

**2012 AHTF RCA: ATTACHMENT A-2
AFFORDABLE HOUSING TRUST FUND
SELECTION CRITERIA FOR IMPACTED AREAS**

Selection Criteria for Projects in Impacted Areas: The point structure for projects in impacted areas has 18 selection criteria. A proposal needs at least 20 points in two selection criteria (“Financial Soundness and Management” and “Economic Integration”) to meet the minimum point threshold and 86 points in all categories to meet the total point threshold. A proposed project must meet both the minimum and total point thresholds to be considered for funding.

A. Financial Soundness and Management: Up to 25 Points

A project can receive up to 10 points for being underwritten according to the CPED’s underwriting standards (Attachment #5); up to 5 points for the percentage amount of other funding sources which have been secured; up to 5 points for the quality of the management plan, and up to 5 points for the developer’s experience in developing and operating projects of this type.

B. Economic Integration: Up to 20 Points

Project meets the mixed-income goals on basis of percentage of low-income units (affordable to 50% of AMI) to the total number of units.

<u>Percentage of Low-Income Units</u>	<u>Points</u>
20% of total units	15
40%	20
60%	10
80%	5
100%	0

C. Ratio of Soft Costs to Total Project Costs: Up to 15 Points

Points given to projects on a sliding scale of intermediary (soft) costs based on the % of total project costs. For the purposes of this provision, “Costs of Intermediaries” shall be consistent with Minnesota Housing Finance Agency.

<u>% of Total Project Cost</u>	<u>Points</u>
15.1% - 24%	5
0% - 15%	15

D. Family Housing: Up to 15 Points

The project provides family housing whereby 25% or more of the rental units in the project have three or more bedrooms. Points are awarded as follows:

<u>Percentage of Units 3+ BR</u>	<u>Points</u>
At least 25%	5
At least 50%	10
At least 75% or more	15

E. Design Quality and Compatibility: Up to 5 Points

Projects are evaluated to insure quality construction and aesthetically pleasing design which is compatible with the neighborhood will be awarded up to 5 points. The City Planning Department will be part of this review.

F. Provision of Resident Support Services: Up to 10 Points

Preference given to projects that provide resident support services or establish a strong, integrated referral system. Examples of support services include information and referral, advocacy, case management, self-reliance training, formation/existence of a resident association, and community building activities.

System in place to provide support services:

Provide to >50% of households - 10 points

Provide to >25% of households - 8 points

Provide to >10% of households - 6 points

Strong, integrated support referral system:

Provide to >50% of households - 5 points

Provide to >25% of households - 3 points

Provide to >10% of households - 1 point

G. Plan Conformance: Up to 10 Points

Preference to projects that conform to the City of Minneapolis Consolidated Plan, Comprehensive Plan, and/or to any city-adopted neighborhood plan document.

H. Proximity to Transit and Jobs; Density: Up to 20 Points

A. Transit-Oriented Development - The project is located within .50 miles of high service local fixed route transit or within .50 miles of park and rides and transit stops served by express route (10 points)

The project is located within .25 miles of any other transit stop (5 points)

B. Proximity to Jobs – Maximum number of points is 5.

C. Density: Higher Density Development – Maximum number of points is 5.

I. Project-Based Section 8 Program Assistance: Up to 10 Points

Project owner agrees to apply for 1) Project-based Section 8 units and obtains a letter of support from Minneapolis Public Housing Authority, or 2) For other ongoing project assistance such as the HUD Supportive Housing Program.

J. Housing for Homeless (at 30% or less of AMI): Up to 10 Points

Project provides housing units for homeless households; household income must be 30% or less of AMI.

40% of total units at <30% = 10 points

20% of total units at <30% = 5 points

K. Long-Term Affordability: Up to 10 Points

Preference is given to those projects that demonstrate the ability to serve tenants for the longest period of time. The project must either cash flow for the period of proposed affordability or an operating deficit fund must be established at the beginning of the project.

30 years or more	10 points
25 years or more	8 points
20 years or more	5 points
15 years or more	3 points

L. Preservation, Rehabilitation, Stabilization: Up to 10 Points

Project provides preservation, rehabilitation, and stabilization in impacted areas.

M. Senior Housing: Up to 15 Points

Senior independent rental congregate and/or assisted living meeting development goals and objectives of the Minneapolis Senior Housing Policy and which is 100% senior (55 years and older).

N. Neighborhood Support: Up to 5 Points

Proposed project is supported by the recognized neighborhood organization based on review of design and land use issues.

O. Expiring Tax Credits: Up to 5 Points

Proposed project results in preserving long-term affordability of expiring tax credit units.

P. Leverage: Up to 10 Points

Project must leverage additional resources. Total AHTF amount awarded and current AHTF request divided by Total Development Cost equals leverage ratio percentage. At the time of application, written documentation from the other funds justifying the amount and the terms of the contribution must be provided. The documentation must state the amount, terms, and conditions and be executed or approved. Documentation containing words synonymous with "consider" or "may" (as in "may award") regarding the commitment will not be considered acceptable.

<u>Leverage Ratio</u>	<u>Points</u>
0 – 5%	10
5.1% - 10%	5

Q. Community Housing Development Organization: Up to 5 Points

Project is owned, developed or sponsored by a Community Housing Development Corporation (CHDO) as defined by HUD.

R. Commercial or Community Corridor: Up to 15 Points

Preference to projects located on a Commercial Corridor or Community Corridor. The list of Commercial Corridors and the list of Community Corridors are found on Pages 1-27 AND 1-28 (Table 1a and Table 1b) of the Land Use Chapter of the Minneapolis Plan

http://www.minneapolismn.gov/cped/planning/plans/cped_comp_plan_2030_