



# Affordable Housing Trust Fund 2025 Notice of Funding Availability (NOFA)

**Applications will be submitted via SharePoint. Contact Carrie Goldberg for SharePoint Access.  
Include the Project Name, Project Address, as well as all team members who need access  
[carrie.goldberg@minneapolismn.gov](mailto:carrie.goldberg@minneapolismn.gov)  
612-673-5240**

NOFA Issued: June \_\_, 2025

**Applications Due:  
July \_\_, 2025, 4:00 p.m.**

At which time SharePoint permissions will be removed

## **AFFORDABLE HOUSING TRUST FUND** **NOTICE OF FUNDING AVAILABILITY (NOFA)**

**I. INTRODUCTION:** The Minneapolis Department of Community Planning and Economic Development (CPED) is soliciting development funding applications for the Affordable Housing Trust Fund (AHTF) Program. The primary purpose of the AHTF Program is to assist in financing the production and preservation/stabilization of affordable and mixed-income rental housing projects in Minneapolis. Program funds are available on a competitive basis to projects that need gap financing to cover the difference between total development costs and the amount that can be secured from other sources. The funding sources for the AHTF Program are primarily federal Community Development Block Grant (CDBG) funds, federal HOME Investment Partnership funds, and local funds. Please refer to the Program Policies and Procedures and supporting documents for further information.

**II. SUMMARY NOFA CHANGES:** There have been changes to the content of the following sections of this Notice of Funding Availability document:

**Changes to 2025 AHTF Notice of Funding Availability:**

1. Section IV I: adding language regarding project closings

**Changes to 2025 AHTF NOFA Scoring Criteria:**

1. Section III A: clarifying language for secured funding
2. Section III G: updating scoring for large family
3. Section III H: updating scoring for support services
4. Section III K: updating scoring for homelessness
5. Section III L: updating senior housing wards and points
6. Section III O: new points for preservation projects
7. Section III P: new points for new construction
8. Section III R: updated planning points and language
9. Section III S: reduced points for equitable development with updated language
10. Section III T: removing workforce category

**III. AMOUNT OF AVAILABLE FUNDING:** The specific amount of available funds for the 2025 AHTF round has not yet been determined because the City's 2025 allocation of CDBG and HOME funding is not yet final at the time of this NOFA. CPED estimates that up to \$\_ million will be available, subject to the availability of funds. Not all available funding may be awarded during this funding round.

If the developer is awarded FY2023 or later CDBG funds or FY2024 or later HOME funds for construction, the Project will be required to comply with the Build America, Buy America (BABA) Act, 41 USC 8301, and all applicable rules and notices, as may be amended, unless excepted by a waiver. More information on the requirements of BABA can be found at:

[https://www.hud.gov/program\\_offices/general\\_counsel/BABA](https://www.hud.gov/program_offices/general_counsel/BABA)

- IV. FUNDING APPLICATION PREPARATION:** Developers are advised to consider the following while assembling the funding application:
- A.** City Policy Consistency: Consider how the proposed housing is consistent with adopted City policies.
  - B.** Additional factors to consider include timeliness, significance of funding gaps, comprehensive plan guidance, anti-displacement policies, and geographic location and distribution.
  - C.** Capital Funding Gap: Determine the amount needed for gap assistance in compliance with the maximum award description.
  - D.** Historic Resource Letter: Promptly request a historic resource review letter from CPED for projects that include demolition, renovation or building relocation.
  - E.** Neighborhood Review: Submit the development proposal to the recognized neighborhood group for review of the proposal based on design and land use issues prior to the proposal submittal. Provide a letter from the neighborhood organization evidencing their review.
  - F.** Permanent Mortgage: Determine if the project can support a permanent mortgage and, if it can, include an estimated amount, terms, and identity of a probable lender. If a written funding commitment is not available at the time of application, including a letter of interest or a letter of support from the lender is recommended.
  - G.** Rental and Operating Subsidies: Include written documentation stating the amount, terms, and conditions from the designated contributor.
  - H.** Rebates and Tax Exemptions: Include anticipated utility rebates or sales tax exemptions as a funding source. A letter from the developer committing these funds as a capital contribution to the project must be submitted with the application.
  - I.** **CPED RIGHT TO REJECT AND MODIFY APPLICATIONS:** CPED reserves the right to reject any or all applications or parts of applications and to negotiate modifications of applications submitted. Projects that receive an AHTF Award are expected to proceed to closing as approved by the City Council. If at any point, modifications are needed to the project, the City may require that the AHTF Award be relinquished and resubmitted through the annual NOFA round.
- V. PRE-APPLICATION TECHNICAL ASSISTANCE:** Free, limited, preliminary and non-binding pre-application technical assistance is available upon request to CPED staff through \_\_, 2025. Developers with no or limited previous experience with the AHTF Program are strongly encouraged to utilize this resource. Prior to requesting a meeting with CPED staff, submit a cover letter, the Multifamily Workbook, a completed AHTF self-scoring worksheet, and any of the application items that are further described herein that may be helpful to have a substantive discussion about your project.
- VI. FEES: APPLICATION, ORIGATION, AND HOME MONITORING:**
- a.** Application Fee: A non-refundable \$1,500 application fee will be charged for each AHTF application.
  - b.** Origination Fee: If a project is awarded funding, an origination fee of 1% the AHTF award will be collected at closing except for AHTF awards using federal HOME funds.
  - c.** HOME Monitoring Fee: The HOME Final Rule published in the Federal Register on July 24, 2013 permits the City to charge a fee for HOME monitoring during the entire HOME Period of Affordability. The City's current annual HOME monitoring fee for projects that are completed is included in the supporting documents and must be included in the proforma for projects utilizing HOME funding. The HOME monitoring fee will be invoiced directly to the project by the City's Monitoring Agent.
- VII. SELF-SCORING WORKSHEET:** The supporting documents and SharePoint folder include a self-scoring worksheet that is required to be submitted to further describe the points that the

developer believes may be earned based upon the documentation included throughout the funding proposal.

