

2025 Single Family Request for Proposals (RFP) Frequently Asked Questions (FAQ)

Updated June 10, 2025

The 2025 Single Family Request for Proposals (RFP) is the method through which Minnesota Housing deploys funding to increase the supply of affordable, owner-occupied, single family housing, while maintaining the safety and habitability of existing owner-occupied, single family homes in communities throughout Minnesota.

The following are questions regarding the 2025 Single Family RFP that Minnesota Housing received following its release on April 9, 2025, and responses provided by Minnesota Housing. The date when the question was submitted, and the name of the Minnesota Housing staff responder is indicated in parentheses and italics after each answer.

The Information provided in this FAQ is final guidance from Minnesota Housing and supersedes any other guidance previously provided to potential applicants by Minnesota Housing staff.

Program Overview

Q1: Is the deadline to receive Technical Assistance June 10th as listed on slide or June 20th mentioned in the verbal discussion.

A: The deadline to ask questions or receive Technical Assistance is Tuesday, June 10th at noon.
(April 23, 2025, Tiffany K.)

Q2: How much funding is available for the Single-Family RFP this year?

A: We anticipate having funding more in line with pre-Go Big levels rather than the higher amounts of the past two years.
(May 21, 2025, Amanda H. and Tal A.)

Q3: What are Minnesota Housing's priorities when it comes to eligible uses, such as new construction, acquisition rehab, stand-alone affordability gap and owner-occupied rehabilitation?

A: The first priority under the Single Family RFP is the development of new units, which are New Construction and Acquisition, Rehabilitation, Resale requests. Minnesota Housing also recognizes the importance of Owner-Occupied Rehabilitation and Stand-Alone Affordability Gap and is committed to funding those items as well.
(May 21, 2025, Amanda H. and Tal A.)

Q4: Does Minnesota Housing have specific geographic priorities? Do these change by program?

A: The methodologies documents on the [Impact Fund webpage](#) demonstrate funding area priorities, including Increase Housing Choice in communities with higher income Community Recovery areas with lower median household incomes, Rural/Tribal Designated Areas and more. In the Twin Cities Metro Area we tend to see fewer proposals for development in St. Paul and suburban areas.

(May 21, 2025, Amanda H. and Tal A.)

Q5: Have any rules changed regarding prevailing wage this year?

A: No, at this time there have not been any changes that effect the 2025 Single Family RFP.

(May 21, 2025, Amanda H. and Tal A.)

Eligible Applicants

Q6: Would an Economic Development Authority be able to apply?

A: Yes, Economic Development Authorities are eligible applicants.

(April 11, 2025, Amanda H.)

Q7: Is a Public Housing Authority eligible to apply?

A: Yes, Housing and Redevelopment Authorities are eligible applicants.

(April 11, 2025, Amanda H.)

Eligible Uses

Q8: Can Impact Funds be used to replenish local housing trust funds used for value gap?

A: No, that is not an eligible use. Impact Funds must be used for specific units to be developed and would not replenish local housing trust funds.

(April 10, 2025, Amanda H.)

Q9: Is there a priority for 60% AMI or below for Stand-Alone Affordability Gap downpayment assistance?

A: Minnesota Housing looks favorably on applications that serve households with low income, however we have not set a preference for households below 60% AMI. The published maximum household income for affordability gap assistance is 80% AMI with no preference differentiated for those that serve households below 80% AMI.

(April 23, 2025, Amanda H.)

Q10: I'm wondering about the financing requirements. We are working with folks who have restrictions around interest. Have you had experience with this type of restriction and are there best practices in place?

A: The Single Family RFP does not award funding for first mortgage financing unless the request is associated with the Tribal Indian Housing Program. Affordability gap loans, also known as down payment assistance loans, are interest free and forgivable, so there is no interest requirement associated with them.

(April 23, 2025, Amanda H.)

Q11: Related to mortgage terms, will Minnesota Housing be continuing with forgivable 10- and 20-year mortgages?

A: Yes, those are the loan terms identified in the [RFP Application Instructions](#) as options for Affordability Gap programs this year.

(May 21, 2025, Amanda H.)

Q12: Could an organization previously funded for New Construction or Acquisition, Rehabilitation Resale units request funding for Owner-Occupied Rehabilitation, or would that be considered layering?

A: This situation does not create a layering concern as the rehabilitation activity would be completed under subsequent transactions years after the initial sale and unrelated to the initial sale.

(June 5, 2025, Amanda H.)

Q13: Would our organization be eligible for the grant to offer similar Owner-Occupied Rehabilitation loans in our neighborhood if another organization makes similar loans available to residents?

A: Yes, more than one organization in a geographic area can apply for and administer funds through the Single Family RFP.

(June 5, 2025, Amanda H.)

Q14: Our organization is not currently a Minnesota Housing lender, nor are we currently licensed as a Mortgage Originator, although we are hopefully at the final stages of approval with the state regulator. Can we apply with a pending application? We have been assigned an NMLS number, paid all fees and have a surety bond.

