

RAMSEY COUNTY 2022 INCLUSIVE HOUSING DEVELOPMENT SOLICITATION NOTICE

I. General considerations

The Ramsey County Board of Commissioners and the Ramsey County Housing and Redevelopment Authority (“HRA”) (collectively, the “County”) are accepting applications for the [Inclusive 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 evaluates the proposals and matches eligible applicants with the most appropriate available funding source.

Funding award will result in a recorded Affordability Declaration.

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 Solicitation document outlines steps and considerations for submitting an application. 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 one or more of the following specific conditions by the applicable deadline may be considered ineligible for further processing:

- Answers to all application questions in ZoomGrants by the deadline.
- Submission in ZoomGrants of all requested attachments including but not limited to:
 1. Application form;
 2. Multifamily workbook including all required information (Excel format);
 3. Project description;
 4. Responses to the “Ramsey County Equitable Development and Livability” questions (Attachment A);
 5. Acknowledgment letter (Attachment B);
 6. Lobbying certification form (Attachment C);
 7. Development and financing team;
 8. Project schedule;
 9. Financial analysis/Underwriting report;
 10. Applicant’s financial statements;
 11. Detailed project budget;
 12. Sources and uses of funds statement;
 13. Commitment letters from other lenders and funders;
 14. Architectural drawings, if applicable;

15. Sworn construction cost statement, if applicable;
16. Bids and specifications, if applicable;
17. Site improvement plans, if applicable;
18. Scope of work;
19. Photos of project site;
20. Evidence of site control, unless for acquisition under special circumstances;
21. The qualification forms and complete financial information. This includes the Qualifications of Service Provider, when applicable;
22. Operating expense projections;
23. 15-year proforma projections;
24. Market feasibility analysis/plan;
25. Detailed housing unit breakdown;
26. Occupancy/fill projections;
27. Tenant data;
28. Zoning and land use documentation from local municipality, if applicable;
29. Resolution or letter of support from local municipality; and
30. 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 telephone numbers 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

The County will use the HRA levy to address the longstanding housing crisis that has intensified due to the COVID-19 pandemic and the resulting economic downturn. Starting in 2022, funds collected will provide a sustainable resource to address the existing housing crisis by helping preserve and create affordable housing for County residents. Projects that commit to deeply affordable housing and wealth creation opportunities will be prioritized. Funds are available to be used Countywide, including within the City of Saint Paul.

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 acquisition, new construction, or rehabilitation of affordable rental housing. 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.

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 Census Tract](#) 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 make sure to apply using the [2022 CDBG: Public Infrastructure and Services application](#).

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

1. benefit low- and moderate-income persons;
2. prevention or elimination of slums or blight; or

3. 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.

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

E. General Obligation Bonds

Ramsey County bonds are secured by the County's general obligation, full faith and credit pledge, and power to levy direct, general ad valorem taxes on all taxable property within its borders. Bond proceeds will be used to finance various capital improvement projects in the County's capital improvement plan.

F. HOME-ARP

Ramsey County HOME American Rescue Plan Program ("HOME-ARP") is designed to provide funding to developers and owners of multifamily properties for the production of new affordable housing units, the acquisition, development, conversion and rehabilitation of affordable permanent supportive housing within the County. The County may use its allocation of HOME-ARP from HUD to fund the following activities:

1. Acquisition, development, conversion, and rehab of supportive housing; or
2. Development of new units affordable at 30% AMI

For additional information on HOME-ARP requirements, please visit: [HOME-ARP Program | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](https://www.hud.gov/programs/home-arp/)

For more information on the County's public consultation process for HOME-ARP funds please read the 2021 [community engagement report](#). Projects that connect to the recommendations will be prioritized.

G. Environmental Response Fund (ERF)

The Environmental Response Fund ("ERF") grant program, funded by the County's allocation from HUD, provides resources to offset the cost of environmental assessment and cleanup. Applicants should discuss their clean-up and environmental mitigation needs in their project description and throughout their application. More information can be found here:

<https://www.ramseycounty.us/businesses/property-development/property-development-programs-incentives/environmental-response-fund>

III. Pass/Fail Review of Eligibility Requirements:

Projects must fall into the categories listed below to be eligible for funding and be passed on to the evaluation team for scoring:

A. Eligible Housing Types (scored as Pass/Fail)

1. Permanent general occupancy rental housing for extremely low to moderate-income renters;
2. Permanent supportive housing; or
3. Permanent owner-occupied housing for low-to-moderate income homebuyers.

B. Eligible Projects (scored as Pass/Fail)

1. Have a minimum of four units (unless for single-family acquisition development or rehabilitation); or
2. Can be scattered site buildings on different tracts of land if the project is 100% rent and income-restricted

IV. Funding Requirements

Funding requirements 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 must demonstrate and satisfy the following feasibility requirements in their application:

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 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.
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:
 - Eligibility, including project feasibility and other requirements;
 - Financial Capacity;
 - 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 must demonstrate and satisfy the following capacity requirements 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](#), the [Deeply Affordable Housing Initiative's Engagement Report](#), and the [Ramsey County Strategic Plan](#) for the County's goals and priorities.

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 requirements attached to specific funding sources and a desire to see as many deeply affordable housing units produced as possible,, other considerations include:

1. Rent and income limits;
2. Design standards; and
3. Site control.

1. Rent and Income Limits

The County requires rent and income limits consistent with those specified in the owner's application, and if applicable as underwritten by County CED staff for selected projects, provided that they are not higher than applicable program statutes.

2. Design Standards

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.

3. 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.

Under special circumstances immediate site control may not be required when applying for site acquisition dollars. Please check in with County CED staff to discuss if you are considering applying for single-family site acquisition.

V. Application Review

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

A. Minimum selection criteria:

Pass/fail criteria met

B. Applications will be reviewed for the above criteria before moving on to final scoring. Ineligible projects will not be scored. Selected projects will be scored based on the following criteria:

1. Project Feasibility and Financial Capacity (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.

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

- A. 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.
- B. 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 Jules Atangana at 651-413-4975 or jules.atangana@o.ramsey.mn.us