Scoring helps identify the level to which a project meets the objectives and goals adopted by the City. The City does not make awards based on scores alone. Additional factors are taken into consideration including, but not limited to, timeliness, significance of funding gaps, comprehensive plan guidance, anti-displacement policies, geographic location and distribution, and emerging developer status. The City also considers whether a project has received a prior AHTF Award.

**VIII. REQUIRED FUNDING APPLICATION CONTENT:** Include the following documents in the order in which they are listed in the format described below:

**A.** Cover letter with the following:

1. AHTF amount requested not to exceed maximum allowed per the AHTF Program Policies and Procedures.
2. Summary of the overall project financing structure, such as a “4% LIHTC with a HUD loan guarantee and public gap funding”
3. List other City funding sources that are being sought in the current funding round.
4. A brief summary of the project’s public benefits and the project’s strategic importance to the City (such as family housing, foreclosure mitigation, tornado recovery, blight removal, etc.)

**B.** The below list of **required** application items is labeled and numbered to correlate with the AHTF SharePoint application. A number of the application materials associated with the Minnesota Housing Multifamily Rental Housing Common Application are available here:

<https://www.mnhousing.gov/rental-housing/housing-development-and-capital-programs/rfps/consolidated-rfp-htc/consolidated-rfp-application-materials.html>

**Application materials must be clearly labeled and numbered accordingly in the correct and correlating folder as identified below.** Folder 14 contains all resources for the Program: AHTF Program Policies and Procedures, NOFA and Supporting Documents.

**01 - Folder 1 – Cover Letter and Project Description**

**1a.** Cover Letter with the following:

- AHTF amount requested not to exceed maximum allowed per the AHTF Program Policies and Procedures.
- Summary of the overall project financing structure, such as a “4% LIHTC with a HUD loan guarantee and public gap funding”
- List other City funding sources that are being sought in the current funding round.
- A brief summary of the project’s public benefits and the project’s strategic importance to the City (such as family housing, foreclosure mitigation, tornado recovery, blight removal, etc.)

**1b.** Signed Recitals, Acknowledgement, and Consent Form (supplied in application folder)

**1c.** Project Description with the following:

- Provide a **complete** description of the proposed project. If the project will proceed in phases, then provide information for each phase as well as the total project.
- Do you have control of the project site? Explain in detail.
- Details of all known or suspected environmental issues with the site and describe any testing that’s been completed or is underway
- Details of the project if it is rehabilitation, renovation, or adaptive re-use
- Description of structures which will need to be demolished

- Description of current owners/tenant
  - Details of any historic preservation designations and/or related issues
- 1d. Application Fee: A \$1,500 non-refundable funding application fee payable to Minneapolis Finance Department; mailed to CPED, 505 4<sup>th</sup> Ave. S., Suite 320, Minneapolis, MN 55415; attn: Carrie Goldberg. This fee may also be delivered in person to this address and placed in the black secure dropbox at the reception desk.

## **02 - Folder 2 – Multifamily Info**

- 2a. MHFA Multifamily Workbook (excel format) and Income Averaging Grid if applicable with Utility Allowance schedule applicable to project
- 2b. MHFA Multifamily Rental Housing Narrative questions

## **03 - Folder 3 - Environmental**

- 3a. MHFA Environmental Issues Certification
- 3b. MHFA Multifamily Intended Methods Worksheet

## **04 - Folder 4 – Construction Type**

- 4a. MHFA New Construction Comparable Property form, please also use this form for adaptive reuse
- 4b. MHFA Capital or Physical Needs Assessment for rehabilitation

## **05 - Folder 5 – Supportive Housing Info**

- 5a. MHFA Supportive Housing Narrative
- 5b. MHFA Continuum of Care (CoC) Confirmation Form
- 5c. MHFA Partially Supportive Housing Certification Form
- 5d. Letter of support indicating consistency with the Heading Home Plan from the Hennepin County Office to End Homelessness including the commitment to utilize the Hennepin County Coordinated Entry system or other approved Coordinated Entry system as a referral source for the homeless units. (not applicable if no homeless units). This is required if claiming points for K. Housing for Homeless.

## **06 - Folder 6 – Rehabilitation Info**

- 6a. For Rehabilitation of existing properties, proposed Management and Operating Expenses should be based on the developer/management company's current portfolio (supported by audited financial operating expense statements for at least 3 stabilized years)
- 6b. For Rehabilitation, submit a Rent Roll for existing developments- most recent available
- 6c. Tenant Relocation Plan per Program Policies and Procedures, if applicable

## **07 - Folder 7 – Project Plans**

- 7a. Preliminary Architectural/Construction Requirements for New Construction or Rehabilitation with a Construction Cost Estimate (preliminary sketch plans are permitted, 11" by 17" format or half-size are permitted)
- 7b. Evidence of site control per the Program Policies and Procedures
- 7c. Site Location Map, Photographs and Census Tract Number

## **08 - Folder 8 – Rental Assistance**

- 8a. MPHA Letter of Commitment to provide Project Based Rental Assistance or Sponsor Based Assistance
- 8b. MHFA Housing Support Funding Commitment Letter
- 8c. Documentation Relevant to Preservation of Federally Assisted Housing i.e. HAP

- 8d. MHFA People with Disabilities (PWD) Narrative for Section 811 Project Based Rental Assistance (Section 811 PRA) units

**09 - Folder 9 – Developer and Organizational Info**

- 9a. Nonprofit Proof of Status, Non-Profit Intended Participation: Articles of Incorporation, IRS Election Status (Internal Revenue Service (IRS) documentation of status
- 9b. Development Team, Developer Capacity, and Financial Statements (Letters noting these materials will be submitted upon request will not be considered):
- Current audited and/or unaudited organizational financial statements
  - Current financial statements for each partner of partnership or corporation
  - Development Team Qualifications and Housing Experience including for Supportive Service Housing and Property Management. Include letters of commitment for service providers and property management. For property management demonstrate the knowledge of managing ongoing compliance monitoring.
    - i. For support service providers, demonstrate the knowledge of working with and managing support services and subsidies.
    - ii. If applicable, describe whether your development team includes women or BIPOC members that have at least a 51% ownership stake in your or your partnering organization's business and/or compose at least 51% of board member positions

