

HOPE

Housing Opportunities Enhancement

PROGRAM

**RENTAL HOUSING
APPLICATION**

Please submit applications to:

**Dakota County Community Development Agency
Attn: Kathy Kugel
1228 Town Centre Drive
Eagan, MN 55123**

Be sure to clearly label all attachments.



HOPE APPLICANT INFORMATION

| | | |
|--|---------------|----------------|
| Applicant (Owner) Name: | | |
| Contact Name: | | |
| Applicant Address: | | |
| City: | State: | Zip: |
| Phone: | Fax: | E-mail: |
| Developer Name: | | |
| Development Name: | | |
| Development Address: | | |
| Amount of HOPE funds Requested: | | |
| Proposed Matching Funds (2:1 Match Required): | | |

- Type of Activity: New Construction of Affordable Rental Units
 Acquisition Only of Affordable Rental Units for Preservation
 Rehab of Affordable Rental Units

- Organizational structure of applicant, including state of incorporation. Provide documentation of organizational structure (Certificate of Limited Partnership, Articles of Incorporation, etc.) as **Attachment A:** _____
- Is the developer a related party to the applicant (owner)? Yes No If yes, describe the relationship: _____

- Describe the applicant's experience with projects similar to the proposed project. Provide a list of similar projects the applicant has completed as **Attachment B:** _____

- Development Team- Provide the following information for all members of the development team, including the owner, developer, architect, engineer, general contractor, and attorney as **Attachment C:** Name of Business, Address, Name of Contact Person(s), Title of Contact Person(s), Phone, and E-mail Address. If a member of the development team has not yet been selected, note the timeframe for selection on **Attachment C.**

5. Provide a brief narrative of the project as **Attachment D**. Include information on the size of site and proposed density, number and size of units, style of construction, project amenities, proposed rents, and proposed scope of work if rehab activity.

6. What is the target population for the development? _____

7. What is the length of the affordability period proposed for the project? (Minimum 15 years) _____

8. Provide a map of the site location and nearby services or amenities, including grocery stores, childcare centers, healthcare facilities, parks, schools, pharmacies, restaurants, retail, transit routes or stops, employment opportunities, etc. as **Attachment E**. Mark distances from the site to these amenities.

Is the site within ½ mile of a transit stop or park and ride lot? Yes No

Is there access to 5 or more services/amenities within 1 mile of site or 10 or more within 3 miles?
 Yes No

Does the site provide access to multiple employment opportunities providing moderate income wages (45-80% AMI) within 5 miles? Yes No

9. Describe the need for a HOPE loan to complete the development. List other funding sources that have been or will be applied for that may impact the need for HOPE funding: _____

10. Mark the objective(s) the proposed development will meet and describe the ways it will meet these objective(s):

- Increase access to decent, safe and affordable housing for low/moderate income households
- Improve the condition of existing rental housing stock for low/moderate income households
- Support community redevelopment and revitalization efforts that improve commercial and neighborhood areas
- Increase the capacity to deliver public services primarily for youth, seniors, and the homeless

11. Has site control been obtained? Yes No Attach proof of site control or process and timeframe for obtaining it as **Attachment F**. Include the legal description for the site if not listed on documentation.

12. Is the site currently zoned correctly for the proposed development and has City approval been obtained? Yes No Provide documentation from the city demonstrating the current zoning and approval status as **Attachment G**. If rezoning is necessary or City approval has not been obtained, describe the process and timeframe for accomplishing these tasks.
13. Submit plans or a detailed scope of work as **Attachment H**. If plans are not yet available, describe timeframe for availability.
14. Submit photos of the development if existing or architectural drawings/renderings for new construction as **Attachment I**.
15. Is the applicant requesting a waiver from any of the CDA's design requirements? See CDA Design Requirements as reference.
 Yes No If yes, describe in detail in **Attachment J**.
16. Does the proposed scope of work exceed the CDA's design requirements for any elements?
 Yes No If yes, describe in detail in **Attachment K**.
17. Does the proposed scope of work include any additional energy efficiency measures, alternative energy sources, or other energy or water saving measures? Yes No
If yes, describe in **Attachment L**.
18. Submit a proposed construction schedule as **Attachment M**.
19. Submit a detailed development budget, including hard costs, soft costs, proposed developer fee, financing costs, proposed reserves, and proposed sources and uses as **Attachment N**. If the applicant is planning to apply for an allocation of Low Income Housing Tax Credits, provide the tax credit Workbook and proposed sources and uses as **Attachment N**.
20. Provide a cash flow proforma with an operating budget for the proposed duration of the HOPE loan as **Attachment O**.
21. Will the project require relocation of tenants? Yes No If yes, provide the relocation plan as **Attachment P**.
22. HOPE Fees: The following fees must be paid by the Applicant with respect to the Dakota County Community Development Agency (CDA) HOPE fund:
1. An application fee in the amount of \$1,500 must be submitted with the Application for HOPE funds to the Dakota County CDA.
 2. At, or prior to the HOPE loan closing, the lesser of \$5,000 or 1% of the HOPE loan amount must be remitted to the CDA for administrative expenses related to the HOPE loan review and closing. If administrative expenses, including but not limited to legal review, are anticipated to materially exceed this amount, the CDA may require the applicant to pay the actual amount of costs incurred for such review and closing.

