

# SOLAR-FOR-VOUCHERS PROGRAM

## What is the Solar-For-Vouchers Technical Assistance Program?

The Solar-For-Vouchers Program provides technical assistance to help multifamily rental property owners install solar panels and reduce their energy costs. Property owners can take advantage of the savings resulting from this technical assistance in exchange for a commitment to rent some of their units at market rates to Section 8 Housing Choice Voucher program participants.

The Metropolitan Council Housing and Redevelopment Authority (Metro HRA) administers the largest Housing Choice Voucher program in the state of Minnesota. This program provides federally funded rent subsidies to private property owners on behalf of low-income renters. Historically, it has been difficult for voucher holders to find rental units. A prospective voucher holder who cannot rent a unit within 120 days of receiving a voucher loses the opportunity to participate in the program. In 2019, only 56% of program participants who received a voucher were able to rent within this timeline.

The Council's Local Planning Assistance unit is uniquely positioned to provide technical assistance that could make it economically beneficial for property owners to lease to Section 8 Housing Choice Voucher program participants. Council staff have significant expertise in the technical and financial aspects of developing a solar energy infrastructure and the Council will offer this expertise to facilitate rooftop solar panel installations.

Expanding the housing options of the region's low-income residents and advancing adoption of renewable energy sources are the two desired outcomes of the Solar-for-Vouchers Technical Assistance Program.

## How does the Solar-For-Vouchers Program work?

The Council facilitates the process of solar panel installation by assembling a committed group of property owners and connecting them with solar developers, who can install solar panels at competitive group prices. The Council selects solar developers for program participation via a Request for Qualifications (RFQ) process that evaluates them based on their qualifications and experience, their general equipment and maintenance plans, and their cost proposals. The Council brings the property owners and solar developers together and is not a party to the contract.



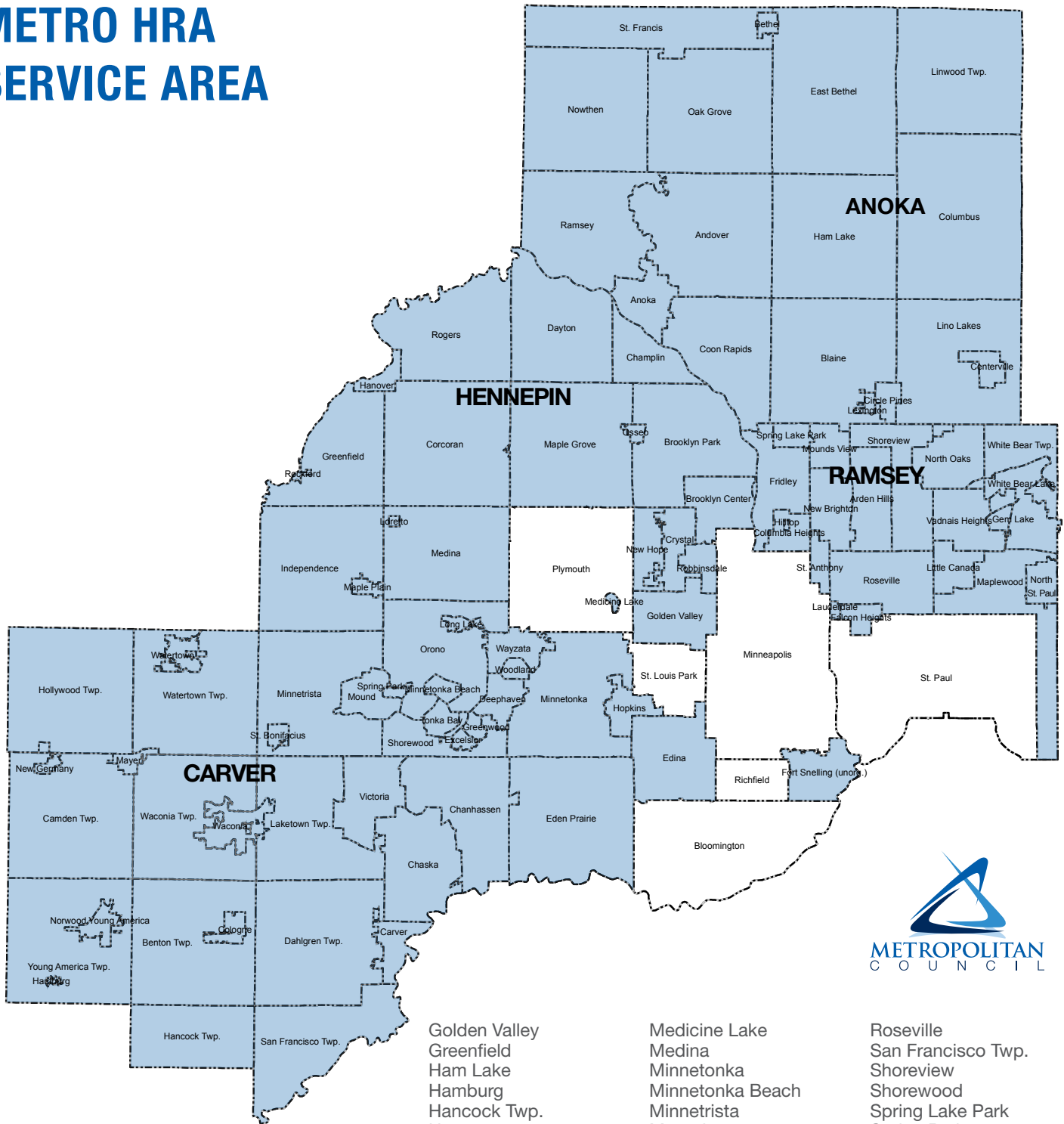
The Solar-For-Vouchers Program offers a simple, streamlined process of solar panel installation, where program participants avoid the lengthy process of finding developers, evaluating the quality of their work, and negotiating competitive prices. Prospective participants simply express their interest in participating in the program by submitting an application to the Council to be considered within the pool of applicants. Based on these submissions, the Council identifies the number of properties to be considered in the RFQ process.

