

Transit Oriented Communities (TOC) Predevelopment Assistance 2025 Guidelines

Application period opens July 25, 2025.

Applications are due by August 29, 2025.

Hennepin County's Transit Oriented Communities (TOC) Predevelopment Assistance provides no-cost predevelopment assistance to qualified, emerging developers actively pursuing one of their first development projects. Eligible projects include commercial, mixed-use, or multifamily real estate development projects that advance TOC principles and are located within a Hennepin County [TOC Eligible Area as shown on this map](#).

Predevelopment assistance is intended to:

- Expand and diversify the pool of local real estate developers in Hennepin County
- Support emerging developers, particularly those from historically marginalized groups, in overcoming barriers to accessing financial and knowledge capital to succeed in the development industry
- Advance the goals of the TOC program in alignment with the [County's disparity reduction efforts](#)

Resources available

A total of approximately \$200,000 in predevelopment assistance has been made available in 2025 on a first-come, first-served basis by the Hennepin County Housing and Redevelopment Authority (HCHRA).

Eligible developers may receive up to \$40,000 in value in predevelopment services. Eligible developers may request development and financial services, design services, or a combination of the two. Award amounts are determined after a scoping meeting and preliminary feasibility assessment. Resources are limited, and partial awards are likely.

The value awarded per eligible request is determined by Hennepin County and depends on the predevelopment activities completed to date, the amount of funding committed by the applicant, the demand for program funds, and the scope of approved services. The amount of predevelopment funding provided by other public or private sources, such as the [Local Initiatives Support Corporation \(LISC\)](#) or [City of Minneapolis](#), may also

affect the amount provided to ensure there is no duplication of funding from other sources. Developers are encouraged to apply for all sources of funding for which they are eligible.

Predevelopment assistance is intended to supplement, not fully replace, developer funds, and selected developers must demonstrate their ability to commit at least 20% of the amount requested to complete the desired predevelopment activities.

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

Eligible services

The program supports specific architectural, financial, and real estate development services, such as project feasibility analysis and conceptual design development at early stages of the development process. Services are performed by qualified third-party design and financial consultants under contract with Hennepin County and are provided at no cost to selected developers. Interested developers may have previously engaged or be currently working with consultants to develop and refine their project concepts; however, the program only funds services rendered by consultants who have been selected to provide services as part of this program (listed below). Program staff will match selected developers with a design and/or financial consultant based on service needs and consultant capacity. Developers and consultants will then meet to establish a mutually agreed upon scope of work, including tasks, timeframe, and deliverables, based on a preliminary feasibility assessment and the needs of each project and developer.

Design consultants

- 4RM+ULA
- Design by Melo
- Van Meter Williams Pollack

Development & financial consultants

- Element Commercial Real Estate
- NEOO Partners
- Redesign, Inc.

Examples of predevelopment activities include:

- Refining the project concept
- Determining the development capacity of a site
- Creating conceptual site plans
- Producing conceptual architectural renderings, e.g., elevations and floor plans

- Identifying and assembling relevant capital finance sources
- Preliminary cost estimates
- Developing a real estate development capital budget, proforma, and financial analysis
- Assisting with assembling a development team, developing a milestone schedule, and preparing for the entitlement process

There are a range of other predevelopment activities that are needed to make a development project happen that this program does not fund. Some of these activities, e.g., a survey, property condition assessment, or legal advice, may be necessary to complete activities funded by this program. Consultants may help developers identify additional needs, service providers, and other potential funding sources to help advance their projects. Program staff may also help connect developers to other resources when possible.

This program is not intended to get a project through construction. Instead, it seeks to support early predevelopment activities to assess the feasibility of the project, refine concepts to support additional funding requests, and increase the technical capacity of participating developers.

Predevelopment activities already completed or paid for by other funding sources are **not eligible** for this program.

