

Inclusionary Housing Policy and Long Term Affordable Homeownership Program Design RFP

Questions from Information Session

February 21, 2019

Is there a need to test the inclusionary housing policy against financial feasibility?

It's possible that additional financial feasibility analysis will be needed to recommend a threshold for projects subject to the inclusionary housing policy (e.g. minimum number of units). Similarly if there are compliance alternatives to evaluate, it is likely that the sizing of in-lieu fees will require some financial analysis. It will be helpful to understand from proposers if they have the skill and capacity to do this kind of financial assessment.

Is there potential for earlier studies to be provided?

There was a report in 2016 and in 2018 that respondents can read. The 2018 report is posted on this website:

<http://www.ci.minneapolis.mn.us/cped/WCMSP-214876>

The 2016 report is attached.

Can you explain further the analysis of the existing interim policy?

The interim inclusionary zoning ordinance provides two options: 1) include 10% of units affordable at 60% AMI without city subsidy or 2) include 20% of the units affordable at 50% AMI and be eligible for city subsidy. The scope of work includes analysis of these options and recommendations on potential changes. There's potential the formula would need to be adjusted in some geographic areas based on market.

Can you clarify timeline?

Our goal is to have a recommendation to the City Council for a comprehensive Inclusionary Zoning policy and ordinance and an LTA model by the end of the year. If there is a need to extend into 2020 for additional work related to implementation steps there is that possibility.

Are any of the goals/outcomes in this project aligned with the HUD consolidated plan and action plan?

The existing HUD consolidated plan and action plan does not speak to LTA or to inclusionary housing. Minneapolis 2040 was just passed in December and a HUD consolidated plan and action plan is currently in process of being updated.

For the LTA proposal, are you looking to compare sale prices in different communities or do based on city-wide analysis?

Yes, we are looking for a breakout based on the average sale prices in different Minneapolis communities by the AMI levels described in the scope of work. There would be a value add to break out by race and ethnicity similar to the CURA study included in the information session example.

Current inclusionary housing policy is focused on rental, is there an intention to look at how it would apply to ownership?

Absolutely make recommendations about homeownership – including compliance alternatives.

Is there a budget range that could be provided? What is the expectation for submitting costs?

No, we can't provide a budget range. To submit costs, we are expecting a guaranteed maximum price for each element of the scope, to be billed at an hourly rate for time and materials

Should we build in for doing a presentation to the city council or other bodies?

Yes – part of deliverables for each scope is doing a presentation to the city council.