

Housing Assistance Policy

Affordable Housing

3/20/2014

City of Ramsey



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Background

The City of Ramsey is committed to supporting well planned single family, multi-family development and redevelopment as a necessary element to achieve the goals for well-balanced housing inventory meeting the needs of residents during all life stages. The City Council and the Housing and Redevelopment Authority (HRA) of the City of Ramsey have determined that a policy is necessary to review requests for financial assistance related to housing projects to ensure any financially supported project meets Housing Policies of the Comprehensive Plan and housing priorities established by the City and reviewed on a regular basis.

Housing Priorities

To maximize the impact of City and HRA involvement, a priority list was developed by the Ad-Hoc-Sub-Committee of the Planning Commission and is subject to City Council approval. This is a list of priorities that the City believes would qualify for or is in the highest need of assistance, if available. This is not a reflection of the amount of individual types of housing products that the City believes will develop overall.

This list is based off current market conditions, demographics and financial need for assistance. This list will evolve over time, and will be revisited at least annually. With each project completed, the priority for assistance will change. Priorities are listed below:

1. Senior Independent
2. Affordable/Workforce
3. Redevelopment
4. Energy Efficient
5. Rehabilitation of Existing
6. Amenity Rental (market rate)
7. Three plus bedroom Rental
8. Inclusion of Accessory Dwelling Units
9. Executive Single-Family (note: City funding not likely for this product)
10. Senior Skilled Nursing
11. Assisted Living/Memory Care
12. Condominium

Scoring Process

Projects will be scored on a two (2) step process: 1) Minimum Thresholds and 2) Priority Scoring. Priority scoring is divided between *affordable housing projects* (targeting households below 80% of AMI and *market rate housing projects* (targeting households 80% and above AMI.

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All applicants shall meet at least one of the goals and related implementation strategies listed below. Please provide a check mark in the box and on a separate sheet provide a brief explanation as to how the proposed project will meet the goal.

Priority scoring will be used to gauge the quality of the project and used to rank projects in the event of multiple proposals. The City reserves the right to reject any and all applications if it deems necessary.

The amount of funds that may be provided will be based on several factors including:

1. Project meets a housing priority.
2. Ability to meet the minimum thresholds.
3. Priority scoring results and the overall quality of the proposed project.
4. Availability of funding. ~~The City reserves the right to cap the maximum assistance given, if funds are available. City funding (when available) will be capped at \$10,000 per unit.~~ Grant funding will be based on the grant type and related funding.
- 4.5. Third party review. Assistance is subject to third –party financial analysis and a ‘but-for’ analysis. Please contact City Staff for specifics on this analysis. Financial review is subject to look-back provisions traditionally found in Tax Increment Finance (TIF) analysis.

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Project Brief

Please briefly describe your project. This section will be used as general background on the project, and is not intended to be a full analysis of the project. This project description will be used for short marketing pieces if assistance is approved.

Project Details

Number of Units

	Market Rate	80% AMI	60% AMI	50% AMI	30% AMI	Total # of Units
# of Units						

Minimum Threshold:

All applicants must meet one of the following minimum thresholds listed below. These are goals and implementation strategies from the City's Master Housing Plan, adopted as part of the City's 2009 Comprehensive Plan update. Check which threshold best matches your project and describe how your project will meet the implementation strategies.

	Applicant	City
<p>Goal 1: Provide a variety of housing options for people at all life stages and income levels to encourage existing residents, and attract new residents, to stay in Ramsey throughout their lives. Housing opportunities should include a mixture of rental and owner-occupied to provide life-cycle housing choices meeting a full spectrum of demographics. [On a separate sheet please describe how your project will use one of the following implementation strategies to achieve this goal. Word limit = 500 words]</p> <ol style="list-style-type: none"> 1) Work toward developing various senior housing options including independent living, cooperatives, and assisted living facilities, both market rate and affordable. 2) Focus on providing choices for empty-nesters, including aging in place and downsizing, to allow the majority of current residents to stay in Ramsey. 3) Provide opportunities for young adults to continue to live in Ramsey after leaving their parents' homes by supporting the development of quality rental housing. 		

