units? (population types, unit sizes, etc.)
 - Consult on resource planning and fit for the population
- Chose a qualified service partner and management agent with experience with the supportive housing population and units
- Determine resources for funding services and rental assistance (and front desk if doing all supportive housing units)
- Work with the county or tribal human services to plan PWD units:
 - County to identify the population, referral process and service resources, and complete the PWD narrative sections
 - If you want to apply for Housing Support to use for rent and possibly services
- Work with the Department of Human Services to plan PWD 811 units

Supportive Housing – HPH Requirements

- High priority homeless (HPH)
 - Note requirements on the Self-scoring worksheet
 - Complete Supportive Housing Narrative
 - Enter units on the Workbook and include the rental assistance source
- Continuum of Care (CoC) confirmation form: Contact early in process
 - There are also points for CoC priority household type
- County or tribal human services: Contact early in process for:
 - Housing Support Commitment Form
- Service Provider Qualification Form

Supportive Housing – PWD Requirements

- Note requirements on the Self-scoring worksheet
- PWD Narrative
 - Work with the county to determine the population, referral process, and resources for services and rental assistance
 - Discuss use of Housing Support
- Enter Units on the Workbook

Resources

- Rental Assistance: Typical sources:
 - [Housing Support](#)
 - Project-based Section 8 from the local public housing authority
 - Underwrite rents to supportive housing levels
- Services: Typical sources:
 - Development operating budget: Unique costs for tenant service coordination
 - Housing Support service rate (requires long-term homelessness (LTH) eligibility)
 - Make sure there is a market need in the location for LTH households
 - Not recommended as a source for PWD units
 - Medicaid billing: Behavioral health programs, housing stabilization services, and waiver services

What is Housing Support?

- Housing Support is a state funded income supplement program that pays for room and board for low-income adults with disabilities and seniors
- Housing Support pays for rent, utilities, food, household supplies, and other necessities
- Can be used for single adults and families (with an eligible adult)
- The Housing Support provider contracts with the county or tribe for a specified number of units; the provider is generally the service provider
- Payments are made to the Housing Support provider
- The Housing Support Service Rate is available for LTH eligible individuals
- The room and board rate on July 1, 2022 is \$1,091 for community settings
- Minnesota Housing [Underwriting Standards](#) Supportive Housing

Supportive Housing Developments

For developments that are 100% Supportive Housing:

- All units must have rental assistance or rents set at supportive housing levels
- Must have a good plan to secure all resources for services and front desk (and food service, if provided)
- For a competitive application, most projects include at least 50% HPH units and a number of PWD units that are also serving people experiencing homelessness
- Housing Infrastructure Bonds (HIB): To be considered for this funding source, all units must serve people experiencing homelessness

Tenant Selection Plan (TSP) Guidelines

- TSP Guidelines revised December 2020
 - Adds tenant screening criteria for all housing units and additional criteria for supportive housing units
- Required for all Consolidated RFP projects after March 2021

Section 811 Project-based Rental Assistance

- Program of the U.S. Department of Housing and Urban Development (HUD) (Section 811 PRA)
- The purpose is to expand the supply of supportive housing that promotes and facilitates community integration for people with significant and long-term disabilities
- Minnesota Housing, in partnership with Minnesota's Department of Human Services, was awarded funding for round three for approximately 160 new units

Section 811 PRA

Eligible applicants include:

- Private and public owners of multifamily properties that have been financed by Minnesota Housing and/or have Minnesota Housing's housing tax credits (HTC)
- Project-based Section 8 portfolio of developments with existing unsubsidized units
- Owners must have experience administering HUD rental assistance

Section 811 PRA

The rental assistance is available to:

- New construction projects via Minnesota Housing's annual Consolidated RFP
- Existing properties via an open application process

Section 811 PRA

- Eligible tenants are experiencing long-term homelessness and are enrolled in Minnesota's Projects for Assistance in Transition from Homelessness (PATH) outreach program ***OR*** people who are exiting an institutional setting
- Referrals are managed by Department of Human Services

