



**Hennepin County**  
**Housing and Redevelopment Authority**  
701 Fourth Avenue South, Suite 400  
Minneapolis, MN 55415  
www.hennepin.us

*Issued January 5, 2012*

## 2012 Transit-Oriented Development (TOD) Program

The Hennepin County Housing and Redevelopment Authority (HCHRA) is making up to \$2 million available to support public and private multi-jurisdictional<sup>1</sup> transit-oriented development (TOD) projects located along Hennepin County transit corridors where transit service is frequent and high capacity. Projects must be a component of a municipally-designated Redevelopment Plan<sup>2</sup> (within designated Redevelopment Project Areas or Housing Districts). TOD Program funds are intended to supplement existing private and public resources in support of transit-oriented development.

TOD promotes a mixture of housing, retail, services, workplaces and open space within walking distance of transit to maximize use of the transit system. By directing compact development to existing developed areas well-served by transit, TOD reduces public infrastructure costs over time and preserves regional open space. Pedestrian- and bike-friendly TOD has numerous public benefits including decreased congestion, a greater range of housing options, fewer emissions, and improved public health by creating walkable neighborhoods that promote physical activity. TOD projects feature reduced parking, increased density, and building orientation toward transit and the pedestrian environment. TOD lowers combined housing and transportation costs by reducing the need to drive and own cars for commuting and daily trips, and promotes economic opportunity by linking residents with employment and service destinations. (See "Resources" section below for further descriptions of TOD.)

### Funding Available

A maximum of \$2 million is available for the 2012 TOD Program. The priority is to fund projects in the form of short-term loans to establish a self-sustaining revolving loan fund. Loan terms and structure are negotiable. Past award terms include: loan term up to 5 years, interest rate between 3-5%, with a 1% origination fee. Loans require execution of loan agreements, promissory notes and security agreements. HCHRA reserves the right to offer either grants or loans to approved applicants. If grant funds are recommended, funds would be provided on a reimbursement basis for actual costs as approved in the grant application and subsequent negotiated work programs and contracts. There is no minimum or maximum award amount. Prior awards have ranged from \$25,000 to \$1,000,000.

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<sup>1</sup> "MULTI-JURISDICTIONAL" – Minnesota Statutes 383B.79, Subdivision 1 enabled creation of a multi-jurisdictional reinvestment program involving Hennepin County, the cities of Minneapolis, Brooklyn Center, and other interested statutory or home rule charter cities in Hennepin County, the Minneapolis Park Board, and the suburban Hennepin County Park District. The multi-jurisdictional program must include plans for one or more of the following: housing rehabilitation and removals, industrial polluted land cleanup, water ponding, environmental cleanup, community corridor connections, corridor planning, creation of green space, acquisition of property, development and redevelopment of parks and open space, water quality and lakeshore improvement, development and redevelopment of housing and existing commercial projects, and job creation.

<sup>2</sup> See Minnesota Statutes 469.002.

## Eligible Applicants

- Cities and development authorities (e.g. Housing Redevelopment Authority, Economic Development Authority or Port Authority) within Hennepin County
- Private entities, including both non-profit and for-profit developers

NOTE: The municipality in which the project takes place must adopt resolutions that authorize application submittal, document that the project is in a Redevelopment Project Area or Housing District, and approve participation in a multi-jurisdictional project with the HCHRA. **Applicants must contact appropriate city staff regarding these requirements and obtain copies of resolutions establishing Redevelopment Project Area and/or Housing District prior to submitting an application.**

## Eligible Locations

Eligible projects must be located in a municipally-designated Redevelopment Project Area or Housing District within Hennepin County, and must be located along a transit corridor. Priority will be given to projects adjacent to County-identified corridors, within ½ mile of an existing or planned light rail station, and/or within a Transit Improvement Area designated by Minnesota Department of Employment and Economic Development (DEED). County-identified transit corridors include, but are not limited to: Hiawatha Corridor, Central Corridor, Southwest Corridor, Bottineau Corridor/County Road 81 (including Lowry Avenue and West Broadway), Northstar Corridor, I-35 Bus Rapid Transit (BRT) Corridor, Cedar Avenue Bus Rapid Transit (BRT) Corridor, and the Midtown Greenway. Projects located along a Metro Transit express bus route, or along a bus route providing frequent (every fifteen minutes) all day service will also be considered. To view an interactive Twin Cities Metro Area Transit Systems map, see <http://www.metrotransit.org>.

