

Fiscal Year 2017 Pre-application for MFH Preservation and Revitalization Demonstration Program (MPR)

Instructions

Applicants are required to submit this pre-application form electronically by accessing the website: <http://www.rd.usda.gov/programs-services/housing-preservation-revitalization-demonstration-loans-grants>. Click on the Forms & Resources tab to access the “Fiscal Year 2017 Pre-application for MFH Preservation and Revitalization Demonstration Program (MPR).”

Supporting documentation required with your application must be sent via email to a special address that you will receive upon receipt of your electronic form. Please enter the Submission Email Address of the sender’s name on the form below (II.g). Under item **XIV. Documents Submitted**, check all supporting documents that you will be submitting via email. Please note, no hard copy submissions will be accepted as was done in the past.

I. Funding Track

Total Score:

Note, the application period for MPR funding options has now closed. You may still apply for a debt deferral for maturing mortgages or transfers until September 28, 2018.

This is a request to be considered for all applicable MPR funding options as per this notice. Pre-application closing date December 1, 2017 at 5:00 pm Eastern time. **Now closed.**

This is a request for debt deferral ONLY for a project where all agency loans on the property will mature on or before 12/31/2023. Pre-application closing date September 28, 2018 at 5:00 pm Eastern time.

This is a request for debt deferral ONLY for a project transferred to a new owner. Pre-application closing date September 28, 2018, 5:00 pm Eastern time.

II. Applicant Information

a. Applicant’s Name:

b. Applicant’s Address:

Address, Line 1:

Address, Line 2:

City:

State:

Zip:

c. Name of Applicant’s Contact Person:

d. Contact Person’s Telephone Number:

e. Contact Person’s Email Address:

f. Applicant’s DUNS Number:

g. Submission Email Address:

Specify the email address of the person who will be emailing all supporting documents. When you submit this form electronically, you will receive an email address for submitting all documents checked under item XIV. Documents Submitted.

III. Project Information

a. **Primary Project Name:**

b. **Project Address:**

Address, Line 1:

Address, Line 2:

City:

State:

Zip:

c. **Is this a Simple, Complex, Portfolio or Maturing Mortgage Deferral only transaction?**

Check Notice for exact definition of each transaction type.

Simple

Complex

Portfolio

Maturing Mortgage Deferral Only

d. **If Portfolio, what is the Portfolio Name?** A separate pre-application must be submitted for each project and each Pre-application must have the same **“Portfolio Name.”**

e. **Consolidation of project operations:**

Check one below:

This proposal does not involve a consolidation of properties (0 points)

This proposal involves a consolidation of 2-4 properties (5 points)

This proposal involves a consolidation of 5 or more properties (10 points)

Points:

Note: Only projects to be **consolidated** under Complex or Portfolio transactions must be submitted on one pre-application form and be located in the same market area as defined in the NOSA. Do not list Portfolio properties **not** being consolidated in f. below. Submit a separate application for each project in a Portfolio that is not being consolidated.

f. **Provide the following information for the Primary Project listed above and all projects being consolidated in this pre-application, if there is a consolidation.**

	Borrower ID	Proj. ID	Project Name	Vacancy Percentage (for 515 Only)	Proj. ST	Project Type 515/514/516
List Primary Project (required):						
1.						

List only Projects to be Consolidated with the Primary Project (NOTE: do not list Portfolio projects not being consolidated):

	Borrower ID	Proj. ID	Project Name	Vacancy Percentage (for 515 Only)	Proj. ST	Project Type 515/514/516
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						

For Section 515 RRH projects: If vacancy percentages, in the 12 months preceding this Notice’s publication date for any of the projects listed above, exceed 10.0% for projects with 16 or more revenue producing units, or exceed 15.0% for projects with less than 16 revenue producing units, attach required market survey documentation.

For Section 514/516 Off-Farm Labor Housing projects: If cash flow for the previous 3 full years of operation is not positive, attach required market survey documentation.

