

PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE

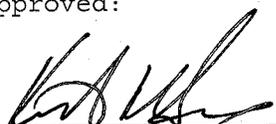
14-0215R

RESOLUTION OF INTENT TO SUPPORT THE REQUEST BY GRANT CARLSON TO THE STATE OF MINNESOTA FOR THE AWARD OF LOW-INCOME HOUSING TAX CREDITS FOR THE HISTORIC BURNHAM APARTMENTS PROJECT.

CITY PROPOSAL:

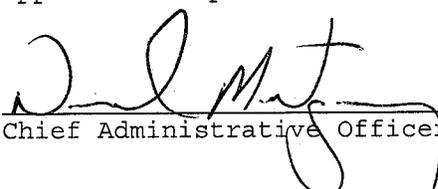
RESOLVED, that the Duluth city council hereby expresses its support for Grant Carlson's request for funding to the Minnesota housing finance agency for low-income housing tax credits for the Burnham Apartments project, a redevelopment of the former St. Louis County jail building.

Approved:



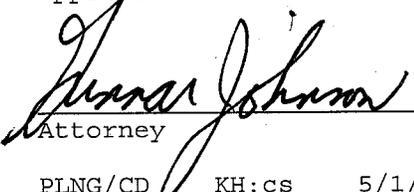
Department Director

Approved for presentation to council:



Chief Administrative Officer

Approved as to form:



Attorney

Approved:



Auditor

PLNG/CD KH:cs 5/1/2014

STATEMENT OF PURPOSE: This resolution expresses the city council's support of an application to be submitted to the Minnesota Housing Finance Agency (MHFA) by Grant Carlson for low-income housing tax credits that may be awarded by MHFA for the proposed Burnham Apartments project, the redevelopment of the former St. Louis County jail building. The deadline for the submission of the application is June 10, 2014. The request is for an estimated \$5,134,629 in housing tax credit financing. Total cost for the entire redevelopment project is estimated at \$7,213,100. The developer claims 70 points on the "Self-Scoring Worksheet 2014/2015 Housing Tax Credit Program", which MHFA uses to select projects to be awarded credits. MHFA intends to finalize their funding decisions on October 23, 2014.

Located at 521 West Second Street, the project proposes the redevelopment of the existing historic jail building into 37 units (28 0-bedroom, 5 1-bedroom, 3 2-bedroom and 1 3-bedroom units) of affordable rental housing. There are 12 on-

site parking spaces available to tenants, with additional parking, walking and bus transportation options nearby. The developer anticipates other sources of funding for the project to be \$1,031,093 in federal historic tax credits; \$987,216 in State of MN historic credits; \$200,000 mortgage debt; \$252,000 in other local support; and \$225,000 in State Legacy Grant funds that have been used to stabilize the structure.

MHFA requires applicants for housing projects in Duluth to receive the support of the city council, with a finding that redeveloping the former St. Louis County jail into affordable Burnham Apartments is a priority for the city of Duluth, and that it meets a locally identified housing need.

Project Narrative
521 West 2nd Street

This application is for the redevelopment of a historic building at 521 West 2nd Street in Duluth Minnesota. The project includes 37 units of affordable housing units designated towards income limited populations that have a desire to live in the downtown Duluth area. The site includes 12 on site parking spots available to occupants with additional parking, walking, and bus transportation options nearby. The project budget of 7.2MM renovates the 34,000 historic structure at a price of \$194,000/housing unit which is financed with significant private equity and sustainable long term debt. 521 West 2nd street has benefited from significant community support, including a \$225,000 legacy grant that was awarded to the project in 2010 in order to stabilize the once neglected structure. Today the historic building stands ready for development if it gains the support of the city and state for low income housing tax credits.

Use of Funds	Budget Item	Cost	Cost/SF	Cost/Unit				
	Acquisition	\$575,000						
	Historic Rehab	\$4,100,000						
	General Requirments (4%)	\$184,000						
	Bullder's Profit (5%)	\$205,000						
	Bullder's Overhead (5%)	\$205,000						
	Total Historic Rehab	\$4,874,000						
	Construction Contingency (10%)	\$487,400						
	Exterior Stablization (Legacy Grant)	\$225,000						
	Architctual	\$200,000						
	Marketing	\$20,000						
	Surveys	\$12,000						
	Payment and Performance bond	\$0						
	SAC WAC Fees	\$0						
	Appraisal	\$3,000						
	Envlrmmental Asseement	\$15,000						
	Cost Certification	\$5,000						
	Market Study	\$2,500						
	Tax Credit Fees (7% of TC)	\$36,000						
	Furnishing and Equipment	\$35,000						
	Legal Fees	\$75,000						
	Printing/City Approvals/Consultants	\$15,000						
	Historic Registration and Consulting	\$14,000						
	Total Soft Costs	\$432,500						
	Developer Fee	\$450,000						
	Builder's Risk	\$20,000						
	Real Etsate Taxes	\$10,000						
	Inspection Fees	\$38,000						
	Origination Fees MHFA LMIR	\$12,500						
	Origination Fees TIF	\$15,000						
	MHFA Mortgage Premium	\$700						
	Title and Recording	\$20,000						
	Bridge Loan Interest	\$125,000						
	Lender 3rd party	\$40,000						
	Total Financing Costs	\$281,200						
	Rent Up Fees	\$6,000						
	Letters of Credit	\$2,000						
	Operating Reserves	\$100,000						
	Total Non-Mortgage Costs	\$108,000						
	Totals	\$7,213,100	\$212	\$194,949				