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<ul style="list-style-type: none"> 4) Provide a balanced housing supply, with approximately 90% ownership housing and 10% rental housing, to expand options for workforce housing and housing for young professionals. 5) Continue to develop more affordable single family housing such as condominiums and small-lot single family homes that includes higher architectural variety and quality. 6) Explore opportunities to attract executive level housing to provide a variety of housing choices and opportunities in the City. 		
<p>Goal 2: Revitalize/rehabilitate areas where the housing is aging and in need of repair and where the land is underutilized and/or has potential for future redevelopment consistent with the Comprehensive Plan. [On a separate sheet please describe how your project will use one of the following implementation strategies to achieve this goal. Word limit = 500 words]</p> <ul style="list-style-type: none"> 1) Encourage residents to upgrade the functionality and marketability of their aging housing, and put quality additions on as they need more space. 2) Provide options for residents to subdivide if consistent with and allowed by the Comprehensive Plan. 3) Encourage redevelopment where land has potential for future development consistent with the Comprehensive Plan. 		
<p>Goal 3: Maintain and improve the housing stock to preserve the character and quality of existing neighborhoods. [On a separate sheet please describe how your project will use one of the following implementation strategies to achieve this goal. Word limit = 500 words]</p> <ul style="list-style-type: none"> 1) Encourage the development of homeowner’s associations or common interest communities for areas of older multifamily housing and new subdivisions of smaller lot neighborhoods. 2) Ensure that new housing developments provide appropriate density transition with existing established neighborhoods. 		

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<p>3) Update and enhance design standards for new developments and encourage housing construction that incorporates quality and diverse architecture.</p>		
<p>Goal 4: Provide a development environment that increases residential health and reduces energy consumption. [On a separate sheet please describe how your project will use one of the following implementation strategies to achieve this goal. Word limit = 500 words]</p> <ol style="list-style-type: none"> 1) The development incorporates environmentally sensitive site planning, resource efficient building materials and superior indoor environmental quality practices. 2) The development meets sustainability standards, such as Minnesota Green Star Certification or LEED. 3) Use of sustainable development elements such as the use of storm water management BMP's to manage on site storm water 4) The development incorporates connections to existing pathways and creates natural and safe walkable areas. 		

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Rank Scoring

Affordable Housing Project Scoring –Projects must target occupants that are below 80% AMI

<u>Affordable Housing - Rental:</u>	Applicant Point Allocation	City Point Allocation
Points will be given for units rented at greater affordability levels. Chose 1 (or chose all that apply) and insert total number and percent of units at each affordability level:		
50 40% of units at 60% AMI = 5 points		
50 20% of units at 50% AMI= 5 7 points		
50% of units at 30% AMI= 10 points		

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<u>Long-Term Affordability-Rental:</u>	Applicant Point Allocation	City Point Allocation
Projects that demonstrate the ability to serve tenants for longest period of time. Chose 1 (or chose all that apply) and insert total number of units.		
30 years or more= 10 points		
15- 29 years = 5 8 points		
10-15 years = 3 points (Deed restriction will be required for homes constructed with affordability limits in order to earn points)		

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<u>Affordable Housing- Ownership:</u>	Applicant Point Allocation	City Point Allocation

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Points will be given for homes priced at greater affordability levels. Chose 1 (or chose all that apply) and insert total number and percent of units at each affordability level:		
30% of units between 60 and 80% AMI = 5 points		
30% of units at 60 and below 80% AMI=7 points		
30% of units at 30% or less AMI= 10 points (Proposed affordable lots shall be deed restricted and scattered throughout the development)		

<u>Long Term Affordability-Owner-occupied Housing:</u>	Applicant Point Allocation	City Point Allocation
Projects that demonstrate the ability to serve tenants for longest period of time. Chose 1 (or chose all that apply) and inset total number of units.		
5 years or more= 5 points		
10 years or more= 10 points – (Deed restriction will be required for homes constructed with affordability limits in order to earn points. Lots shall be scattered throughout the development)		

<u>Number of Bedrooms</u> If applicable, insert total number of units:	Applicant Point Allocation	City Point Allocation
At least 25% of units include three + bedrooms = 5 points		
At least 50% of units includes three + bedrooms total units= 10 points		

<u>Development of Senior Housing</u>	Applicant Point Allocation	City Point Allocation
Senior independent (rental or owner-occupied) = 5 points. Insert total number of age restricted units.		