Year of Operation:

Cash Flow:

Year of Operation:

Cash Flow:

Year of Operation:

Cash Flow:

- g. **What is the age of the project?** (For a project consolidation, including portfolio transactions, use the project with the earliest operational date.) **Check one.**
- The initial project operational date is prior to December 21, 1979? (30 points)**
 - The initial project operational date is on or after December 21, 1979; but before December 15, 1989? (20 points)**
 - The initial operational date is on or after December 15, 1989; but before October 1, 1999? (10 points)**
 - The initial operational date is on or after October 1, 1999? (0 points)**
- If you checked one of the first three options, provide the initial operational date of the project: (mm/dd/yyyy) **Points:**

- h. **Is there an Agency approved Capital Needs Assessment (CNA)?** Yes No
- If "Yes," check one:
- The CNA was approved no earlier than 12 months before the MPR closing date as specified in this NOTICE for which this MPR pre-application is filed. (20 points)**
 - The CNA was approved no earlier than 24 months before the MPR closing date as specified in this NOTICE for which this MPR pre-application is filed. (10 points)**
 - Not applicable (0 points)**
- If "Yes," provide the date of the most recent Agency approved CNA: (mm/dd/yyyy) **Points:**

IV. Funds

- a. **Are there contributions of other sources of funds?** Yes No
- If "Yes," check one option to show evidence of the funds committed per unit/per project from other sources:
- \$3,000 to \$5,000 per unit/per project (10 points)**
 - \$5,001 to \$10,000 per unit/per project (15 points)**
 - \$10,001 to \$15,000 per unit/per project (20 points)**
 - Greater than \$15,000 per unit/per project (30 points) **Points:****

If "Yes," provide the amounts obtained from the following sources. Note: only include amounts for a Rural Development (RD) Section 515 loan or Section 514/516 loan/grant if it has already been approved and obligated by RD.

<u>Source:</u>	<u>Amount:</u>
Tax Credits	
3 rd Party Loan	
3 rd Party Grant	

Source:

Amount:

Tax Exempt Financing
RD Section 515 Rehabilitation Loan
RD Section 514/516 Off-Farm Rehabilitation Loan/Grant
RD Section 538 Funds
RD Preservation Revolving Loan Funds
Owner Provided Capital Contributions
Excess Funds from applicant’s project reserves,
operating funds or donated services

Total Contributions:

- b. This proposal includes evidence of an Owner Contribution of funds to pay the following transaction costs on a per unit/per project basis as noted below:**

- \$500 to \$650 per unit (10 points)**
- \$651 to \$900 per unit (20 points)**
- Greater than \$900 per unit (30 points)**
- Not applicable (0 points)**

Points:

These funds cannot be from the project’s reserve, operating funds, tax credit equity, or be in the form of donated services provided by the applicant. Transaction costs are defined as those Agency-approved costs required to complete the transaction under this Notice and include, but are not limited to, the CNA, legal and closing costs, appraisal costs, RD MPR credit report and associated MPR document filing/recording fees. This contribution must be deposited into the respective project reserve account from the owner’s non-project resources prior to closing the MPR transaction.

- c. This proposal includes evidence of an Owner Contribution of funds for the hard costs of construction on a per unit/per project basis as noted below:**

- \$1,000 to \$2,500 per unit (5 points)**
- \$2,501 to \$5,000 per unit (10 points)**
- Greater than \$5,000 per unit (15 points)**
- Not applicable (0 points)**

Points:

*These funds cannot be from the project’s reserve account or project’s general operating account or in the form of a loan. Hard costs of construction are defined as those costs for materials, equipment, property or machinery required to complete the proposal under this Notice. Hard costs of construction must be itemized on Form RD 1924-13, “Estimate and Certificate of Actual Cost.” Form RD 1924-13 can be found at <https://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD1924-0013.pdf>. The minimum contribution required to receive these points is \$1,000 **per unit per project** which will be required to be deposited in the project reserve account or supervised/construction account, as directed by Rural Development, prior to closing. An increased RTO may be allowed for funds committed in accordance with 7 CFR section 3560.406 (d) (14) (ii).*

V. Transfers and Sales (with open physical findings)

- a. **Does this proposed transaction include a transfer of ownership?** Yes No
If "Yes," select b. or c. below and attach an unexpired copy of the executed Purchase Agreement or other evidence of valid site control acceptable to the Agency.

