

Commercial Ownership Assistance (COA) 2025 Guidelines

Applications accepted beginning **October 27, 2025**.

Applications reviewed on a rolling basis.

Hennepin County's Commercial Ownership Assistance program seeks to support commercial real estate ownership among established local small businesses at the early stages of assessing the feasibility of acquiring a specific property. Eligible local small businesses seeking to acquire commercial real estate for their own use and occupancy in Hennepin County and who demonstrate a matching financial commitment may access up to \$10,000 value in consulting services from real estate finance experts and other property acquisition experts, including:

- Evaluating the financial feasibility of acquisition and ownership,
- Identifying building conditions and architectural needs, and
- Understanding the process of property ownership

Eligible services

Services are performed by qualified third-party real estate development consultants under contract with Hennepin County (see below) and are provided at no cost to selected businesses. Program staff will match each selected business with a consultant. The business and consultant will then meet to establish a mutually agreed upon scope of work, based on a preliminary feasibility assessment and the needs of the business.

Consultants

- Element Commercial Real Estate
- NEOO Partners
- Platform CRE

Consultants will provide financial and real estate development consulting services to selected businesses depending on the goals and needs of the business. Services may include, but are not limited to the following:

- Financial feasibility analysis of property acquisition and ownership

- Preliminary architectural services, such as a building code assessment and building code review
- Preliminary renovation cost estimate, and projected sources & uses of funds statement
- Consulting on leasing and repositioning strategies, such as asset repositioning or market adaptation
- Development of an operating pro-forma budget based on projected maintenance and asset management costs

Real estate brokerage and other transaction-related costs are not included as part of this program. The program does not fund market search or site selection, and interested businesses must have an identified property at the time of application. There are a range of other due diligence activities and costs that may be needed prior to closing on a property that this program does not fund. Program consultants will coordinate the services of other professionals, such as architects, contractors, appraisers, and/or financial institutions as needed. Consultants will work with their clients to identify additional needs, service providers, and other potential funding sources to advance their projects. Program staff may also help connect businesses to other resources when possible.

Activities already completed or paid for by other funding sources are not eligible for this program.

Program eligibility

Eligible businesses must:

- Be a for-profit business located in Hennepin County
 - Hennepin County businesses with operations outside the county must adequately demonstrate that program funding will be utilized toward acquisition of property in Hennepin County.
- Be registered and in good standing with the State of Minnesota Secretary of State
- Be an established business with a minimum of three (3) years in revenue operations
- Have fewer than 100 employees
- Be actively pursuing the purchase of an identified commercial property within Hennepin County for its own use and occupancy

- This may include businesses in an existing building, businesses looking to relocate, or businesses looking to expand to open a second location or operations space.
 - Examples of properties include single or multi-tenant commercial buildings, small mixed-use buildings with ground floor commercial space and no more than four (4) residential units above, commercial condominium units within existing or planned mixed-use buildings, or buildings on a community land trust.
 - Properties that require limited renovations or other improvements to the building are eligible; however, projects that involve new construction, redevelopment, and substantial renovation led by the business are not eligible for funding. The total project size, including acquisition and anticipated building improvements, must be under \$5 million.
 - Properties may also include additional space for other commercial tenants. If you are purchasing multi-tenant commercial building, your business must either occupy at least 50% of the net square footage or be the largest user in the building.
- Exclusively lease space in their existing location(s) and intend to be an owner-occupant of the identified property
 - Demonstrate financial commitment to the project totaling at least a 1:1 match
 - This may include costs incurred to date, payment toward related expenses concurrent with program services, or costs to be paid at acquisition closing. Program staff may request proof of payment from applicants to confirm financial commitment. Applicants may not use funds provided by other sources to meet this requirement.
 - Demonstrate financial hardship, including significant changes or challenges that may have impacted the ability to meet obligations or other unexpected strains that may be short or long-term
 - Financial hardship may be demonstrated in a variety of ways, including but not limited to, rejection of project financing applications from one or more traditional lenders, the property is located in a low-income census tract or within an area of high or medium-high social vulnerability [according to the CDC](#), the project revitalizes a vacant or blighted building, and/or the project includes extraordinary environmental remediation or historic rehabilitation costs.

