



MINNESOTA NAHRO 2022 FALL CONFERENCE

Lessons Learned With POHP

Presenters

Janine Langsjoen, Preservation Program Manager, Multifamily – Minnesota Housing Finance Agency, Janine.Langsjoen@state.mn.us

- ▶ Susan Bergmann, Preservation Underwriter, Susan.Bergmann@state.mn.us
- ▶ General POHP email address, MHFA.pohp@state.mn.us

Jeff Hess, Executive Director – Alexandria HRA, jeff@alexandriahra.com. The Alexandria HRA operates 130 public housing units and has received two POHP awards for the following:

- ▶ 2014 Modernization of two elevators - \$444,000
- ▶ 2019 Replace plumbing and heating - \$2,180,750

Melanie Fohl, Executive Director Retired – Stevens County HRA, melanie.fohl@gmail.com. The Morris HRA operates 60 public housing units with preferences for elderly/disabled and received a POHP award to complete:

- ▶ 2015 Plumbing project: replacement of all domestic water lines, sewer lines, facilities and asbestos abatement \$1,200,000 TDC (\$1,068 POHP, \$132,000 HRA)

Dana Hiltunen, Executive Director – Virginia HRA, dana@vhra.org. The Virginia HRA operates 275 public housing units in the City of Virginia and 34 units in the City of Eveleth. The agency has been awarded POHP for the following projects:

- ▶ 2012 Virginia HRA Pine Mill Court Interior/exterior renovation of six 4-bdrm apts \$682,297 TDC (\$275,000 POHP, \$407,497 HRA)
- ▶ 2014 Eveleth HRA Hilltop Homes, Furnace & Water Heater Replacements & Weatherization \$296,060 (\$105,176 POHP, \$32,156 HRA, \$148,728 AEOA)
- ▶ 2017 Virginia HRA High Rise fire alarm system, security cameras and ADA upgrades \$994,903 (562,213 POHP, \$432,690 HRA)
- ▶ 2017 Eveleth HRA Hilltop Homes exterior rehab – roofs, tuckpointing, lead-based paint abatement \$647,241 (\$477,475 POHP, \$169,766 HRA)
- ▶ 2018 Virginia HRA Pine Mill Court exterior renovations and lead-based paint abatement \$2,712,496.90 (\$1,407,705 POHP, \$1,304,791 HRA)

Jill Bengtson, Executive Director – Kandiyohi County HRA, jill.bengtson@kcmn.us. The Kandiyohi County HRA operates 174 public housing units and has been awarded POHP for the following projects at its 127 unit high rise:

- ▶ 2014 Plumbing water and waste line replacement, bathroom renovations - \$2,484,612
- ▶ 2017 Conversion to gas boiler system – \$919,605
- ▶ 2018 Window/exterior door replacement, seal exterior concrete - \$3,719,745