The Solar-For-Vouchers Program partners with Clean Energy Resource Teams (CERTs) to offer program participants free technical assistance. The technical assistance to program participants will include: an educational workshop which reviews the process of solar panel installation; advice about successful site visits (which will be coordinated by program staff); specific assistance with reviewing solar developer proposals with an eye toward contract best practices; providing financial calculators to property owners; and general assistance that is needed to help program participants identify the contracts that best fit their needs.

Program participants may then choose to sign a contract with solar developers and initiate the process of solar panel installation and new Housing Choice Voucher holder move-ins.



# METRO HRA SERVICE AREA



Andover  
Anoka  
Arden Hills  
Benton Twp.  
Bethel  
Blaine  
Brooklyn Center  
Brooklyn Park  
Camden Twp.  
Carver  
Centerville  
Champlin  
Chanhassen  
Chaska  
Columbia Pines  
Cologne  
Cologre

Columbia Heights  
Columbus  
Coon Rapids  
Corcoran  
Crystal  
Dahlgren Twp.  
Dayton  
Deephaven  
East Bethel  
Eden Prairie  
Edina  
Excelsior  
Falcon Heights  
Fort Snelling  
Fridley  
Gem Lake

Golden Valley  
Greenfield  
Ham Lake  
Hamburg  
Hancock Twp.  
Hanover  
Hilltop  
Hollywood Twp.  
Hopkins  
Independence  
Laketown Twp.  
Lauderdale  
Lexington  
Lino Lakes  
Linwood Twp.  
Little Canada  
Long Lake  
Loretto  
Maple Grove  
Maple Plain  
Maplewood  
Mayer

Medicine Lake  
Medina  
Minnetonka  
Minnetonka Beach  
Minnetrissa  
Mound  
Mounds View  
New Brighton  
New Germany  
New Hope  
North Oaks  
North St. Paul  
Norwood Young  
America  
Nowthen  
Oak Grove  
Orono  
Osseo  
Ramsey  
Robbinsdale  
Rockford  
Rogers

Roseville  
San Francisco Twp.  
Shoreview  
Shorewood  
Spring Lake Park  
Spring Park  
St. Anthony  
St. Bonifacius  
St. Francis  
Tonka Bay  
Vadnais Heights  
Victoria  
Waconia  
Waconia Twp.  
Watertown  
Watertown Twp.  
Wayzata  
White Bear Lake  
White Bear Twp.  
Woodland  
Young America Twp.