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<i>Specialized Senior Housing:</i>		
At least 25% of total units include one (or combination) of specialized services. Chose 1 (or chose all that apply) and insert total number and percent of total. Maximum of 5 points		
Assisted Living units = 5 points		
Memory care units = 5 points		
Senior skilled nursing on site= 5 points		

<i>Mixed Income Development:</i>	Applicant Point Allocation	City Point Allocation
Inclusion of market rate and affordable within a single project (single or multiple buildings). All projects must have at least 50% of units at 80% AMI or above (market rate).		
Inclusion of market rate and affordable within a single project (single or multiple buildings). All projects must have at least 50% of units at 80% AMI or above (market rate). 30% of total units (SF or attached) at 60-80% of AMI = 5 points		
30% of total units (SF or attached) at 50% (or below) of AMI= 10 points		

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<i>Redevelopment:</i>	Applicant Point Allocation	City Point Allocation
Rehabilitation of existing housing unit(s) for occupants below 80% of AMI= 5 points. If applicable, insert total number of units:		
Rehabilitation of existing housing unit(s) 30% of AMI= 10 points. If applicable, insert total number of units:		

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Infill redevelopment that results in removal of blighted residential and/or commercial buildings/sites that result in new housing units: Occupants must be at or below 80% AMI. Additional points will be given for greater affordability levels. If applicable, insert total number of units:		
50% of units at 60% AMI= 5 points		
50% of the units at 50% AMI= 7 points		
50% of the units at 30% AMI= 10 points		

<u>Proximity to Transit</u>	<u>Applicant Point Allocation</u>	<u>City Point Allocation</u>
Within quarter mile (.25) of Northstar Commuter Rail Ramsey Station: 10 points.	<u>Circle: Yes/No</u>	
Within one-half mile (.5) of Northstar Commuter Rail Ramsey Station: 5 points.	<u>Circle: Yes/No</u>	
<u>Proximity to Local Employment</u>	<u>Circle: Yes/No</u>	
Within a two-mile radius of area zoned Employment= 5 points		

<u>Proximity to Transit</u>	<u>Applicant Point Allocation</u>	<u>City Point Allocation</u>
<u>Within quarter mile (.25) of Northstar Commuter Rail-Ramsey Station: 10 points.</u>	<u>Circle: Yes/No</u>	
<u>Within one-half mile (.5) of Northstar Commuter Rail-Ramsey Station: 5 points.</u>	<u>Circle: Yes/No</u>	
<u>Proximity to Local Employment</u>	<u>Circle: Yes/No</u>	
<u>Within a two-mile radius of area zoned Employment= 5 points</u>		

<u>Non-Financial Readiness to Proceed:</u>	<u>Applicant Point Allocation</u>	<u>City Point Allocation</u>

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<u>Land use and zoning approvals have been obtained = 2 points</u> <u>Architectural Standards (check all that apply)</u>	Circle: Applicant Yes/No Point	City Point Allocation
Site Control:	Allocation	
Use of Hardi-Board or equivalent= 2 points Fee Title Ownership has been obtained= 5 points	Circle: Yes/No	
Horizontal siding accessory only = 2 points Private Equity Percentage	Circle: Yes/No	
Cash equity commitment of at least 5% down payment is secured= 5 points Minimum of 30% front elevation-brick or stone= 2 points points.	Circle: Yes/No	
<u>50% brick or stone threshold = 2 points</u>		
<u>Building articulation= 2 points</u>		
<u>Roof articulation= 2 points</u>		
<u>Covered front porch > 50 square feet = 2 points</u>		
<u>Roof < 25% of front façade= 2 points</u>		
<u>2+ dormers (gabled ends to not count) for SF= 2 points</u>		
<u>Multiple dormers if townhome building or apartment building = 2 points</u>		
<u>Use of alley or internal drive for garage access (not visible from public street and HOA maintained) = 2 points</u>		
<u>Use of side loaded garages (SF and TH only) = 2 points</u>		
<u>House forward design (SF and TH only) = 2 points</u>		
<u>Architectural styled garage doors (15% of lots) (SF and TH only) = 2 points</u>		
<u>Anti-monotony elevation/color plan (applicable to developments with multiple buildings that have a minimum of three material colors that vary between buildings) = 2 points</u>		
<u>Four sided architecture (attached or detached) = 2 points</u>		
<u>High speed internet access in all units= 2 points</u>		
<u>Smoke free units/buildings= 2 points</u>		

