



INVEST Program Information and Application Instructions

The Scott County Community Development Agency's INVEST Program is designed to provide investment in the development or preservation of affordable workforce rental housing throughout Scott County. Funds are to be used as a source of gap financing that can in turn be used to leverage additional public and private sector funds.

The award of INVEST Funds are based on the information provided in the application and attachments. The CDA retains the right to reject in whole or in part any application for any reason. Funding awarded through the INVEST Program will be in the form of a deferred, repayable loan subject to CDA Board approval. If the applicant intends to apply for other state or federal funds such as (MN Housing's annual Consolidated RFP or Minnesota Management and Budget's Federal Bond programs) the INVEST award is contingent upon the development being selected for the State or Federal funds.

Resources:

Federal Bond Program: <https://mn.gov/mmb/debt-management/bonding/federal-bond-program/>

Minnesota Housing Annual Consolidated RFP: <https://www.mnhousing.gov/rental-housing/housing-development-and-capital-programs/rfps/consolidated-rfp-htc.html>

If you need clarification on the application, please contact Jo Foust at 952.395.5143 or jfoust@scottcda.org.

Submit applications to: Scott County CDA
Submit an electronic copy of the application to jfoust@scottcda.org.

Application fee:	Submit a \$1,500 check made payable to Scott County CDA with your application. If your application is funded, we will keep the full amount. If your application is not funded, we will return \$1,000. \$500 is non-refundable from all submitted applications.
Application due date:	Friday, May 23, 2025, at 10:00 a.m.
Available funding:	up to \$750,000
Funding Recommendations:	CDA Board Meeting - Tuesday, June 10th, 2025, at 12:30p.m.

Deferred, repayable loan: The CDA will provide a deferred, loan repayable a minimum of 15 years. Interest will be set at the Applicable Federal Rate (AFR) calculated at the time of loan closing.

In order to be considered for funding, applicants must meet the following minimum criteria:

- 1) **Income Requirements:** Rental projects must serve persons up to or below 80 percent of the county's Area Median Income (AMI) as defined by the US Department of Housing and Urban Development (HUD), which is updated annually. Priority will be given to applications that include units serving 50% and below of Area Median Income.
- 2) **Rent Requirements:** Rents must not exceed the most current HUD AMI rent schedule up to 80 percent, less the applicable utility allowance.

Applications will be reviewed against the following funding criteria:

- 1) **Organizational Capacity/Experience:** Applications must be received from a duly created and validly existing corporation, partnership, or other entity. Applicants must also demonstrate that the skills and experience of the development team and the property management team (if applicable) are appropriate to the size and complexity of the project.
- 2) **Proposed Development:** The proposed development should assist in meeting the demand identified in the Comprehensive Housing Study completed by the Scott County CDA and consideration is given to income and rent requirements, location as it relates to transit, employment, services and length of affordability period.
- 3) **Readiness to Proceed:** Applicants must be able to provide, at the time the application is submitted, evidence of site control. Evidence includes, deed of trust, current and

executed purchase agreement or sale agreement, current title showing applicant as owner or option agreement. The applicant must also include a letter from the city in which the development is located stating the current zoning and approval status.

- 4) **Project Feasibility:** The applicant must demonstrate project feasibility based on current housing finance conditions and the ability to complete the project in a reasonable timeframe. If applicable to preservation developments, applicants must show that a relocation plan has been developed to ensure that comparable units within the community are available and the budget is adequate to cover relocation costs.
- 5) **City Participation:** Applicants should submit documentation from the city of any financial commitments made to the proposed development (TIF, Fee Waiver, etc.). In addition, the CDA may contact the city for comment on the application.
- 6) **Demonstration of Need:** Applicants must be able to support the need for INVEST funding to complete the proposed project. CDA staff will review proposals to confirm the need for funding.
- 7) **Economic Benefit:** Applicant must be able to demonstrate the economic benefit the proposed development has on the community and the region.
- 8) **Variety Unit Sizes:** Priority will be given to projects that provide a variety of unit sizes.