

1. Professional Services Procurement

- Whether the project is large or small, Minnesota Housing requires that the owner commission either an architect/professional engineer or a rehabilitation (rehab) specialist (depending upon characteristics of the project) to assist with developing a work scope and performing construction administrative services.
- The primary benefit of commissioning an architect/professional engineer instead of a rehab specialist is that an architect/engineer may have a better understanding of building codes and applicable regulations.
- For more information about professional services procurement, review Minnesota Housing's **Architect's Guide**, which can be found on our [Building Standards webpage](#).
- **Architectural Services:** Minnesota Housing requires an owner to hire an architect/professional engineer to provide professional services if any of the following conditions apply:
 - Required by state statute
 - Changes will be made to load bearing walls
 - Reconfigurations
 - Siding replacement (>two dwelling units)
 - Roof replacement (>10,000 SF of roofing area)
 - Deemed necessary, which is determined at Minnesota Housing's sole discretion
- If architectural services are required, they must include documentation of the project work scope, the preparation of construction contract documents, a written process for assistance in bidding or negotiation, and administration of the construction phase, as outlined in the agreement between the owner and contractor.
- All architectural services must be performed by professionals licensed in Minnesota in their respective fields.
- Consult with Minnesota Housing prior to commissioning architectural services (architect/professional engineer), especially, and including, if there is an identity of interest. There are additional requirements that borrowers should discuss with their assigned underwriter if an identity of interest exists between the borrower and the architect and/or contractor.
- **Rehab Specialist:** If an architect/professional engineer is not required, the professional services may be performed by a qualified rehab specialist. A qualified rehab specialist is a non-licensed professional (or entity) with at least five years of experience providing physical needs assessments and preparing project work scopes for multifamily housing rehabilitation projects.
- **Professional Services Agreement:** Regardless of who is performing the professional services, a professional services agreement between the owner and the professional services provider must be executed. The agreement must describe the scope of services to be performed and the cost and duration of those services. If professional services are required, the most current American Institute of Architects (AIA) document "B101 Standard form of Agreement Between Owner – Architect" must be used. Minnesota Housing, at its sole discretion, may approve another format, which must be similar to the AIA document.

2. Abbreviated Design (Rehabilitation) Standards

- The **Limited Scope Project Abbreviated Design Standards** form (available on our [Building Standards webpage](#)) must be completed by the architect/professional engineer or rehab specialist.
- The scope of work must address only deficiencies/work scope items identified in the application and those items approved by Minnesota Housing.
- Minnesota Housing staff will assist in prioritizing work scope needs and may request alternate pricing for certain work scope items should value engineering be necessary to scale back work to fit within budget parameters.
- The architect of record/professional engineer or rehab specialist must complete and execute the **Limited Scope Project Abbreviated Design Standards**.
- **Environmental:** Refer to the **Due Diligence Checklist** and **Limited Scope Project Abbreviated Design Standards** for more information (available on our [Building Standards webpage](#)).

3. Sustainability Requirements

- The **Limited Scope Project Sustainability Requirements** (available on our [Building Standards webpage](#)) must be completed by the architect/ professional engineer or rehab specialist.
- The scope of work must address only deficiencies/work scope items identified in the application and those items approved by Minnesota Housing.
- The architect of record/professional engineer or rehab specialist must complete and execute the **Limited Scope Project Sustainability Requirements**.

4. Contractor Services Procurement

- The majority of projects will require the owner to bid/award work to a general contractor. The primary benefit of a general contractor is to have a sole entity coordinate and be responsible for the work. For more information, review Minnesota Housing's **Contractor's Guide**, available on our [Building Standards webpage](#).
- **Selection/Bidding/Compensation:**
 - **General Contractor:** A general contractor must be selected either via direct selection or through a competitive bid. Borrowers should follow their organization's and Rural Development's bidding and procurement guidelines. If the scope of work is limited to just a few items (generally three or fewer), Minnesota Housing, at its sole discretion, may allow the owner to act as the general contractor, whereby the work is bid/awarded directly from the owner to qualified subcontractors.
 - **Subcontractors:** Regardless of the selection method, an attempt to competitively bid all work to at least three qualified subcontractors must be made, and at least two bids must be obtained for all divisions of work.
- **Owner/Contractor Agreement:**
 - If work is awarded to a general contractor, an agreement between the owner and the general contractor must be executed. The AIA document "A101-2017 Stipulated Sum Agreement" must be used for the agreement. In addition, the AIA Document "A201-2017, General Conditions of the Contract for Construction" must accompany the owner-contractor agreement. Any modifications or extensions of the general conditions must be via a supplementary conditions report or an "Additions and Deletions" report.
 - If Minnesota Housing approves the owner to act as the general contractor, then the format of the agreement between the owner and the subcontractor(s) may not be an AIA form of agreement, provided the form of agreement used is approved by Minnesota Housing and specifies accurately the scope, cost, and duration of work.
- Contractor procurement must also meet all applicable USDA and Minnesota Housing standards/procedures.