

1. In Attachment 5, “a certified copy of a formal resolution of the organization authorizing the grant application, signed by the applicant’s Executive Director/President or General Partner/Manager/Authorized Member” is required. What if my agency is unable to obtain this by the due date of June 1, 2021?

A substitute for the formal resolution can be submitted for Attachment 5. A statement, on letterhead, submitted by the agency and signed by the delegated authority of the agency can be submitted. This statement should say that the formal resolution will be obtained later if the application is funded.

2. Can this program be used to develop rental units for worker housing?

Yes, rental units can be developed for all eligible households. See below:

ELIGIBLE MODULAR/MODIFIED PROGRAM OPTION TYPES --

Type 3) Small-Scale Multi-Unit Rental Modular Construction – The maximum funding request cannot exceed \$200,000 or 50% of the total project cost, whichever is less. Leverage is required for this component of at least 50% of the funding request. The project must be modular construction of multiple units in rural communities with a specific workforce housing need, tied directly to a local employer. The initial phase must be a minimum of two dwelling units (side or stacked duplex/townhomes), and total development must not exceed ten dwelling units. All MSHDA-funded rental units must be income restricted to households at 120% or less of area median income. Options for tenant ownership of any unit will be considered.

3. Can a local government partner with a local employer to develop this housing?

Yes, MSHDA encourages partnerships; however, the lien is between the grantee and MSHDA during the construction phase.

4. Can a local government serve as the applicant to construct housing on land owned privately?

As outlined in Program Parameters, site control is required by the applicant prior to construction – see below:

- This is a new construction only opportunity – it is restricted to vacant sites that are previously owned and/or acquired by the applicant post award; no land costs, land purchase or demolition costs are reimbursable.
- Utilization of land bank-owned/controlled property where structures have been previously demolished and are currently vacant lots with existing infrastructure is encouraged. Infill sites are recommended.

5. **Page 1, Paragraph 1 - The phrase "modified technology housing" is mentioned. Would the use of wall sections - containing the wall framing, windows, electrical circuits, insulation, and drywall - that are pre-built- in factories and delivered to the job site be considered as acceptable for modified technology housing?**

Modified technology housing is defined in Type 2 under Eligible Modular/Modified Program Option Types - see below:

Type 2) Single-Family Modified Construction Technology - The maximum funding request cannot exceed \$112,000 per unit. The leverage required for this component is at least 50% per unit. If there are multiple single-family modified technology constructed units proposed on a site, the maximum MSHDA funding request cannot exceed \$200,000.

- a. Modified Modular-Oriented Technology – One/two homes not ordered from a home building facility, but some modified technology products will be utilized in the build. Majority modular product/built – at least 60% of the build will be modified product and 40% of the build will be stick built.
or
- b. Modified Construction Techniques – One/two homes not ordered from a home building facility, but some modified technology products will be utilized. Majority stick built – not to exceed 60% of the build, at least 40% of the build will be utilizing modified techniques.

6. **Page 3, Paragraph 1 - The Type 3 construction has a statement that says, "The project must be ... tied directly to a local employer." Is this local employer someone who needs modular housing to house their employees? What proof does MSHDA require for this connection to the local employer? Would a letter of need from the employer be acceptable, or something else?**

Refer to Page 6 - Attachment 4 - which is outlined below:

Attachment 4: LETTER(S) OF SUPPORT FROM EMPLOYER(S) REGARDING WORKFORCE HOUSING NEED – Required -- Priority will be given to applicants that can show an affordable workforce housing need.

7. **Page 3, Paragraph 1 - For this rental modular construction option, would we - the program applicant - be required to own the units on an ongoing basis, or could these rental units be built and then sold at some point to an investor?**

Yes, the rental units can be sold if the grant has been repaid in full at the time of sale. The initial occupancy must meet the household income requirement and no further occupancy regulations would be required.

8. **On the 51% Low/Mod Community Chart, my community shows 50.78%. Can we round up to 51%?**

Yes, you can round up to the nearest percentage.