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<u>Federal/Local or Philanthropic Partnerships:</u>	<u>Applicant Point Allocation</u>	<u>City Point Allocation</u>
Project funds from the federal government, a local unit of government, area employer and/or a private philanthropic, religious or charitable organization. If applicable, provide percentage:		
20.1% and above of the development cost= 10 points		
15.1%-20%= 8 points		
10.1%-10%= 6 points		
5.1%-10%= 4 points		
2.1%-5%= 2 points		

<u>Federal/Local or Philanthropic Partnerships:</u>	<u>Applicant Point Allocation</u>	<u>City Point Allocation</u>
<u>Project funds from the federal, county, or state unit of government, a local unit of government, area employer and/or a private philanthropic, religious or charitable organization. If applicable, provide percentage:</u>		
<u>20.1% and above of the development cost= 10 points</u>		
<u>15.1%-20%= 8 points</u>		
<u>10.1%-10%= 6 points</u>		
<u>5.1%-10%= 4 points</u>		
<u>2.1%-5%= 2 points</u>		

<u>Project Amenities - Check all that apply.</u>	<u>Applicant Point Allocation</u>	<u>City Point Allocation</u>
Community room/gathering area= 1 point		

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On-site fitness center= 1 point		
Terrace/Courtyard or Roof top gathering area= 1 point		
Indoor theatre= 1 point		
Outdoor facilities= 1 point per element: (i.e. walking trails, tennis/basketball courts, playground, others as proposed by applicant)		
Indoor or outdoor swimming pool= 1 additional point		
Use of shared parking to reduce total parking installed= 2 points		

<u>Architectural Standards (check all that apply)</u>	<u>Applicant Point Allocation</u>	<u>City Point Allocation</u>
Use of Hardi Board or equivalent = 2 points		
Horizontal siding accessory only = 2 points		
Minimum of 30% front elevation brick or stone = 2 points		
50% brick or stone threshold = 2 points		
Building articulation = 2 points		
Roof articulation = 2 points		
Covered front porch > 50 square feet = 2 points		
Roof < 25% of front façade = 2 points		
2+ dormers (gabled ends to not count) for SF = 2 points		
Multiple dormers if townhome building or apartment building = 2 points		
Use of alley or internal drive for garage access (not visible from public street and HOA maintained) = 2 points		
Use of side loaded garages (SF and TH only) = 2 points		
House forward design (SF and TH only) = 2 points		
Architectural styled garage doors (15% of lots) (SF and TH only) = 2 points		

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Anti-monotony elevation/color plan (applicable to developments with multiple buildings that have a minimum of three material colors that vary between buildings) = 2 points		
Four sided architecture (attached or detached) = 2 points		
High speed internet access in all units = 2 points		
Smoke free units/buildings = 2 points		

<u>Development Standards (check all that apply)</u> <u>Sidewalks, trails and streetscaping</u>	Applicant Point Allocation	City Point Allocation
Sidewalks to each front door (SF and TH) or main entry (apartment building)= 2 points		
Sidewalks/ trail on both sides of public streets (SF and TH); or sidewalk / trail on one side if project consists of only a single building = 2 points		
Installation of off-road trails within the development = 2 points		
Sidewalk “ bump-outs” or “chokers” = 2 points		
Trail connection beyond development (installed by developer)= 5 points		
Boulevard trees at 35 foot spacing (new installation provided by developer)= 2 points		
Installation of development wide streetscaping and decorative lighting= 2 points		