	LIHTC		HTC		
	Total	%	Basis	%	Basis
Total Aquisition	\$650,000	0%	\$0	0%	\$0
Total Historic Rehab	\$4,674,000	100%	\$4,674,000	100%	\$4,674,000
Construction Contingency (10%)	\$467,400	100%	\$467,400	100%	\$467,400
Exterior Stabilization	\$225,000	0%	\$0	0%	\$0
Architectural	\$200,000	100%	\$200,000	91.81%	\$183,620
Marketing	\$20,000	0%	\$0	0%	\$0
Surveys	\$12,000	100%	\$12,000	91.81%	\$11,017
Payment and Performance bond	\$0	0%	\$0	91.81%	\$0
SAC WAC Fees	\$0	0%	\$0	91.81%	\$0
Appraisal	\$3,000	100%	\$3,000	91.81%	\$2,754
Envrimental Assesment	\$15,000	100%	\$15,000	91.81%	\$13,772
Cost Certification	\$5,000	100%	\$5,000	91.81%	\$4,591
Market Study	\$2,500	100%	\$2,500	91.81%	\$2,295
Tax Credit Fees (7% of TC)	\$45,000	0%	\$0	0%	\$0
Furnishing and Equipment	\$35,000	100%	\$35,000	0%	\$0
Legal Fees	\$50,000	100%	\$50,000	91.81%	\$45,905
Printing/City Approvals/Consultants	\$10,000	100%	\$10,000	91.81%	\$9,181
Historic Registration and Consulting	\$15,000	100%	\$15,000	0%	\$0
Total Soft Costs	\$412,500		\$412,500		\$273,135
Developer Fee	\$450,000	100%	\$450,000	91.81%	\$413,145
Builder's Risk	\$20,000	100%	\$20,000	91.81%	\$18,362
Real Etsate Taxes	\$10,000	100%	\$10,000	91.81%	\$9,181
Inspection Fees (1%)	\$45,000	100%	\$45,000	91.81%	\$41,315
Origination Fees MHFA LMIR	\$12,500	0%	\$0	0%	\$0
Origination Fees TIF	\$15,000	0%	\$0	0%	\$0
MHFA Mortgage Premium	\$700	0%	\$0	0%	\$0
Title and Recording	\$25,000	100%	\$25,000	91.81%	\$22,953
Bridge Loan Interest	\$150,000	100%	\$150,000	91.81%	\$137,715
Lender 3rd party	\$40,000	100%	\$40,000	91.81%	\$36,724
Total Financing Costs	\$318,200		\$290,000		\$266,249
Rent Up Fees	\$6,000	0%	\$0	0%	\$0
Letters of Credit	\$2,000	0%	\$0	0%	\$0
Operating Reserves	\$100,000	0%	\$0	0%	\$0
Total Non-Mortgage Costs	\$108,000		\$0		\$0
Totals	\$7,213,100		\$6,293,900		\$6,093,929

Total Historic Rehab Costs	\$6,093,929			
Less Land/Building	\$0			
Qualified Basis	\$6,093,929			
Qualifying Expenditures	18%			
Total Federal HTCs	\$1,096,907			
Price Per Credit	\$0.94			
Federal HT Equity	\$1,031,093			
Price Per Credit (state)	\$0.90			
State HTC Equity	\$987,216			

Sources of Funds	Budget		
Mortgage	\$200,000		
Federal HTC Equity	\$1,031,093		
State HTC Equity	\$987,216		
LIHTC Equity	\$4,518,473		
Deferred Developer Fee	\$0		
TIF and/or HRA/CDBG	\$252,000		
Legacy Grant	\$225,000		
Other Gap Financing	\$0		
Total Sources of Funds	\$7,213,783	\$7,213,100	
Budget Gap	-\$683		

Units Sands #'s	Rent/Unit	Monthly Rent/Unit	Annual Gross Rent
Studio	28	\$550	\$15,400
1 Bedroom	5	\$583	\$2,915
2 Bedroom	3	\$698	\$2,094
3 Bedroom	1	\$811	\$811
Total	37		\$21,220
Estimated NOI			\$63,660

Self-Scoring Worksheet **2014/2015 Housing Tax Credit Program**

Development Name: Historic Burnham Apartments

Development Location: 521 West 2nd Street

Development City: Duluth

Please note the following:

1. Minimum Point Requirements:
 - Request for Minnesota Housing Finance Agency (Minnesota Housing) administered tax credits from the State's volume cap must demonstrate the project is eligible for not less than 30 points.
 - Request for tax credits in association with Tax Exempt Bonds over and above the State's allocation of Housing Tax Credits must demonstrate the project is eligible for not less than 30 points.
2. Documentation of Points:
 - Indicate the selection and/or preference priority points expected for your project. Where multiple points per section are available please check the appropriate box () for points claimed. **Attach directly to this self-scoring worksheet, a separate detail sheet and documentation that clearly supports points claimed. Minnesota Housing will determine actual selection points awarded – points will not be awarded unless documentation is provided along with the application to justify the points claimed.**
3. Extended Duration:
 - All projects with the exception of those obtaining tax credits in association with Tax Exempt Bonds over and above the State's allocation of Housing Tax Credits must maintain the duration of low-income use for a minimum of 30 years. The owner agrees that the provisions of IRC §§ 42(h)(6)(E)(i)(II) and 42(h)(6)(F) (which provision would permit the owner to terminate the restrictions under this agreement at the end of the compliance period in the event Minnesota Housing does not present the owner with a qualified contract for the acquisition of the project) do not apply to the project, and that the Section 42 income and rental restrictions shall apply for the period of 30 years beginning with the first day of the compliance period in which the building is a part of a qualified low income housing project.
4. Design Standards:
 - The project must meet the requirements in the Minnesota Housing Finance Agency Rental Housing Design/ Construction Standards and be evidenced by a Design Standards Certification form executed by the owner and architect. Additional design requirements will be imposed if Large Family Housing points are claimed/awarded or points are claimed/awarded which require specific design elements (i.e. High Speed Internet).
5. A Declaration of Land Use Restrictive Covenants:
 - Covering the rent restrictions and occupancy requirements presented at selection must be recorded against the property.

ROUND 1 – MINIMUM THRESHOLD REQUIREMENTS

For applications submitted in Round 1, all applicants statewide must meet one of the following threshold types. Please indicate the Threshold item you meet:

A. In the Metropolitan Area:

1. New construction or substantial rehabilitation in which, for the term of the extended use period (term of the Declaration of Land Use Restrictive Covenants), at least 75 percent of the total tax credit units are single room occupancy units with rents affordable to households whose income does not exceed 30 percent of the area median income.
2. New Construction or substantial rehabilitation family housing projects that are not restricted to persons 55 years old or older in which, for the term of the extended use period (term of the Declaration of Land Use Restrictive Covenants), at least 75 percent of the total tax credit units contain two or more bedrooms and at least one-third of the 75 percent contain three or more bedrooms; or
3. Substantial rehabilitation projects in neighborhoods targeted by the city for revitalization.

B. Outside the Metropolitan Area:

1. Projects which meet a locally identified housing need and which are in short supply in the local housing market as evidenced by credible data such as local council resolution submitted with the application. (For Threshold Letter – Sample Format, see HTC Procedural Manual, Reference Materials Index.)

