

2023 RAMSEY COUNTY HOUSING DEVELOPMENTSOLICITATION NOTICE

I. General considerations

The Ramsey the County Board of Commissioners (“County”) are accepting applications for the 2023 Ramsey County Solicitation (“Solicitation”) for eligible developments located within the boundaries of Ramsey County.

This Solicitation is offered once per year and consolidates and coordinates multiple housing resources into one application process. Applicants request funding for a specific housing development that meets a specific housing need, but generally do not apply for specific funding sources. Ramsey County Community and Economic Development (“CED”) staff evaluate the proposals and match eligible applicants with the most appropriate available funding source.

Funding award will result in a recorded Affordability Declaration with a length of 30 years.

This Solicitation document is intended to provide general instructions and information regarding the County’s application and selection process. Each funding source is subject to specific requirements and limitations that are not set out in detail or modified by this document. See below for more information.

This document outlines steps and considerations for applying to the 2023 Housing Development Solicitation. The application will be available online and a link will be provided by County CED staff prior to the open application period. Applications that DO NOT include all the following specific materials by the applicable deadline will be considered ineligible for further processing:

A. Pass/Fail Requirements (Pass/Fail)

1. Eligible Housing Type and Projects (Pass/Fail)

- a. Permanent general occupancy rental housing with a minimum of five rental units and/or permanent supportive housing for low to moderate-income renters with a minimum of five units;

OR,

- b. A pool of funds for the acquisition of existing housing units for affordable homeownership for low-to-moderate income residents by nonprofit or city partner agencies;

AND,

2. Provided all required application materials by the application deadline as listed below.

A. Required Materials (Pass/Fail)

The application will not move onto scoring without the following required materials submitted in ZoomGrants:

1. Multifamily workbook including all required information (Excel format);
2. Responses to the “Ramsey County Equitable Development and Livability” questions (Attachment A);
3. Acknowledgement letter (Attachment B); and
4. Lobby Certification Form (Attachment C).

Additional Materials (optional)

Although not required for evaluation, the following additional materials can be submitted with the application and required materials. The county highly encourages submission of these items as they may affect final scoring.

1. Project description;
2. Development and financing team;
3. Project schedule;
4. Financial analysis/Underwriting report;
5. Applicant’s financial statements;
6. Detailed project budget; (may be included in multifamily workbook);
7. Sources and uses of funds statement; (may be included in multifamily workbook);
8. Commitment letters from other lenders and funders;
9. Architectural drawings, if applicable;
10. Sworn construction cost statement, if applicable;
11. Bids and specifications, if applicable;
12. Site improvement plans, if applicable;
13. Scope of work;
14. Photos of project site;
15. Evidence of site control, unless for acquisition under special circumstances;
16. The qualification forms and complete financial information. This includes the Qualifications of Service Provider, when applicable;
17. Operating expense projections; (may be included in multifamily workbook);
18. 15-year proforma projections; (may be included in multifamily workbook);
19. Market feasibility analysis/plan; if applicable;
20. Detailed housing unit breakdown; (may be included in multifamily workbook);
21. Occupancy/fill projections; (may be included in multifamily workbook);
22. Tenant data; if applicable;
23. Zoning and land use documentation from local municipality, if applicable;
24. Resolution or letter of support from local municipality; and
25. Support services: Include a statement on whether support and human services are planned for or are provided to the residents of the project; indicate the services provided and the related service organizations. Indicate names, addresses and contact information of the service providers, if applicable.

Note:

- a. Some of these documents may be consolidated in the required multifamily workbook for applicable projects.
- b. Additional documentation may be required by County CED staff in the application and review process.
- c. **Resulting Documents to be Executed:** Any resulting contracts, grants or closing documents necessary for funding the proposed project will include all applicable requirements under state, federal law or regulation.

II. Available Resources

The County offers different sources of funding through the Solicitation. Funding sources are comprised of the following federal and local programs:

A. American Rescue Plan (ARPA)

The County's [Deeply Affordable Housing Infrastructure Initiative](#) is designed to provide funding to developers and owners of multifamily properties for the production, acquisition, development, conversion, and/or rehabilitation of affordable housing units and permanent supportive housing units within the County. At least 10% of the total units must be affordable at 30% AMI. Funded units must remain affordable for at least 30 years. Funds are available to be used Countywide, including within the City of Saint Paul. The County may use its allocation of ARPA from the Treasury Department to fund acquisition, development, conversion, and rehab to permanent supportive housing and permanent rental housing.

