

2024 RAMSEY COUNTY HOUSING DEVELOPMENT SOLICITATION NOTICE

I. General considerations

The Ramsey County Board of Commissioners (“County”) is accepting applications for the 2024 Ramsey County Housing Development 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(s) will result in a recorded Affordability Declaration. The length of this declaration may differ by funding source.

This Solicitation document is intended to provide general instructions and information regarding the County’s application and selection process. Additionally, 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.

The solicitation will be published on ZoomGrants from February 2, 2024, through March 15, 2024. Responses to the solicitation are due at 4:30 p.m. on March 15, 2024. 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. County CED staff reserves the right to seek follow-up information if needed after an application is received.

II. Required Materials

Applications that DO NOT include all the following specific materials by the applicable deadline will be considered ineligible for further processing:

Pass/Fail Requirements (Pass/Fail)

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

- a. The acquisition, rehabilitation or construction of permanent general occupancy rental housing for low- to moderate-income renters with a minimum of two rental units, which may include permanent supportive housing.

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;

OR,

- c. The new construction of affordable owner-occupied units for sale on the open market or through an existing nonprofit's homeownership program;

AND,

2. All required application materials by the application deadline as listed below.

A. Pass/Fail Materials

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);
4. Lobby Certification Form (Attachment C); and
5. Project Description Questions via ZoomGrants.
 - a) Describe the Project (Application questions 1-12)

B. 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 schedule;
 - a) Project Close
 - b) Project Start Date
 - c) Zoning Completion
 - d) Project Commencement
 - e) Project Completion
 - f) Tenant Lease Up
2. Organizational Capacity Worksheet;
3. Market feasibility analysis/plan; if applicable;
4. Applicant's financial statements;
5. Detailed project budget; (may be included in multifamily workbook);
6. Explanation of funding sources and uses; (may be included in multifamily workbook);
 - a) Committed Funding
 - b) Projected Funding
 - c) Planned Funding
7. Commitment letters from other lenders and funders;
8. Architectural drawings, if applicable;
9. Sworn construction cost statement, if applicable;
10. Bids and specifications, if applicable;
11. Site improvement plans, if applicable;

12. Project scope of work; if applicable;
13. Photos of project site;
14. Evidence of site control, unless for acquisition under special circumstances;
15. Operating expense projections; (may be included in multifamily workbook);
16. 15-year proforma projections including debt coverage ratio; (may be included in multifamily workbook);
17. Detailed housing unit breakdown; (may be included in multifamily workbook);
18. Occupancy/fill projections; (may be included in multifamily workbook);
19. Tenant data; if applicable;
20. Zoning and land use documentation;
21. Resolution or letter of support from local municipality;

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, agreements, or closing documents necessary for funding the proposed project will include all applicable requirements under local, state, or federal law or regulation.

III. 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 construction, 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 income-restricted at 30% AMI. 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 of permanent rental housing. Projects awarded ARPA funding must be able to close on the funding award by December 31, 2024. Funds will be structured as a 0% interest 30-year deferred loan. Funded units must remain affordable for at least 30 years.

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, construction of affordable

owner-occupied housing, and the creation of funding pools for the acquisition of existing housing units for affordable homeownership activities and rental housing. When HRA funds are used for affordable homeownership activities or the construction of affordable owner-occupied housing, limits on the amount of funding that can be used as “affordability gap” may apply. The applicant of a housing activity cannot be the resident (owner-occupier) of any of the proposed units and the unit must be permanent rental housing available to the public, or the unit must be sold on the open market or through an existing homeownership program managed by a nonprofit. 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 the acquisition of real property, relocation and demolition, and the rehabilitation of residential buildings. 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.

If applying for funds for owner-occupied rehab programs or public services, including nonprofit providers requesting pooled funds for single-family rehabilitation and energy efficiency, make sure to apply to the 2024 CDBG Public Services and Programs Solicitation.

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

IV. Funding Criteria

Funding criteria include:

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

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

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

1. Whether the proposed housing is needed in the intended market based upon population, job growth, and 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 proposed project has received a previous funding award from the county and had a new financing gap emerge.
4. 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 the duration of the affordability period defined. All projects must conform with state and local zoning and building safety standards and ordinances.
5. Economic viability
 - Adequate Debt Coverage Ratio
 - External funding sources
 - 15-year proforma projections
6. For permanent supportive housing, whether the service model, staffing, and secured funding are adequate to address the needs of the population to be served.
7. 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.
8. 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;
 - Document demonstrating recent zoning/conditional use permit approval from city staff; and
 - Letter of Support from the local municipality

- Letter signed by appropriate and authorized staff with authority (not elected official) expressing awareness of and general support for the project; or;
- Resolution of support from the local city that the project is located in.

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 development 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 Alignment 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 Initiatives Engagement Report](#), which describe the County’s priorities and planning goals.

When determining funding awards, the County prioritizes proposals that best meet the County’s priorities and planning goals. 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 are income-restricted at 30% AMI) and a desire to see as many deeply affordable housing units produced as possible, other considerations could include the rental limits and income limits for the non-ARPA assisted units. Further, the County requires rental limits and income limits consistent with applicable program funding source 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 priorities and how a proposal furthers efforts to create deeply affordable housing units:

- Seeking projects that include a minimum of 10% of the total units with rental and income-restrictions at 30% Area Median Income (note, this is a requirement for ARPA projects);
- Seeking projects in which renters of the rental and income-restricted units will not pay more than 30% of their income towards rental costs;

- Seeking projects that include units that can offer and maintain rental restrictions at 30% AMI affordability without additional external subsidy, including project-based vouchers or housing support;
- Seeking projects that include units that can offer and maintain rental and income-restrictions at 50% AMI affordability.

V. 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 and Financial Feasibility; (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.

VI. 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.

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

- A. The solicitation will be published on ZoomGrants from February 2, 2024, through March 15, 2024. Responses to the solicitation are due by 4:30 p.m. on March 15, 2024.
- 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 and Max Holdhusen at askCED@co.ramsey.mn.us