C. Projects that are not restricted to persons of a particular age group and in which, for the term of the extended use period (term of the Declaration of Land Use Restrictive Covenants), a percentage of the units are set aside and rented to persons:

1. with a serious and persistent mental illness as defined in Minnesota Statutes § 245.462, Subdivision 20, paragraph (c);
2. with a developmental disability as defined in United States Code, Title 42, Section 6001, paragraph (5), as amended;
3. who have been assessed as drug dependent persons as defined in Minnesota Statutes § 254A.02, Subdivision 5, and are receiving or will receive care and treatment services provided by an approved treatment program as defined in Minnesota Statutes § 254A.02, Subdivision 2;
4. with a brain injury as defined in Minnesota Statutes § 256B.093, Subdivision 4, paragraph (a); or
5. with permanent physical disabilities that substantially limit major life activities, if at least 50 percent of the units in the project are accessible as provided under Minnesota Rules Chapter 1341.

D. Preserve Existing Subsidized Housing:

1. Projects, whether or not restricted to persons of a particular age group, which preserve existing subsidized housing, if the use of tax credits is necessary to (1) prevent conversion to market rate use or (2) to remedy physical deterioration of the project which would result in loss of existing federal subsidies; or

E. Rural Development:

1. Projects financed by Rural Development, which meet statewide distribution goals.

1. Household Targeting 3 to 10 Points

3

Choose one of the following:

Large Family Housing - The proposal is for a project that provides family housing that is not restricted to persons 55 years old or older. At least 75 percent of the total tax credit units must contain two or more bedrooms. The tenant selection plan must give preference to families with minor children. – **10 Points**

Single Room Occupancy Housing - At least 50 percent of the total tax credit units must be one bedroom or less with rents affordable to households whose incomes do not exceed 30 percent of AMI. – **10 Points**

Special Populations - At least 25 percent of the total units are set aside and rented to special populations* – **10 points**

X **Special Populations** - At least 10 percent of the total units are set aside and rented to special populations* – **3 points**

***Special Populations** – Projects that are not restricted to persons of a particular age group and in which, for the term of the extended use period (Declaration of Land Use Restrictive Covenants), a percentage of the units are set aside and rented to persons with the following disabilities:

- (a) a serious and persistent mental illness as defined in Minn. Stat. § 245.462, subdivision 20, paragraph (c);
- (b) a developmental disability as defined in United States Code, Title 42, Section 6001, paragraph (5), as amended;
- (c) assessed as drug dependent as defined in Minn. Stat. § 254A.02, subdivision 5, and are receiving or will receive care and treatment services provided by an approved treatment program as defined in Minn. Stat. § 254A.02, Subdivision 2.
- (d) a brain injury as defined in Minn. Stat. § 256B.093, Subdivision 4, paragraph (a); or
- (e) permanent physical disabilities that substantially limit major life activities, if at least 50 percent of the units in the project are accessible as provided under Minnesota Rules Chapter 1341.

The applicant must contact the human services department for the county where the project will be located to discuss the proposal. The applicant must submit a letter from the human services department indicating that its staff has reviewed the proposed project, and stating whether there is a need for such housing and if the project would be eligible for funds to assist with the social service needs of the residents.

In addition, if the project will be delivering supportive services to residents in these units, the applicant must complete and submit the Supportive Housing application materials, including the narratives, forms and submittals identified in the Common Application for Multifamily Rental Housing Resources.

2. Strategically Targeted Resources
10 to 12 Points

10

X The proposal is for the rehabilitation of an existing structure – **10 points**

Note that for all HTC rehabilitation proposals:

- the amount of rehabilitation must exceed:
 - a) \$5,000 per low-income unit for the project; and the greater of
 - b) \$6,400 qualified basis per low-income unit per building [as annually increased by cost of living adjustment per Section 42(e)(3)(D)]; or
 - c) 20 percent of the adjusted basis.

A qualified preservation project that received full points for “Preserves Federally Assisted Low Income Housing” may qualify if rehabilitation exceeds the greater of (b) or (c) above.

Calculation is based on rehabilitation hard costs and cannot include intermediary costs or soft costs identified in the application; plans and/or scope of work provided at the time of application.

The rehabilitation proposal is part of a community revitalization or stabilization plan – **2 additional points**

Must be evidenced by a letter from the city verifying that the proposed project is part of an approved community revitalization area as established by resolution or other legal action.

OR

The proposal is for new construction and will utilize existing sewer and water lines without substantial extensions – **10 points**

3. Economic Integration
2 to 5 Points

0

The proposed housing provides project economic integration by providing at least 25 percent but not greater than 80 percent of the total units in the project as qualified HTC low income units (does not include full-time manager or other common space units) * - **2 points**

OR

To promote economic integration, projects are awarded points for being located in higher income communities that are close to jobs (link to the methodology description, maps and census tract list).

The proposed housing is located in a census tract eligible for **3 point**

The proposed housing is located in a census tract eligible for **5 points**

Economic integration areas maps and census tract listing are found on Minnesota Housing’s website: http://www.mnhousing.gov/idc/groups/public/documents/webcontent/mhfa_012464.pdf . Additionally, find economic integration area map overlays in the agency’s community profiles interactive mapping tool (<http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1358904882055&pagename=External%2FPage%2FEXTStandardLayout>).

4. Workforce Housing Communities
5 Points

5

Points are awarded for projects located in or near a city or township needing workforce housing (having a large number of jobs or job growth). In this QAP the communities identified for the "Top Growth" communities in the 2013 QAP will continue to receive priority points in the 2014/2015 QAP. In the metropolitan area, project locations must be within 5 miles of a workforce housing city or township. In Greater Minnesota, project locations must be within 10 miles of a workforce housing city or township. (Workforce Housing Communities list and maps)

http://www.mnhousing.gov/idc/groups/public/documents/document/mhfa_012445.pdf Additionally, find proximity to workforce housing in the agency's community profiles interactive mapping tool (<http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1358904882055&pagename=External%2FPage%2FEXTStandardLayout>).

NOTE: A development can only receive points in this scoring section under either the 2013 "Top Growth" Communities criteria or the 2014/2015 Workforce Housing Communities criteria, and cannot receive points under both criteria.

5. Federal/Local/Philanthropic Contributions
2 to 10 Points

10

Points are awarded for projects that are receiving contributions from the federal government; a local unit of government; an area employer; and/or a private philanthropic, religious or charitable organization.

Identity of Interest exclusion: Contributions from any part of the ownership entity will be considered general partner cash and excluded from the calculation unless the contributions are awarded by local units of government or nonprofit charitable organizations pursuant to a funding competition.

