



A simple black silhouette of a house with a chimney on the left side of the roof.  
**Missouri Housing**  
Development Commission

# 2023 / 2024 MHDC Application Workshop

[MHDC.com](https://www.mhdc.com)

# Application Submission

- Due Date:
- September 22, 2023

# Web Posting

- Application Documents / Exhibits
  - Already posted
- FIN-100
  - Already posted
  - Must register to download FIN-100

# FIN-125 - Application Exhibit Checklist

- Note all documents required for your application
- Note if original required
- Specifies naming convention and file type

# Web Posting

- MHDC will only accept a USB Flash Drive as the digital media submission.
- Use the Checklist as a guide when naming your files
- **Please do not group the files into sub-folders!**
- Test and check files before submitting



## 2b. FIN-100 Addendum

- Workbook – multiple spreadsheets must be completed
  - Non-Profit board – use all fields before attaching an additional exhibit – additional exhibit should be in Excel
  - Must be signed
  - Excel and PDF files included as exhibits
  - **Very important – quite a few wrong every year. This is a deficiency if incorrect/incomplete.**

## 2c. Exhibit A to #2013

- Format of form up to the developer – Excel or Word document preferred
- Not a narrative
- To provide justification/explanation of out-of-the-ordinary costs and expenses
- “Other” costs should be explained

## 2e. Dev/Co-Dev/Consultant Fee Structure Addendum

- Required if the project has multiple developers or a consultant
  - List all parties that will draw from developer/consultant fee
  - List work and/or guarantees



# 4a. Development Questionnaire

The MHDC Development Questionnaire required. Please answer all questions completely.

## 4b. Economic Development

Proposals with a significant connection to other economic development in the community – See Developer's Guide for details.

- Must provide a direct coordination letter.
- Must provide primary market map showing the location of the proposed housing and the location of the economic development project.
- Must show map mileage showing distance between proposed housing and economic development.

## 4b. Economic Development

Proposals with a significant connection to other economic development in the community

- Must show map routes highlighting transportation modes connecting the proposed housing with the economic development.
- Supplementary material as necessary – not more than 10 pages

## 5e. Site Review - FEMA Flood Map

- Outline site as appropriate – single site and scattered sites
- Note site on FEMA map

# 6a–6d. Applicant Site Control

- Executed purchase option – deed – long term lease
  - Price
  - Legal description(s)
  - Timing

## 6e. MHDC Scattered Site Addendum

- Required if project has scattered sites.

# 8a–8d. Preliminary Financing Commitments

- Federal and State LIHTC and Historic Credits
  - Reflect ownership percentage & amount of annual credits to be purchased
  - Price per dollar of credit
  - Total capital contribution (10%/10% minimum equity during construction)
  - Detail syndication costs and asset management fees
  - One letter can be used for multiple equity types

## 8e. Financing Commitments Non-MHDC

- Non-MHDC financing – Private Bank
  - Interest rate
  - Loan term / amortization term
  - Maximum loan amount
  - 2<sup>nd</sup> position to MHDC Fund Balance if requesting MHDC Fund Balance and not a Participation Loan
  - No variable rate permanent loans
  - No permanent loans with balloon payments due before year 18



## 8e. Financing Commitments – Non-MHDC

- Non-MHDC funding – grants/city loans/etc.
  - Submit commitment letter from agency granting/loaning funds
- Non-MHDC funding – assumptions or restructured loans
  - Include information on Development Questionnaire
  - Include documentation reflecting current balance
  - Letter from current lender stating the loan qualifies for assumption/restructuring
  - New terms for the assumed/restructured loan

## 8f. MHDC Participation Loan

- MHDC Participation Loan
  - MHDC Request for Participation Loan form must be included
  - Must include letter of intent from the participating lender stating that
    - Take co-first lien position to MHDC Fund Balance
    - Amount willing to loan
    - Acknowledge that the loan is subject to the MHDC Participation Loan Agreement

## 8g. Request for MHDC Funds

- Required if requesting MHDC HOME, HOME/CHDO, HOME/ARP, NHTF or Fund Balance

## 8h. MHDC Financing Fee Addendum

- Used to detail very complicated loan fee structures
- Helps indicate where fees are located in development costs

## 10a–10h. Public Official Contact Verification

- For all notifications - include a copy of the letter and certified mail delivery receipt
- Email accepted according to guidelines in Developer Guide
- 10d: If there is no city resolution – must provide proof that all council members/alderpersons have been notified in all districts abutting the district the proposal is located in
- Letter of support on letterhead is proof of notification

# 10a-10h Public Official Contact Verification

- Threshold Documents – Very Important
  - Chief Executive of the local jurisdiction, State Senator, State Representative and ED of local housing authority
  - QAP states “A missing threshold document will result in an application being eliminated from consideration.”