Worker cooperatives and other employee-owned businesses that meet the above criteria are eligible for the program. Eligible businesses exploring a transition to

employee ownership, including business and real estate acquisition, are also welcome to apply.

Ineligible requests

Certain entities and properties are not eligible for assistance, including:

- Corporate chains, multi-state chains, and affiliated entities
- Non-profit organizations
- Financial institutions
- Businesses prohibited from doing business with either the federal government or the state of Minnesota as a result of debarment or suspension proceedings
- Real estate development projects, including new construction, redevelopment, or substantial renovation
- Acquisition, development, and/or management of residential housing or lodging (including single-family, multi-family, community residential services, or hotels and other lodging)
 - Small mixed-use buildings with ground floor commercial space and no more than four (4) residential units above are eligible.
- Acquisition of commercial property for passive investment purposes (not occupied by the business entity seeking assistance)
- Acquisition of commercial property primarily for warehousing and storage uses
 - Properties may include warehousing related to business operations, but the space reserved for warehousing use must not exceed 50% of the net square footage of the building.
- Businesses that primarily derive income from passive investments only, gambling, or any income from adult entertainment
- Businesses that primarily derive income from the appreciation and resale of assets
- Businesses that currently own one or more commercial properties in the state of Minnesota
 - This includes affiliated entities with a shared ownership interest in the business that will occupy and operate the property.

Applicants are required to sign an attestation form that eligibility criteria are met.

Resources available

A total of \$100,000 in technical assistance is available in 2025 on a first-come, first-served basis.

Eligible businesses may access up to \$10,000 in value in consulting services depending on project needs. The value of consulting services to be provided will be determined by Hennepin County, based on the preliminary feasibility and proposed scope by program consultants, and eligible businesses may receive less than the maximum value.

Program funds are intended to supplement the funds which a business commits to pursuing commercial property ownership. Selected businesses must demonstrate a financial commitment to the project totaling at least a 1:1 match.

The value of technical assistance paid for by HCHRA may or may not be subject to state and federal income taxes. Please consult with your tax professional.

Process and timeline

- Applications open **October 27, 2025**, and will be reviewed on a rolling basis until program funds are exhausted or the program is terminated.
- Resources are limited, and the value of consulting services will be determined on a first-come, first-served basis to eligible businesses who submit completed applications.
- After an application is submitted, program staff may reach out to the applicant to clarify responses and/or request supporting documentation to verify eligibility.
- Program staff will then notify an applicant if they have been preliminarily approved for services and assign them a consultant. As part of the intake process, the applicant will submit an attestation form that eligibility criteria are met.
- Each selected business will then meet with their assigned consultant to establish a mutually agreed upon scope of work, based on a preliminary feasibility assessment and the needs of each business.
- **Services must be completed within ninety (90) days of written approval by HCHRA.** Selected businesses agree to respond, provide necessary materials, and generally communicate with their assigned consultants and HCHRA staff in a timely manner. If a business does not respond as needed to complete its services on time, the technical assistance may be cancelled.

Potential applicants are strongly encouraged to reach out to Zack Avre (zack.avre@hennepin.us) with any questions and to discuss program eligibility prior to applying.

Next steps: After applying

Upon completing the application, you will receive an email confirmation that the form has been received. Additional information may be requested by HCHRA staff as deemed necessary to evaluate whether the information provided meets program eligibility requirements and priorities. Final decisions to offer consulting services under the program will be made in the sole discretion of the Hennepin County Housing and Redevelopment Authority following a thorough review of all information collected. Program details, including eligibility requirements, are subject to change without notice. HCHRA reserves the right to offer no services. Selected businesses will be notified on a rolling basis beginning in **November 2025**.