## What are the program benefits?

The Solar-For-Vouchers Technical Assistance Program offers participants the following benefits.

### Property owners benefit from:

- Potential reduced costs for solar installation through group purchasing and contracting
- Access to high-quality solar installers at the most competitive prices
- Expert knowledge on solar technologies, contract terms, and financing options
- A streamlined, transparent, and cohort-based solar installation process

### Solar developers benefit from:

- A portfolio of prescreened properties and motivated potential clients

## What are the program expectations?

Program participants are expected to rent, **at market rate**, the following number of units to low-income households through the Section 8 Housing Choice Voucher Program for 5 years:

### Number of Units to be Reserved for Section 8 HCV Program Participants

NUMBER OF UNITS IN BUILDING	NUMBER OF UNITS RESERVED FOR SECTION 8 HCV PROGRAM PARTICIPANTS
5 – 20	2
21 – 40	4
41 – 100	8
101 – 150	10
151 +	15

In case property owners already rent to voucher holders in their properties, they are expected to reserve the above-specified number of units in addition to the number of units they already rent.

Program participants are expected to lease to a voucher holder within 12 months after the date of signing a contract with a solar developer.

Unless a property owner has rented all specified units to voucher holders or if the lease is terminated due to eviction or the early move-out of tenants, property owner is expected to:

1. Advertise vacancies in the participating property at the [HousingLink website \(www.housinglink.org\)](http://www.housinglink.org).
2. Notify Metro HRA of vacancies in the participating property (only if their properties are in Metro HRA's service area).
3. Work with Metro HRA when they refer potential tenants to fill vacancies. (only if their properties are in Metro HRA's service area).



4. Provide short status updates twice a year when contacted by program staff.

## What are the eligibility requirements?

Eligible properties must be:

- Located in Minneapolis, Saint Paul or in [Metro HRA's Service Area \(see PDF map\)](#)
- No taller than 5 stories
- Buildings with 5 or more units
- Structurally sound enough to support solar panels

## What happens if I indicate interest?

The Solar-For-Vouchers Technical Assistance Program has the following four phases.

### Phase 1: Application

In Phase 1, property owners are expected to attend an educational workshop about the program, where they receive prequalification technical assistance for program enrollment.

If they are interested in participating in the program, they need to submit an application form with two components:

- A Property Owner Agreement that expresses interest in participating in the program and sets out program terms.
- A Solar Site Assessment Check List form that will be necessary to assess the technical suitability of their properties.

### Phase 2: Request for Qualifications (RFQ)

In Phase 2, solar developers are expected to attend an educational workshop about the RFQ process. Solar developers interested in participating in the RFQ process need to submit a proposal.

The Metropolitan Council will screen and prequalify solar developers through its Council-run RFQ process. At the end of the RFQ process, the Council will designate the selected solar developers as Master Contractors.

The Council will then connect the Master Contractors with property owners. The Council will not make any purchases from solar developers, will not enter into any contracts with the property owners, and makes no representations about the solar developer's ability to perform the work.

### Phase 3: Contract-Specific Technical Assistance

In Phase 3, property owners will receive technical assistance, which will include the following services:

- Coordinating solar developer site visits with property owners.
- Holding meetings for the cohort of property owners to facilitate shared learning about contracts. The meetings will provide technical assistance on the offer-evaluation process, which will review potential risks, key contract terms, and financial costs and benefits.
- Providing contract review coaching at the request of the property owners, with an eye towards contract best practices.
- Educating property owners on solar financing to assist in selecting the best financing options.
- Providing general assistance to help property owners find the contracts that best fit their needs.

### Phase 4: Solar Contract

In Phase 4, solar developers will extend their final offers to property owners for decision making.