Total federal/local/philanthropic contributions \$_____ divided by Total Development Cost \$_____ equals (rounded to the nearest tenth)

x 20.1% and above – 10 points	5.1 – 10% – 4 points
15.1 – 20% – 8 points	2.1 – 5% – 2 points
10.1 – 15% – 6 points	0 – 2% – 0 points

Federal/Local/Philanthropic Contributions include:

- Monetary grants/donations
- Tax increment financing - calculate Net Present Value (NPV) by using NPV discounted by Applicable Federal Rate (AFR)
- Tax abatement (calculate NPV by using NPV discounted by AFR)
- Land donation or city write down of the development site
- In-kind work and materials donated at no cost
- Local government donation/waiver of project specific costs, assessments or fees (eg. SAC/WAC)
- Reservation land not subject to local property taxes
- Reservation land with long-term low cost leases
- Deferred loans with a minimum term that is co-terminus with the HTC Declaration with an interest rate at or below the AFR
- Grants from nonprofit charitable organizations converted to deferred loans with a minimum term that is co-terminus with the HTC Declaration with an interest rate at or below the AFR. Award letter from the nonprofit charitable organization contributor must be provided at the time of application verifying the project specific (restricted) contribution
- Below Market Interest Rate (BMIR) Loans –calculate NPV based on the difference between the AFR and the BMIR rate (eg. RD 515, NHASDA first mortgage).
- Historic Tax Credits

To qualify for points for tax increment financing or tax abatement, there must be satisfactory documentation that the contribution is committed to the development at the time of application.

At the time of application, written documentation from the contributor justifying the amount and the terms of the contribution must be provided and be consistent with current market comparable costs. The documentation must be in the form of a project specific letter of intent, city or council resolution, letter of approval, statement of agreement or eligibility, or memorandum of understanding. In the case of Historic Tax Credits, at the time of application written documentation of eligibility through evidence of Historic Register listing or approval of **Part 1**—Evaluation of Significance.

Within 6 months of the date of selection (Minnesota Housing Board selection date) the applicant must provide Minnesota Housing with documentation of a firm commitment, authorization or approval of the federal/local/philanthropic contribution(s). The documentation must state the amount, terms and conditions and be executed or approved at a minimum by the contributor. Documentation containing words synonymous with “consider” or “may”, (as in “may award”) regarding the contribution, will not be considered acceptable. Lack of acceptable documentation will result in the reevaluation and adjustment of the tax credits or RFP award, up to and including the total recapture of tax credits or RFP funds.

Minnesota Housing shall award points to applicants who have secured funding **commitments** for one or more permanent funding sources at the time of application except that commitments for funding from Minnesota Housing and Funding Partners (i.e. Minnesota Department of Employment and Economic Development, Family Housing Fund, Greater Minnesota Housing Fund, Metropolitan Council Local Housing Incentive Account) are only included if obtained in a previous funding cycle/round.

Commitment documentation must state the amount, terms and conditions and be executed or approved by the lender or contributor and the applicant. Documentation containing words synonymous with "consider" or "may", (as in "may award") regarding the commitment will not be considered acceptable. Deferred Developer fee is not considered a permanent source of funding.

The calculation below must exclude first mortgage financing and any anticipated proceeds from the current tax credit request.

Syndication proceeds from tax credits awarded in a previous cycle/round may be included if verification is included in the application. Acceptable verification is an executed syndicator agreement or executed Letter of Intent from the syndicator which is acceptable to Minnesota Housing;

The executed Letter of Intent must:

- Be current within 15 days of submission of the application
- Contain a projected closing date for the development
- Contain a projected equity price for the purchase of the credit
- Contain a detailed explanation of the assumptions being used by the syndicator to arrive at the projected equity price

Total eligible funding secured, awarded or committed (excluding first mortgage financing and any anticipated proceeds from the current tax credit request) \$2,243,309 Divided by Total Development Cost (excluding first mortgage financing and any anticipated proceeds from the current tax credit request) \$7,213,100 equals Percentage of Funds Committed 31% (round to nearest tenth)

- 70% or more of funding secured, awarded or committed – **14 points**
- 60% to 69.9% of funding secured, awarded or committed – **12 points**
- 50% to 59.9% of funding secured, awarded or committed – **10 points**
- 40% to 49.9% of funding secured, awarded or committed – **8 points**
- X 30% to 39.9% of funding secured, awarded or committed – **6 points**
- 20% to 29.9% of funding secured, awarded or committed – **4 points**
- 10% to 19.9% of funding secured, awarded or committed – **2 points**
- 9.9% and below of funding secured, awarded or committed – **0 points**

7. Intermediary Costs (Soft Costs)
1 to 6 Points

6

Points will be given to projects with the lowest intermediary costs on a sliding scale based on percentage of total development costs. For HTC selected projects, this percentage will be enforced at issuance of the IRS Form 8609.

Intermediary cost amount: \$ 1,081,700 divided by Total Development Costs \$ 7,213,100 Equals Intermediary Percentage 15 % (rounded to the nearest tenth).

0 .0 – 15% – **6 points**

25.1 – 30% – **1 point**

15.1 – 20% – **3 points**

30.1 & over – **0 points**

20.1 – 25% – **2 points**

8. Unacceptable Practices
-10 to -25 Points

0

Minnesota Housing will impose penalty points for unacceptable practices as identified in Chapter 3 G. of the Housing Tax Credit Procedural Manual.

9. Eventual Tenant Ownership
1 Point

0

The proposal must include a financially viable plan to transfer **100 percent** of the HTC unit ownership after the end of the 15-year compliance period from the initial ownership entity (or Minnesota Housing approved "Transfer of Ownership") of the project to tenant ownership.

The unit purchase price at time of sale must be affordable to buyers with incomes meeting HTC eligibility requirements. To be eligible, the buyer must have an HTC qualifying income at the time of initial occupancy (HTC rental tenant) or time of purchase. The plan must incorporate an ownership exit strategy and the provision of services including homeownership education and training. The Declaration of Land Use Restrictive Covenants will contain provisions ensuring compliance with these home ownership program commitments by the Owner. (Refer also to Chapter 4 W of the HTC Procedural Manual for additional information.)

Until the time the HTC units are purchased by qualified tenants or in the event the HTC units are not acquired by qualified tenants, the owner will extend the duration of low-income use for the full extended use period (30 years). – 3 points

The proposal addresses a temporary housing priority and is eligible for the award of points by the Commissioner or the Board of the Minnesota Housing Finance Agency pursuant to authority cited in the Rules of the Minnesota Housing Finance Agency.

(Note: Points cannot be taken in this section for a Temporary Priority if a priority section has been specifically created for it elsewhere in this self-scoring worksheet.)