**10 - Folder 10 – Supplemental Project Info**

- 10a. Market Assessment per the Program Policies and Procedures if underwriting to a residential vacancy rate less than 7% per the AHTF Underwriting Standards.
- 10b. Written Policy for Smoke-Free Buildings if proposed
- 10c. City Historic Resource Review Letter from CPED (if proposal includes demolition or renovation only). Please fill out the Historic Review Letter Request <https://www.minneapolismn.gov/media/-www-content-assets/documents/Historic-Review-Letter-application.pdf>. A separate application and fee will be required for each parcel. For questions, please contact Andrea Burke, Historic Preservation Supervisor, [andrea.burke@minneapolismn.gov](mailto:andrea.burke@minneapolismn.gov) or 612-357-8104.
- 10d. Email conveying compliance with City policy from Land Use, Design and Preservation planner and Zoning and Flood Plain Letter from the Zoning Administration Office indicating the proposed use is consistent with zoning requirements <https://www2.minneapolismn.gov/media/content-assets/www2-documents/business/Zoning-Letter-Request-Form.pdf>
- 10e. Neighborhood Support Letter(s), if applicable

**11 - Folder 11 – Self Scoring**

- 11a. Self-Scoring Worksheet (supplied in application folder) along with additional materials that support scoring categories not located in another SharePoint folder
- 11b. **IF**, claiming points for N. Community Housing Development Organization (CHDO) provide documentation per Program Policies and Procedures and Supporting Documents
- 11c. **IF**, claiming points for S. Equitable Development provide MHFA Equitable Development Narrative Form and supporting information
- 11d. ~~**IF**, claiming points for T. Workforce Training, provide a detailed plan for the support services that will connect residents to workforce and career training programs (e.g., job coaching, financial literacy, modular housing manufacturing, apprenticeship programs in construction, etc.)~~
- 11e. **IF**, claiming points for U. Areas of Civil Unrest, please describe in detail how the project promotes economic recovery redevelopment and contributes to community reinvestment

## **12 - Folder 12 – Funding Commitments**

- 12a. Funding Commitment Letters for any committed capital and operating funding
- 12b. Energy Rebate Analysis

## **13 - Folder 13 – Property Management and Tenant Selection Plans**

- 13a. Property Management Plan which includes a description of the following at a minimum per the Program Policies and Procedures:
  - Compliance with Fair Housing and Equal Opportunity (FHEO);  
[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/fair\\_housing\\_equal\\_op/p/aboutfheo/aboutfheo](http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_op/p/aboutfheo/aboutfheo)
  - Housing providers for all City-assisted projects will be required to submit and keep current an Affirmative Fair Housing Marketing Plan (AFHMP).  
<https://www2.minneapolismn.gov/government/programs-initiatives/housing-development-assistance/rental-property/fair-housing/>
  - Compliance with Affirmative Fair Housing Marketing Standards;  
<http://portal.hud.gov/hudportal/documents/huddoc?id=935-2a.pdf>  
<https://www.housinglink.org/List>  
An Affirmative Marketing Toolkit has been developed to assist with the development of this plan. The following link will generate an initial draft.  
<https://amtk.housinglink.org/login>
  - Maintenance and repair;
  - Personnel policy and staffing arrangements (such as required staff and tenant handbooks, personnel policy for training and discipline);
  - Program for maintaining accounting records;
  - Rent collection policies and procedures;
  - Roles and responsibilities of managing agent;
  - Security per the Program Policies and Procedures;
  - Affordable housing opportunities are required to be advertised on HousingLink concurrent with any other public or private advertising.  
<https://www.housinglink.org/>
  - The role of Coordinated Entry process, for homeless units, if applicable. (Note that if a unit receives HOME-ARP funding from the City through the City's separate HOME-ARP NOFA, Coordinated Entry cannot be a preferred referral source.
  - Utilizing the MPHA wait list, if applicable
- 13b. Tenant Selection Plan including a Supportive Service Housing Plan if applicable as well as any supporting MOU and/or Service Contracts, and Preference Policy Process and Tenant Selection Plan Checklist (supplied in application folder)

## **14 - Folder 14 – 2024 AHTF Program Materials**

### **IX. FUNDING APPLICATION SUBMITTAL LOCATION AND DEADLINE:**

- A. Funding applications are being accepted between the public release date on the front page of this document and **4:00 p.m., CDT, on July 25, 2024 at which time SharePoint permissions will be removed.** Developers are encouraged to submit funding applications before the deadline. The City has the right to reject any and all applications at its sole discretion.
- B. **Applications will be submitted via SharePoint. Please contact Carrie Goldberg at [carrie.goldberg@minneapolismn.gov](mailto:carrie.goldberg@minneapolismn.gov) for access and include the name of the project, the address of the project, as well as the email addresses for all team members who will need**

[access to the application folder](#). For any item listed above that is not applicable, please acknowledge not applicable in the folder. CPED may request hard copies of any required application item as needed.

- C. A \$1,500 non-refundable funding application fee payable to Minneapolis Finance Department; mailed to CPED, 505 4<sup>th</sup> Ave. S., Suite 320, Minneapolis, MN 55415; attn: Carrie Goldberg
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## **AFFORDABLE HOUSING TRUST FUND**

### **SCORING CRITERIA**

**The City does not make awards based on scores alone.** Scoring helps to identify the level to which a project meets the objectives and goals adopted by the City. Additional factors taken into consideration include but are not limited to: timeliness, significance of funding gaps, comprehensive plan guidance, anti-displacement policies, geographic location and distribution, and emerging developer status. The City also considers whether a project has received a prior AHTF Award.

#### **I. MINIMUM QUALIFICATION CRITERIA FOR ALL PROJECTS:**

Projects must comply with CPED's 10 underwriting criteria as included in the supporting documents for an application to be considered eligible for an AHTF award. Applications that cannot be underwritten consistent with CPED's underwriting criteria requirements may be disqualified from further consideration.

#### **II. MINIMUM POINT THRESHOLD:**

A minimum of 85 points overall in the scoring criteria consistent with the City's goals and policies for affordable housing must also be met to be considered for an AHTF award.