# 11a – 11d. Statutorily Required Documents

- IRS/MO 8821
  - Completed by:
    - All general partners or members of the developer/ownership entity
    - All key principals of developer/ownership entity
    - All guarantors
- IRS 8821
  - Complete Section 1 and sign and date Section 7
- MO 8821
  - Complete only the top section and sign/date at the bottom

# 11f & 11g. Evidence of Consistency with Consolidated/Comprehensive Plan

- In both cases – a formal letter on official letterhead with signatures required
- 11f – letter must be from HUD or local governing official in charge of the Consolidated Plan
- 11g – letter must be from the City Planning Director, Community Development Director, City Manager or other city official in a comparative role



## 12b. ii. – Service Enriched Priority

- Applications must include a fully executed letter of intent for each Service Parameter to receive points for that category.
- Service Provider Letter of Intent must include:
  - Name of the service or program
  - Nature of the services or program that will be offered
  - Service delivery plan
  - Duration of commitment
  - Primary contact person with signature

# 12c. iv. – IEH Priority Questionnaire

- Required if applying for the Independence Enabling Housing Priority
- Very Important - gives MHDC vision of plan for this priority

# 12d. Preservation Priority

- Property Note
  - Copies of all notes on project and current balance
- Property Regulatory Agreement
  - Includes regulatory agreements, LURAs or any other restrictions placed against the property
- Rent Subsidy Agreement
  - Provide most current HAP contract, RD Rental Assistance Agreement or PHA Subsidy Agreement
- Property Audited Financials (last 3 years)

# 12d. Preservation Priority

## Preservation Letter

- Preservation Letter – HUD Properties
  - Contact HUD office
- Preservation Letter – from MHDC – Required for all Preservation Applications
  - Schedule meeting with Asset Management
  - Inspection – must include new owner/development team, Asset Management staff, and current owner/management must be given notice of inspections

# 12d. Preservation Priority

## Preservation Letter (deadline set by Asset Management)

- Preservation Letter – RD properties
  - Support letter
  - Meetings with RD discussing all details about the project – sources, rental assistance, rents, expenses, replacement reserves, Capital Needs Assessment, etc.

# 12d. Preservation Priority

- Physical Needs Assessment for HUD-MHDC Properties
  - Detailed PNA - match project needs
  - PNA will be used for plans and specs if project is approved
- As-Is Capital Needs Assessment for RD properties
  - Discuss with RD
  - Must meet RD's requirements

# 12e-f. Opportunity Area & Opportunity Zone

- Opportunity Area
  - Include Affirmative Market Plan
    - Must include a Special Marketing Reserve to assist in initial relocation expenses for families with children
  - Must also apply under the SE Priority
    - Refer to Developer's Guide for service examples and additional guidance
- Opportunity Zone
  - Include letter affirming the development is located in a designated Opportunity Zone with an active Opportunity Fund
    - Refer to Developer's Guide for additional guidance

# 12. Housing Priorities

- Applications that will include CDBG-DR funding must obtain a Letter of Intent prior to application submission from DED
- This letter does not guarantee an award from MHDC
- Please contact DED for all details concerning this Priority



# 13. Zoning

- Evidence of zoning is required in the application. See Developer's Guide for details.
- Land requiring rezoning must include a letter from the appropriate governmental body describing what needs to be done to be in compliance and the time frame for achieving such compliance.

# 14e. Architectural Items

## Development Characteristics Worksheet

- Pay careful attention as this should not change later should the project be approved

# 16b. MBE/WBE Fee Structure

- Paid Fee

- List all parties that will draw from developer/consultant fee
- List work and/or guarantees that each party will perform to merit their fee

# 17a–17e. Relocation

- Include with Application:
  - A current Tenant List with incomes
  - Relocation Plan
  - Draft General Information Notice (GIN)
- **Permanent Displacement** – Goal is no tenant permanently displaced
- There may be additional relocation guidelines when federal funds are utilized. When multiple funding sources, the most stringent rule will be used.

# 19. Utility Allowance Schedule

- Most current utility allowance schedule from the local public housing authority (PHA) or the HUD Utility Schedule Model (HUSM).
- On projects that request HOME funds, HUSM will be applied to HOME units to calculate gross rent for HOME units.

# 20a–20d. Developer & GP Information

- FIN-105 - Experience Summary for Developer
- FIN-107 - Developer Qualification
  - All guarantor's in any capacity should be listed
- Developer Financial Statements
  - Required to be included in the application unless approved by waiver before application.
- Experience Summary for Key Principals of GP
  - Only necessary if GP has different key principals than the developer

## 22. MHDC Waiver Request

- Must be submitted and signed by MHDC **before** the application is submitted
  - Submit waiver request by email to [julie.smith@mhdc.com](mailto:julie.smith@mhdc.com) by COB September 18, 2023.
  - Include the signed, approved copy with the application

# Self-Scoring

- Provide a completed copy of the MHDC Application Self-Scoring form
- Important to see where applicant believes it should receive points and allows MHDC to evaluate accordingly.