- b. **Has the Agency servicing classification been identified as "C" or "D" for 24 months or more?** (20 points) Yes **OR**

- c. **Has the Agency servicing classification been identified as "C" or "D" for less than 24 months?** (15 points) Yes No to b. and c. **Points:**

If "No," (not involved in a transfer), select item d. or e. below:

- d. **For stay-in-owners only, has the Agency servicing classification been identified as "B" as a result of a workout plan and/or transition plan approved by the Agency for not more than 12 months prior to the closing date for this notice?** (25 points)
Yes **OR**
NOTE: Projects with an Agency "C" classification for 24 months or longer with Open Findings that were within the owner's ability/control to cure at the time the MPR pre-application is filed will not be eligible to participate in the MPR demonstration program.

- e. **Has the sale of 515 properties to a Nonprofit Organizations under the prepayment process closed? If so, submit a copy of the filed deed with this pre-application.** (30 points)
Yes No to d. and e. **Points:**

VI. Maturing Mortgages (i.e., Exiting Projects)

Will all existing RD loans on this project mature (i.e. make their final loan payment) on or before December 31, 2023 **AND** are also competing for other MPR tools? (25 points)

Yes No **Points:**

Expected date of final loan payment: (mm/dd/yyyy)

VII. Projects in Persistent Poverty Counties or High Need Areas

This project is located in a persistent poverty county or other high need area: (15 points)

- A persistent poverty county as defined by USDA's Economic Research Service
- An RD designated Strike Force or Promise Zone area
- Colonias
- Tribal Areas
- Rural Economic Area Partnership (REAP) Community
- In a place identified in the State Consolidated Plan Not applicable

Points:

The Economic Research Service (ERS) (<http://ers.usda.gov>) has defined counties as being persistently poor if 20 percent or more of their populations were living in poverty over the last 30 years (measured by the 1980, 1990 and 2000 decennial census and 2006 – 2010 American Community Survey 5-year estimates).

VIII. Adverse Impacts and Physical Failures

Has this project been adversely impacted by natural causes where the damage could not have been prevented by foresight or caution over the previous 24 months?

OR

Has this project sustained physical property damage or failure not reimbursable by property liability insurance or any other form of third-party compensation such as disaster loans or grants from other agencies? (25 points)

Yes No **Points:**

IX. Tenant Service Provision

The Agency will award five points for applications that include new services provided by either a for-profit or a non-profit organization, which may include a faith-based organization, or by another Government agency. Such services shall be provided at no cost to the project and shall be made available to all tenants. Examples of such services may include transportation for the elderly, after-school day care services or after-school tutoring.

Will new tenant services be provided to all tenants at no cost to the project? (5 points)

Yes No **Points:**

X. Energy Conservation

You may answer “Yes” to either a. or b. below. You must also answer c. Note, if you are participating in the Green Communities program under a. you may not receive additional points for items listed under b.

- a. Does this proposal include a written commitment to achieve participation in the Green Communities program by the Enterprise Community Partners (<http://www.enterprisecommunity.com/solutions-and-innovation/enterprise-green-communities>)? (40 points)**

At least 30 percent of the points needed to qualify for the Green Communities program must be earned under the Energy Efficiency section of the Green Communities program. Each applicant must provide a checklist establishing that the prerequisites for each program’s participation will be met. All checklists must be accompanied by a signed affidavit by the project architect or engineer stating that the goals are achievable.

