

## 2026 Transit Oriented Communities (TOC) FAQ

### Eligible Projects and Uses

#### What types of projects are most competitive?

The most competitive projects best advance TOC priorities of improving the public realm/contributing to a high-quality pedestrian environment, intensifying and diversifying land use in the transit area/neighborhood, and incorporating sustainability strategies. Priority projects also provide living-wage jobs, affordable commercial space, and as has been the case, are mixed-use with affordable residential units. We encourage applicants to carefully review the program eligibility and priorities in the [program guidelines](#) and to clearly and concisely describe which priorities their project advances and how so in their application.

#### I'm in active negotiation to acquire a property, but I will not have secured a purchase agreement before the application deadline. Can I still apply without site control?

We consider the degree to which an applicant has site control as part of our evaluation process. We minimally need to see that the property owner is in conversation with the applicant, such as having a Letter of Intent or a purchase agreement. We also consider the level to which project plans have been developed, the City's awareness and support of those plans, and the path forward for the project to come to fruition. Any documentation showing property owner consideration or intent to sell and the City's awareness and interest in/openness to the project is helpful to attach in the application.

#### I have site control, but my project is not yet entitled for redevelopment. Can I still apply for funding?

In addition to site control, we consider the status of entitlements, funding commitments, and readiness as part of our evaluation process, as well as the extent to which a project meets TOC program priorities. Any documentation showing the City's awareness and support of the project is helpful to attach in the application.

#### Are projects prioritized by their proximity to transit or the level of service?

Projects must be located in Hennepin County within a [TOC Eligible Area](#) to be eligible. Eligible locations are based on five-minute walksheds around high frequency and express bus stops and ten-minute walksheds around light rail and bus rapid transit stations. We recognize there is a spectrum of transit service across the county, and we consider each project within the context of the surrounding area. We evaluate how a project leverages nearby transit, whether that's a high frequency bus route or a light rail transit line, and how it contributes to making its community more transit oriented.

#### Is there a minimum project size that is eligible for TOC funding? What about mixed-use projects?

We are looking for projects that intensify and diversify land uses in the transit area and are ideally mixed use. Residential only projects must have at least six units, and commercial only projects must have at least three tenant spaces. At a minimum, mixed-use projects must have at least two commercial spaces. Mixed-use projects with two commercial spaces must have at least six housing units. Mixed-use projects with

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three or more commercial spaces must have at least four housing units. Applicants are expected to demonstrate how their project advances TOC priorities and that funding is needed and commensurate with public benefit, regardless of project size.

### Can TOC funds be used to fund light-to-moderate rehabilitation work?

Among real estate projects, we typically fund new construction and redevelopment of mixed-use, commercial/industrial, or residential buildings. The program also supports substantial rehabilitation, renovation, or expansion of: vacant, multi-tenant non-residential buildings; and single or multi-tenant buildings to provide space for additional commercial tenants. Projects that only include light to moderate rehabilitation, such as interior updates, painting, and interior or exterior repairs, are generally not competitive for funding.

### Are multifamily homeownership developments such as condos, coops, and townhomes eligible?

Multifamily homeownership developments with at least six units are eligible to apply. Applicants pursuing these types of projects should clearly describe how their project advances TOC priorities, including but not limited to district and community benefits, improvements to the public realm, and need for public funding.

## Application Questions

### Are there word/character limits for the responses on the application?

Questions with character limits are noted in the application. That said, brevity is strongly encouraged, and applicants should submit clear, concise responses to the application questions.

### Does the person that registers to complete an application have to be the developer?

No, the person who is completing the application does not need to be the developer. Consultants, co-applicants, or other members of the development team regularly complete funding applications. The person who is completing and submitting the application should register in the application system and clearly state the entity responsible for executing the project that would sign an agreement if recommended for funding.

### If I do not have a Council Resolution before the application deadline, what type of documentation should I include?

We minimally need to see documentation that the City is aware and generally supportive of the proposed project. This can vary by project; for example, some applicants provide documentation related to city funding commitments, zoning or land use approvals, permits, etc., depending on what is being proposed. This can range from a formal letter to email correspondence with city staff. Please submit what you have that you think covers this request with your application, and program staff will determine if more is needed. Program staff will work with applicants who are recommended for funding to ensure this requirement is met before executing a grant agreement and providing funds.

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[What is the definition of a municipally defined redevelopment area, and what should I upload if I don't have a map?](#)

The County has statutory requirements related to funding support and projects being in a municipally designated redevelopment area to utilize TOC funds. Some cities have existing approved maps, while others designate sites as projects arise. The attachment is encouraged but not required. If you're not sure, it's okay to note that in the application. Program staff will work with applicants who are recommended for funding to ensure this requirement is met before executing a grant agreement and providing funds.

[Do all housing projects, including affordable, mixed-income, and market rate projects, need to upload the Minnesota Housing Multifamily Workbook?](#)

Yes, we require that all residential projects upload the Minnesota Housing Multifamily Workbook as part of their application. This helps standardize the evaluation process.

### Funding Considerations

[Can a project that was previously funded apply again this year?](#)

A project that has received funding in a prior cycle is not strictly ineligible from applying again. However, a project must demonstrate extraordinary circumstances and show how the project has changed from the previous application – as the initial outcomes have already been evaluated. If a project is phased, and the first application only contemplated the costs and outcomes of the first phase of a project, then an application for the second phase would not be considered “reapplying” but would be considered a new, first-time application.

[How much funding is typically approved per project?](#)

Approximately \$2,200,000 is available in 2026. The program is highly competitive and regularly oversubscribed. Funds are typically provided in the form of grants that generally range from \$250,000 to \$600,000.

[Is there a standard or maximum per unit funding amount?](#)

We do not have a standard or maximum per unit threshold. We review projects and their alignment with program priorities holistically. For those projects recommended for funding, we consider the level of total public investment in the project and whether the total requested funding from TOC and other public sources reflects the anticipated public benefit.

[If I don't receive funding this year, am I able to reapply again next year?](#)

Yes, projects that meet eligibility requirements but are not recommended for funding can apply again in a subsequent funding round.

[When will funds be available, and when must they be utilized?](#)

Any activities for which Hennepin County funds are used must occur after the date of TOC Funding Approval, regardless of project type. That's the date of approval by the Hennepin County Housing and Redevelopment Authority, which is anticipated to be in May 2026. Funds are then available on a cost-



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incurred basis after an agreement is executed and the project has closed on total project financing. Funding made available through the 2026 TOC RFA must be utilized by December 31, 2028.

If my project received an award(s) from other regional funding sources, such as the Met Council's Livable Communities Demonstration Account (LCDA), is it still eligible for TOC funding?

Other funding sources, such as an LCDA grant, do not make your project ineligible for TOC funding, and these funding sources help demonstrate external support for a project and project readiness. However, the TOC program will not fund items that have already been paid for by other sources, and you will need to articulate why Hennepin County TOC funding is needed in addition to that funding in your application.

My project received another source of funding, but I do not yet have the official notice from funder. What should I provide as proof of funding for that award?

You may list the funding in the appropriate section of the application. An excerpt of a notice or other documentation from the funder showing approval for your project is acceptable. Program staff will follow up if more information is needed. Proof of confirmation of any funding awards would be considered in the evaluation of project readiness.