#### **III. SCORING BASED ON AHTF GOALS AND POLICIES (85 point threshold):**

##### **A. Secured Funding: Up to 10 Points**

Secured permanent capital funding commitments must be project specific and include written documentation stating the amount, terms, and conditions from the designated contributor. Words synonymous with "consider" or "may" (as in "may award") are not acceptable funding commitments.

First mortgage financing may not be included as a committed source. Syndication proceeds may only be included if the associated tax credits were awarded in a prior funding round.

Applicants may include anticipated, utility rebates or sales tax exemptions as a funding source. A letter from the developer committing these funds as a capital contribution to the project must be submitted with the application.

A deferred developer fee may be included as a committed funding source to the extent it is supported by available cashflow. A letter from the developer committing these funds as a capital contribution must be submitted to consider such sources as committed. The City will typically allow an amount that is up to the lesser of 50% of the Total Developer Fee or the amount that can be paid back from excess cash flow in 10-13 years. When included for purposes of Secured Funding points, the amount of deferred developer fee is considered a committed source and cannot be decreased.

**Note: The City has an expectation that Projects will need to increase the deferred developer fee to address funding gaps prior to closing.**

Letters of support and intent are not counted as committed for these points and secured CPED funding is not counted for these points.

Up to 10 points for the percentage amount of other funding sources that have been secured as follows:

<u>Percentage of Project Financing Secured</u>	<u>Points</u>
3% to 5%	4 points
5.1% to 10%	6 points
10.1% to 15%	8 points
15.1% or more	10 points

**B. Capacity of Property Manager and Quality of Property Management Plan: Up to 5 Points**

Provide sufficient relevant experience and demonstrated reliable financial and organizational capacity to adequately execute property management responsibilities. Property managers should have a track record with the type of housing being proposed and should be guided by a sufficiently detailed property management plan that contains property and tenant management policies and procedures including security measures to maintain a safe living environment.

**C. Capacity of Owner and Developer's Comparable Project Experience: Up to 5 Points**

Provide sufficient relevant experience and demonstrated reliable financial and organizational capacity to adequately execute asset management responsibilities. This includes City review of audited and unaudited financial statements.

**D. City Owned Land or City Issued Request for Proposal Priority: 15 Points**

Projects that are being proposed on City owned land or have entered into an agreement with the City for redevelopment in response to a Request for Proposal will receive 15 points due to the project being an approved City priority.

**E. Economic Integration: Up to 5 Points**

Project meets mixed-income goals on the basis of percentage of affordable units to the total number of units in the project. Total units in the project may include adjacent home ownership project components or related phases.

<u>Percentage of Very Low-Income (50% AMI) or less/Unit</u>	<u>ACP 50</u>	<u>Non-ACP 50</u>
20% - 39.9%	5	1
40% - 59.9%	5	2
60% - 79.9%	5	3
80% - 100%	3	5

**F. Ratio of Soft Costs to Total Project Costs: Up to ~~6~~ 8 Points**

Points are given on the % of total project costs that are considered soft costs or costs of intermediaries. For the purposes of this provision, "Costs of Intermediaries" shall be consistent with Minnesota Housing and shall exclude the following intermediary costs to be consistent with the low income housing tax credit calculation: Park Dedication Fees, Surveys, Soil Borings, Payment and Performance Bond Premium, Sewer-Water Access Charge, Furnishing and Equipment, and Hazard and Liability Insurance.

<u>% of Total Project Cost</u>	<u>Points</u>
30.1% and over	0 points
25.1% - 30%	1 points
20.1% - 25%	2 points
15.1% - 20%	3 points
0% - 15%	<del>6</del> 8 points

**G. Large Family Housing: Up to 20 Points**

The project provides family housing including affordable rental units at 50% AMI or below with three or more bedrooms. Points are awarded as follows:

<u>Percentage of Units 3+ BR</u>	<u>Points</u>
<del>5% to 10%</del>	<del>5 points</del>
<del>10.1% to 15%</del>	<del>10 points</del>
15% to 25%	15 points
25.1% or more	20 points

**H. Provision of Resident Support Services: Up to 10 Points ~~(claimed from 1 category)~~**

Preference is given to projects that provide resident support services or establish a strong, integrated referral system. All projects awarded points for providing support services will be required to include a Supportive Service Housing Plan as part of the Tenant Selection Plan. Housing with support services is a proven intervention for assisting households with histories of homelessness and barriers to accessing and maintaining housing. Supportive Housing improves housing stability, employment, health and many other quality of life factors. Research demonstrates that individuals in Supportive Housing require less emergency medical treatment, inpatient psychiatric care, detox services and are less likely to become jailed. Supportive Housing is often the most appropriate intervention for people experiencing homelessness, mental illness, substance abuse disorders, and other disabilities.

On-site services consist of having services located physically on site and include having a front desk, an on-site FTE daily, dedicated office space, etc. These services are built into the programming of the building for the majority of the population. Supporting documentation to demonstrate this for scoring should be included.

Supportive Housing Service Plans should follow MN Housing's [Supportive Housing Information and Resources](#) guidance and the Supportive Housing Alliance's [Supportive Housing Standards](#). The submitted plan should building design and features (such as a front desk) integrate with on-site staffing and service provision to effectively support the population served. Supporting documentation, including a service funding plan, is required.

<u>System in place <b>on site</b> to provide support services:</u>	<u>Points</u>
Provide to 50.1% or greater of households	10 points
<del>Provide to 25% – 50% of households</del>	<del>8 points</del>
<del>Provide to &gt;10% of households</del>	<del>6 points</del>
<del>Provide to 0</del>	<del>0 points</del>

**OR**

~~Integrated support referral services consist of having a service provider who is not physically located on site but may visit tenants in their units or a community space within the building to provide the services for tenants who need them. Supporting documentation to demonstrate this for scoring should be included.~~

<u>Strong, integrated support <b>referral</b> system:</u>	<u>Points</u>
<del>Provide to &gt;50% of households</del>	<del>5 points</del>
<del>Provide to &gt;25% of households</del>	<del>3 points</del>
<del>Provide to &gt;10% of households</del>	<del>1 point</del>

**I. Projects Utilizing Average Income Test (30% Units): Up to 15 Points**

For projects utilizing average income election, units dedicated to 30% AMI will award points based on the following:

<u># of 30% Units</u>	<u>Points</u>
1 - 15 30% units	5 points
16 - 30 30% units	10 points
31 or more 30% units	15 points

**OR: Points may be claimed in Section I. or J. but NOT Both**

**J. Project-Based Rental Program Assistance: Up to 15 Points**

The developer has: 1) Project-based Section 8 units or Sponsor Based assistance and has obtained a letter of approval from the Minneapolis Public Housing Authority (MPHA) noting the number of units being assisted, 2) has State or County Housing Support per the MHFA Housing Support Funding Commitment Letter, etc. 3) has documentation relevant to preservation of Federally assisted housing i.e. HAP 4) MHFA People with Disabilities (PWD) Section 811 PRA.

