



**Metropolitan Council
Community Development &
Environmental Services
Divisions**

**390 Robert Street North
Saint Paul, MN 55101**

NOTICE OF FUNDING AVAILABILITY

**Manufactured Home Park Preservation
Equity Grant**

**Application Open Date: April 3, 2017
Application Close Date: June 16, 2017**

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See also additional forms:

- Application Form
- Acknowledgement of Receptivity Form

1.0 INTRODUCTION

The Metropolitan Council (the “Council”), through its Community Development and Environmental Services divisions, is issuing a single award Notice of Funding Availability (“NOFA”) to incent connection of one Manufactured Home Park (“MHP”) to the Council’s regional wastewater treatment system. The Manufactured Home Park Preservation Equity Grant (“Grant”) aims to improve local water quality, ecology and habitat, and preserve affordable housing, employment, and educational opportunities for low-income households.

1.1 BACKGROUND

Thrive MSP 2040 is the long-range plan for the Twin Cities region, and sets the policy foundations for metropolitan systems and policy plans development by the Council. *Thrive* calls on the Council to use equity as a lens to evaluate its operations, planning, and investments, and explore how its resources and core functions can mitigate disparities by race, ethnicity, disability status, economic and educational opportunity, housing choice, and more.

The Grant is a pilot program that will help preserve affordable housing by defraying the costs of connecting to the regional wastewater system for one MHP, using a 50/50 match structure (up to \$250,000) to cover the regional Sewer Availability Charges (“SAC”). SAC is an amount the Council is required by law to charge cities when a new development or redevelopment within a city is connected to the regional wastewater treatment system. The regional SAC charges are typically passed on to individual property owners in addition to any locally-imposed charges for sewer or water access.

1.2 PURPOSE

The primary purpose of this Grant is to advance or enhance equity for regional residents, but particularly for low-income households, households of color, persons who are elderly or households with a disabled family member. The Grant will help the Council:

- Assess the overall impact of costs of connecting to the regional wastewater treatment system (inclusive of decommissioning the private treatment facility, regional SAC charges, any locally-imposed SAC or water access charges, and related infrastructure work to connect to the regional wastewater treatment system);
- Provide funding for connection to the regional wastewater system that potentially reduces housing insecurity, prevents displacement of low-income families, and improves local water quality; and
- Engage with government, non-profit, and for-profit partners to create a more meaningful dialogue and set of strategies to preserve these unique affordable housing assets.

The Grant is designed to facilitate the connection to the regional wastewater system by defraying one-half of the Council-imposed regional SAC charges (\$2,485 per occupied lot/pad), and in return to secure some combination of: 1) a guarantee from the MHP owner to continue to operate as a MHP for a negotiated time period, and 2) no unreasonable lot rent increases (in particular passing the costs of connecting onto residents) due to the SAC charges and related costs to connect. Planned investment in human services-oriented programming or facilities that are for shared use of residents (e.g. a community center or a playground) may also be considered as qualifying MHP owner contributions.

1.3 DEFINITIONS

“Applicant” means the MHP Owner applying for Grant funds.

“Local Community” means the city in which the MHP is located.

“Manufactured Home Park” means a MHP currently operating a private treatment facility that has been identified by the Council’s Environmental Services Division as nearing a ‘ready to connect to the Regional Wastewater Treatment System’ stage, including Maple Hill Estates in Corcoran, Village Green North in East Bethel, and Cimarron Park in Lake Elmo.

2.0 APPLICATION REQUIREMENTS

2.1 APPLICATION SUBMISSION

Application must be received no later than:

DUE DATE AND TIME:
June 16, 2017 at 5:00 PM CST

Applications should be sent to:

Metropolitan Council, Community Development Division
Attn: Jonathan Stanley
390 Robert Street North
St. Paul, MN 55101
Phone: 651.602.1555
Fax: 651.602.1674
jonathan.stanley@metc.state.mn.us

Applications may be mailed or sent electronically by email. Applications delivered by mail must be physically received by the Council by the stated date and time deadlines.

If the Applicant submits an application by electronic means, the Council will not be responsible for any failure attributed to the transmission or receipt of the electronic application including, but not limited to, the following:

- 1) Receipt of incomplete Application documents.
- 2) Availability or condition of the receiving email equipment.
- 3) Delay in transmission or receipt of Application documents.
- 4) Security and confidentiality of Application.