If the solar developer and the property owner enter into an installation contract, the property owners whose properties are in Metro HRA's service area are expected to start working with Metro HRA to rent the specified number of units to the Metro HRA voucher holders. This will involve collaborating with Metro HRA in order to find vacant units for voucher holders. As part of this process, Metro HRA will also coordinate with property owners to bring potential tenants to fill vacancies. The property owners whose properties are in Minneapolis or Saint Paul are expected to offer the specified number of units to Section 8 Housing Choice Voucher program participants and fill their vacancies on their own.

Property owners not moving forward with any solar installation contracts will be able to exit the process. Solar installers are not guaranteed the execution of a solar installation contract at the end of the program.

If the solar developer and the property owner enter into a contract, the solar developers will complete the installation process.

Upon the completion of the installation, the Solar-for-Vouchers program staff will coordinate with solar developers and property owners for site inspection visits.

#### Solar-For-Vouchers Technical Assistance Program Structure



### What are the projected program milestones and timelines?

#### Program milestones for property owners

- **Attend an educational workshop**  
May 7, 2021
- **Submit an application**  
May 1, 2021 – May 31, 2021
- **Host a property-specific site visit**  
August 1, 2021 – October 15, 2021
- **Participate in contract negotiations**  
October 18, 2021 – November 31, 2021
- **Get the solar panels installed**  
December 1, 2021 - November 31, 2022
- **Get new voucher-holders placed**  
December 1, 2021 - November 31, 2022

#### Program milestones for solar developers

- **RFQ Issued**  
June 1, 2021
- **Attend a preproposal educational workshop**  
June 9, 2021
- **Submit questions about the RFQ**  
June 15, 2021
- **Submit response to RFQ solicitation**  
July 1, 2021
- **Solar-for-Vouchers Contractor status awarded**  
August 1, 2021
- **Conduct property-specific site assessments**  
August 1, 2021 – October 15, 2021
- **Participate in contract negotiations**  
October 18, 2021 – November 31, 2021
- **Begin solar panel installation process**  
December 1, 2021 - November 31, 2022

#### Program milestones for program administrators

- **Recruit and inform prospective participants through educational workshops**  
May 7, 2021
- **Administer the RFQ process**  
June 1, 2021 - July 31, 2021
- **Coordinate site visits**  
August 1, 2021 – October 15, 2021
- **Provide technical assistance for reviewing contract proposals**  
October 18, 2021 – November 31, 2021
- **Assist in Housing Choice Voucher Placements**  
December 1, 2021 - November 31, 2022
- **Evaluate the program**  
December 1, 2021 – December 1, 2026

# FREQUENTLY ASKED QUESTIONS

## Solar Installation Questions

- **Who installs the solar panels?**

The Council will not install the solar panels. If a property owner enters into a contract with a solar developer, the developer will install the panels.

- **How old can the roof be to install solar panels?**

Almost any solar technical assistance provider or developer will avoid installing a solar PV system on a roof older than 7-10 years. If it has been replaced more recently than that, then it is much more likely to be suitable for solar installation.

- **Who determines the structural soundness of the roof?**

A state-certified structural engineer would work with any solar developer to analyze your rooftop and determine whether your roof meets the structural needs required for a solar PV system installation.

- **What if I get storm damage on my solar panels?**

The contract between the solar developer and the property owner can address this. Options include damage covered by manufacturer warranties handled by the solar developer, or the property owner.

The Solar-for-Vouchers staff will support property owners in evaluating which option best serves their needs.

- **What kind of ongoing maintenance is required for solar panels?**

Little-to-none. Most systems can expect modest inverter replacements within the first 5-10 years of system installation, which is why most good inverter warranties are for at least 10 years. Beyond that, a digital monitoring system can be a low-cost way to alert the owner and developer if the system is performing below design specifications.

- **What would my maintenance agreement look like?**

The Council anticipates that developers will offer standardized maintenance agreements as an option in installation contracts under this program.

The maintenance agreement may also be negotiated between the property owner and the solar installer to best meet the needs of both parties.

- **What is the warranty on the solar energy system?**

Warranties are typically determined by parts manufacturers and included in the contract documents between the solar developer and the property owner.