For additional information about program design guidelines, please visit: [Coronavirus State and Local Fiscal Recovery Funds | U.S. Department of the Treasury](#)

B. HRA Levy

Funds are available to be used Countywide, including within the City of Saint Paul. Eligible uses include the production, acquisition, development, conversion and/or rehabilitation of permanent rental housing units, permanent supportive housing and the creation of funding pools for the acquisition of existing housing units for affordable homeownership activities and rental housing. At the sole discretion of the County, funds may be structured as a loan or a grant. Funded units must remain affordable for at least 30 years.

C. HOME

The County may use its allocation of HOME funds from the US Department of Housing and Urban Development ("HUD") in suburban communities (outside of the City of Saint Paul) for the new construction of permanent rental housing. The County prefers to use HOME funds at closing for pre-development costs including legal consulting, architectural and engineering services, zoning approvals, and other activities listed in 24 CFR 92.206. HOME-assisted rental units must be occupied by income eligible tenants and carry rent and occupancy restrictions for varying lengths of time depending upon the amount of HOME funds invested per unit. HOME funds will be structured as a loan.

For additional information about program design guidelines, subsidy layering, lease terms, calculating rents, using HOME with Low-Income Housing Tax Credits, and managing for ongoing compliance, please visit:

<https://www.hudexchange.info/programs/home/topics/rental-housing/#policy-guidance-and-faqs>

D. CDBG

The County may use its annual allocation of CDBG grant funds from HUD in suburban communities (outside of the City of Saint Paul) to fund activities such as:

1. Acquisition of real property;
2. Relocation and demolition;
3. Rehabilitation of residential and non-residential structures;
4. Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes (public facility must be located in a low-to-moderate income area as defined by HUD);
5. Public services, within certain limits; or
6. Activities relating to energy conservation and renewable energy resources.

If applying for public infrastructure, facilities, improvements, or services, including nonprofit providers requesting pooled funds for single-family rehabilitation and energy efficiency, make sure to apply using the 2023 CDBG: PublicServices, Programs and Infrastructure Solicitation.

Each activity must meet one of the following national objectives for the program:

1. benefit low- and moderate-income persons;
 - prevention or elimination of slums or blight; or
2. address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

CDBG funds may be structured as a loan or a grant at the discretion of the County. CDBG funds carry an affordability term of a minimum of 20 years and must be affordable to residents making less than 80% AMI.

For additional information regarding CDBG general laws and regulations, please visit: <https://www.hudexchange.info/programs/cdbg/cdbg-laws-and-regulations/>

III. Funding Criteria

Funding criteria include:

- A. Project feasibility and financial capacity;
- B. Organizational capacity;
- C. Strategic and selection priorities; and
- D. Affordability.

A. Project Feasibility and Financial Capacity (scored as set forth below)

Projects should demonstrate and satisfy the following feasibility requirements in their application:

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1. Whether the proposed housing is needed in the intended market based upon population, job growth, and very low housing vacancy rates. This includes the need for supportive housing units.
2. Whether the costs of developing the housing, including the total development cost, cost per unit, and subsidy per unit, are reasonable and/or justifiable.
3. Whether the applicant has demonstrated cost effectiveness for all stages and aspects of the development without compromising overall development quality.
 - The County is committed to constructing or rehabilitating multifamily housing to a standard that when properly maintained, remains decent, safe, and affordable for a long-term duration. All projects must conform with state and local zoning and building safety standards and ordinances.
4. Whether the housing is economically viable.
5. For permanent supportive housing, whether the service model, staffing, and secured funding are adequate to address the needs of the population to be served.
6. For projects that are to be developed in tandem with another project (e.g., with shared underground parking), the application must demonstrate that each individual project can be financed and built independently. The Multi-family Workbook must reflect all costs associated with each project.
7. Other factors that will be considered:
 - Demonstrated site control
 - Applicants must demonstrate acceptable evidence of title/site control, which could include the following: a purchase agreement, purchase option, or letter of intent from a governmental body for a sole developer. If there is no transfer of ownership, then the warranty deed or contract for deed is acceptable.
 - Eligibility, including project feasibility and other requirements;
 - Financial capacity; and
 - Letter of Support from the local municipality
 - Letter signed by appropriate and authorized staff with authority (not elected official) expressing support for the project; or
 - Letter demonstrating recent zoning/conditional use permit approval.