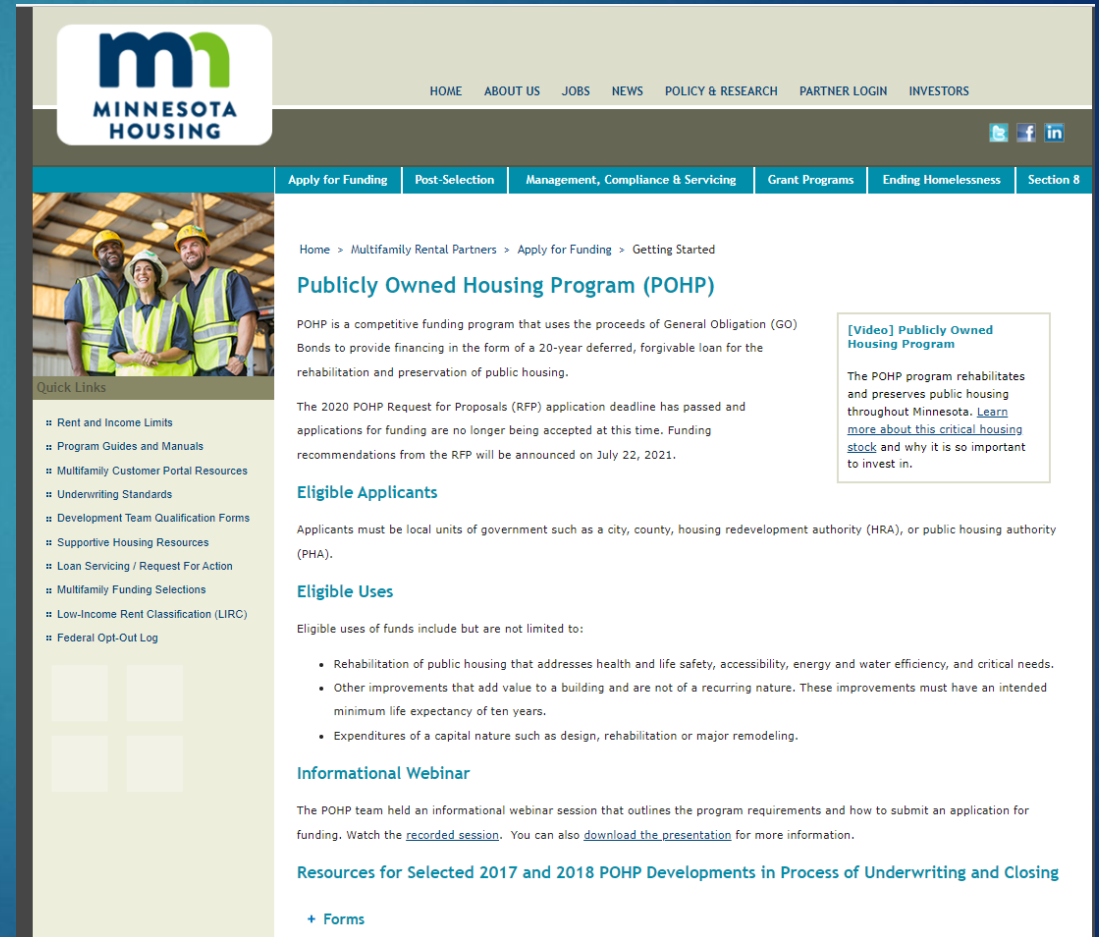
Application Process – Plan, Plan, Plan

- ▶ Who needs to be involved in planning your project?
- ▶ What other sources of funds can be used in your application?
 - ▶ HUD Capital Fund Program
 - ▶ MN DEED Small Cities Development Program
 - ▶ Energy Rebates
- ▶ Are there studies or tests that need to be done?
 - ▶ Physical Needs Assessment
 - ▶ Energy Audit
 - ▶ Lead
 - ▶ Asbestos
- ▶ Will your project require you to relocate tenants?
 - ▶ If yes, how long and what costs will be involved?
- ▶ Are you going to request a construction loan or an end loan?

Don't Be Intimidated By The Application

YOU CAN DO THIS!

- Get familiar with the application and create a plan for completing it.
- Reach out to Minnesota Housing prior to the application deadline and discuss your project.
- Have someone else read your grant narrative and check your math.
- How can you make your application stand out.



The screenshot displays the Minnesota Housing website. At the top left is the Minnesota Housing logo. The navigation menu includes: HOME, ABOUT US, JOBS, NEWS, POLICY & RESEARCH, PARTNER LOGIN, and INVESTORS. A secondary navigation bar contains: Apply for Funding, Post-Selection, Management, Compliance & Servicing, Grant Programs, Ending Homelessness, and Section 8. The main content area features a breadcrumb trail: Home > Multifamily Rental Partners > Apply for Funding > Getting Started. The title is "Publicly Owned Housing Program (POHP)". The text describes POHP as a competitive funding program using General Obligation (GO) Bonds for financing. It notes that the 2020 Request for Proposals (RFP) application deadline has passed and funding recommendations will be announced on July 22, 2021. A "Quick Links" sidebar lists resources such as Rent and Income Limits, Program Guides, and Underwriting Standards. A "Video" box highlights the program's role in rehabilitating and preserving public housing. Other sections include "Eligible Applicants" (local government units), "Eligible Uses" (rehabilitation, safety improvements, capital expenditures), "Informational Webinar" (with a recorded session link), and "Resources for Selected 2017 and 2018 POHP Developments in Process of Underwriting and Closing". A "+ Forms" link is at the bottom.