<u># of Project Based Vouchers Secured</u>	<u>Points</u>
1 - 15 Vouchers	5 points
16 - 30 Vouchers	10 points
31 or more Vouchers	15 points

**K. Housing for Homeless: Up to 20 Points**

Project provides suitable housing combined with supportive services for occupancy by homeless households. Homeless households shall be defined as a person or persons living in a shelter, on the streets, or doubled-up in housing not their own. The developer must provide satisfactory evidence in writing of a commitment from an appropriate social service agency to provide support services; household income must be 30% or less of AMI. Applicants claiming points for providing homeless units will be required to use the Hennepin County Coordinated Entry system or another Coordinated Entry system that is approved by the City as meeting fair housing requirements as a referral source for the homeless units. Section 811 units do not qualify for these points.

Projects serving unaccompanied youth are eligible if they are serving youth who are homeless or at risk of homelessness. Projects serving unaccompanied youth at risk of homelessness are exempt from the Coordinated Entry requirement.

<u>% of Homeless Units</u>	<u>Points</u>
40% plus of total units <b>but no fewer than 20 units</b>	20 points
<del>20-39%</del> 4 – 8 units	<del>10</del> 5 points

**L. Senior Housing: Up to 10 Points**

Senior independent rental congregate and/or assisted living meeting development goals and objectives for senior housing (serving seniors ages 55 years and older) for new construction and/or positive conversion. These points only apply to wards that have not met the Minneapolis senior housing goal of a minimum of 35 new affordable senior housing units. ~~in each ward by 2025~~. The eligible wards are: ~~1~~, 4, 10, 11, and 13.

Wards ~~1~~, 2, 3, 5, 6, 7, 8, 9, and 12 have already met this goal and are not eligible for points: **ward 1**

Clare 5 Apartments, 32 units, ward 2 Minnehaha Commons, 41 units; ward 3 Mill City Quarter, 150 units; ward 5 Plymouth Avenue Apartments, 63 units; ward 6 The Cooperage, 60 units; ward 7 The Theodore Wirth on the Woods, 100 units; ward 8 Sabathani Senior Housing, 48 units; ward 9 Hi Lake Triangle Apartments, 64 units; and ward 12 The Hillock, 100 units.

<u>Age Restriction</u>	<u>Points</u>
Age-restricted to seniors only	10 points
<del>Senior-oriented without age restriction</del>	<del>5 points</del>
<del>No specific senior orientation</del>	<del>0 points</del>

**M. Neighborhood Support: 1 Point**

Proposed project is supported by the recognized neighborhood organization based on review of design and land use issues and documentation is included in the application.

**N. Community Housing Development Organization: 5 Points**

Project is owned, developed or sponsored by a Community Housing Development Corporation (CHDO) as defined by HUD. (See Supporting Documents for CHDO Checklist)

**O. Preservation, Rehabilitation, Stabilization: up to 20 ~~10~~ points – check all that apply up to 20 Points**

**a. Preservation, Rehabilitation, Stabilization: 5 points**

Project provides preservation, rehabilitation, and/or stabilization of existing subsidized affordable housing units.

**b. Preservation, Rehabilitation, Stabilization - Existing City Debt : 5 points**

Projects being preserved that already have an existing mortgage from the City of Minneapolis or MCDA filed against the property.

**c. Preservation, Rehabilitation, Stabilization – Critical Physical Needs: 5 points**

Projects that are at risk of loss due to critical physical needs greater than \$225,000 per unit and/or have an existing HAP contract.

**d. Preservation, Rehabilitation, and Stabilization – Existing Project-Based Rental Assistance – 5 points**

Projects receiving existing project-based rental assistance for a minimum of 10 units and where such assistance has been committed to the property for at least 15 years prior to the year of application.

**P. New Construction or Adaptive Reuse: ~~10~~ 15 Points**

Project provides new construction and/or adaptive reuse outside areas of concentration poverty 50% or greater people of color (ACP50).

**Q. Sustainable Building Policy Energy Efficiency Points: up to 10 points**

Projects claiming fifteen or more optional criteria points specifically in the Green Communities Energy Efficiency category (Section 5) will earn the following AHTF points:

<u>Operating Energy Category Optional Points</u>	<u>Points</u>
15-20 optional Green Communities points	5 points
21 or more optional Green Communities points	10 points

NOTE: Pursuant to the City's Sustainable Building Policy, criteria 5.3a: Photovoltaic/Solar Hot Water Ready is mandatory for all projects with a flat roof design seeking AHTF resources.

**R. Alignment with Minneapolis 2040 Goals: up to 50 points**

No points will be granted if a Comprehensive Plan amendment is needed and is not in process. If you have questions about the current status of the Comprehensive Plan and its application to your project, please connect with your assigned Planner.

Efficient Site Utilization (8 points): Projects will receive 8 points for Efficient Site Utilization if the application materials demonstrate that the proposed building achieves the maximum height allowed by the Minneapolis 2040 Built Form Map in the Interior 1 through Corridor 6 districts. In the Transit 10 through Core 50 districts, projects will receive the points if the proposed building is at least 6 stories. In addition, projects will receive 8 points for Efficient Site Utilization if the application materials demonstrate that the project will preserve affordable housing through rehabilitation or adaptive reuse.

Rationale: Taller buildings built at a human scale support comprehensive plan policy #1 (Access to Housing) by fitting more dwelling units on the limited land that exists within Minneapolis city limits.