B. Organizational Capacity (scored as set forth below)

In addition to demonstrating financial readiness, projects should demonstrate and satisfy the following capacity criteria in their application:

1. The applicant's related housing experience;
2. Whether the applicant has successfully completed similar projects or is partnering with other organizations that have successfully completed similar projects;
3. Whether the applicant has strong current and expected ongoing capacity to complete the proposed housing, as well as other proposals being developed by the organization; and
4. Whether the applicant has the capacity to maintain the rental housing long-term.

C. Strategic and Selection Priorities (scored as set forth below)

The County seeks to address racial equity and ethnic-based disparities where all residents can experience fair outcomes including the highest level of health, wellbeing, and opportunities for advancement and growth. Please review the [Ramsey County Economic Competitiveness and Inclusion Plan](#), the [Equitable Development Framework](#), and the [Deeply Affordable Housing Initiative's Engagement Report](#).

When determining funding awards, the County prioritizes proposals that best meet the County's planning goals and priorities, in addition to financial capacity and readiness. This could include geographic distribution of projects and the coordination of multiple funding sources as described in the Economic Competitiveness and Inclusion Plan.

D. Affordability (scored as set forth below)

In addition to the affordability criteria attached to ARPA funding (a minimum of 10% of units affordable at 30% AMI) and a desire to see as many deeply affordable housing units produced as possible, other considerations could include the rent and income limits for the non-ARPA assisted units. Further, the County requires rent and income limits consistent with applicable program requirements and statutes and those specified in the owner's application as underwritten by County CED staff for selected projects.

Scoring will focus on the following County goals and how a proposal furthers efforts to create deeply affordable housing units:

- Seeking projects that include a minimum of 10% of the total units at 30% Area Median Income (note, this is a requirement for ARPA projects)
- Seeking projects in which renters of the affordable units will not pay more than 30% of their income towards rental costs
- Seeking units that can offer and maintain 30% AMI affordability without external subsidy
- Seeking units affordable to renters at 50% AMI

IV. Application Review

Applications will be reviewed by a review panel consisting of county staff. Projects will be reviewed with the following criteria and scoring:

- A. Minimum selection criteria: Pass/fail criteria met (as described above). Projects that do not meet the pass/fail requirements will not be scored.
- B. Applications will be reviewed for the above criteria before moving on to final scoring. Selected projects will be scored based on the following criteria:
 - 1. Project Feasibility and Financial Capacity (up to 30 points).
 - 2. Affordability (up to 30 points).
 - 3. Organizational Capacity (up to 10 points).
 - 4. Alignment with the County's Strategic and Selection Priorities (up to 30 points).

- C. The County expressly reserves the right to amend or withdraw this solicitation at any time and to reject any or all responses, and to waive any informalities or irregularities in the responses as may be deemed in the best interest of the County.

V. County Reserved Rights and Data Practices Reminders

- A. The County expressly reserves the right to amend or withdraw this solicitation at any time and to reject any or all responses, and to waive any informalities or irregularities in the responses as may be deemed in the best interest of the County.
- B. The County reserves the right to request any additional information at any stage of the solicitation process. Compliance shall be at the contractor's expense.
- C. Upon submission, a solicitation response becomes the property of the County and will not be returned. The County retains the right to use any concept or idea presented in any solicitation response, whether or not that solicitation response is accepted. All information included in the submitted solicitation response will be classified in accordance with Minnesota State law governing data practices.
- D. Solicitation responses or additional solicitation materials received after the deadline will not be accepted by the County and will not be evaluated.

VI. Gather Your Materials and Apply by the Deadline in ZoomGrants

- A. The solicitation will be open on ZoomGrants from February 14, 2023 through March 14, 2023. The solicitation will close at 4:00 pm. on March 14, 2023.
- B. Applicants are responsible to know all requirements that are needed to submit a complete application based on the specific housing proposal and financing or application type.
- C. County CED staff reserves the right to seek follow-up information if needed after an application is received.

Signatures

All application materials must be signed wherever required and applicable.

Questions:

Please contact Jerica Gomez at jerica.gomez@co.ramsey.mn.us and Max Holdhusen at max.holdhusen@co.ramsey.mn.us