You've Been Awarded a POHP Grant! Now What?

- ▶ Keep Planning and work on your checklists.....for all funding sources
 - ▶ Print the Construction Loan Due Diligence Checklist or End Loan Due Diligence Checklist from Minnesota Housing's POHP Webpage.
 - ▶ Start gathering the items on the checklist, scan them to a folder and upload to Minnesota Housing. Revisit the list on a regular basis.
 - ▶ Start the Environmental Review. How many funding sources need one completed?
 - ▶ Set up a regular day in your schedule to work on POHP project items.
- ▶ Communication is Key
 - ▶ Keep in communication with Minnesota Housing on the status of your project planning. Are they getting your documents?
 - ▶ Keep in communication with your architect to talk about scope of work, abatement that might be needed, project implementation and construction timeframes.

During The Project

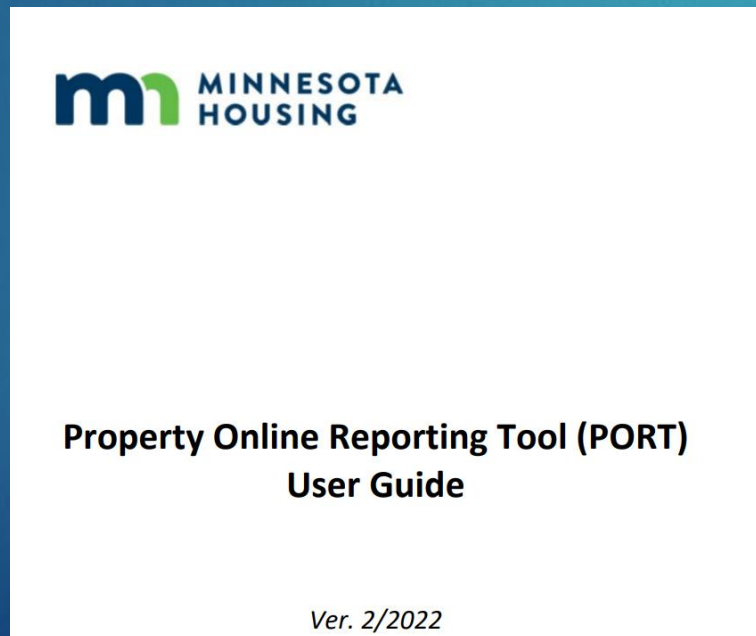
- ▶ Keep Communicating
- ▶ Increased Stress for Everyone
 - ▶ Tenants
 - ▶ Staff
- ▶ All Hands On Deck
 - ▶ Make it a team effort
- ▶ Keep a daily construction log

Relocation

- ▶ What are the relocation considerations for your project?
- ▶ What will be involved during construction? Water shutoffs, power shutoffs, access to elevators? How long?
- ▶ How long will tenants need to be relocated?
- ▶ Are you going to build up vacancies within the building or do you need to relocate tenants elsewhere? Do you have tenants who cannot relocate outside the building?
- ▶ Who is going to move tenants? Staff, moving company?
- ▶ What is the schedule and when do you need to inform tenants about their turn on the schedule to relocate? Create a checklist of items tenants need to consider for packing/moving when they relocate.
- ▶ What about their unit internet/cable costs during relocation?

After Project Completion

- ▶ 20 year deferred loan with 35 years of reporting
- ▶ MHFA's Property Online Reporting Tool (PORT)
 - ▶ All occupancy related events reported for each unit in the project (move-ins, move-outs, re-certifications). Set aside time to do this every month.
 - ▶ Annual Owner Certification Reporting



Celebrate and Showcase!

- ▶ Thank you celebration with staff and tenants on a job well done.
- ▶ Showcase to HRA Board, local elected officials, State House Representatives and Senators. Don't forget to invite your funding sources.
- ▶ Last but not least, help MN NAHRO advocate for future funding!
 - ▶ Communicate to your State House Rep, State Senator and Governor how the funding has helped you.
 - ▶ Attend MN NAHRO's Day At The Capitol





Questions?

Thank you for attending!