## Eligible Activities

Eligible uses of funds must demonstrate a public purpose, and may include project components that are oriented to the transit stop(s) identified in the project (such as public plazas, pedestrian-scale lighting, bus shelters, bike racks, and other enhanced features of a development project); components that are a necessary cost of a transit oriented development project (such as demolition, utility relocation, or other extraordinary project costs); and/or public realm improvements to a transit-oriented development area (such as municipal investments in infrastructure or public realm enhancements). More specifically, eligible uses include:

- a) Installation of public infrastructure improvements, including pedestrian and bicycle facilities that improve pedestrian, bicyclist, and transit rider safety and ease of use;
- b) Clearing acquired property and installation of streets, utilities, and site improvements for uses in accordance with the redevelopment project;
- c) Acquisition of real property for the purpose of removing, preventing or reducing blight, blighting factors or the causes of blight.

Examples of eligible uses of funds from past TOD Program awards include:

- Public plaza with pedestrian lighting, landscaping, bike racks and bus shelter adjacent to a commercial development located along a high-frequency transit corridor;
- Site acquisition for redevelopment;
- Utility upgrades and streetscaping in a redevelopment area along a transit corridor ;
- Demolition, utility relocation, and lighting for a high density, mixed-use development near an LRT station.

## Program Criteria

Selection criteria include, but are not limited to:

- A. Proximity to transit and transit connections
  - Proximity, physical orientation toward, and connection to transit.
  - Extent to which the project actively promotes transit ridership. Selected projects must work with the County to include evaluation tools (such as surveys) to measure impacts on transit ridership.
- B. Principles and outcomes of transit-oriented development
  - Mix of uses and the degree to which projects support expanded mobility, employment, recreation, and housing choices. For projects that include a housing component, extent to which projects align with Hennepin County's affordable housing priorities, as identified in Affordable Housing Incentive Fund (AHIF) Guidelines and Criteria (see [www.hennepin.us](http://www.hennepin.us), keyword "AHIF"). Market-rate projects will also be considered.
  - Use of transit-oriented and pedestrian-oriented design principles and extent to which projects contribute to a vibrant, walkable, bikeable community that encourages multiple modes of transportation and aligns with Active Living Hennepin Communities (ALHC), [www.hennepin.us/activeliving](http://www.hennepin.us/activeliving). See also "Resources" section below.
  - Likelihood of catalyzing development, stimulating private investment and enhancing the tax base.
  - Job creation and retention.
- C. Financial feasibility, need for financial assistance, and readiness
  - Extent to which projects leverage other public and private resources, as demonstrated by existing financing commitments.
  - Extent to which projects demonstrate readiness and an ability to commence the project no later than early 2013 and complete the eligible activities no later than December 31, 2014.
  - Extent to which projects demonstrate that funding from other sources, both private and public, is insufficient and TOD Program funding is needed.

## Application Process

Applicants must submit one electronic copy (on disc or USB drive), one original, and four complete copies of the application to the address listed below. Hard copies must be unbound, with only paper or binder clips attached. Double sided documents are strongly preferred. Direct any questions and submit applications by **February 23, 2012 at 4:00 p.m.** to

Patricia L. Fitzgerald, Principal Planning Analyst  
Hennepin County Housing, Community Works and Transit  
701 Fourth Avenue South, Suite 400  
Minneapolis, MN 55415  
direct - 612-543-0864; email [patricia.l.fitzgerald@co.hennepin.mn.us](mailto:patricia.l.fitzgerald@co.hennepin.mn.us)

Potential applicants are strongly encouraged to review projects with Ms. Fitzgerald prior to submittal. A selection committee including HCHRA staff and additional contributors, as needed, will review applications and may request additional information from applicants. The HCHRA may elect to allocate funding to Hennepin County projects that meet TOD Program criteria. Staff anticipates presenting funding recommendations to the HCHRA Board in May-June 2012. Funds are anticipated to be available for eligible expenditures incurred after final contracts are executed, shortly after the May-June Board action.