Submission of the Application must clearly identify the NOFA name “Manufactured Home Park Preservation Equity Grant.” Mis-delivered or late submittals shall not be accepted or considered.

All Applications and any accompanying documentation will not be returned.

If the Application is unclear, the Applicant may be asked to provide written clarification.

2.2 NOFA QUESTIONS AND COUNCIL TECHNICAL ASSISTANCE

All inquiries relating to the NOFA process, administration, deadline or award, or to the substantive technical portions of the NOFA should be directed to the individuals listed in this section. When appropriate, revisions, substitutions, or clarifications shall be issued as addenda to this NOFA, and changes to NOFA requirements shall only be by written addenda of the Council.

Council staff is available to discuss a potential Application; the Application process; Grant criteria, terms, and requirements; technical aspects of connecting to the regional wastewater treatment system; or other items pertaining to this NOFA and/or Grant.

For general questions contact Jonathan Stanley, Planning Analyst, at 651.602.1555 or jonathan.stanley@metc.state.mn.us.

For questions regarding Local Community requirements and relationship to local comprehensive plans, contact Freya Thamman, Planning Analyst, at 651.602.1750 or freya.thamman@metc.state.mn.us.

For questions pertaining to decommissioning of private treatment facilities, extension of infrastructure, and connection to the regional wastewater treatment system contact Kyle Colvin, Assistant Manager of Engineering Services, at 651.602.1151 or kyle.colvin@metc.state.mn.us.

2.3 ELIGIBLE APPLICANT QUALIFICATIONS

All MHP Owner Applicants must:

- Be licensed to do business in the State of Minnesota
- Have a current, valid permit for the private treatment and discharge of wastewater
- Be current on all property taxes and fees related to ownership and operation of the MHP
- Secure a signed Acknowledgement of Receptivity form signed by an authorized local official

3.0 FUNDING CRITERIA

Funding criteria are split into two categories—Threshold and Best Practices/Preferred Criteria.

3.1 THRESHOLD CRITERIA FOR OWNER (ALL THRESHOLDS MUST BE MET)

- MHP has been identified by Metropolitan Council Environmental Services as having potential to connect to regional wastewater system in the next 12-36 months and enter a grant agreement by the end of 2017
- MHP Owner and Local Community commit to making necessary infrastructure improvements for which each are responsible for connecting to the regional wastewater treatment system as soon as is feasible
- MHP Owner agrees to match the Council-imposed SAC amount (i.e. pay one-half of the cost of connecting), up to \$250,000, dependent on the number of occupied lots/pads incurring SAC charges in the selected MHP
- MHP Owner submits copy of standard lease and 5 years' history of lot/pad rent increases

3.2 BEST PRACTICES/PREFERRED CRITERIA FOR OWNER *(These will be used to differentiate between otherwise competitive applications; not all criteria must be met)*

- MHP connection to the regional wastewater system would result in potential environmental and/or water quality improvements, as rated by Council environmental review staff (i.e. decommissioning the private treatment system positively impacts local ecology and environment)
- MHP Owner demonstrates in narrative form its commitment to equity and improved opportunities for residents (e.g. computer lab, homework helpers, English as a Second Language (ESL) training, etc.).
- MHP Owner has performed a Capital Needs Assessment that identifies deferred, expected, or planned maintenance and upgrades, including the timing of planned work
- MHP Owner is accredited by the Better Business Bureau (BBB)
- MHP Owner has a current BBB rating of “B” or better
- MHP Owner has no current or outstanding business practice complaints lodged with the Office of the Minnesota Attorney General, nor any Fair Housing complaints lodged with the Minnesota Department of Human Rights or other government agency
- MHP Owner is a Minnesota-based business with ownership and management teams having primary residency in the State of Minnesota

3.3 THRESHOLD CRITERIA FOR LOCAL COMMUNITY

- Ongoing land use is currently consistent with local comprehensive plan and the Council's regional development framework *Thrive MSP 2040*, including the metropolitan system plans for wastewater service, transportation and regional parks.