Transit Access (10 points): Projects will receive 10 points for Transit Access if the application materials demonstrate that the site is within one-half mile (2640 feet) walking distance of any of the following:

- An existing or planned METRO Blue Line or Green Line LRT station
- An existing or planned Highway or Arterial Bus Rapid Transit Station
- A bus stop on an existing high-frequency route, defined by Metro Transit as service every 15 minutes or better on weekdays 6 am – 7 pm and on Saturdays 9 am – 6 pm

Rationale: Affordable housing built in close proximity to a frequent, reliable, predictable transit network supports comprehensive plan policy 15 (Transportation and Equity) by helping ensure income is not positively correlated with transit access.

Parks and Open Space (10 points): Projects will receive 10 points for Parks and Open Space if the application materials demonstrate that the site is:

- Within one-quarter mile (1320 feet) walking distance of a regional park or trail as defined by the Metropolitan Council, or
- Within one block (660 feet) of any Minneapolis Park and Recreation Board park, Gold Medal Park, or The Commons

Rationale: Affordable housing built in close proximity to parks and open space supports comprehensive plan policy 77 (Park Access) by ensuring income is not directly correlated with park access.

Cultural Districts (5 points): Projects will receive 5 points for Cultural Districts if the application materials demonstrate that the site is within one-quarter mile (1320 feet) walking distance of a Cultural District boundary defined by the City of Minneapolis.

Rationale: Affordable housing built in close proximity to cultural districts support comprehensive plan policy 34 (Cultural Districts) by helping prevent the displacement of low-income residents when development occurs in areas where a significant portion of the population is comprised of people of color, Indigenous people, and/or immigrant (POCII) communities.

Plazas (4 points): Projects will receive 4 points for Plazas if the application materials - detailed

plans - demonstrate that the project includes a publicly accessible plaza of at least 2,000 square feet that complies with the plaza development standards listed in Chapter 535 of the Minneapolis Zoning Code and winter utilization standards listed in Policy 7 (h) and Policy 9 (d) in the Minneapolis 2040 Comprehensive Plan.

Rationale: Incorporating plazas into new development supports comprehensive plan policy 9 (Open Spaces in New Development). Well designed, accessible open spaces provide health benefits by offering amenities for exercise and peaceful areas to enjoy.

Through-Block Connections (2 points): Projects will receive 2 points for Through-Block Connections if the application materials demonstrate that the project will provide an interior through-block connection designed according to the standards enumerated in the Downtown Floor Area Ratio Premium standards of the Minneapolis Zoning Code (regardless of the project's location in the city).

Rationale: Incorporating through-block connections into new development supports comprehensive plan policy 5 (Visual Quality of New Development) by promoting massing that is responsive to the human-scale. It also supports comprehensive plan policy 6 (Pedestrian-Oriented Building and Site Design) through building design and site design that prioritize walking first.

Goods and Services Corridor Access (5 Points): Projects will receive 5 points for Goods and Services Corridor Access if the application materials demonstrate that the site lies on a Goods and Services Corridor, as identified in the Minneapolis 2040 Future Land Use Map.

Rationale: Affordable housing built along goods and services corridors supports comprehensive plan policy 4 (Access to Commercial Goods and Services) by providing affordable housing in areas being targeted for the establishment and maintenance of businesses providing goods and services essential and desirable to a high quality of life.

Additional Building or Site Plan Features (up to 6 points): Projects will receive up to 6 points for providing building or site plan features that further comprehensive plan or Zoning Code goals to provide enhanced building or site design. Applicants must demonstrate their projects possess features identified as premiums in Zoning Code chapter 540 Article VII with the following exceptions; no points will be awarded for affordable housing (the purpose of this review), transit facility (a criterion already in use), through-block connection (a criterion already in use), or urban open space, outdoor (a criterion already in use in the plazas category). Two points will be awarded for each type of premium provided, up to a total of 6 points, with no maximum number of premiums per zoning district. Premiums already counting toward Zoning Code floor area ratio (FAR) and height premiums can also count toward this affordable housing rubric.

Rationale: These zoning code premiums are already deemed in compliance with the comprehensive plan. In instances where the premiums are already being used to achieve height and FAR increases, such projects are going above and beyond the standard to meet density goals in an affordable manner and get rewarded for doing so.

Efficient Site Utilization (8 points): Projects will receive 8 points for Efficient Site Utilization if the application materials demonstrate that the proposed building achieves the maximum height allowed by the Minneapolis 2040 Built Form Map in the Interior 1 through Corridor 6 districts. In the Transit 10 through Core 50 districts, projects will receive the points if the proposed building is at least 6 stories. In addition, projects will receive 8 points for Efficient Site Utilization if the application materials demonstrate that the project will preserve affordable housing through rehabilitation or adaptive reuse.

Transit Access (10 points): Projects will receive 10 points for Transit Access if the application

~~materials demonstrate that the site is within one-half mile (2640 feet) of any of the following:~~

- ~~• An existing or planned METRO Blue Line or Green Line LRT station~~
- ~~• An existing or planned Highway or Arterial Bus Rapid Transit Station~~
- ~~• A bus stop on an existing high-frequency route, defined by Metro Transit as service every 15 minutes or better on weekdays 6 am — 7 pm and on Saturdays 9 am — 6 pm~~

~~Parking (10 points): Projects will receive 10 points for Parking if the application materials demonstrate that all provided parking is located below grade or entirely within the building. Renovation and expansion projects will receive 10 Parking points if no new surface parking spaces are provided.~~

~~Parks and Open Space (10 points): Projects will receive 10 points for Parks and Open Space if the application materials demonstrate that the site is:~~

- ~~• Within one-quarter mile (1320 feet) of a regional park or trail as defined by the Metropolitan Council, or~~
- ~~• Within one block (660 feet) of any Minneapolis Park and Recreation Board park, Gold Medal Park, or The Commons~~

~~Cultural Districts (5 points): Projects will receive 5 points for Cultural Districts if the application materials demonstrate that the site is within one-quarter mile (1320 feet) of a Cultural District boundary defined by the City of Minneapolis.~~

