

TRANSIT ORIENTED DEVELOPMENT (TOD) FUNDING GUIDE

The TOD Funding Guide lists financing opportunities for TOD projects in the Twin Cities region. The guide is intended to serve as a reference for developers and cities and is a snapshot of the current financing environment in the region for TOD projects. Active funding sources from the Metropolitan Council, state, regional, local, and federal agencies are included (in addition to some recently expired programs). Funding sources listed can be used for a wide variety of development, pre-development, and planning purposes.

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PROGRAM	AGENCY	FUNDING AVAILABLE	WHO CAN APPLY?	DESCRIPTION	USES
METROPOLITAN COUNCIL TOD SUPPORTIVE PROGRAMS					
EXISTING					
Livable Communities Act (LCA) Transit Oriented Development Program (TOD)	Metropolitan Council	Grants; \$7 million for 2013 and \$5 million ongoing	Statutory or home rule charter cities or towns that are participating in the Metropolitan Livable Communities Housing Incentives Program; Metropolitan counties and development authorities with an eligible TOD Area	Provides funding resources to help catalyze Transit Oriented Development in and around light rail transit, commuter rail and high-frequency bus transit stations.	Land acquisition, pre-development, public infrastructure and contamination cleanup (to catalyze TOD projects)
Livable Communities Demonstration Account (LCDA)	Metropolitan Council	Grants; \$7.5 million annually ongoing	Statutory or home rule charter cities or towns that are participating in the Metropolitan Livable Communities Housing Incentives Program; Metropolitan counties and development authorities	Implement community development objectives and comprehensive plans. Development grants provide funds to support projects that connect development or redevelopment with transit, intensify land uses, connect housing and employment, provide a mix of housing and affordability, and/or provide infrastructure to connect communities and attract investment.	Land acquisition or public infrastructure (to catalyze development projects)
Local Housing Incentive Account (LHIA)	Metropolitan Council	Grants; \$1.5 million annually	Local units of government eligible to receive LHIA funding are those communities that are participating in the <i>Metropolitan Livable Communities Housing Incentives Program</i>	Provides funding to communities to expand and preserve lifecycle and affordable rental and ownership housing. These grant funds may be used for costs associated with projects that help municipalities meet their negotiated LCA housing goals, including, but not limited to, acquisition, rehabilitation, and construction of permanent affordable and life-cycle housing.	Finance affordable housing projects
Tax Base Revitalization Account (TBRA)	Metropolitan Council	Grants; \$2.5 million for TBRA spring 2014 round and \$3 million for TBRA-TOD 2014	Statutory or home rule charter cities or towns that are participating in the <i>Metropolitan Livable Communities Housing Incentives Program</i> . Metropolitan counties and local development authorities are also eligible to apply for projects that are located in LCA-participating communities	Provides funds to investigate and clean up polluted land in areas that have lost commercial/industrial activity to make them available for economic redevelopment that enhances the tax base of the recipient municipality while promoting job retention or job growth and/or the production of affordable housing.	Environmental cleanup
Transportation Improvement Program (TIP) (Not the program originating funds, but a listing of how federal and state transportation funds will be spent)	Metropolitan Council (Transportation Advisory Board, TAB)	The TIP is updated once a year and shows how dollars will be allocated over a four year period. The 2014-2017 TIP includes funding that sums to \$3.2 billion.	Cities, counties	The TIP documents the 5-year allocation of federal funds to local transportation projects. The allocation decisions are made through TAB Committees, which are then documented in the TIP. These allocation decisions are governed in part by the Development Framework and the Metropolitan Council's 2030 Transportation Policy Plan (TPP), which sets overall regional transportation policy and details major long-range transportation plans. In some cases, this funding may be used to support TOD projects. Any priorities for TOD would be outlined in the Development Framework or TPP.	Transportation infrastructure