Yes No **Points:**

OR

b. If you are **not enrolling** in the Green Communities program then points can be accumulated for each of the following items up to a total of **30 points**. Provide documentation to substantiate your answers. Documentation may include a signed statement agreeing to replace the items when needed, with Energy Star rated items.

i. Does this proposal include the replacement of heating, ventilation and air conditioning (HVAC) equipment with Energy Star qualified heating, ventilation and air conditioning equipment? (4 points):

Yes No **Points:**

ii. Does this proposal include the replacement of windows and doors with Energy Star qualified windows and doors? (4 points):

Yes No **Points:**

iii. Does this proposal include additional attic and wall insulation that exceeds the required R-Value of these building elements for your area as per the International Energy Conservation Code 2012? Three points will be awarded if all exterior walls exceed insulation code and two points will be awarded if attic insulation exceeds code, for a maximum of five points.

All exterior walls exceed insulation code (3 points):

Yes No **Points:**

Attic insulation exceeds code (2 points):

Yes No **Points:**

iv. Does this proposal include the reduction in building shell air leakage by at least 15 percent as determined by pre- and post-rehab blower door testing on a sample of units? Building shell air leakage may be reduced through materials such as caulk, spray foam, gaskets, and house-wrap. Sealing of duct work with mastic, foil-backed tape, or aerosolized duct sealants can also help reduce air leakage. (4 points):

Yes No **Points:**

v. Does this proposal include 100 percent of installed appliances and exhaust fans that are Energy Star qualified? (3 points):

Yes No **Points:**

vi. Does this proposal include 100 percent of installed water heaters that are Energy Star qualified? (3 points):

Yes No **Points:**

vii. Does this proposal include replacement of 100 percent of toilets with a flush capacity of more than 1.6 gallons with new toilets having 1.6 gallon flush capacity or less, and with the Environmental Protection Agency (EPA) Water Sense label? (2 points):

Yes No **Points:**

- viii. Does this proposal include 100 percent of new showerheads with EPA Water Sense label? (2 points): Yes No Points:
- ix. Does this proposal include 100 percent of new faucets with EPA Water Sense label? (1 point): Yes No Points:
- x. Does this proposal include 100 percent energy-efficient lighting including, but not limited to, Energy Star qualified fixtures, compact fluorescent replacement bulbs in standard incandescent fixtures and Energy Star ceiling fans? (2 points): Yes No Points:
- c. Does this proposal include a written commitment to achieve participation in local green/energy efficient building standards, such as a city, county or municipality program? (2 points): Yes No Points:
Name of Local Program:

Total Points for Energy Conservation:

XI. Energy Generation

Pre-applications that participate in the **Green Communities program** by the Enterprise Community Partners, or receive at least **20 points** for Energy Conservation measures are eligible to earn additional points for installation of on-site renewable energy sources. Renewable, on-site energy generation will compliment a weathertight, well-insulated building envelope with highly efficient mechanical systems. Possible renewable energy generation technologies include, but are not limited to: wind turbines and micro-turbines, micro-hydro power, photovoltaics (capable of producing a voltage when exposed to radiant energy, especially light), solar hot water systems and biomass/biofuel systems that do not use fossil fuels in production. Geo-exchange systems are highly encouraged as they lessen the total demand for energy and, if supplemented with other renewable energy sources, can achieve zero energy consumption more easily. Points will be awarded as follows.

- a. Projects whose preliminary or rehabilitation building plans and energy analysis propose a 10 percent to 100 percent energy generation commitment (where generation is considered to be the total amount of energy needed to be generated on-site to make the building a net-zero consumer of energy) may be awarded points corresponding to their percent of commitment as follows:

0 to 9 percent commitment to energy generation (0 points)

10 to 20 percent commitment to energy generation (1 point)

21 to 40 percent commitment to energy generation (2 points)

41 to 60 percent commitment to energy generation (3 points)

61 to 80 percent commitment to energy generation (4 points)

81 to 100 percent or more commitment to energy generation (5 points)

Points:

Note: In order to receive **more than one point** for commitment to energy generation, an accurate energy analysis prepared by an engineer will need to be submitted with the pre-application. Energy analysis of preliminary building plans using industry-recognized simulation software must document the projected total energy consumption of the building, the portion of building consumption which will be satisfied through on-site generation, and the building's Home Energy Rating System (HERS) score.