~~Plazas (5 points): Projects will receive 5 points for Plazas if the application materials—detailed plans—demonstrate that the project includes a publicly accessible plaza of at least 2,000 square feet that complies with the plaza development standards listed in Chapter 535 of the Minneapolis Zoning Code and winter utilization standards listed in Policy 7 (h) and Policy 9 (d) in the Minneapolis 2040 Comprehensive Plan.~~

~~Through-Block Connections (2 points): Projects will receive 2 points for Through-Block Connections if the application materials demonstrate that the project will provide an interior through-block connection designed according to the standards enumerated in the Downtown Floor Area Ratio Premium standards of the Minneapolis Zoning Code (regardless of the project's location in the city).~~

#### **S. Equitable Development: 5 3 points**

~~To receive Equitable Development points, there must be evidence that the project attempts to address the needs of a Community Most Impacted (CMI) by housing disparities and that a Qualified Stakeholder Group, with meaningful participation from that community, has a significant role in the project proposal as defined below. Occupancy restrictions or services provided as a result of the selection criteria are excluded. Applicants must complete the Minnesota Housing Equitable Development Narrative and submit documentation demonstrating how the initiative meets the requirements outlined below. Submission must include all referenced data, reports and information. Note: A neighborhood group or a subcommittee of a neighborhood group does not qualify as a Qualified Stakeholder Group.~~

~~**To be eligible for Equitable Development, submit documentation that meets *all (a-d)* of the following conditions:**~~

##### ~~1. Threshold Criteria~~

- ~~a) Housing Disparity Addressed by the project.~~



- i. ~~Identify which CMI's is/are this project proposal focused on serving. If the project is focused on serving multiple populations, select the CMI's participating in the Qualified Stakeholder Group that has a significant role in the proposal.~~
  - ~~1. Lowest Income (e.g. <= 30% of area median income (AMI))~~
  - ~~2. People of Color~~
  - ~~3. Indigenous People~~
  - ~~4. LGBTQ + People~~
  - ~~5. People Experiencing Homelessness~~
  - ~~6. People with Disabilities~~
  - ~~7. Immigrants~~
  - ~~8. Large Families~~
  - ~~9. Seniors~~
  - ~~10. Families with children~~
  - ~~11. Youth~~
- b) ~~Meaningful participation of Communities Most Impacted: A Qualified Stakeholder Group must have meaningful participation of the CMI that is the focus of the project proposal as documented in the narrative.~~
  - i. ~~Describe the Qualified Stakeholder Group's mission, and purpose in elevating the voices of the identified CMI.~~
  - ii. ~~Identify and describe what leadership and/or advisory roles people belonging to the identified CMI have in the Qualified Stakeholder Group, including one or more of the following:~~
    - a. ~~A paid leadership position; list position (if applicable)~~
    - b. ~~A member of the board (if applicable)~~
    - c. ~~A paid staff position (if applicable)~~
    - d. ~~A member role, such as serving on an advisory committee~~
    - e. ~~Other meaningful role, such as volunteer (describe)~~
  - iii. ~~Provide a list of the Qualified Stakeholder Group's previous activities related to the identified CMI and community development. If there have been no previous activities, describe who formed the Qualified Stakeholder Group and why.~~
- c) ~~Meaningful Engagement with the identified CMI through the Qualified Stakeholder Group: The development team must evidence that the Qualified Stakeholder Group and specifically the CMI participants have been meaningfully engaged in the project concept by conducting, at minimum, two meetings with the group prior to submission of the current application. Documentation must be provided to evidence engagement and may include meeting minutes, notes, survey results, etc. NOTE: Any in-process engagement with the Qualified Stakeholder Group must include a detailed timeline for work done to-date, next steps, and future completion.~~
- d) ~~Significant involvement of the Qualified Stakeholder Group: The developer partnered with the Qualified Stakeholder Group and the identified CMI to develop the project proposal. Identify and submit a narrative explaining how the Qualified Stakeholder Group was involved in the development, the specific input they provided, and how the project addresses or responds to that input. These must be in addition to any mandatory minimum requirements of the AHTF NOFA. Applicants may select one or more of the following:~~
  - i. ~~Design~~
  - ii. ~~Services~~
  - iii. ~~Community Benefits: An agreement between the developer and local community to provide a benefit as identified by the identified CMI. (Examples include projects that support paying a competitive wage such as using union workers, employing individuals from the neighborhood, or signing onto a Worker-Driven Social~~

- ~~Responsibility compliance and monitoring system, community services, training, shared green space, etc.)~~
- ~~iv. Other (describe in the narrative)~~
- ~~e) Provide a signed letter from the Qualified Stakeholder Group. The letter must be signed by group participants who are willing to sign the document. The letter must address the following questions:~~
  - ~~i. How has the developer engaged with the Qualified Stakeholder Group and the identified CMI to create a project responsive to the vision of the group and needs of the CMI?~~
  - ~~ii. How will this project help in fulfilling a need in your community?~~
  - ~~iii. How often did the Qualified Stakeholder Group meet with the developer and what were those meetings like?~~
  - ~~iv. How has the project changed in response to the input from the Qualified Stakeholder Group?~~
  - ~~v. If the development is selected, what are your expectations for the Qualified Stakeholder Group's continued involvement in the project?~~

The project will address the needs of a Community Most Impacted (CMI) by housing disparities and a Qualified Stakeholder Group (QSG), with meaningful participation from that CMI, has a significant role in the project proposal as defined below. Occupancy restrictions or services provided as a result of the selection criteria are excluded.

#### A QSG:

- Is not required to be a registered nonprofit organization and could consist of a group of community members, advocates, people with lived experiences, etc.;
- Must demonstrate meaningful and inclusive representation and participation of a CMI;
- Must include at least three participants who belong to the CMI the project is proposing to serve; and
- Must be an independent body separate and apart from the proposed project owner, sponsor, developer, development team, service provider and management agent of record for the project. The developer or other members of the development team may initiate or convene a QSG, but the participants and opinions of the group must be independent of the development team organizations.
  - o Federally Recognized Tribes of Minnesota or Tribally designated housing entities or Tribal corporate entities developing on Tribal Reservations, Dakota Communities or Tribal trust lands meet the definition of a QSG and are not required to be an independent body separate and apart from the proposed project owner, sponsor, 30 developer, development team, service provider and management agent of record for the project due to the Tribal ownership structure.