Priority is given to applications proposing to acquire and rehabilitate a “Foreclosed Property” (A home or residential property has been foreclosed upon if any of the following conditions apply: a) the property’s current delinquency status is at least 60 days delinquent under the Mortgage Bankers of America delinquency calculation and the owner has been notified of this delinquency, or b) the property owner is 90 days or more delinquent on tax payments, or c) under state, local, or tribal law, foreclosure proceedings have been initiated or completed, or d) foreclosure proceedings have been completed and title has been transferred to an intermediary aggregator or servicer that is not an NSP grantee, subrecipient, contractor, developer, or end user.) or are located in a Foreclosure Priority Area identified by Minnesota Housing. In cases where the project involves a “Foreclosed Property”, the proposed project cannot be a conversion (adaptive reuse/conversion to housing from another use).

The project must consist of a minimum of 12 units and all units must be located on one parcel or contiguous site.

Points may be claimed for only one of the following (maximum of ten (10) points):

For applications proposing to acquire and rehabilitate a Foreclosed Property or redevelop vacant land involved in a foreclosure action which is located in one of the designated Foreclosure Priority Areas. – **10 points**

For applications proposing to acquire and rehabilitate a Foreclosed Property or redevelop vacant land involved in a foreclosure action which is not located in one of the designated Foreclosure Priority Areas. – **5 points**

For applications proposing a project to acquire and rehabilitate a property that is located in one of the designated Foreclosure Priority Areas. – **5 points**

For applications proposing to acquire and rehabilitate a project which has been foreclosed, applicant must provide at the time of application;

- Evidence of applicant’s ownership rights to the property
- Narrative which clearly identifies (1) the number of tenant leases which are valid and in force and (2) the terms and conditions of those leases which would have a direct impact on Minnesota Housing’s analysis and underwriting of the project proposed in the application.

Note: Failure to acquire good title to the property will result in the reevaluation and adjustment of the tax credits or RFP award, up to and including the total recapture of tax credits or RFP funds.

Foreclosure Priority Areas maps and zip code listing are found on Minnesota Housing’s website: http://www.mnhousing.gov/idc/groups/public/documents/webcontent/mhfa_012465.pdf . Additionally, find foreclosure priority area map overlays in the agency’s community profiles interactive mapping tool (<http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1358904882055&pagename=External%2FPage%2FEXTStandardLayout>).

**11. Preservation of Federally Assisted Units
25 to 40 Points**

0

DEFINITION - Any housing receiving project based rental assistance, operating subsidies, or mortgage interest reduction payments under a U.S. Department of Housing and Urban Development ("HUD") or U.S. Department of Agriculture Rural Development ("RD") program that is not scheduled to sunset or expire.

In order to obtain the related points, the owner shall continue renewals of existing project based housing subsidy payment contract(s) for as long as the assistance is available. Except for "good cause" the owner must not evict existing subsidized residents and must continue to renew leases for those residents.

Imminent Risk of Loss – 30 Points

1. To obtain these points, the existing federal assistance must be at risk of loss within three years of application

date for the following reasons:

Prepayment/opt-out/mortgage maturity and conversion to market rate housing.

Attach evidence (narratives), including eligibility dates, with copies of relevant expiring contracts, loan documents that describe the ability to pre-pay the financing including required approvals and/or penalties AND documentation to fully evidence all of the following:

Location in either a jobs growth area or household growth area (as published by Minnesota Housing); and

Market for conversion evidenced by significant rent differential and low physical vacancy rate (4% or lower) for market rate comparable units (comparable units to be validated by Minnesota Housing at Minnesota Housing's discretion); and

The property's ability to command market rents as evidenced by direct comparison to local market comparable units and amenities. Conversion scenario must result in sufficient additional revenue to support improvements and amenities necessary to match market comparable units.

Minnesota Housing, at its sole discretion, must agree that a market exists for a conversion to market rate housing.

High Risk of Loss – 25 Points

1. To obtain these points, the existing federal assistance must be at risk of loss under one of the following two thresholds:

Contract expiration/opt-out or mortgage maturity/prepayment within six years of application date and the local need for subsidized units can be demonstrated by data evidencing rent-burdened population (as published by Minnesota Housing): Cost Burdened Lower Income Renters You can find this information in the agency's community profiles interactive mapping tool

or

Contract expiration/opt-out or mortgage maturity/prepayment within six years of application date and property is located in either jobs growth area or household growth area (as published by Minnesota Housing); Preservation Geographic Priority Areas

AND

either 2a. or 2b. is true.

2. Reason for high risk of loss:

2a. Substantial physical needs identified by third party assessment to support the following conclusions:
i. As-is condition of property does not meet Minnesota Housing's minimum design standards, and

- ii. Repair/replacement of major physical plant components have been identified which will result in 15+ years sustained operations of federally assisted units, and
- iii. Identified scope of work required to meet minimum design standards exceeds the available reserves.

Attach evidence of most recent REAC score or RD classification, outstanding code violations or other inspection results that threaten sustained operations under the federal assistance.

Attach worksheet showing certification of the costs related to repair or replacement of physical improvements not currently meeting Minnesota Housing's design standards and available reserves.

OR

- 2b. A change in ownership is necessary due to deterioration of capacity as evidenced by threat to units remaining decent, safe, and affordable due to events such as:
 - i. Bankruptcy/insolvency
 - ii. Self determination of diminishing or insufficient capacity by nonprofit board

NOTE: Points cannot be claimed/awarded for both Imminent Risk of Loss and High Risk of Loss.

Number of units preserved – 1-10 additional points

- 1. To obtain these points, score for the appropriate number of federally assisted units proposed for preservation:

- 1a. Metro or Greater Minnesota MSA*

12-30 units – **1 point**

31-60 units – **3 points**

61-100 units – **7 points**

101+ units – **10 points**

* Greater Minnesota MSA (Metropolitan Statistical Area) as defined by HUD: Duluth, St. Cloud, Fargo/Moorhead, Rochester, Mankato, LaCrosse, Grand Forks, Minneapolis/St. Paul MSA outside of the 7 county metro (including Chisago, Isanti, Sherburne, and Wright Counties)

- 1b. Greater Minnesota / Rural

8-20 units – **3 points**

21-40 units – **5 points**

41+ units – **10 points**

Greater Minnesota MSA's and preservation household and job growth communities' maps and census tract listing are found on Minnesota Housing's website: [Census Tracts](#). Additionally, find these details the agency's [community profiles interactive mapping tool](#)

NOTE: Points cannot be claimed/awarded for Preservation of Federally Assisted Units if points are claimed/awarded for the same units under the Rental Assistance preference priority.