XII. Green Property Management Credentials

Pre-applications may be awarded an additional five points if the designated property management company or individuals assuming maintenance and operations responsibilities upon completion of construction work have a Credential for Green Property Management. Credentials can be obtained from the National Apartment Association (NAA), National Affordable Housing Management Association, the Institute for Real Estate Management, or the U.S. Green Building Council's Leadership in Energy and Environmental Design for Operations and Maintenance (LEED OM). This must be illustrated in the resume(s) of the property management team and submitted with this pre-application. (5 points)

I have submitted resumes of the designated property management companies or individuals responsible for maintenance and operations that have a Credential for Green Property Management. (5 points) Yes No **Points:**

Note: Total Points for **Energy Conservation, Energy Generation and Green Property Management** may not exceed 42. **Total Adjusted Energy Points for X, XI and XII:**

XIII. Sponsor Bonus

Pre-applications submitted solely by an Indian Tribe or Non-profit Organization as defined in 7 CFR 3560.11 along with the appropriate documentation will receive an additional 10 points. (10 points)

This application is being submitted solely by one of the following:

Indian Tribe Non-profit Organization Not applicable **Points:**

XIV. Documents Submitted

Below, please check all documents that you are submitting as part of your complete application package with this pre-application

NOTE: You are only required to submit supporting documents for programs in which you will be participating as indicated in this pre-application. Points will be assigned for the items that you checked based on a review of the supporting documents.

Reference in Form	Item	Submission Mode
	FY 2017 Pre-application for MFH Revitalization Demonstration Program (MPR) (this form).	Email N/A
III. Project Information		
f.	Market Survey if vacancy rates are exceeded for Section 515 RRH projects or if there is negative cash flow for Section 514/516 FLH projects.	Email N/A
IV. Funds		
a.	Evidence of commitment and sources of funds, showing that the funds have been committed or awarded.	Email N/A
b.	Evidence of owner contribution of funds for transaction costs.	Email N/A
c.	Evidence of owner contribution of funds for hard costs of construction.	Email N/A
V. Transfer and Sales		
a.	Executed Purchase Agreement for a transfer of ownership OR	Email N/A
a.	Other evidence of site control for a transfer of ownership such as a Letter of Intent, or other documentation acceptable to the Agency.	Email N/A
e.	Filed Deed for a sale that has closed to a Nonprofit/Public Housing Authority under the prepayment process.	Email N/A
VIII. Adverse Impacts and Physical Failures		
	Describe adverse impacts by natural causes or sustained property damage or failures not reimbursable by property liability insurance or any other form of third party compensation.	Email N/A
IX. Tenant Service Provision		
	Describe Tenant Services provided at no-cost to all tenants and the organizations providing these services.	Email N/A
X. Energy Conservation		
a. OR	Certification in the Green Communities Program by the Enterprise Community Partners.	Email N/A
b.	Documentation substantiating Green Energy improvements outlined in items i. through x.	Email N/A
c.	Certification in local green energy efficient building standards.	Email N/A
XI. Energy Generation		
a.	Energy analysis of preliminary building plans documenting total energy consumption, energy consumption satisfied by on-site generation and the building's Home Energy Rating System (HERS) score.	Email N/A
XII. Green Property Management Credentials		
	Resumes of the designated property management company or individuals responsible for maintenance and operations that have a credential for Green Property Management.	Email N/A

Reference in Form	Item	Submission Mode
XIII. Sponsor Bonus		
	Documentation showing that this application is being submitted solely by an Indian Tribe or Non-profit Organization.	Email N/A

XV. MPR FY 2017 Scoring

PLEASE NOTE: The scoring below is based on the responses that you have provided on this pre-application form and may not match the final score that the Agency officially assigns upon evaluating the supporting documentation that you submit. Your score may change from what you see here if the supporting documentation does not adequately support your answer or, if any required documentation is missing.