Process and timeline

- Applications will open **July 25, 2025**.
- Applications are due by **August 29, 2025**.
- Funds are limited and will be awarded on a first-come, first-served basis to eligible developers who submit completed applications by the due date.
- 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(s). As part of the intake process, the developer will submit an attestation form that eligibility criteria are met.
- The developer will then meet with their assigned consultant(s) to establish a mutually agreed upon scope of work, based on a preliminary feasibility assessment and the needs of each project and developer.
- Scopes of work typically take three to four months to complete, depending on the services and deliverables. Predevelopment services must be completed by **December 15, 2025**. Participating developers agree to respond, provide necessary materials, and generally communicate with their assigned consultants and

program staff in a timely manner to meet this deadline. If developers do not respond as needed to complete their services on time, the predevelopment services may be cancelled.

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

Program eligibility

Eligible projects

Eligible projects include new construction, redevelopment, or substantial building renovation of one of the following project types:

- Mixed-use developments
- Commercial buildings with at least three (3) tenant spaces
- Multifamily residential projects with at least six (6) units, particularly “missing middle” workforce housing

Projects must be located within a Hennepin County [TOC Eligible Area as shown on this map](#).

Mixed-used projects are strongly encouraged; however, we recognize that these projects can be complex and challenging to complete, even for established developers. We welcome smaller, neighborhood-scale projects that meet the above eligibility requirements and address program priorities such as affordable commercial space or “missing middle” workforce housing.

Eligible applicants

To be eligible, new or emerging developers must:

- Be a for-profit developer located in the seven-county metro, with a legal entity registered with the State of Minnesota Secretary of State.
- Have completed no more than two (2) real estate development projects, as an individual, as a partner, or as a development entity.
 - *For the purposes of this program, real estate development projects include new construction or substantial building renovation of mixed-use buildings, commercial buildings with at least three (3) tenant spaces, and multifamily residential projects with at least six (6) units.*
 - *Applicants must sign a declaration about previous projects that they have developed, owned, or been affiliated with.*

- Be actively pursuing an eligible real estate project in Hennepin County, as defined above.
- Have some degree of site control.
 - *At a minimum applicants must have a pending or completed purchase agreement. Applicants without existing ownership may also demonstrate site control via a purchase option or letter of intent from a governmental body for exclusive development rights. Applicants must provide proof of site control upon request or have a signed purchase agreement by September 1, 2025.*
- Lack sufficient capital to complete the range of necessary predevelopment activities and require technical assistance to navigate the development process.
- Demonstrate financial commitment to the project totaling at least 20% of the amount requested. *For example, a minimum of \$1,500 is required to access \$7,500 in predevelopment assistance; \$6,000 is required to access \$30,000.*
 - *This may include costs related to site acquisition, legal fees, surveys, and any other predevelopment activities completed to-date. 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.*
- For applicants who are part of a private development team, all members of the development entity and ownership group must meet eligibility requirements for the applicant to be eligible.

Among eligible applicants, preference may be given to those who have completed educational training in real estate development, such as the City of Minneapolis Developers Technical Assistance Program (D-TAP), LISC Developers of Color Capacity Building Initiative, ULI Minnesota Real Estate Diversity Initiative (REDI), or a similar program offering education and training on the development industry, prior to applying for predevelopment assistance.

Ineligible requests

Established developers who have completed more than two (2) real estate development projects either by entity or beneficial ownership are **not eligible** for this assistance.

Existing county contractors providing predevelopment consulting services under this program are **not eligible** for this assistance.

Other ineligible requests include:

- Single-asset entities (such as a limited liability company, or LLC) or members of the ownership group affiliated with an experienced and/or established developer
- Emerging developers who are based outside the seven-county metropolitan region
- Commercial-only projects with fewer than three (3) tenant spaces
- Residential-only projects with fewer than six (6) units
- Predevelopment activities already completed
- Predevelopment activities paid for by other funding sources, such as Local Initiatives Support Corporation (LISC) or City of Minneapolis

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

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 program staff as deemed necessary to evaluate whether the information provided meets program eligibility requirements and priorities. Final decisions to offer no-cost predevelopment assistance under the program will be made in the sole discretion of Hennepin County following a thorough review of all information collected. Hennepin County reserves the right to offer no award of assistance. Selected developers will be notified on a rolling basis, beginning in **August 2025**.