A: Yes, an applicant with pending status would be eligible to apply and should provide details about the process status in the application.

(June 5, 2025, Amanda H.)

Q15: Can carports be included in development costs?

A: Yes, a carport designated for the unit and attached to the ground can be included.

(June 6, 2025, Katie S-A.)

Q16: Can 70% AMI be used for housing ratio calculations?

A: Yes, applicants may use the AMI that best aligns with their approach.

(June 6, 2025, Katie S-A.)

Q17: Can cooperative membership dues be included in our proposal?

A: Applicants may propose the calculation method they believe is appropriate. Reviewers will evaluate it.

(June 6, 2025, Katie S-A.)

Eligible Fees

Q18: What qualifies as an eligible developer fee expense and do these need to be documented?

A: Applicants requesting funding for New Construction value gap or Acquisition, Rehabilitation, Resale value gap that are directly involved in—and bear primary responsibility for—the development may request a Developer Fee. A Developer Fee may not exceed 10% of Total Development Cost (TDC). The awarded applicant and any affiliate must not include costs for wages, benefits or overhead in the TDC.

(April 23, 2025, Amanda H.)

Application Materials

Q19: The workbooks have three sets of tabs that are copies of each other. In the past, we'd send a workbook for acquisition rehab activity in "increase housing choice areas" and a separate workbook for "community recovery areas." Would we now send one workbook and just use the first two sets of tabs, and leave the third set empty?

A: We have updated the workbook format, but updates are not the same for all activity types. The New Construction workbook has three sets of tabs, whereas the Acquisition, Rehabilitation, Resale workbook and other activity types just have one set. Under this model, applicants submit one workbook per application. The intent is to remove manual math that could at times produce errors.

The decision of whether to submit one application or two for New Construction requests is up to the applicant, however, if costs differ by more than 25% per unit, multiple tabs/multiple workbooks will need to be used.

(April 18, 2025, Amanda H.)

Q20: What types of evidence would best show construction readiness?

A: Applicants should submit a timeline for their project and the timeline should include plans for key construction milestones, such as when they will break ground, how long it will take to complete construction, when homes will be marketed to the public, and when the units will be sold. Applicants also may submit construction plans or other documents that demonstrate progress on design or land acquisition. Finally, the way applicants describe their project in the application narrative can demonstrate construction readiness.

(April 23, 2025, Amanda H.)

Q21: Do you have examples of narratives that you find clear or typical length of a narrative that seems like it provides enough detail? It is difficult to tell how much detail you'd like to see in the application. For example, in the application form, are you looking for a few sentences in each form response, a few paragraphs, or a few pages in substantial attachments? The form implies a few sentences.

A: This is a complex application requiring the submission of multiple documents. The goal when developing application narratives was to be as straightforward as possible to ensure that applicants who may not have a history of grant writing can submit competitive applications for funding. Applicants should answer questions completely and focus on program specifics. If the answer to a question includes a lot of information, by all means be expansive. If a few sentences will fully answer the question, then that is all that is required.
(April 23, 2025, Amanda H.)

Q22: How would applicants apply for the same funding pool for both Metro and rural geography?

A: Applicants are asked to describe their target area, however it is formed. An applicant that plans to serve multiple communities under one application would list them all in their application. If there was substantial difference between the intended activity in the different communities, it might make more sense for an applicant to submit multiple applications. So that would be an operational decision for the applicant to make.
(April 23, 2025, Amanda H.)

Q23: Is there a way for developers to review the Nonfunded applications to utilize them as lessons learned?

A: Minnesota Housing does not share applications as a general reference. A person could submit a public data request, and that would be evaluated, but previous years' application documents are not something that Minnesota Housing makes readily available.
(April 23, 2025, Amanda H.)

Q24: Do you have guidance/preference on how to structure our activities when doing essentially the same activity, but for parts we will want “Small Communities” related funding, and for other parts we are not after “Small Communities” related funding.

A: Applicants are encouraged to structure their applications in the way they believe will best support successful project completion, if awarded.
(May 1, 2025, Katie S-A)

Q25: Do you have to submit a pre-application or an intent to apply for the Single Family RFP?

A: No, the Single Family RFP does not have a pre-application or an intent to apply requirement.
(May 12, 2025, Tiffany K.)

Q26: We’re going to have two activities, one for acquisition rehab and one for new construction, and both of these activities will be written in a way that covers what we intend to do in an

urban area plus “Small Communities” surrounding the urban area. We’re wondering is if we should plan to complete separate tabs within each activity with one tab for the urban area and another for the “Small Communities” areas, given that they are distinct areas? Or, given that we’ve found that the TDC and requested subsidy amounts will be within 25% of each other when we’re talking urban area compared to “Small Communities”, we could just have one generic workbook that will encompass both the urban area and “Small” Communities for each of our activities?

A: If the costs for the units in different communities are within 25% of each other, applicants should use one workbook and one set of tabs per activity.
(May 15, 20205, Amanda H.)