3.4 BEST PRACTICES/PREFERRED CRITERIA FOR LOCAL COMMUNITY

- Agrees to waive/reduce local SAC or otherwise reduce costs to facilitate hookup (while not a requirement, a dedication to waiving or reducing local SAC charges will positively impact scoring of the application)
- Anticipates ongoing land use consistency upon submitting its next comprehensive plan update

- Community includes language in the comprehensive plan that discusses preservation of the MHP as an affordable housing choice in the community
- Community is a participant in the Livable Communities Act (LCA) programs or will complete a resolution for LCA participation prior to execution of a Grant Agreement (applications for LCA participation are due each November)

4.0 NOFA TERMS AND CONDITIONS

4.1 GRANT SELECTION PROCESS

This overview is intended to provide Applicants with general information about the Application process.

Once the Application has been received by the Council, the designated Council contact will review the Application for general compliance with requirements. When the Application is deemed complete, the designated contact will prepare a written report for the Grant Pilot Review Committee.

The Committee members will review submitted reports and score each complete Application based on criteria determined by the Council. The highest scoring Application will then be brought before the Council's Environment Committee to formally approve the highest-ranking Application and authorize staff to recommend a selection to the Metropolitan Council.

4.2 CONDITIONS OF DISBURSEMENT

Funding for the grant comes from the Metropolitan Council and will be allocated to the Grantee through an Interagency Agreement with Minnesota Housing. Funds will be provided directly to the MHP Owner, and an agreement will be negotiated between the MHP Owner and Council that will detail final grant requirements and means for disbursement.

Grant funds will be provided at the completion of the physical connection to the regional wastewater system and all related work, unless otherwise agreed to in writing by the Council.

4.3 COMPLIANCE AND GRANT REQUIREMENTS

- MHP Owner will only use grant funds for activities detailed in this NOFA and subsequent agreements, except by written consent of the Council
- MHP Owner and/or the local community agree to complete any additional infrastructure improvements (in addition to the required 50/50 match for SAC charges assessed) necessary to connect to the regional wastewater treatment system
- MHP Owner agrees to operate the manufactured home park as a manufactured home park for a period to be negotiated by the MHP Owner and the Council. Provisions for unforeseen circumstances necessitating closure may be included in Grant Agreement. This negotiated period will be the "Compliance Period."
- Should the MHP Owner seek to increase rents in any year during the Compliance Period, Owner warrants that any rent increase will not, on a percentage basis, be in excess of the average of the last 5 years' increases (or as otherwise established in the Grant Agreement). Provisions for unforeseen circumstances necessitating larger rent increases may be included in the Grant Agreement
- MHP Owner will notify the Council of any material changes to financial, regulatory, or ownership position(s), including giving notice of at least 6 months in event of planned sale

- Owner agrees to repay the grant to the Council under terms to be negotiated should it seek a land use change that would decrease residential density for the site or cause dislocation of low-income residents prior to expiration of the Grant Agreement and Compliance Period.

4.4 GENERAL NOFA TERMS AND CONDITIONS

- The Council may require clarification to understand any of the Applicants' submitted documentation. Any necessary clarifications or modifications will be made before selecting any Application and may become part of the final Grant Agreement
- Submission of an Application does not constitute an agreement between the Council and an Applicant, nor does it imply that an Applicant will be selected
- All costs associated with the preparation and submission of an Application are the sole responsibility of the Applicant
- By applying, the Applicant accepts all terms and conditions of this NOFA, and any terms and conditions required by the Council. No funds will be released prior to all program conditions being met and funding agreements executed
- The successful Applicant will be required to assume responsibility for all activities outlined and finalized in the Grant Agreement, whether the contractor, a representative or subcontractor produces them. The Council considers the Applicant responsible for all contractual matters, including performance of work and the stated deliverables, except where the Council or Local Community is directly responsible for physical improvements
- The successful Applicant will be required to maintain appropriate levels of liability insurance for any work undertaken on-site in preparation for connection to the regional wastewater treatment system, including the decommissioning of the existing private treatment facility
- A project work plan will be created by the MHP Owner in conjunction with the Local Community and subject to review by the Council. The work plan must be in sufficient detail to estimate the time and cost of related infrastructure work

In issuing this NOFA, the Council reserves the right, at its sole discretion:

- To amend the NOFA prior to the due date;
- To amend the deadline for submitting Applications;
- To determine whether an Application does or does not substantially comply with the requirements of this NOFA;
- To waive any minor irregularity, informality, or nonconformance with this NOFA;
- To reject any Application that fails to substantially comply with all prescribed NOFA procedures and requirements;
- To reject all Applications received or cancel this NOFA upon a finding by the Metropolitan Council that there is good cause for such cancellation; and
- Seek clarification on any or all Applications.