*Next update expected by 10.1.14

Transportation Alternatives Program (TAP)	Metropolitan Council (Transportation Advisory Board, TAB)	\$6 million in TAP funds are available through 2017.	Local governments, transit agencies, national resource or public land agencies, school districts, local education agencies, or schools, Tribal governments, local government entity responsible for trails	The Transportation Alternatives Program (TAP), new under MAP-21, includes eligible activities for alternative transportation that were previously in separately funded programs. The TAP replaces the funding from programs including Transportation Enhancements, Recreational Trails, Safe Routes to School, and other discretionary programs. Projects are selected with a Competitive Regional Solicitation Process conducted by the Transportation Advisory Board (TAB).	Construction of infrastructure for bicycle and pedestrian facilities, Safe Routes to School Infrastructure, scenic and environmental improvements, and streetscape enhancements for projects implemented 2017/2018
Regional Transportation Solicitation	Metropolitan Council (Transportation Advisory Board, TAB)	Grant	Local governments, transit agencies, national resource or public land agencies, school districts, local education agencies, or schools, Tribal governments, local government entity responsible for trails	This regional solicitation for federal transportation project funding is part of the Metropolitan Council's federally-required continuing, comprehensive, and cooperative transportation planning process for the Twin Cities Metropolitan Area. The funding program and related rules and requirements are established by the U.S. Department of Transportation (USDOT) and administered locally through collaboration with the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), and the Minnesota Department of Transportation (MnDOT).	Three evaluation categories, grouped by mode: Roadways, Transit, and Bicycle/Pedestrian, for projects implemented beginning 2018/2019
Surface Transportation Program	Metropolitan Council (Transportation Advisory Board, TAB)	Grant	Local governments, transit agencies, national resource or public land agencies, school districts, local education agencies, or schools, Tribal governments, local government entity responsible for trails	Primarily used for roadway reconstruction but allows for construction of trails and sidewalks as part of a larger overall project; Also supports the construction of independent bikeways (generally used for commuting purposes rather than recreational purposes).	STP is a block-grant type program that may be used for any roads (including NHS) that are not functionally classified as local or rural minor collectors. These roads are now collectively referred to as federal-aid roads. Bridge projects paid for with STP funds are not restricted to federal-aid roads but may be on any public road. Transit capital projects and bicycle and pedestrian projects are also eligible under this program. Projects previously funded through the Bridge Replacement and Rehabilitation program are now funded through STP. Projects are selected with a Competitive Regional Solicitation Process conducted by the Transportation Advisory Board (TAB).

STATE					
Redevelopment Grant Program	Minnesota Department of Employment and Economic Development (DEED)	Grant; Approximately \$2.9 million available will be awarded during the August 2014 and February 2015 grant rounds; Future funding depends on another appropriation from the legislature	Cities, counties, port authorities, housing and redevelopment authorities, and economic development authorities (state-wide)	Grants can pay for land acquisition, demolition, infrastructure improvements, soil stabilization when in-fill is required, ponding or other environmental infrastructure and adaptive reuse of buildings, including remedial activities at sites where a subsequent redevelopment will occur. Grants pay up to half of redevelopment costs for a qualifying site, with a 50% local match.	Land acquisition, demolition, infrastructure improvements, soil stabilization when in-fill is required, ponding or other environmental infrastructure and adaptive reuse of buildings, including remedial activities at sites where a subsequent redevelopment will occur
Contamination Cleanup	Minnesota Department of Employment and Economic Development (DEED)	Grant; About \$4 million available per funding round	Cities, counties, port authorities, EDAs, HRAs (state-wide)	Contaminated cleanup efforts may include soil removal and disposal, vapor barriers, groundwater treatment, etc.	Investigation and cleanup costs necessary to implement RAP; Up to 75% of project's cost; 25% match
Contamination Investigation and RAP Development	Minnesota Department of Employment and Economic Development (DEED)	Grant; About \$250,000 available per funding round; Up to 75% of project's cost; Maximum \$50,000; 25% match	Cities, counties, port authorities, EDAs, HRAs (state-wide)	Includes Phase I, Phase II, Response Action Plan (RAP) Development.	Investigation; Up to 75% of project's cost; Maximum \$50,000; 25% match