Q27: Can we prioritize our applications?

A: Yes, question 9 in the General Application asks applicants submitting multiple applications to indicate the order of priority for funding.
(May 15, 20205, Amanda H.)

Funding Sources

Q28: Why would an applicant choose to request or not request Housing Infrastructure Bond (HIB) proceed funds in their application?

A: During application review, staff identify funding sources based on alignment with eligible activities, eligible applicants and available resources. The decision to award specific funds is made by Minnesota Housing. Only Community Land Trust applicants are able to specifically request HIB funds for the purpose of land acquisition and utility connections. Community Land Trust applicants have an opportunity to request land acquisition dollars in the workbook.
(April 23, 2025, Amanda H.)

Q29: Do value gap and affordability gap funds come from different pools?

A: The goal is to make awards where value gap and affordability gap come from the same source when possible, however certain funding sources have distinct eligible uses so multiple sources may be necessary.
(April 23, 2025, Amanda H.)

Q30: If we request both value gap and affordability gap, would an award be all or none, or perhaps one but not the other?

A: Awards may be made for a lower amount than was requested. In that case, the most typical approach is a reduction to the number of units funded rather than the elimination of an eligible use. For example, it would be more likely in a reduced award scenario, that an applicant that requested value gap and affordability gap for 20 units would receive a grant award for fewer units rather than receiving only value gap but for all 20 units.
(April 23, 2025, Amanda H.)

Income Eligibility

Q31: When do you anticipate income guidelines will be updated?

A: [Updated income guidelines](#) were posted on June 2, 2025.
(April 23, 2025, Amanda H.)

Q32: I'm curious about whether you are considering any changes to income limits for larger household sizes.

A: That is not a change made with this RFP.
(April 23, 2025, Amanda H.)

Leverage

Q33: What have other EDA's shown as financial leverage?

A: Committed leverage means that funds are committed specifically to the project that is proposed in the application. For example, counties, cities and employers in the community may support the proposed project and commit a specified amount of funds towards the project.
(April 18, 2025, Leighann M.)

Q34: Is leverage in the form of a private donation from an individual acceptable as leverage, or does it need to be from an organization?

A: A donation from a private individual will meet the committed leverage requirement if the applicant is able to provide a leverage commitment letter that meets requirements outlined in the RFP Application Instructions section on Leverage.
(April 23, 2025, Amanda H.)

Q35: Can you provide guidance on acceptable amounts of leveraged funds for acquisition rehab applications? Percent TDC or average leveraged value gap per unit would be helpful metrics.

A: We do not provide specific guidance on acceptable amounts or percentages of committed leverage. However, you can find more information related to the committed leverage funding priority on Pages 13–14 of the Single Family [RFP Application Instructions](#), as well as in the instructions at the top of the Leverage Sources worksheet in the application workbook.
(June 6, 2025, Katie S-A)

Pre-Award Risk Assessment

Q36: How would a fairly new development business complete the pre award risk assessment?

A: The applicant should complete the risk assessment form as completely as possible, indicating where they do and do not have experience. If an applicant does not have certain required financial documents, they will need to complete and submit the Internal Controls Certification form as a part of the application.

(April 23, 2025, Amanda H.)

Prevailing Wage

Q37: Do prevailing wage requirements apply per application or per geographic region? For example, if we were building 12 homes, which were going to be placed equally in three different cities (4 homes per city), would the prevailing wage statute apply to all of the homes? Or would it apply if of the 12 homes - 11 homes in one city would be with prevailing wage and 1 home in a 2nd city would not require prevailing wage?

A: Prevailing wage applicability is determined based the award amount of the grant and/or loan. Geographic distribution is not a consideration when determining the “no more than ten fully detached single-family affordable homeownership units” exemption. That means that if an applicant were requesting funding for 12 units of scattered site development conducted over multiple distinct areas, the request would not meet the exemption.

(May 14, 2025, Amanda H.)

Scoring

Q38: Would Minnesota Housing prefer that we demonstrate our true need in our ask, or request a "more reasonable" amount of funding? Will one strategy impact scoring?

A: Applications should demonstrate the true cost of construction. As proposals are evaluated, proposals with committed leverage tend to score higher in the Project Feasibility category and also meet the Committed Leverage Funding Priority.

(May 21, 2025, Amanda H. and Tal A.)

Q39: Does Minnesota Housing have preferences on family sizes? Would a focus on "starter homes" be less preferable than larger homes for large families?

A: Application scoring includes funding priorities for large family homes and for accessible homes, so one style is not valued over another.

(May 21, 2025, Amanda H. and Tal A.)

Technical Assistance

Q40: Most of our applications weren't funded last year. Is there a way to get Technical Assistance so that our applications will be more competitive this year?

A: Applicants that submitted applications that were not funded last year are encouraged to sign up for technical assistance meetings to discuss their proposals and the funding decision.

(April 23, 2025, Amanda H.)

NOTE: The deadline to request Technical Assistance was Tuesday, June 10, at noon.