- **What is the program designed to serve—the property owner’s electric meters or the meters of individual residents?**

This pilot program is specifically focused on serving one meter per building. For most properties, this will be the meter that accounts for common area and amenity electricity costs (elevator, shared laundry, hallway lighting, common area air conditioning, etc.). However, this program does not exclude master-metered properties.

## Solar Finance Questions

- **What are the potential solar tax, finance, and production incentives available to multifamily properties in this program?**

[Solar\\*Rewards®](#)

[Xcel Energy Solar Rewards Production Incentives for Income Qualified Customers](#)

[Net Metering – PV Demand Credit Rider](#)

[PACE Financing](#)

[Investment Tax Credit \(ITC\)](#)

[Modified Accelerated Cost Recovery System \(MACRS\) for Solar Energy](#)

- **My business does not have the federal tax liability to fully take advantage of the solar investment tax credit. Can I still benefit from solar incentives?**

For businesses with limited federal tax liability, third-party solar power purchase agreements are a great way to still take advantage of the cost savings.

- **Is this an assumable loan by a new buyer if the property is sold?**

Yes.

- **What is a typical payback period for solar installations on multifamily properties?**

For multifamily properties, common payback periods currently range between 7-12 years, depending on technical, finance, and physical property variables and context.

## Voucher Questions

- **How does the process of housing voucher placement work?**

If participating properties are located in Saint Paul or Minneapolis, property owners are expected to market housing unit vacancies to Section 8 HCV program participants and advertise vacant units at the [HousingLink website \(www.housinglink.org\)](http://www.housinglink.org). A property owner can screen a voucher tenant like any other tenant.

If participating properties are located in Metro HRA's service area, Metro HRA will market housing unit vacancies to active voucher holders and will refer them directly to the property owners for screening. A property owner can screen a voucher tenant like any other tenant.

Once approved for tenancy, the property owner will work with Metro HRA or the appropriate Public Housing Authority to process necessary paperwork for rental payments to begin. More information is available at [metro council.org/MetroHRAlandlords](http://metro council.org/MetroHRAlandlords)

- **How soon do I have to place voucher holders at my property after signing my contract with the solar developer?**

Property owners are expected to rent the specified number of units to voucher holders within 12 months after signing the contract.

- **What if I already rent units to voucher holders in my property? Do those units count toward the specified number of units I am expected to rent in that property?**

Property owners are expected to rent the specified number of units in addition to the units they already rent to voucher holders.

- **What happens if a current voucher holder moves out?**

Property owners are expected to continue to rent the specified number of units to voucher holders based on the size of their buildings.

If participating properties are located in Metro HRA's service area, property owners are expected to notify Metro HRA of an upcoming vacancy when a voucher tenant gives notice to move and advertise vacant units at the [HousingLink website \(www.housinglink.org\)](http://www.housinglink.org).

If participating properties are located in Saint Paul or Minneapolis, property owners are expected to advertise vacant units at the [HousingLink website \(www.housinglink.org\)](http://www.housinglink.org).

- **What happens if the market rents at my property are higher than the payment standards?**

During the application process, the Solar-for-Vouchers program administrators will determine if market rents for your units are affordable to voucher holders. If the units in the property are not affordable, your property does not qualify for the program.

- **Do Low Income Housing Tax Credit, Project-Based Voucher, and Section 42 Properties qualify for this program?**

Yes.

- **What if I want to sell my property?**

The new property owner is expected to comply with the program expectations.

Property owners should consult their solar contract with the solar developers.

- **What is the pilot program's target range for the number of participating buildings and the number of voucher holders to be placed?**

The pilot program is designed to facilitate the installation of 500-1,500 kW of solar panels across 15-20 buildings and the placement of 75-125 Housing Choice Voucher holders.

## How can I contact you?

Via email: [SolarForVouchers@metc.state.mn.us](mailto:SolarForVouchers@metc.state.mn.us)

By phone: Cameran Bailey at 651-602-1212

On the web: [metro council.org/SolarForVouchers](http://metro council.org/SolarForVouchers)