<u>Energy Efficient Elements (check all that apply)</u>	Applicant Point Allocation	City Point Allocation
Storm water Best Management Practices = 2 points		
Energy efficient roofing material or colors = 2 points		
Buildings oriented on site to optimize passive solar and cooling = 2 points		

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Installation of a green roof occupying a minimum of 30% of the total roof area= 2 points		
Use of resource efficient building materials= 2 points		
Use of Green Star certified mechanical and appliances = 2 points		
Use of energy efficient windows/doors= 2 points		
Other energy efficient new technology as approved by the City= 2 points		

<u><i>Energy Efficient Elements (check all that apply)</i></u>	<u>Applicant Point Allocation</u>	<u>City Point Allocation</u>
<u>Storm water Best Management Practices= 2 points</u>		
<u>Energy efficient roofing material or colors = 2 points</u>		
<u>Buildings oriented on site to optimize passive solar and cooling= 2 points</u>		
<u>Installation of a green roof occupying a minimum of 30% of the total roof area= 2 points</u>		
<u>Use of resource efficient building materials= 2 points</u>		
<u>Use of Green Star certified mechanical and appliances = 2 points</u>		
<u>Use of energy efficient windows/doors= 2 points</u>		
<u>Other energy efficient new technology as approved by the City= 2 points</u>		

Total Points

	Applicant Point Allocation	City Point Allocation
Total Points Accumulated		

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FINANCIAL REQUIREMENTS/INFORMATION

Financial award is based on availability of funds. Maximum funding is set ~~at \$8,000 per unit or not greater than 15% of entire project cost~~ based on actual project need after a detailed financial analysis of the Developer and the project. The City reserves the right to contract with a third-party for financial analysis, which costs of said analysis are the responsibility of the Developer unless otherwise waived by the City. Owner equity must be greater than 10%.

Eligible Uses of Funding

Eligible uses of funding include; site acquisition, land improvements, building construction, and payment of development fees. The City will not waive development fees (park dedication, trail development, sanitary sewer, stormwater) or permit fees. The City and Developer will need to work together to identify a funding source for these fees if assistance is required specific to these fees.

Required Information

1. Sources and Uses Statement (below)
2. Financial Scoring Scorecard ~~(below)~~
3. Organizational Financial Statements (2 years of P&L and Balance Sheet)
4. Personal Financial Statements of Stakeholders and Tax Returns (2 years)
5. Project Pro forma/Projections (~~two [2] year~~ and fifteen [15] year projections)
6. Letter(s) of Commitment from other Funding Sources (terms, conditions)
7. Proof that the Property is not delinquent in Property Taxes

Sources and Uses

The Developer shall provide a detailed sources and uses statement. Please use the Sources and Uses Excel Spreadsheet and include as an attachment. This shall include all sources of financing for the project and how those funds will be used. The Applicant shall provide a detailed listing of each.

Owner equity shall be equity above and beyond any tax credit or grant source of funding. The City will exclude any tax equity.

SOURCES	AMOUNT (\$)	USES	AMOUNT (\$)
Owner Equity		Land Acquisition	
Bank Loan		Site Development	
Other Loan		Construction	
Fed. Grant/Loan		Engineering/Arch. Services	
State Grant/Loan		Debt Service	
TIF		Contingencies	
Tax Abatement		Other	
Revolving Loan Fund		TOTAL	
Other			
TOTAL			

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The City reserves the right to request additional data regarding the above required information as well as sources and uses. Review of sources and uses is subject to third-party financial analysis.

Financial Scoring

Please calculate points based on this project's ratio of private to public financing.

Ratio= *Private Financing* : *Public Financing*

<u>Leveraged Funds</u>	Applicant Point Allocation	City Point Allocation
Ratio of Private to Public Investment <ul style="list-style-type: none"> ● 5:1 = 5 points ● 4:1 = 4 points ● 3:1 = 3 points ● 2:1 = 2 points ● Less than 2:1 = 1 point 		