Innovative Business Development Public Infrastructure Program (BDPI)	Minnesota Department of Employment and Economic Development (DEED)	Grant	Cities, counties, special districts, public institutions	Publicly owned infrastructure related to a development project, including projects that target manufacturing, technology, warehousing and distribution, research and development, innovative business incubator, agricultural processing, or industrial, office, or research park development that would be used by an innovative business. Funds from this program can also be used for land acquisition and preparation, telecommunications, bridges, parking ramps, demolition, hazard remediation, pre-design, construction, equipment and furnishings.	Grant funds are to be used to assist Eligible Applicants with complex and costly Public Infrastructure projects when a funding gap exists and alternative sources of public and private financing are not adequate; Up to 50% of project cost
PFA Loans and Grants	Minnesota Public Facilities Authority (PFA)	Since its inception in 1987, the PFA has financed more than \$3.2 billion in public infrastructure projects in communities throughout Minnesota.	Cities, counties	Low interest loans and grants to finance infrastructure that might otherwise be unaffordable to communities if they had to borrow money for the projects at market rates. The PFA helps local units of government construct facilities for clean water (including wastewater, stormwater and drinking water) and other kinds of essential public infrastructure projects. Programs include: Clean Water Revolving Fund; Drinking Water Revolving Fund; Phosphorus Reduction Grants; Small Community Wastewater Treatment Program; Total Maximum Daily Load (TMDL) Grants; Transportation Revolving Loan Fund; Wastewater Infrastructure Fund; and the Credit Enhancement Program.	Primarily water related facilities, but there is a Transportation Revolving Loan Fund
Minnesota Community Capital Fund (MCCF)	Developed and managed by the Northland Institute	State wide (membership-based) loan program that offers subordinated loans from \$50,000 to \$1.5 million.	Local governments and economic development organizations apply to be members and can then offer loans to small businesses and nonprofits	MCCF is a bank participation loan fund that leverages millions of dollars in underutilized local economic development funds through the pooling of resources. The fund provides its members with greater lending flexibility and the capability of offering much larger loans to their local small businesses and nonprofit organizations than would be possible with their own limited and restricted resources. MCCF Capital Access - Gap financing loans from \$50,000 to \$1,500,000. Green Loans for Businesses - Loans to finance improvements that reduce energy costs, improve cash flow and improve business property values. Loan amounts are from \$50,000 to \$300,000. SBA 7(a) Small Business Loans - Loans from \$100,000 to \$2,000,000 can be used to finance the purchase of owner-occupied commercial real estate; business equipment; remodeling and leasehold improvements; long-term working capital; and for the refinancing of existing debt. SBA 504 First Mortgage Loans - Offer long-term fixed rate loans ranging from \$250,000 to \$8,000,000 for growing small businesses.	Business improvement loans
Public Transit Participation Program (State/Federal Program 5311)	Minnesota Department of Transportation	State allocated	Minnesota entities who fall into these categories: state or local governments; private nonprofit organizations; operators of public transportation services; private operators of public transportation services; Tribal governments	Provides financial assistance for public transit services. This grant program supports capital, planning and operations of transit systems in small and large urban areas and in rural areas outside of the 7-County Twin Cities metropolitan area.	Planning
Low and Moderate Income Rental Program (LMIR)	Minnesota Housing	State allocated; Amount varies annually	Limited dividend and nonprofit sponsors	An amortizing first mortgage loan for new construction, substantial rehabilitation of rental housing or acquisition and rehabilitation of existing rental housing, or refinance/debt-restructure. The minimum development size is twenty units.	Development financing for affordable housing
Housing Trust Fund (HTF) Capital	Minnesota Housing	State allocated; Amount varies annually	A nonprofit organization, a for-profit organization, a limited dividend entity, a cooperative housing corporation, a city, a joint powers board established by two or more cities, a public housing agency, an Indian tribe or tribal housing corporation, a natural person.	Support the development of affordable housing. Priority is given for development serving households experiencing long term homelessness (i.e. emergency shelters, transitional housing, permanent rental, or permanent supporting housing).	Deferred loan, development, construction, acquisition, preservation, and rehabilitation of low-income rental housing
Flexible Financing for Capital Costs (FFCC)	Minnesota Housing	State allocated; Amount varies annually	Financing is tied to LMIR loan	Priority in awarding loans or grants to proposals that best meet Minnesota Housing criteria including linkages (the extent to which the proposed housing is located near jobs), transportation (including regional and interregional transportation corridors and transit-ways), recreation, retail services, social and other services, and schools.	Deferred Loan, only available with a LMIR Loan