CERTIFICATION

I certify that the information contained in this application and its attachments is true and correct and that it contains no misrepresentations, falsifications, intentional omissions, or concealment of material facts. I also understand that any funding awarded will be in the form of a loan.

Signature of Authorized Official

Date

Name of Authorized Official

Title

HOPE

Housing Opportunities Enhancement

PROGRAM

Information & Application Instructions

The Dakota County **Housing Opportunities Enhancement Program** is designed to provide resources to create or preserve affordable housing throughout Dakota County. Funds are to be used as a source of gap financing that can in turn be used to leverage public and private sector funds for the expansion, preservation, or rehabilitation of affordable housing units. The funds can be used with new construction and /or land acquisition; housing rehabilitation, acquisition or preservation; and indirect or direct assistance with homeownership opportunities.

In order to be considered for funding, applications must meet the following threshold eligibility requirements:

- 1.) **Income Requirements.** Rental projects must serve persons at or below 50% of the county's median income as determined by HUD for the Minneapolis/St. Paul metropolitan statistical area.
- 2.) **Rent Requirements.** Rents are based upon the most current HUD AMI rent schedule for 50 percent, less applicable utility allowance.
- 3.) **Design Requirements.** Design must comply with the CDA's Mandatory Design Standards, unless a waiver is applied for with the application submission and subsequently granted by the CDA. All applicable codes, rules and regulations including but not limited to zoning, building and energy codes, accessibility and other local, state, and federal requirements. Those developments in cities and municipalities, which have not adopted the State Building Codes, must design and construct the development to comply with the State Building Code.
- 4.) **Organizational Capacity.** Applications must be received from a duly created and validly existing corporation, partnership, or other entity. Applicants must also demonstrate that the skills and experience of the development team and the property management team are appropriate to the size and complexity of the project.
- 5.) **Community Review.** At the time an application is submitted for HOPE funding the applicant must include a letter/documentation from the city in which the development is located stating the current zoning and approval status. In addition, the CDA will submit the application to the city for review and comment.
- 6.) **Site Control.** Applicants must provide, at the time the application is submitted, evidence of single owner site control or evidence that the process is in place to imminently obtain site control. Evidence includes: deed of trust, current and executed purchase agreement or sale agreement, current title showing applicant as owner, or option agreement.

- 7.) **Relocation Plan.** If applicable, applicants must show that a relocation plan has been developed to ensure that comparable units within the community are available and the budget is adequate to cover relocation costs.
- 8.) **Leverage.** Applications must be able to demonstrate a minimum of 2:1 leverage, with an exception for supportive housing developments and rehab proposals. These projects may be allowed a 1:1 leverage based on the availability of funding and a CDA underwriting review.
- 9.) **Demonstration of Need.** Applications must be able to support the need for HOPE funding to complete the proposed project. CDA staff will conduct an underwriting review and analysis of proposals to confirm the need for HOPE funding.
- 10.) **Project Feasibility.** The applicant must demonstrate project feasibility based on current housing finance conditions and the ability to complete the project in a reasonable timeframe. CDA staff will review proposals for project feasibility and continue to monitor project feasibility on an ongoing basis.

Funding will be awarded on an open pipeline basis until all funding is exhausted. The maximum available to projects serving the target population may not exceed \$30,000 per unit or a maximum of \$750,000 per development. Funding awarded from the HOPE Program will be in the form of a repayable loan. Terms of the loan will be based on the length of affordability.

The award of HOPE funding is based on the information provided in the application. The CDA retains the right to reject in whole or in part any application for any reason. If you need clarification on the application, please contact Kathy Kugel, Housing Finance Program Coordinator, at 651-675-4478.

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Please make sure all attachments are clearly labeled.