	Scoring Items for MPR 2017	Points Earned
1.	Consolidation of Project Operations (5, 10)	
2.	Age of Project (10, 20, 30)	
3.	Agency approved Capital Needs Assessment (10, 20)	
4.	Contribution of Other Sources of Funds (10, 15, 20, 30)	
5.	Owner Contribution for per unit transaction costs (10, 20, 30)	
6.	Owner Contribution for per unit hard costs of construction (5, 10, 15)	
7.	Project classified as "C," or "D" for transfers (15, 20) OR	
8.	Project classified as "B" for stay-in owner (25) or sale to a non-profit (30)	
9.	All RD loans on project will mature on or before December 31, 2023 (25)	
10.	Project is located in a persistent poverty county or high-need area (15)	
11.	Project was adversely impacted by natural causes over the previous 24 months or sustained non-reimbursable physical damage or failure (25)	
12.	Tenant Service Provisions will be provided (5)	
13.	Participation in the Green Communities Program (40) OR items 14 through 24 below.	
14.	Energy Star HVAC equipment (4)	
15.	Energy Star windows and doors (4)	
16.	Exterior wall insulation that exceeds code (3)	

	Scoring Items for MPR 2017	Points Earned
17.	Attic insulation that exceeds code (2)	
18.	Reduction in building shell air leakage (4)	
19.	Energy Star appliances and exhaust fans (3)	
20.	Energy Star water heaters (3)	
21.	Reduced flush-capacity toilets (2)	
22.	New showerheads with EPA water-sense label (2)	
23.	New faucets with EPA water-sense label (1)	
24.	Energy Star light fixtures and ceiling fans (2)	
25.	Participation in local green energy standards (2)	
26.	Energy Generation (1, 2, 3, 4, 5)	
27.	Green Property Management Credentials (5)	
28.	Sponsor Bonus for Indian Tribe and Non-profit Organizations (10)	
	Total Raw Score:	
29.	Total points for Energy Conservation, Energy Generation and Green Property Management with a cap of 42 points	
	Total Adjusted Final Score:	

To start over with a blank form

IMPORTANT: Please read and follow these steps before submitting this form. Have all of supporting documents ready for submission before you submit this form.

- Step 1:** Please Save the form with the Project name and State in the Filename, before you click the Send Form button. Pre-applications submitted with the default filename will not be accepted as it will default to a blank form with no data.
- Step 2:** Once your supporting documents are ready for submission, click **Send Form** to open up an email window with the pre-application attached as an .fdf data file. You must submit this file in order for your pre-application to be processed. Please **add** the .pdf file that you saved in Step 1. Enter the **Project Name** and **State** in the Subject line of the email and then send the email with the two attachments.
- Step 3:** You may print the form for your records.

Rules to follow when submitting Supporting Documents:

1. On receipt of your electronic pre-application form you will receive an Auto Reply with the email address for submitting your supporting documents. Please submit all supporting documents to this email address. No other form of submission will be accepted.
2. Submit all of your supporting documents at the same time and not individually or in batches at different intervals.
3. In the Email Subject line enter the **Primary Project Name** and **State** in order to identify the supporting documents and tie them to your pre-application form.
4. One email should only contain the supporting documents for one project, except in the case of a consolidation when more than one project is listed on the pre-application form.
5. Submit each supporting document as a separate file with an easily identifiable filename. Filenames with special characters such as an "&" will be rejected by the system. Letters, numbers and spaces are permissible. Filenames may not exceed 64 characters.
6. In some instances, you may exceed the limits on the filesize of an attachment or the total number of attachments that you can include in one email. If the submission is not successful, you may need to limit the size or number of files sent in one email. In this case, you may use more than one email to submit all of your supporting documents. Do not resend documents that you previously sent.
7. The following file types are acceptable: Adobe .pdf, Word and Excel. We will not accept zip files or links to files stored on other sites.

PLEASE NOTE

Failure to comply with these guidelines may result in a rejection of your application.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0190. The time required to complete this information collection is estimated to average 90 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.