12. Preservation of Existing Housing Tax Credit Units
7 or 10 Points

0

These points are available only to existing Minnesota Housing tax credit projects applying for tax credits from Minnesota Housing's competitive allocation process (consolidated RFP) and qualified tax exempt projects applying for a preliminary determination letter from Minnesota Housing as the credit allocator.

To obtain the related points, the existing tax credit housing must meet all of the following:

1. The development received a Minnesota Housing allocation of housing tax credits and is eligible to exercise their option under the provisions of Section 42(h)(6)(E)(i)(II) and 42(h)(6)(F) (Qualified Contract) within the next 12 months (developments that have exercised their option to opt out under the Qualified Contract process are not eligible for points in this category); and
2. Applicant agrees to maintain the Housing Tax Credit Units in the development for at least 30 years; and
3. The proposal will not result in the displacement of existing low and moderate income residents;
4. The development must claim and be eligible for points under Serves Lowest Income Tenants/Rent Reduction.

AND either 5a. or 5b. is true (check one)

5a **Imminent Risk of Loss –10 points**

Attach evidence including eligibility dates and copies of relevant documents that describe option to file for Qualified Contract and to fully evidence both of the following:

Market for conversion evidenced by significant rent differential and low physical vacancy rate (4% or lower) for market rate comparable units (comparable units to be validated by Minnesota Housing at Minnesota Housing's discretion); and

The property's ability to command market rents as evidenced by direct comparison to local market comparable units and amenities. Conversion scenario must result in sufficient additional revenue to support improvements and additional amenities necessary to match market comparable units.

5b. **High Risk of Loss – 7 Points**

Due to:

Substantial physical needs identified by third party assessment to support the following conclusions:

- i. As-is condition of property does not meet Minnesota Housing's minimum design standards; and
- ii. Repair/replacement of major physical plant components have been identified which will result in 15+ years sustained operations of Housing Tax Credit units; and
- iii. Identified scope of work required to meet minimum design standards exceeds the available reserves.

Attach evidence of most recent UPCS (Uniform Physical Condition Standards) findings, outstanding code violations or other inspection results that threaten sustained operations under the housing tax credit program.

Attach worksheet showing certification of the costs related to repair or replacement of physical improvements not currently meeting the Minnesota Housing's design standards and available reserves.

OR

A change in ownership is necessary due to deterioration of capacity as evidenced by threat to units remaining decent, safe, and affordable due to events such as:

- i. Bankruptcy
- ii. Self determination of diminishing or insufficient capacity by nonprofit board

NOTE: Points cannot be claimed/awarded for both Imminent Risk of Loss and High Risk of Loss.

13. Stabilization
5 Points

0

These points are available only to properties with existing federally assisted units or previously funded by tax credits or deferred loans from Minnesota Housing or Interagency Stabilization Group (ISG) partner funders that are not also claiming points for Preservation of Federally Assisted Units or Preservation of Existing Housing Tax Credit Units.

Applicants must provide narratives to support the approach of a planned, long term and cost effective stabilization that meets all of the following criteria:

Stabilization

1. Suitability for long term stabilization:
 - a. 15 or more years have passed since initial loan closing or most recent tax credit placed in service date; and
 - b. Operating feasibility shows duration of at least 20 years; and
 - c. ISG vote to confirm collaborative funder commitment and feasibility of the development's stabilization proposal;

AND

2. Collaborative relationship in place:
 - a. Property claims and is deemed eligible for the following points:
 - i. Financial Readiness to Proceed - Minimum of 6 points; and
 - ii. Federal/Local/Philanthropic Contributions - Minimum of 8 points;

AND

3. Affordability and Cost Effectiveness:
 - a. Property claims and is deemed eligible for points under preference priority of Serves Lowest Income Tenants/Rent Reduction; and
 - b. Property claims and is deemed eligible for points under preference priority of Cost Containment.

NOTE: Points cannot be claimed in this Stabilization category if points are claimed in the Preservation of Federally Assisted Units or the Preservation of Existing Tax Credit Units categories.

**14. Permanent Housing for Individuals Experiencing Long-Term Homelessness
5 to 110 Points**

5

Minnesota Housing Competitive Round or Tax Exempt Points (“non-Bonus” points) – 5 or 10 Points

“Non-Bonus” points will be awarded to permanent housing proposals in which a minimum of 5% (rounded up to the next full unit) of the total units, but no fewer than 4 units are set aside and rented to households experiencing long-term homelessness as defined in Minnesota Rules, Chapter 4900.3705:

- X 5% to 9.99%, but no fewer than 4 units – **5 points**
- 10% to 49.99%, but no fewer than 7 units – **7 points**
- 50% to 100%, but no fewer than 20 units – **10 points**

Minnesota Housing Competitive Round or Non-Tax Exempt Points (“bonus” points) – 100 Points

100 points (“bonus points”) will be available until a total of \$1,866,000 (estimated 25 percent of Minnesota Housing’s administered credit authority) in tax credits are awarded for qualifying permanent housing proposals for households experiencing long-term homelessness selected in the 2013 Housing Tax Credit competitions. Once this maximum amount is reached, the 100 points (“bonus” points) will no longer be awarded for the remaining 2013 Tax Credit Program competitive funding rounds. If qualified per the requirements of this section, applicants may claim the “bonus points”. Minnesota Housing will make point reductions relating to the “bonus points” funding limits following its review of all applications in the funding round which claim these points. Qualified proposals may earn a maximum of 10 points (“non-bonus” points) and may continue to compete in the appropriate set-aside.

To receive points under this category, the proposal must meet all of the following conditions:

- a) the applicant must complete and submit the Supportive Housing application materials, including the narratives, forms and submittals identified in the Common Application for Multifamily Rental Housing Resources; and
- b) the applicant agrees to pursue and continue renewal of rental assistance, operating subsidy, or service funding contracts for as long as the funding is available.

A proposal which is awarded scoring points from this category and is selected to receive tax credits will be required to comply with the Long-Term Homelessness reporting requirements as defined by Minnesota Housing. The Tax Credit Declaration of Land Use Restrictive Covenants, including a specific Rider to the Declaration, will contain performance requirements related to these long-term homelessness units and will be recorded with the property.

**15. High Speed Internet Access
1 Point**

1

The development will provide High Speed Internet access via installation of all appropriate infrastructure and connections for cable, DSL or wireless internet service to every unit in the development. This will be a design requirement if points are taken.

