

City of Minneapolis
Request for Committee Action

To: Community Development & Regulatory Services
Date: 12/1/2015
Referral: N/A
From: Community Planning & Economic Development
Prepared by: Cherie Shoquist, Principal Project Coordinator
Presented by: Cherie Shoquist, Principal Project Coordinator
File type: Action
Subcategory: RFP

Subject:

Green Homes North Round 5 Request for Proposals

Description:

1. Authorize the release of the Request for Proposals for Round 5 of Green Homes North.

Previous Actions:

On July 20, 2012, Council approved the Green Homes North program guidelines and authorized release of a Request for Proposals for Round 1. On October 19, 2012, Council approved the Green Homes North funding awards and related agreements with selected developers and approved the sale of twelve properties. On January 11, 2013, Council authorized release of a Request for Proposals for Round 2. On June 28, 2013, Council approved the Green Homes North funding awards and related agreements with selected developers and approved the sale of fifteen properties. On August 2, 2013, Council authorized release of a Request for Proposals for Round 3. On April 25, 2014, Council approved the Green Homes North funding awards and related agreements with selected developers and approved the sale of eighteen properties. On July 18, 2014, Council authorized release of a Request for Proposals for Round 4. On January 30, 2015, Council approved the Green Homes North funding awards and related agreements with selected developers and approved the sale of thirteen properties.

Ward/Address:

Ward 4
Ward 5

Background/Analysis:

Green Homes North is an initiative of the City of Minneapolis and our partners to build 100 energy efficient homes over five years to revitalize neighborhoods in North Minneapolis. Funds will be repaid at sale, minus a Green Homes North program subsidy required to write down the cost of the home to meet the market. It is anticipated that private developers and non-profit developers will participate and respond to the Green Homes North Request for Proposals.

Priority will be given to proposals that:

- request the least amount of Green Home North Program funds,
- leverage Green Homes North Program funds,
- are most ready to proceed,
- best respond to energy efficiency and overall sustainability in design,
- demonstrate the capacity to perform, and

- provide evidence of efficient completion of previously-funded projects.

In the first four years, \$4.5 million in grants were awarded for 55 homes. As of November 2015, 39 homes have sold or are pending sale, 2 homes are on the market and 14 homes are under construction. Green Homes North homes typically include 1,600 square feet, 3 bedrooms, 2-3 baths, and a 2 car garage. Green Homes North homes are built to Enterprise Green Communities standards. Green Homes North homes have sold for approximately \$150,000 - \$220,000 providing a boost to the North Minneapolis housing market.

For Round 5, over \$1 million in grants and up to \$2 million in loans is anticipated to be available to Green Homes North developers. Green Homes North is supported by the City of Minneapolis, Minnesota Housing, the Family Housing Fund and the Twin Cities Community Land Bank.

Financial Review:

Additional appropriation required.

Future budget impact anticipated. Funding for Green Homes North Round 5 is considered in the 2016 budget.

Meets Small and Underutilized Business Program goals.

Green Homes North developments will meet Small and Underutilized Business Program goals.

Attachments:

1. Green Homes North Project Locations