Agency Architects

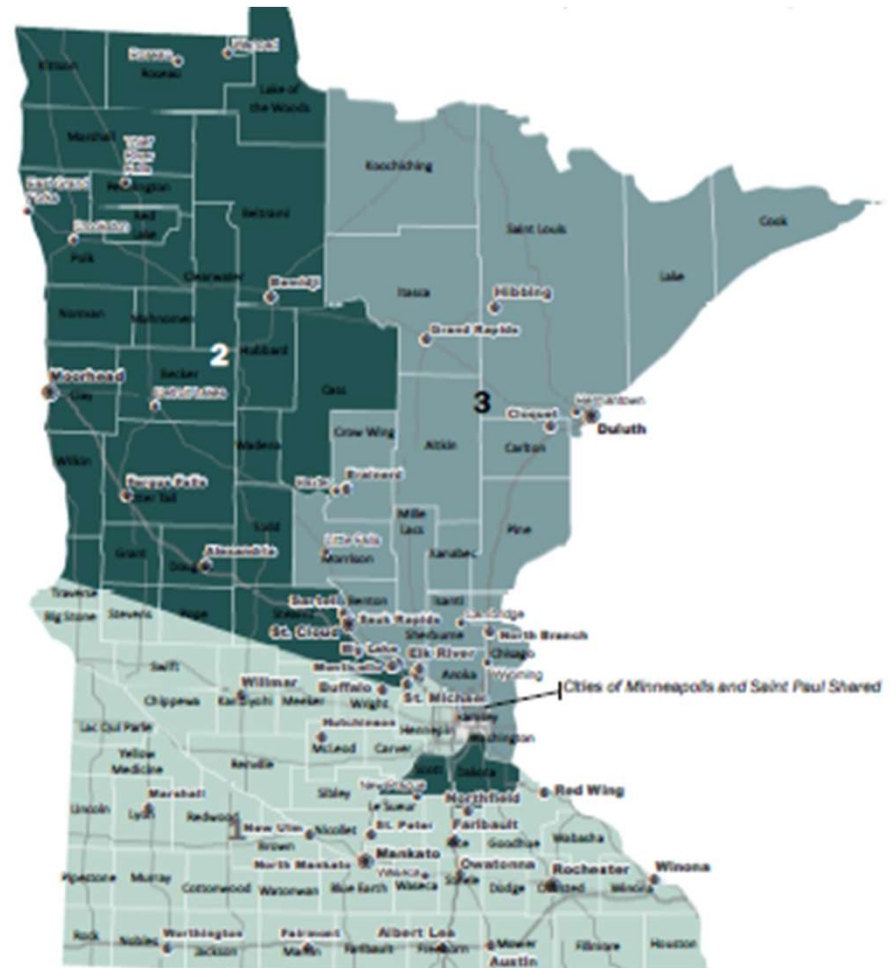
Agency architects are available as a resource for any RFP questions.

Most questions fall within the following categories:

- Rental Housing Design and Construction Standards
- Sustainability Requirements
- Universal Design

Licensed Architect

- 1 Erika Arms | erika.arms@state.mn.us | 651-296-9850
- 2 Jerry Narlock | gerald.narlock@state.mn.us | 651-215-6239
- 3 Mike Thomas | mike.thomas@state.mn.us | 651-297-5135



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- Section 811 PRA: ellie.miller@state.mn.us
- General RFP Questions: sara.bunn@state.mn.us

Emerging Developer Resources

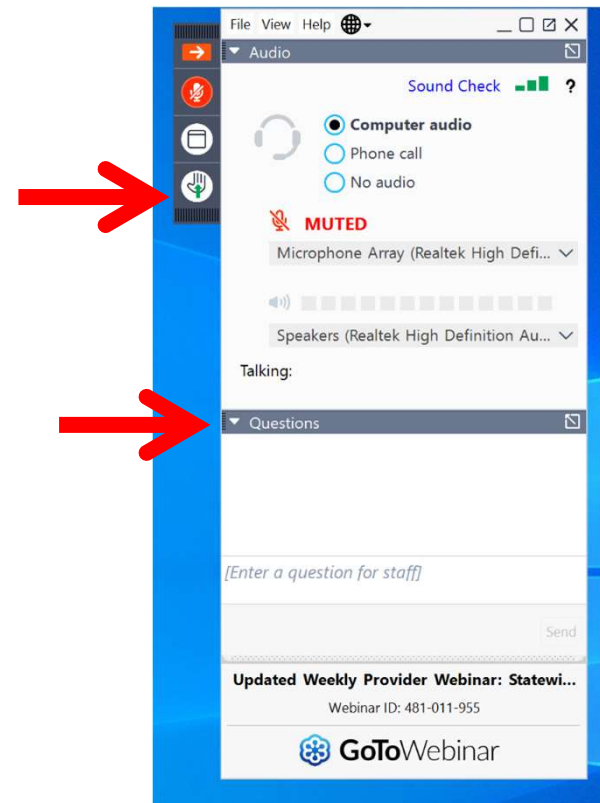
- Minnesota Housing's Capacity Building Program: Alyssa.wetzel-moore@state.mn.us
- Greater Minnesota Housing's Emerging Developer of Color Program: iruizbrisenom@gmhf.com
- Affordable Housing 101 Sessions: <https://www.eventbrite.com/e/affordable-housing-101-sessions-tickets-301474848387>
- 2022 Affordable Housing Summit: <https://affordablehousingsummitmn.com/registration>
- LISC Twin Cities Developers of Color Capacity Building Initiative: gnicholls@lisc.org



Q & A Session

Q & A

- Q&A Protocol
 - Click the raise your hand button of the GoToWebinar toolbar. This will allow us to call on you and unmute your line to ask your question
 - On the Question/chat box of the GoToWebinar toolbar



Closing

Thank you!

