

# **Multifamily Housing eNews**

March 18, 2020

# **COVID-19: Multifamily Updates**

In light of COVID-19 developments and advice from the Centers for Disease Control and Prevention and Governor Walz, Minnesota Housing is making efforts to practice social distancing and minimize unnecessary social contact to the extent possible. We value your health and safety and that of our agency employees. For this reason we are shifting many of our upcoming meetings and events by either canceling, postponing, or converting to phone calls, depending on the event.

Our mission to provide housing that is affordable to people throughout Minnesota is stronger than ever. To continue advancing that mission, we remain focused on our work with you and all of our partners.

This situation is new for all of us and we want you to know that we are monitoring and evaluating our systems to be flexible and responsive. With most of Minnesota Housing staff working staggered schedules and teleworking, email is the quickest way to reach access us. If you are not able to reach the normally assigned staff, please check the outgoing voicemail message or email auto-reply for back-up instructions. Communication is key, especially as it relates to preparing closings, draws, and any transfers of funds so that we can prepare accordingly and keep business moving forward.

Please see below for updates from Minnesota Housing's Multifamily Division. Thank you to everyone who has been reaching out with questions and working diligently to continue serving the people of Minnesota. We will send additional communication via eNews as we have updates.

In this eNews, you will find information about the following:

Consolidated Request for Proposals (RFP) | Closings

Design and Construction Due Diligence and Draw Meetings

Request for Action (RFAs) | FHPAP, HTF and Bridges Programs | Federal Program Guidance

Asset Management and Portfolio Oversight

## **Consolidated Request for Proposals**

The Consolidated RFP continues to move forward on the previously released timeline (listed below). We are diligently monitoring the situation to determine if any other changes need to be made to the schedule or due dates. Please make sure you and your colleagues are signed up for our RFP eNews list to receive updates. Technical assistance is still being offered and strongly encouraged! To schedule technical assistance, please

contact <u>TechnicalAssistanceRequest.MHFA@state.mn.us</u> and you will be connected with a staff person.

If you have any questions about the Consolidated RFP, email <u>Katie Moore</u>. **Important Consolidated RFP Dates** 

Please note: the application deadlines have been moved to noon.

- Thursday, April 2: Consolidated RFP published in the Multifamily Customer Portal, including Intent to Apply and application materials
- Thursday, May 14 at <u>noon</u>: Intent to Apply deadline required for all Multifamily applications submitted in the Consolidated RFP (date may change based on state legislative actions)
- Thursday, June 4 at noon: Multifamily application deadline

### **Revised Self-scoring Worksheet**

A new version of the Self-scoring worksheet has been posted to the website to correct the following problem with '4% Only' and 'Def with 4%' proposals: in 6.B. Other Contributions category, settings for rounding were counting a calculation of 3.4% in tier d instead of tier e as expected. This was resulting in inflated points on the scoresheet for projects where their calculation = 3.4%. Applicants are encouraged to use the updated version of the worksheet. Contact Katie Moore with questions.

### Closings

The Minnesota Housing Closing team continues to process closings via mail, courier, and limited use of in-office closings. If you have a closing scheduled at Minnesota Housing offices, we will use our largest conference room to help accommodate social distancing. Only essential individuals should attend (such as the signer and the title company representative). At this point, we are allowing flexibility for the developer to make the decision about how the closing occurs

We encourage you to keep working on your closings and get in touch with us and your other funding partners if you have schedule changes. Please reach out to your closing team point of contact if you have more questions. Our shared goal is to keep project closings and draws on track.

## Design and Construction Due Diligence and Draw Meetings

Minnesota Housing's staff architects continue to review design and construction documents as well as monthly draws via email and Portal. If you have an upcoming draw meeting that typically involves a Minnesota Housing representative coming out to the site, we have temporarily halted in-person attendance at draw meetings. However, we have systems in place to continue processing draws and payments.

Please contact the Minnesota Housing staff architect assigned to your project to determine alternative ways to share information regarding work progress for draw processing. Alternative methods may include sending photos of completed work and conducting draw meetings via conference call. Minnesota Housing staff will continue to accept applications for payment, change orders, and draw requisitions electronically.

# Requests for Action (RFAs)

The Request for Action (RFA) team continues to process payoff and loan serving requests as they are received. Submitting the relevant legal documents along with the RFA will help staff process requests more easily while teleworking.

As noted in prior eNews releases, RFA applications for preservation projects that will be submitted in the Consolidated RFP must be received by the RFA team no later than April 3, 2020, to allow the team sufficient time to process your request. For questions, please contact Cheryl Rivinius.

# Family Homeless Prevention and Assistance Program (FHPAP), Housing Trust Fund (HTF), and Bridges Programs

Current grantees of Family Homeless Prevention and Assistance Program (FHPAP), Housing Trust Fund (HTF) and Bridges will soon receive information and guidance from Minnesota Housing about how best to continue serving people in need during this time.

# Federal Program Guidance: Low Income Housing Tax Credits, HOME, and National Housing Trust Funds (NHTF)

The National Council of State Housing Agencies (NCSHA) is working with the Internal Revenue Service (IRS) and the United States Department of Housing and Urban Development (HUD) to obtain additional guidance on federal requirements related to tax credits, HOME, and NHTF funding. NCSHA works with Minnesota Housing and other state housing finance agencies to help represent our needs at the national level. As new information becomes available, we will provide updates.

# Asset Management and Portfolio Oversight Inspections and Operations

- All site visits, inspections, and on-site file audits are postponed until further notice.
   Additional schedule changes will be considered as needed for our amortizing loan,
   deferred loan, and LIHTC portfolio. HUD has suspended standard Management &
   Occupancy Reviews (MORs) for our Project-based Section 8 portfolio until the agency
   determines that local conditions no longer limit or prevent an inspection from being
   performed safely.
- HUD is looking into a flexible model that would allow PBCAs to adapt to local
  conditions in a way that allows them to continue MORs on a modified basis to help
  ensure acceptable conditions in HUD properties. Additional guidance and specifications
  will be forthcoming.

Due to staggered schedules and teleworking, the assigned staff that properties
normally work with may not be directly available, but each team will have coverage to
address Owner/Agent and resident questions. If you are not able to reach the normally
assigned staff, check the outgoing voicemail message or email auto-reply for back-up
instructions.

#### **HUD Information and Resources:** https://www.hud.gov/coronavirus

- HUD is not conducting any REAC inspections or Management & Occupancy Reviews (MORs) nationwide until further notice.
- Check out <u>HUD's Q&A document</u> that addresses guidance for resident re-certifications, inspections, and other frequently asked questions.

### **Resources for Property Management**

- Check out the resources by the <u>National Multifamily Housing Council</u>
- Public housing authorities, landlords, non-profits, and shelters can share relevant Centers for Disease Control and Prevention (CDC) fact sheets to help individuals, families, and staff understand COVID-19 along with steps they can take to protect themselves:
  - What you need to know about coronavirus disease 2019 (COVID-19)
  - What to do if you are sick
  - o Help prevent the spread of respiratory viruses like COVID-19

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