16. Minimizing Transportation Costs and Promoting Access to Transit 2, 4 or 5 Points

Points will be awarded for Transit Oriented Developments or developments that promote Access to Transit.

Metropolitan Area:

To receive 5 Points for Transit Oriented Development in the Metropolitan area, a development must be:

Located within one half mile of a completed or planned LRT, BRT, or commuter rail station

To receive 4 Points for proximity to public transportation in the Metropolitan area, a development must be:

Located within one quarter mile of a fixed route stop on Metro Transit's Hi-Frequency Network

To receive 2 Points for proximity to public transportation in the Metropolitan area, a development must be:

X Located within one quarter mile of a high service public transportation fixed route stop; or

Located within one half mile of an express bus route stop; or

Located within one half mile of a park and ride; or

Greater Minnesota:

To receive 5 points for promoting access to transit, a development in Greater Minnesota must be:

Located within one quarter mile of a public transportation fixed route stop; or

Located within a census tract that is within 5 miles of 2,000 low and moderate wage jobs for urban census tracts, or within 5 miles of 5,000 low and moderate wage jobs for rural census tracts, **AND** meets **BOTH** of the following:

The proposed housing is within one half mile of at least four different types of facilities listed below.

Attach a map identifying the property location with exact distances to at least four of the following facility types: supermarket/convenience store, public school, library, licensed child care center, usable park space/dedicated walking or biking trails, bank, medical or dental office, post office, laundry/dry cleaner, pharmacy, place of worship, community or civic center that is accessible to residents, arts or entertainment center, police station, fire station, fitness center/gym, restaurant, neighborhood serving retail, office building/employment center; and

The proposed housing has access to demand response/dial-a-ride* services during standard workday hours.

Applicants must provide documentation of access and availability of service and describe how the service is a viable transit alternative that could be used for transportation to work, school, shopping, services and appointments.

To receive 2 Points for promoting access to transit, a development in Greater Minnesota must be:

Located between one quarter mile and one half mile of a public transportation fixed route stop; or

Located within one and one half mile of a park and ride served by fixed route public transportation; or

Located within a census tract that is within 5 miles of 2,000 low and moderate wage jobs for urban census tracts, or within 5 miles of 5,000 low and moderate wage jobs for rural census tracts, **AND** meets one of the following:

The proposed housing is within one mile of at least four different types of facilities listed below.

Attach a map identifying the property location with exact distances to at least four of the following facility types: supermarket/convenience store, public school, library, licensed child care center, usable park space/dedicated walking or biking trails, bank, medical or dental office, post office, laundry/dry cleaner, pharmacy, place of worship, community or civic center that is accessible to residents, arts or entertainment center, police station, fire station,

fitness center/gym, restaurant, neighborhood serving retail, office building/employment center; or

The proposed housing has access to demand response/dial-a-ride* services during standard workday hours.

Applicants must provide documentation of access and availability of service and describe how the service is a viable transit alternative that could be used for transportation to work, school, shopping, services and appointments.

*Minnesota Department of Transportation defines dial-a-ride as: "A demand-responsive service in which the vehicle is requested by telephone and vehicle routing is determined as requests are received. Origin-to-destination service with some intermediate stops is offered. Dial-A-Ride is a version of the taxicab using larger vehicles for short-to-medium distance trips in lower-density subregions".

At the time of application, the applicant must submit a map identifying the location of the project with exact distances to the eligible public transit station/stop and include a copy of the route, span and frequency of service.

Access to transportation maps and census tract listings are found on Minnesota Housing's website: http://www.mnhousing.gov/idc/groups/public/documents/webcontent/mhfa_012466.pdf . Additionally, find these details in the agency's community [profiles interactive mapping tool](#).

17. Smoke Free Buildings
1 Point

1

One (1) point will be awarded for projects that will institute and maintain a written policy* prohibiting smoking in all the units and all common areas within the building/s of the project. The project must include a non-smoking clause in the lease for every household.

Projects awarded a point in this scoring criteria will be required to maintain the smoke-free policy for the term of the declaration.

* The written policy must be submitted with the application and should include procedures regarding transitioning to smoke-free for existing residents and establishment of smoking areas outside of units and common areas if applicable. Consequences for violating the smoke-free policy are determined by owner but must be included in the written policy.

1. Serves Lowest Income Tenants/Rent Reduction

10

5 to 13 Points

Scores are based on gross rent level including utilities before rental assistance. Eligible units must have rents affordable to households whose incomes do not exceed 30 percent or 50 percent of median income without rental assistance.

In addition to the elected income limit of 50 percent or 60 percent AMI for the full term of the declaration (refer to the Minimum Set-Aside), the applicant agrees to maintain deeper rent structuring for which selection points are requested.

Applicants may choose either option 1 or 2, and in addition, option 3 for the development. This selection will restrict rents only (tenant incomes will not be restricted to the 50 percent or 30 percent income level by claiming points in this section).

X Option 1 – A project in which 100 percent of the HTC unit rents representing _____ units are in the county 50 percent HUD area median rent limit – **10 points**

Option 2 – A project in which at least 50 percent of the HTC unit rents representing _____ units are at the county 50 percent HUD area median rent limit – **5 points**

OR

Option 3 – In addition to Option 1 or 2, a project that further restricts 30 percent of the above restricted units to the county 30 percent HUD area median rent limit representing _____ units – **3 additional points**

NOTE: If points are claimed/awarded for this category, then no points may be claimed/awarded from the selection priority category of Rental Assistance for the same units.

IMPORTANT

All 50 percent rent restricted units must meet the 50 percent area median rent for a minimum of five years after the last placed in service date for any building in the property. After the five year period has expired, rent may be increased to the 60 percent rent limit over a three year period with increases not to exceed the amount listed in the table below, provided that more restrictive threshold, selection priority or funding requirements do not apply.

All 30 percent rent restricted units must meet the 30 percent area median rent for a minimum of five years after the last placed in service date for any building in the property. After the five year period has expired, rent may be increased to the 40 percent rent limit over a three-year period with increases not to exceed the amount listed in the table below, provided that more restrictive threshold, selection priority or funding requirements do not apply.

YEAR	30% of 50% Rent Levels	30% of 30% Rent Levels
1 – 5	30% of 50%	30% of 30%
6	30% of 53%	30% of 33%
7	30% of 57%	30% of 37%
8	30% of 60%	30% of 40%

Minnesota Housing will incorporate these restrictions into the Declaration of Land Use Restrictive Covenants. The applicant must demonstrate to sole satisfaction of Minnesota Housing that the property can achieve these reduced rents and remain financially feasible [IRC § 42(m)(2)]. Points are contingent upon financial plans demonstrating feasibility, positive cash flow on a 15-year pro forma and gaining Minnesota Housing management approval (for management, operational expenses, and cash flow assumptions).