Under Minnesota law, data submitted by a business to a government entity in response to a request for proposal are private or nonpublic until the responses are opened. Once the responses are opened, the name of the proposer becomes public. All other data in a proposer's response to a request for proposal are private or nonpublic data until completion of the evaluation process. Completion of the evaluation process means that the government entity has completed negotiating the contract with the selected proposer. After a government entity has completed the evaluation process, all remaining data submitted by all proposers are public with the exception of trade secret data as defined and classified in Minnesota Statute Section 13.37. A statement by a proposer that data are copyrighted or otherwise protected does not prevent public access to the data contained in the response if such data does not qualify as trade secret data.

This request for proposals does not commit Hennepin County or the HCHRA to pay any costs incurred in the preparation of a proposal for this application. Hennepin County and the HCHRA reserve the right to accept or reject any or all applications received, to accept or reject any late applications, to rescind the request for proposals, to request additional information as deemed necessary to review any application, to negotiate with all qualified proposers, to use any or all proposer ideas and/or approaches presented, or to cancel in part or in its entirety this request for proposals, if it is in the best interest of Hennepin County and the HCHRA to do so. Hennepin County and the HCHRA may require the entities selected to participate in negotiations to submit any fiscal, technical, or other revisions of their proposals that may result from negotiations.

## Resources

### Transit-Oriented Development

U.S. Department of Housing and Urban Development, Sustainable Communities,

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/sustainable\\_housing\\_communities](http://portal.hud.gov/hudportal/HUD?src=/program_offices/sustainable_housing_communities)

Metropolitan Council: Guide for Transit-Oriented Development,

[www.metrocouncil.org/planning/TOD/tod.htm](http://www.metrocouncil.org/planning/TOD/tod.htm)

Urban Land Institute (ULI): Ten Principles for Successful Development Around Transit,

[www.uli.org/ResearchAndPublications/Reports/~media/Documents/ResearchAndPublications/Reports/TenPrinciples/TP\\_DevTransit.ashx](http://www.uli.org/ResearchAndPublications/Reports/~media/Documents/ResearchAndPublications/Reports/TenPrinciples/TP_DevTransit.ashx)

Reconnecting America, Center for Transit-Oriented Development,

[www.reconnectingamerica.org/public/reports](http://www.reconnectingamerica.org/public/reports)

"What Does Density Look Like?" [http://www.minneapolismn.gov/cped/planning/cped\\_planning-zoning](http://www.minneapolismn.gov/cped/planning/cped_planning-zoning)

Saint Paul Transit-Oriented Development Guidebook for the Central Corridor,

<http://www.stpaul.gov/DocumentView.aspx?DID=18571>

### Transit Corridors

Regional Transportation, <http://www.metrocouncil.org/transportation/transportation.htm>

Central Light Rail Corridor, [www.centralcorridor.org](http://www.centralcorridor.org)

Southwest Transitway Light Rail Corridor, [www.southwesttransitway.org](http://www.southwesttransitway.org)

Bottineau Transit Corridor, [www.bottransit.org](http://www.bottransit.org)

### Active Living and Complete Streets

Active Living Hennepin Communities (ALHC), [www.hennepin.us/activeliving](http://www.hennepin.us/activeliving)

Active Design Guidelines, [www.nyc.gov/html/ddc/html/design/active\\_design.shtml](http://www.nyc.gov/html/ddc/html/design/active_design.shtml)

Minnesota Complete Streets Coalition, [www.mncompletestreets.org/](http://www.mncompletestreets.org/)