Housing Infrastructure Bonds (fka 501(c)(3) Bonds)	Minnesota Housing	State allocated; Amount varies annually	See HTF	Priority in awarding loans or grants to proposals that best meet Minnesota Housing criteria including linkages, the extent to which the proposed housing is located near jobs, transportation including regional and interregional transportation corridors and transit-ways, recreation, retail services, social and other services, and schools.	Covers the cost of construction, acquisition, preservation, and rehabilitation of foreclosed or vacant housing to be used for affordable rental housing; the cost of construction, acquisition, preservation and rehabilitation of Supportive Housing; and the cost of preservation/rehabilitation of federally subsidized, privately owned rental housing.
Historic Tax Credit (Rehab Tax Credit)	State Historic Preservation Office (SHPO)	Projects qualifying for the federal credit also qualify for the state credit.	Developers of historic-eligible projects	The Credit for Historic Structure Rehabilitation provides credit against income tax or insurance premium tax liability equal to the amount of the federal historic structure rehabilitation credit for projects that are placed in service during the taxable year. The law also allows the Minnesota Historical Society to pay a grant in-lieu of the credit, equal to 90% of the credit.	Historic preservation
Preservation Affordable Rental Investment Fund (PARIF)	Minnesota Housing	State allocated; Amount varies annually	A nonprofit organization, a city, a joint powers board established by two or more cities that own or will own the housing, a public housing agency, an Indian tribe or tribal housing corporation, a natural person who owns or will own the housing, a private developer	To provide funding to assist in the preservation of federally assisted permanent rental housing where the federal subsidies are at risk of being lost. Risk of loss may be due to one or more of the following factors: deteriorating physical condition, diminished owner capacity, conversion to market rates.	Acquisition, rehabilitation and debt restructuring or equity takeout
Housing Tax Credit (HTC) Program	Minnesota Housing	State allocated; Amount varies annually	Local governments, land clearance authorities, state-created governmental entities, regional councils/MPOs, state agencies, Indian tribes	The HTC offers a ten year reduction in tax liability to owners and investors in eligible affordable rental housing units produced as a result of new construction, rehabilitation, or acquisition with rehabilitation. Gives 3 points in scoring for projects within a half mile of LRT, BRT, commuter rail station (2 points for bus or park and ride, or within TIA). Proposed for 2014 is increasing points available to 4 or 5.	Development financing for affordable housing
Brownfields Assessment Revolving Loan Fund and Cleanup Grants	Minnesota Pollution Control Agency (MPCA)	State allocated; Amount varies annually	Local governments, land clearance authorities, state-created governmental entities, regional councils/MPOs, state agencies, Indian tribes	Funding for planning/assessing brownfield redevelopment, conducting planning and community involvement, and site cleanup.	Environmental cleanup/planning
Minnesota Targeted Brownfields Assistance Program	Minnesota Pollution Control Agency (MPCA)	In Kind; Apply as needed	Cities, counties, watershed districts, nonprofits	Must pose a potential threat with no responsible or voluntary responsible party.	Technical consultation for Phase I, 2 and cleanup (RAP)
REGIONAL (Non-Metropolitan Council Programs)					
Transit Oriented Development Bond Program	Hennepin County	Grant/loan; Over \$23 million awarded since 2003; County Board has authorized an additional \$2 million per year through 2014.	Statutory or home-rule-charter cities or towns and development authorities (e.g., housing and redevelopment authority, economic development authority or port authority); Private entities, including nonprofit and for-profit developers; Hennepin County and the Hennepin County Housing and Redevelopment Authority	Grants or loans to public agencies, for-profit and nonprofit developers for TOD projects within redevelopment areas. Projects must have multi-jurisdictional impacts and enhance transit usage. Projects must be in municipally designated redevelopment/housing project areas along a transit corridor.	Implementation: Demonstrate a public purpose includes public infrastructure, ped and bike facilities, clearing acquired property, acquisition of property in order to remove blight, installation of streets and utilities
Affordable Housing Incentive Fund (AHIF)	Hennepin County	Loan; \$2.7 million annually	Cities, nonprofits, developers, lenders	This loan program funds the development of affordable housing units for very low-income households. Financial assistance is provided to municipalities, other government and nonprofit agencies, private and nonprofit housing developers and other lenders in supporting the creation or preservation of long-term affordable housing countywide.	Acquisition, new construction, rehabilitation, re-adapted reuse, preservation and stabilization of affordable rental and home ownership units
Community Development Block Grant	Hennepin County	Grant/loan	Suburban communities in Hennepin County (except Bloomington, Eden Prairie, Minnetonka, and Plymouth)	Funding is provided by the U.S. Department of Housing and Urban Development (HUD) to help with community revitalization and public services. Hennepin County funding serves suburban cities with the exception of Bloomington, Eden Prairie, Minnetonka and Plymouth who receive CDBG funds directly from HUD.	Property acquisition, rehabilitation, and soft costs to facilitate affordable housing development and public services
Sidewalk Participation Program	Hennepin County	Grant; Up to 25% of project cost; up to \$200,000 annually	Cities within Hennepin County	Sidewalk construction and reconstruction projects should be on a Hennepin County road where no sidewalks exist along at least one side of the road or existing sidewalks are in poor condition. Curb bump-outs and crossing treatment projects should assist pedestrians in crossing intersections that include at least one Hennepin County road.	Construction of sidewalk infrastructure and crossing treatments are eligible for Sidewalk Participation funds; Eligible project expenses include construction, repair, and reconstruction of sidewalks, curb bump-outs, and crossing treatments