2. Rental Assistance
4 to 21 Points

4

Priority is given to an owner that submits with the application a **fully executed binding commitment** (i.e. binding Resolution/binding Letter of Approval from the governing body) for project based rental assistance awarded in accordance with 24 CFR Ch. IX, Section 983.51 or are effectively project based by written contract (e.g. NAHASDA).

The assisted units must be located in buildings on the project site. **For the purpose of this section, if a proposal contains existing project based assisted units, these units will be counted towards meeting required Rental Assistance percentages.**

Rent for assisted units must be at or below Fair Market Rents (or appropriate payment standard for the project area). Receiving these points and agreeing to a minimum number of assisted units does not release owners from their obligations under the Minnesota Human Rights Act and Section 42 prohibiting refusal to lease to the holder of a voucher of eligibility under Section 8 of the United States Housing Act of 1937 because of the status of the prospective tenant as such a holder.

A current request for Minnesota Housing Rental Assistance will not receive Rental Assistance points. A past award of existing Rental Assistance will be counted toward meeting the required percentages. Indicate the applicable combinations of the below components. Points for A, B, C and D cannot be claimed in any combination.

- (A) For developments agreeing to set aside and having the required binding commitment for 100 percent of the total units for project based rental assistance – **17 points**
- (B) For developments agreeing to set aside and having the required binding commitment for at least 51 percent of the total units for project based rental assistance – **13 points**
- (C) For developments agreeing to set aside and having the required binding commitment for at least 20 percent but under 51 percent of the total units for project based rental assistance – **10 points**
- (D) For developments agreeing to set aside and having the required binding commitment for at least 10 percent but under 20 percent of the total units for the project based rental assistance – **6 points**
- (E) For selection components A, B or C above, if, in addition, the above binding commitments are coupled with a binding commitment to provide the project based rental assistance for a minimum 10 year new or remaining contract term – **4 points**
- (F) For selection components A, B or C above, if, in addition, the above binding commitments are coupled with a binding commitment to provide the project based rental assistance for a 4 to 9 year new or remaining contract term – **2 points**

NOTE: If points are claimed/awarded under any of the above, then no points may be claimed/awarded from the preference priority categories of Serves Lowest-Income Tenants/Rent Reduction for the same units.

NOTE: Points cannot be claimed/awarded under the Rental Assistance preference priority if points are claimed/awarded for the same units under the Preservation of Federally Assisted Units selection priority.

- X (G) For developments that cooperatively develop a housing plan/agreement to provide **other** Rental Assistance (e.g. Section 8, portable tenant based, formal recommendation for McKinney Vento Shelter Plus Care rent assistance, or other similar programs approved by Minnesota Housing) to meet the existing need as evidenced at application by a letter of intent signed by both the applicant and the local housing authority or other similar entities – **4 points**

To receive these points, the applicant must comply with all program requirements for the assistance for which priority points were given, including maintaining rents within the appropriate payment standard for the project area in which the project is located for the full compliance and extended use period of the housing tax credits.

As a condition of Carryover or 8609, the applicant must submit a copy of the fully executed contract for the project-based rental assistance to be included in the development.

For project based rental assistance in conjunction with a binding commitment for an “extended term contract” at time of application the applicant must submit a binding commitment for the “extended term contract” for project based assistance for a minimum of 4 or 10 years which is signed by the Local Housing Authority or other similar entity. As a condition of Carryover or 8609, the applicant must submit a fully executed copy of the “extended term contract” for the project based assistance to be included in the development.

For Other Rental Assistance (e.g., Section 8, portable tenant based, formal recommendation for McKinney Vento Shelter Plus Care rent assistance or other similar rent assistance programs approved by Minnesota Housing), at time of application the applicant must submit a letter of intent to cooperatively develop a housing plan/agreement which is signed by the applicant and Local Housing Authority or other similar entity along, with the completed Agreement to Utilize Public Housing and Section 8 Waiting Lists. As a condition of Carryover or 8609, the applicant must submit a fully executed copy of the cooperatively developed housing plan/agreement.

3. QCT/Community Revitalization **0**
1 Point

A point is awarded to projects that are located in a Qualified Census Tract (See Qualified Census Tract – Reference Materials Index) and are part of a concerted plan that provides for community revitalization. This must be evidenced by a letter from the city verifying that the proposed project is part of an approved community revitalization area as established by resolution or other legal action.

4. Cost Containment **4**
4 Points

Four points will be available to the 50% of developments with the lowest costs within each development type/location group (subject to the methodology described in Revised Cost Containment Methodology. Applicants may claim these points and Minnesota Housing will make point reductions following its review of costs for all applications in the funding round.

Applications seeking 4% tax credits for use in conjunction with tax exempt bonds are not eligible to claim points through this Cost Containment priority. Only applications seeking tax credits through Minnesota Housing’s 9% Competitive application process for tax credits are eligible to claim points through this priority.

NOTE: Proposals that believe they have contained their costs should select these points.

Only proposals that claim cost containment points on the self-scoring worksheet and are awarded points through the process described above will receive cost containment points.

CAUTION: If a project receives points under this criterion, failure to keep project costs under the applicable cost threshold will be considered an unacceptable practice and result in negative 4 points being awarded in the applicant’s next tax credit submission.

If developers are concerned about their costs and keeping them within the “applicable cost threshold,” they should not claim the cost-containment points.

TOTAL POINTS	70	
	Developer Claimed	Minnesota Housing Awarded

Under penalty of perjury, Owner hereby certifies the information provided herein is true and accurate.

Name of Owner:

By:	
	(Signature)

Of:	
	(Name of Legal Entity)

Its:	
	(Title) (Managing General Partner)

	(Print or type name of signatory)

Note: During the competition process, Minnesota Housing's review of the submitted self-scoring worksheet is only to validate that the points claimed are eligible, to reduce points claimed if not eligible, and to determine points awarded. Minnesota Housing will not award additional points which are not initially claimed by the Applicant/Owner. Many performance obligations are created by the claiming of certain scoring points. As such, Minnesota Housing cannot and will not assume the position of creating any such performance obligations on behalf of the Applicant/Owner. In addition, applications funded under the Joint Powers Agreement must also comply with the suballocators selection criteria defined in their Qualified Allocation Plan.