### Minnesota Department of Employment and Economic Development Transit Improvement Areas (TIAs)

[http://www.positivelyminnesota.com/Government/Financial\\_Assistance/Site\\_Cleanup,\\_Redevelopment,\\_Transit\\_Funding/Transit\\_Improvement\\_Areas.aspx](http://www.positivelyminnesota.com/Government/Financial_Assistance/Site_Cleanup,_Redevelopment,_Transit_Funding/Transit_Improvement_Areas.aspx)



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## 2012 Transit Oriented Development Program

## Application

1. Project name		
2. Applicant  Application contact, title  Address  Phone	Email	
3. Project location  Main site address  City  Name of Redevelopment Area / Housing District (attach adopting resolution & map) Designated Transit Improvement Area (TIA)?  Transit lines, stations, or stops within ¼ mile (note express routes and/or frequency of service)  Transit lines, stations, or stops within ½ mile (note express routes and/or frequency of service)	Hennepin County District  <input type="checkbox"/> Yes <input type="checkbox"/> No    Name:	
4. Proposed use of funds (eligible activity or activities) (25 words or less)		
5. Amount requested	\$	
6. Has the municipality passed a multijurisdictional resolution supporting the application? Attach resolution.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In process	
7. Attach an aerial of the project area, with the location where the eligible activities will occur clearly marked. Show project site boundaries, nearby transitway(s), transit stops, and other relevant information. <input type="checkbox"/>		

8. **Project description:** Provide a brief narrative description of the project and what makes this project transit-oriented development. If applicable, include basic information about proposed land use, commercial square footage, number of residential units (if applicable), building height and bulk, number of parking spaces, ownership structure, identified tenants/owners. (100 words or less)

9. **Financing:** Identify all sources of funding for the project and status of securing proposed funding in the table below. Attach a detailed capital pro-forma (sources and uses), and a 10 year operating pro-forma with cash flow projections. Show all formulas and assumptions. Attach funding commitments, preliminary loan commitments, etc.

Source	Committed (Yes/No)	Type of Funds*	Amount
Total			
TOD request as % of TDC			

\*Specify "grant," "owner's funds," "deferred loan," "amortizing loan," etc.

10. **Need for financial assistance:** Describe why TOD funds are needed to supplement other sources. State whether the project is seeking grant or loan funding and outline terms being requested. Note that requesting grant or deferred loan funding significantly decreases the likelihood of an award. (75 words or less)

11. **Readiness:** Describe the project's readiness and proposed timeframe for project commencement, completion of the eligible activities, and overall project completion. List all significant project milestones achieved to-date. Attach evidence of site control, if applicable. Attach a project schedule, including anticipated dates of applications and commitments for any uncommitted financing sources, closing on project financing, beginning and end of construction, etc. (100 words or less)

**12. Alignment with TOD Program Priorities.**

a. Location & connections. Describe the project's proximity to transit as well as the project's physical orientation toward, and connection to transit. Describe the pedestrian, bicycling, and transit connections to other areas of interest, such as commercial areas, employment centers, open space, and other amenities. Explain how transit ridership will be measured at completion. (100 words or less)

b. Mix of uses. Describe the mix of uses (if applicable). If the project includes a housing component, list the number and percentage of affordable units, the level and term of affordability. If the project includes a commercial or employment component, list the number and type of businesses created or retained, and the number of jobs created or retained (FTEs). Describe how these numbers were generated. (75 words or less)

c. Design. Describe how the project uses transit-oriented and pedestrian-oriented design principles, encourages multiple modes of transportation and aligns with Active Living Hennepin Communities (ALHC). Attach a site plan, elevations, and/or photos. (75 words or less)

d. Impact on future development. Describe the project's likelihood of catalyzing further development, stimulating private investment, and enhancing the tax base. (75 words or less)

## Application Checklist

- Application form
- Redevelopment Plan/Project Area or Housing District map
- Redevelopment Plan/Project Area or Housing District adopting resolution
- City resolution authorizing the TOD Program application and participation in multijurisdictional project
- Aerial map showing location and transit connections
- Capital pro-forma
- Operating pro-forma
- Copies of all funding commitments, preliminary loan commitments, etc.
- Evidence of site control
- Project schedule
- Site plan, elevations, and/or photos