Roadside Enhancement Partnership Program	Hennepin County	Grant; Up to 50% of project cost; \$1 million annually	Cities located within the 1999 Metropolitan Urban Services Area (MUSA)	This funding is generally used in conjunction with highway reconstruction, but has been available outside of major projects in the past.	Sidewalks, trails, undergrounding utilities, installing lighting, transit shelters, benches, streetscape materials, landscaping and vertical elements (bollards/banner poles)
Bikeway Development Participation	Hennepin County	Grant; Up to 50% of project cost; \$250,000 annually (Feasibility study maximum \$20,000)	Cities within Hennepin County and park agencies	The project must be a designated route on the most current Hennepin County Bicycle Transportation System Plan map or Bicycle Gap Study map.	Construction of trails, bike lanes, shoulder widening, bridges, tunnels, etc.; Project design and plan preparation are eligible expenses as part of infrastructure projects; Feasibility studies
Bike Program Discretionary (Gap Program)	Hennepin County	Grant; Up to 50% of project cost; \$250,000 annually	Cities within Hennepin County and park agencies	The project must be a designated gap on the most current Hennepin County Bicycle Gap map.	Construction of trails, bike lanes, shoulder widening, bridges, tunnels, etc. Project design and plan preparation are eligible expenses.
HOME Investment Partnership	Hennepin County	Grant/loan	Suburbs in Hennepin County	The HOME Investment Partnerships Program (HOME) is a flexible federal grant program that allows Hennepin County to fund affordable housing activities for very low and low-income families or individuals, homeless families, and persons with special needs.	New construction of affordable housing units, rehabilitation of owner and rental properties, and acquisition
Environmental Response Fund (ERF)	Hennepin County	Grant; \$1 - 2 million available for each funding round	Cities, HRAs, EDAs, nonprofits, and businesses in Hennepin County	Sites where there are no other funds, matching/in kind funds are strongly encouraged.	Consulting fees, lab fees, assessment, RAP development, cleanup, acquisition, demolition and residential asbestos abatement and lead impacted soil remediation
Hennepin County Strategic Acquisition Fund	Hennepin County	\$1.15 million available through the pilot program	Cities, HRAs, EDAs that are eligible for partnership with the HCHRA	Private and philanthropic investors to develop a pilot acquisition proposal that utilizes land banking to optimize investment along Hennepin County transit corridors using two strategies: the first strategy was to authorize the investment of \$500,000 in Twin Cities Community Land Bank (used to leverage \$10 million structure fund to acquire and hold strategic sites along Hennepin County transitways), the second strategy involves the HCHRA Acquisition Fund (the HCHRA will become more nimble in direct property acquisition for transitways).	The pilot is targeted towards acquisition and development/redevelopment of sites on or near transit corridors to provide affordable housing, create jobs, provide access to employment, or enhance the tax base; Utilizes land banking to optimize investment along Hennepin County transit corridors
Brownfields Cleanup Revolving Loan Fund	Hennepin County	Loan; Up to \$1 million	Public entities, businesses, nonprofits	No loans to responsible parties or for petroleum-only contaminated sites.	Cleanup
Environmental Response Fund (ERF)	Ramsey County HRA	Twenty two (22) clean-up projects have received ERF funding to date totaling \$5.7million over about 200 acres.	Ramsey County and Ramsey County municipalities, public and private for-profit and not-for-profit agencies and organizations	ERF funds are intended as gap financing and applicants should have exhausted funds available from other sources including, but not limited to the Department of Employment and Economic Development, the federal government, the Metropolitan Council and the private sector at the time application is made.	Transform contaminated property into viable use
Stewardship Fund	Mississippi Watershed Management Organization (MWMO)	Varies	Organizations that are members of the MWMO Joint Powers Agreement are eligible	MWMO funding is available to encourage regional treatment facilities that accelerate water quality improvement. Design of the facilities should achieve the greatest water quality benefit while also ensuring that the design is financially sustainable and environmentally beneficial.	Stormwater management infrastructure that exceeds the normal regulatory stormwater requirements
Low Impact Redevelopment Program	Minnehaha Creek Watershed District	Grant; \$500,000	Cities, nonprofits, private developers	Applicant must assume the long-term maintenance and operations of the stormwater infrastructure.	Stormwater management infrastructure that exceeds the normal regulatory stormwater requirements
Housing/Transit Oriented Development (TOD) Loan Program	Local Initiatives Support Corporation (LISC), Twin Cities Community Land Bank, and the Family Housing Fund	Up to \$14.3 million	Nonprofit and socially-responsible private developers Projects must be located within ½ mile of Hiawatha, Central, or Southwest LRT corridors	Preserve and create more housing options available to lower-income residents near transit; Strengthen neighborhood by increasing access to jobs and integrating the promotion of TOD with other arenas such as public health, parks and green space, affordable housing, and economic development to produce more holistic and equitable outcomes for the entire corridor.	Planning/ Development Financing
The Coaction Fund	Local Initiatives Support Corporation (LISC) Twin Cities	Ranging from \$35,000 to \$70,000 annual grant commitments	Nonprofit, Twin Cities-based organizations, or partnerships of organizations, focused on physical and economic development (e.g. income, asset or wealth building)	Capacity building program for community-based development.	Planning/ Development Financing