#### Examples of a QSG include:

- A local nonprofit organization that serves the needs of indigenous individuals and families;
- A neighborhood organization concerned about healthcare access and inequities;
- A parent group formed to influence a youth-centered development;
- A group of individuals with lived experience of homelessness informing the service model of a supportive housing development; and
- Tenants of an existing building, either a tenant association or individual tenants organized, informing on the rehabilitation of an existing building or construction of a new development.

**To be eligible for Equitable Development, applicants must complete the Equitable Development Narrative and submit documentation into the Multifamily Customer Portal that meets all the following threshold criteria:**

1. Housing Disparity Addressed by the project.

- a. Identify which of the following CMI(s) this project proposes serving. If the project is focused on serving multiple populations, select the CMI(s) participating in the QSG that have a significant role in the proposal.
  - i. Lowest Income (e.g.,  $\leq 30\%$  of MTSP);
  - ii. People of Color;
  - iii. Indigenous People;
  - iv. LGBTQ+ People;
  - v. People Experiencing Homelessness;
  - vi. People with Disabilities;
  - vii. Immigrants;
  - viii. Large Families;
  - ix. Seniors; and/or
  - x. Families with Children.
2. Meaningful Participation of Communities Most Impacted: A QSG must have meaningful participation of the CMI that is the focus of the project proposal as documented in the narrative.
  - a. Describe the QSG's mission and purpose in elevating the voices of the identified CMI.
  - b. Identify and describe what leadership and/or advisory roles people belonging to the identified CMI have in the QSG, which must include one or more of the following:
    - i. A paid leadership position; list position (if applicable);
    - ii. A member of the board (if applicable);
    - iii. A paid staff position (if applicable);
    - iv. A member role, such as serving on an advisory committee; and/or
    - v. Other meaningful role, such as a volunteer (describe).
  - c. Provide a list of the QSG's previous activities related to the identified CMI and community development. If there have been no previous activities, describe who formed the QSG and why.
3. Meaningful Engagement with the Identified CMI through the QSG: The development team must evidence that the QSG and specifically the CMI participants have been meaningfully engaged in the project concept by conducting, at minimum, two engagement opportunities with the same QSG prior to submission of the current application. Engagement opportunities can be in person or virtual and may include meetings, focus groups, surveys, or similar venues where the QSG is participating in the development process.
  - a. Documentation must be provided to evidence attendance and engagement. Acceptable evidence of attendance includes sign-in sheets or attendance confirmation. Acceptable evidence of engagement includes meeting minutes, meeting notes, survey results, presentation slides, etc.
  - b. NOTE: Any in-process engagement with the QSG must include a detailed timeline for work done to-date, next steps and future completion.
4. Significant Involvement of the QSG: The developer or other members of the development team must partner with the QSG and the identified CMI to develop the project proposal. Identify and submit a narrative explaining how the QSG was involved in one or more of the following aspects of the development, the specific input they provided and how the project addresses or responds to that input. These must be in addition to any mandatory minimum requirements of the QAP and in addition to the minimum requirements for which points are claimed in other selection criteria, such as Serves Lowest Income Tenants and/or Large Families. Applicants may select more than one of the following:
  - a. Design;
  - b. Services;
  - c. Community Benefits: An agreement, between the developer and local community, to provide a benefit as identified by CMI(s). (i.e., projects that support paying a competitive wage, employing union workers and/or individuals from the neighborhood, or participating in a Worker-Driven Social Responsibility compliance and monitoring system, community services, training, shared green space, etc.); and/or

- d. Other (describe in the narrative).
- 5. Provide a signed letter from the QSG. The letter must be signed by group participants who are willing to sign the document. The letter must address each of the following questions: 32
  - a. How has the developer or other members of the development team engaged with the QSG and the identified Communities Most Impacted to create a project responsive to the vision of the group and needs of the CMI?
  - b. How will this project help in fulfilling a need in your community?
  - c. How often did the QSG engage with the developer or other members of the development team and what was discussed?
  - d. How has the project changed in response to the input from the QSG?
  - e. If the development is selected, what are your expectations for the QSG's continued involvement in the project?

**T. Workforce Training: 3 points**

~~Projects that promote economic stability by incorporating supportive services that connect residents to workforce and career training programs (e.g., job coaching, financial literacy, modular housing manufacturing, apprenticeship programs in construction, etc.). Information per the application requirements must be submitted to claim these points.~~

**U. Areas of Civil Unrest: 5 points**

Projects in areas of civil unrest located within the two blocks on either side of the Lake Street and West Broadway corridors that promote economic recovery redevelopment and contribute to community reinvestment. However, projects throughout the City that sustained damage from civil unrest that warrant significant reinvestment may also be considered for points with supporting documentation. Information per the application requirements must be submitted to claim these points.

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## **AFFORDABLE HOUSING TRUST FUND SUPPORTING DOCUMENTS**

- Attachment 1: Income and Rent Limits
- Attachment 2: Utility Allowance forms
- Attachment 3: Map of Areas of Concentrated Poverty 50% or greater people of color (ACP50)
- Attachment 4: Contracting Requirements with Attachment A, SUBP Special Provisions
- Attachment 5: AHTF and Housing Revenue Bond Bidding Procedures
- Attachment 6: Summary of Lead-Based Paint Mitigation Requirements
- Attachment 7: Self-Scoring Worksheet
- Attachment 8: Underwriting Standards
- Attachment 9: Government Data Practices Act Disclosure Statement
- Attachment 10: Federal and City Relocation Requirements
- Attachment 11: Tenant Selection Plan Guidance and VAWA
- Attachment 12: Community Preference Policy: AHTF
- Attachment 13: HOME Monitoring Fee Schedule
- Attachment 14: HOME CHDO Checklist
- Attachment 15: HOME Investment Partnership Funds Policies and Procedures
  - HOME 2023 Per Unit Subsidy Limits
  - HOME Lease Addendum