

RFP Questions Received and Staff Answers

1. Is there a minimum number of previously completed projects needed to be competitive? Yes, one previous new construction home or substantial rehab completed by you or a member of your development team within the last two years is required to meet minimum eligibility requirements. Developers are scored in the Efficiency and Capacity section on successful completion of similar projects within the last two years with more projects completed earning more points.

2. Is the development assistance per lot or unit?

Project gap funding is provided per lot. The City does provide up to \$25,000 of additional project gap for the development of 2-4 unit structures. Affordability gap may be provided per owner-occupied unit, subject to program terms.

3. In Efficiency and Capacity, there are points available for "Up to 10 points - Projected cost and sale price reflect industry standards." What are the industry standards referred to here?

We do an analysis of the proposals received as well as previous proposals built through Minneapolis Homes. These form the basis for the standards we review projects against.

4. Is there any affordability term beyond the first buyer for the use of affordability gap funds (non-LTA) or for project gap-converted affordability funds? If so, what is the mechanism for this? Does use of affordability funds mean use of HOW funds?

On a non-LTA project, the Affordability Gap funds (non-LTA and project gap-converted affordability funds) will be secured with a 30-year deferred 0% interest loan that is repayable upon sale, refinance, or if the borrower ceases to owner occupy. Affordability requirements only apply to the first buyer because the funds are repaid when the first buyer sells.

On an LTA project, the Affordability Gap funds (LTA and development gap-converted affordability gap) would be secured with a declaration of restrictive covenants for a 30-year term and remain invested in the project for that entire term.

No, use of Affordability Gap funds does not mean use of HOW funds. There are many sources that are allocated through the RFP process and HOME/HOW dollars may or may not be allocated.

5. Do I need full architectural drawings to apply?

Concept drawings are acceptable for the application. Architectural drawings are not required. Drawings submitted should include floor plans, elevations, and site plans.

6. Are parking pads allowed?

No, one enclosed parking space is required per residential unit per Minneapolis zoning code.

7. Are Accessory Dwelling Units (ADUs) allowed?

Yes, ADUs are allowed as long as they comply with the zoning code. For questions, contact 311 (612-673-3000 outside of the City). For zoning related questions, it's recommended to meet with a Minneapolis Development Coordinator as outlined in the answer to Question 8 below.

8. Where do I go if I have questions about the permitting process or if my concept meets zoning and building code requirements?

Minneapolis Development Review has Development Coordinators that can answer your questions. They will give you all of the applicable handouts and application forms and explain the process. You can also speak to members of the Zoning and Plan Review teams about their reviews and requirements. It's located at 250 S 4th Street, Room 300. It's open 8-3:30 every week day, except that it opens at 9 on Thursdays. You do not need an appointment.

9. I'm building a 2-4 unit structure for homeownership. How do I obtain PIDs for each property?

First contact Minneapolis Development Review to ensure your concept meets zoning requirements. Then after property acquisition you will need to hire a surveyor to survey the property for subdivision, submit a division request to Minneapolis Development review staff, and finally submit your request for subdivision to the plat department of the Hennepin County Surveyor's Office. Their contact number is 612-348-3131.

10. Can I build a duplex/twin-home on any R2b lot?

R2b Lots of less than 5,000 square feet would require a variance from the City. R2b lots of 5,000 square feet or greater do not require a variance. To learn more about the variance process contact Minneapolis Development Review as highlighted in Question 8 above. It is possible that proposals requiring a variance will not be recommended for City Council approval until the variance process is completed and approved, which is likely to occur after the timeline stated in the RFP.