LOCAL GOVERNMENT (Existing Programs)					
Minneapolis Affordable Housing Trust Fund (AHTF)	City of Minneapolis - CPED	Deferred loans; \$7-8 million available on an annual basis	Nonprofit or for-profit developers	Used to provide gap financing (the difference between conventional financing and project costs) for affordable and mixed-income rental housing production and preservation projects. This is a city-wide program, but TOD projects receive additional points in several scoring categories. See program description for additional details.	Affordable rental housing
St. Paul Affordable Housing Trust Fund	City of St. Paul, St. Paul HRA	Seeded with \$2.5 million, of which \$1.25 million is available for multifamily development, and only \$500,000 for new production. Eventually, the fund may be enhanced with a percentage of future TIF district proceeds.	Anyone can apply for the funds on a first come, first served basis	The fund will serve a variety of purposes, including multi-family housing. These programs include: 1. Foreclosure Prevention (SHOP Foreclosure Buyback Program, Preserving Senior Homeownership, FHA Title I Home Improvement Loan Program); 2. Preservation of Affordable Multi-Family Housing; 3. New Construction of Affordable Multi-Family Housing; and 4. Neighborhood Stabilization Program. The first program includes an eligibility extension for properties near transit, but the others do not differentiate.	Affordable Housing
Minneapolis Great Streets Program	City of Minneapolis - CPED	Grants/loans	Commercial businesses and property owners located in Great Streets-eligible areas	A neighborhood business district program.	Business façade improvements and commercial real estate development
Small Business Real Estate Acquisition Loan	City of Minneapolis - CPED	Loan	Small business owners seeking to acquire property on which to operate their commercial/industrial business	A funding partnership between the City, Metropolitan Consortium of Community Developers (MCCD), and private lenders.	Acquisition and rehabilitation
Minneapolis Development Infrastructure Fund	City of Minneapolis (CPED and Public Works)	Started at \$2 million a year over a 5 year period.	For city infrastructure projects	From Mayor Rybak's 2013 Budget Address: Expand this program in 2013 in order to allocate resources for our work to reopen Nicollet Avenue at Lake Street, partner with Hennepin County along Penn Avenue in North Minneapolis, and fund needed street work in the West Bank, where several new development projects are in the works.	Infrastructure
Higher Density Corridor Housing Program	City of Minneapolis - CPED	No maximum; Matching funds are encouraged.	Neighborhood organizations, nonprofit and for-profit developers, CPED staff and other interested parties can nominate sites for the program	Nominate sites to be acquired by CPED, to be used to create multifamily housing developments on or near community, commercial and transit corridors. At least 20% of the housing units must be affordable at <50% MMI (city affordable housing policy) and at least 51% must be affordable at <80% MMI (CDBG regulations). Funds can be used for acquisition, relocation, demolition, property management and related costs.	CPED acquisition expenses
Low Income Housing Tax Credits LIHTC (9%)	Minneapolis, St. Paul, Washington County, Dakota County	LIHTC credits are allocated on an annual basis.	For-profit and nonprofit developers of affordable rental housing	New production and preservation of existing affordable rental housing.	See program guides for additional detail
Housing Revenue Bonds (HRB) with 4% LIHTC	Minneapolis, St. Paul, Washington County, Dakota County	Typically available on a pipeline basis.	For-profit and nonprofit developers of affordable rental housing	New production and preservation of existing affordable rental housing.	See program guides for additional detail
LOCAL GOVERNMENT (Potential Opportunities)					
Benefit Assessment District	Local Government	N/A	Local	Benefit Assessment Districts assess properties in proportion to the benefit conferred by an improvement and are used to pay for local infrastructure. Provides a uniform procedure for local government agencies to finance the maintenance and operation of public systems such as drainage, flood control, and street lighting.	Infrastructure
Development Fees	Local government	N/A	Local	Local plan fees for approval of development projects that fund not only current planning/permitting staff, but also long-range planning staff who perform strategic land use, urban design, and less frequently, capital improvement planning related to transit corridor and station area development.	Planning
Development Impact Fees	Local Government	N/A	Local	Local governments may exact fees to compensate for the projected impact that new development will have on local public infrastructure. The major drawback with impact fees is that they are pay-as-you-go and difficult to bond against.	Infrastructure
General Obligation Bonds	Local Government	N/A	Local	General obligation bonds are issued for municipal projects that do not generate revenue, including infrastructure upgrades. These tax-exempt bonds are backed by the full-faith-and-credit of the issuer and generally include a limited or unlimited property tax levy pledge.	Infrastructure

Local Property Tax Levies	Municipal	N/A	Local	Local governments may impose taxes which can be used on community services (infrastructure, transit etc.). Residential voters also directly influence the levy rate variable by voting on which services to offer to the community, increases and/or decreases in funding for specific services or purchases, or both.	Affordable Housing, Transit, Infrastructure
Revenue Bonds	Local Government	N/A	Local	Tax-exempt revenue bonds are issued for specific public works projects and are generally secured with revenues from the infrastructure facility. They can be used to finance utilities upgrades needed to support higher intensity development around transit.	Infrastructure
Special Tax Districts	Locally enacted; Enabled at state-level	N/A	Local	In some states, special tax districts can retroactively pay for plans related to improvements financed by the district. For example, in California, the Mello-Roos or community facilities districts established to pay for community improvements or services can also be used to pay for planning and design work directly related to the improvements being financed.	Planning
Assessments	Local Government	-	Local	-	Assessments can be used on developments to fund infrastructure improvements
Special Service Districts	Local Government	-	Local	State law mandates the creation of advisory boards through city ordinance for each special service district to advise the city on services within the district.	Special service districts are defined areas within a city where special services are rendered; Costs of the services are paid from charges to the area.
Housing Improvement Areas	Local Government	-	Local	-	Housing Improvement Areas are defined areas in a city in which housing improvements may be financed with assistance from the city
Tax Abatement	Local Government	Varies	Local	Full or partial exemption from real estate taxes for a limited time period.	Varies
Tax Increment Financing (TIF)	Local Government/ Urban Renewal Authorities	Varies	Local	In a TIF district, the difference between a project's pre-development and post-development property tax obligation can be utilized as a source of funds to the project itself. Projected TIF revenues may be bonded against and the bond proceeds used to pay for major development initiatives or infrastructure investments that catalyze private investment and increases in property values. A TIF district is a legally defined area targeted for redevelopment.	Defined by State statute; Cities may have additional program requirements

PUBLIC / PRIVATE (Existing Programs)

Twin Cities Community Land Bank (TCCLB)	Twin Cities Commercial Land Bank	Various	Nonprofit and for-profit partners	TCCLB is a nonprofit organization that was formed by the Family Housing Fund as a strategic tool for government, neighborhood based organizations, community development corporations, and nonprofit and for-profit developers to further community-based economic development and affordable housing goals. The Fund and its public/private partners have designed and implemented this highly innovative tool to respond quickly and effectively to the challenges and opportunities of the foreclosure crisis and to further regional growth objectives linking housing, jobs, transportation, and education.	Property Acquisition
Small Business Grants	Idea Café	The grant program will award \$1,000 in cash and a total of \$1,500 in advertising credits to the most inspirational small business owners.	Public	Idea Cafe funds ground-breaking or a simple business ideas that create solutions to everyday problems. These grants will help promising entrepreneurs with the process of taking their ideas to the next level. The Café has funded 12 grants as of February 2013.	Start-up grants

PUBLIC / PRIVATE (Potential Opportunities)

Commercial Debt	Commercial Banks/Commercial Mortgage Backed Securities/Life Insurance Companies	N/A	Private	The majority of financing available for private real estate development is debt from banks, commercial mortgage securities, and other privately- and publicly-owned sources. Debt requires repayment under specific terms, including interest rate and repayment schedules. Creditors are not owners but may have recourse to the financed asset should a loan fail. The available pool of commercial real estate debt has been shrinking since 2007 with the housing market downturn and collapse of mortgage-backed securities and has not yet stabilized. Debt financing is scarce and expensive.	Market Rate TOD
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Equity Investment	Private Investors/Public REITs/Pension Funds/Foreign Investors	N/A	Private	Equity investment made up about 20 percent of total capital sources for U.S. real estate in 2009. The major sources of equity are predominantly private investors, but also publicly held real estate investment trusts, pension funds and foreign investors. Equity investment is constrained given the current real estate market, with capital flow directed towards low cost existing properties rather than new construction.	Market Rate TOD
Location Efficient Mortgages	Lenders	N/A	Private	The location-efficient mortgage concept is that underwriting should take into account the transportation cost savings available to those living near transit, and their corresponding capacity to support higher mortgage payments relative to their incomes.	Affordable Housing
Structured Loan Funds	Community Development Finance Institution (CDFI)	N/A	Private	Mission-driven structured acquisition funds combine debt, equity and grant investments from public entities, community development finance institutions, commercial banks seeking CRA credit and foundation program and mission-related investment to provide lower cost property acquisition financing to equitable TOD projects (affordable, workforce and mixed income housing). These funds help meet the acquisition financing gap created by the limitations of permanent affordable housing finance which are exacerbated for TOD by the higher cost and scarcity of quality opportunity sites near transit. Public subsidy investments with no return expectations occupy the critical top loss risk position for these funds and are essential to their formation.	Affordable Housing
Time "tranches"	Private Developers/Real Estate Investment Entities	N/A	Private	Time tranches are used in a product such as a mortgage-backed security that allows investors to take less risk and enter and exit at different times in the development period. It helps fund complex mixed-use projects.	Market Rate TOD

FEDERAL (Potential Opportunities)

Federal Brownfields Cleanup Program	EPA	Grant; Up to \$200,000 (20% match)	Local governments, states, redevelopment agencies	Must own the property and cannot be responsible party; 20% matching funds.	Demolitions, cleanup, removal of some abandoned containers and underground petroleum tanks
Federal Brownfields Site Assessment Program	EPA	Grant; Up to \$200,000	Local governments, states, redevelopment agencies, nonprofits	Cannot fund Federal/state Superfund sites, federal lands.	Inventory, characterization, Assessment (Phase I or II), remedial planning and VIC program fees
Federal Brownfields Cleanup Revolving Loan Grants	EPA	Grants to capitalize RLF; Up to \$1 million	Local governments, states, redevelopment. agencies	Loans/grants cannot be provided to party that caused contamination; 20% match.	Demolitions, cleanup, removal of some abandoned containers and underground petroleum tanks
Joint Development	FTA	Grant	Public/Private	Must benefit one of four criterion: Economic benefit, public transportation benefit, fair share of revenue, or fair share of costs.	Acquisition, demolition, site preparation, utilities, building foundations, walkways, ped and bike access, safety/security facilities, construction of space for commercial uses, parking improvements with a transit justification, project development activities (design, engineering, environmental analysis)

FORMER PROGRAMS (expired or dormant, one-time opportunities, etc.)

Land Acquisition for Affordable New Development (LAAND) Program	Metropolitan Council, Minnesota Housing and the Family Housing Fund	Funding for the 2011 LAAND Initiative was provided through resources from the Funders as follows: Metropolitan Council - \$1,956,500; Family Housing Fund - \$1,000,000; Minnesota Housing - an eligible activity under the Consolidated RFP	Metropolitan Council – local units of governments, within the seven-county metropolitan area participating in the Livable Communities Act Local Housing Incentives Account program, and their development authorities Family Housing Fund – local units of governments, their housing or development agencies, and nonprofit organizations within the seven-county metropolitan area Minnesota Housing – a nonprofit organization, a city, a joint powers board established by two or more cities that owns or will own the housing, a public housing agency that owns or will own the housing, an Indian tribe or tribal housing corporation that owns or will own the housing, a private developer	Loan financing to acquire land for affordable housing projects in places that are close to job growth areas or significant number of lower wage jobs, allows for density that is consistent with achieving affordability, minimize vehicle miles traveled, are proximate to public transit and implements existing community plans.	Property Acquisition
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Local Implementation Capacity Grants	Corridors of Opportunity	\$953,000; 25% (\$238,250) of the funds are allocated for general pre-development planning and 75% (\$714,750) are site specific pre-development projects.	Cities; Local development authorities; Counties; Rail Authorities; Private or nonprofit developers; nonprofit organizations supporting TOD, entrepreneurs and small business development; Eligibility for general pre-development studies for TOD tools are limited to public agencies or partnerships with public agencies	The Local Implementation Capacity (LIC) grants will provide early support for the development of high-density residential and commercial centers designed to maximize access to these uses by transit, walking, and biking. Implementation of local general pre-development and site specific pre-development planning that promote Transit Oriented Development (TOD).	Planning/ Pre-Development Financing
Hiawatha Land Assembly Fund	Met Council/TAB	\$5 million; Originally Federal CMAQ funding; After \$1.5 million allocated to assemble Downtown East Station site, \$3.5 million in CMAQ funds swapped with Hennepin County funds that were dedicated to LRT Operating in 2007	Cities; After awarding Minneapolis \$1.5 million toward Downtown East/Metrodome Station block acquisition, Metropolitan Council solicited notice of funding availability in 2005 to Minneapolis, Bloomington and Hennepin County, making \$3.5 million available for land assembly for TOD; Minneapolis expressed interest, and issued subsequent RFP for development funding, and received 8 proposals; 3 projects ultimately were approved for funding by the City and Met Council	\$5 million Hiawatha Land Assembly funding program was created in 1999 as part of the TAB's federal transportation funding process; initial \$1.5 million award made in 2001 to Minneapolis towards assembly of the Downtown East/Metrodome Station block, where a transit oriented development would eventually be built on the block. Minneapolis prepared the site with parking underneath prior to LRT operation and station opening. Metropolitan Council & Minneapolis solicited additional land assembly projects in 2005-06, and three were awarded remaining \$3.5 million for mixed use TOD, including affordability, at: 38th Street (Longfellow Station); Franklin Station Development; and Cedar-Riverside (Currie Park Lofts and Station Place).	Land Assembly for TOD around Hiawatha LRT stations
Ready for Rail -- Central Corridor Small Business Forgivable Loan Program	Metropolitan Council, City of St. Paul HRA, the City of Minneapolis, and Central Corridor Funders Collaborative	Up to \$20,000. Loan amounts depend on demand and demonstrated loss of revenue.	For-profit small businesses with no more than \$2 million in annual gross sales that: Are independently owned (with four or fewer locations); Are located on the Central Corridor Light Rail Line (or within one block of the construction zone); Have been at their current Central Corridor location for one year or more; Are focused on retail services (selling products or services directly to the consumer, including restaurants); Have experienced a decline in revenue due to the construction of the Central Corridor Light Rail Line	Provide a modest safety net for businesses that show a loss in sales due to the construction of the Central Corridor Light Rail Transit Line. The forgivable loan may be used for basic business expenses, including payroll, inventory, rent/mortgage, utilities, taxes, marketing, and insurance.	Loan Forgiveness
Metropolitan Landfill Abatement	Minnesota Pollution Control Agency (MPCA)	State allocated; Amount varies annually	Counties and Joint Powers Authorities	Focus on providing assistance to the seven metropolitan counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington for implementation of projects featuring resource conservation, reuse, waste and toxicity reduction, and recycling activities that advance the goals, policies, and objectives identified in the Metropolitan Solid Waste Management Policy Plan.	Environmental cleanup associated with landfills
Resource Conservation and Greenhouse Gas (GHG) Reduction	Minnesota Pollution Control Agency (MPCA)	State allocated	State allocated	Focus on providing assistance in identified regions of the State for implementing projects achieving measurable outcomes in waste and toxicity reduction, reuse, and/or recycling.	Environmental cleanup
Transit Improvement Areas (TIA)	Minnesota Department of Employment and Economic Development	State allocated	Statutory cities, home rule charter cities, counties and joint powers boards are eligible applicants; Designated TIAs must encompass a half-mile radius around a transit station.	Loan program to fund TOD projects that "increase the effectiveness of transit." Loans for designated Transit Improvement Areas and projects must provide minimum density and a mix of uses. Program is authorized and accepting applications, but as of yet not funded. State plans to use applications to leverage "other sources of funding."	Implementation
Minneapolis Capital Acquisition Revolving Fund (CARF)	City of Minneapolis		CPED will have an open nomination process to solicit suggestions for specific sites and projects from neighborhood organizations, developers, city staff and other interested parties.	Can be used to acquire property for redevelopment along commercial and transit corridors and at commercial nodes designated by The Minneapolis Plan. Funds can be used to assemble or aid in assembly of larger sites for development of new commercial buildings, mixed residential and commercial buildings and mixed-income rental and ownership multifamily housing. Eligible costs are acquisition, relocation, demolition, property holding management costs, gap financing for private acquisition and assembly.	Land Assembly, pre-development financing