Pre-decisional DRAFT

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Solicitation of Public Comment for Project-Specific Build America, Buy America Nonavailability Waiver Proposal

SUBJECT: Under Evaluation: Project-Specific Nonavailability Waiver of Build America Buy America Act (BABA) Requirements to the Minnesota Housing Finance Agency for the Terrano Apartments Project (HUD Waiver #W-0000234)

Introduction

This solicitation of public comment by the U.S. Department of Housing and Urban Development (HUD) is to evaluate a BABA waiver request submitted by an assistance recipient based on nonavailability of products for a single project.

This solicitation of public comment does not represent a final agency decision. The purpose of this proposal is to inquire whether potential alternative domestic products may be available that were not identified by the assistance recipient or through HUD's domestic product research efforts, and whether other factors should be considered in the evaluation of a waiver.

HUD has completed its market research efforts and was unable to identify alternative domestic products meeting the technical specifications of the project, in sufficient and reasonably available quantities and of a satisfactory quality. Through this public comment period, commenters may provide information that indicates a waiver may not be needed. For example, if a specified item is found to be domestically available, HUD would not issue a final waiver.

Solicitation of Public Comment

The proposed waiver will be posted on HUD's public facing webpage and a notice of the proposed waiver will also be posted to the Made in America website, to satisfy the requirement to publish any BABA project waiver and provide the public with fifteen (15) days to submit comments. HUD is seeking public and industry comments from all interested parties and encouraging current manufacturers of the subject products to submit comments regarding potential availability. Public comments on this waiver should be submitted to BuildAmericaBuyAmerica@hud.gov. Please reference HUD Waiver #W-0000234 in the subject line.

Background

The Buy America Preference set forth in section 70914 of BABA included in the Infrastructure Investment and Jobs Act (IIJA) (Pub. L. No. 117-58), requires that all iron, steel, manufactured products, and construction materials used for infrastructure projects under Federal financial assistance awards be produced in the United States.

Under section 70914(b), HUD may waive the application of the Buy America Preference (BAP), in any case in which it finds that: applying the domestic content procurement preference would be inconsistent with the public interest; types of iron, steel, manufactured products, or construction

materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or the inclusion of iron, steel, manufactured products, or construction materials produced in the United States would increase the cost of the overall project by more than twenty-five (25) percent. All waivers must have a written explanation for the proposed determination; provide a period of not less than fifteen (15) days for public comment on the waiver; and be submitted to the Office of Management and Budget's (OMB) Made in America Office for review to determine if the waiver is consistent with policy.

Summary

Proposed Waiver: HUD is soliciting comments regarding whether to issue a project waiver of the requirements of section 70914 of BABA included in the IIJA, for the products described below in an infrastructure project funded through the Housing Trust Fund (HTF) program.

Waiver Type: Nonavailability of domestic products in sufficient and reasonably available quantities or of a satisfactory quality.

Waiver Level and Scope: Project-level waiver for a single project. No other project will utilize the waiver.

Proposed Waiver Description: Project-specific nonavailability waiver of BABA requirements to the Terrano Apartments project in Blaine, Minnesota.

Project Summary: The project is located at 111 99th Ave NE, Blaine, MN 55434. The project consists of the acquisition, demolition, and construction of affordable housing.

Length of the Waiver: From the effective date of the final waiver until the expiration date of July 2028.

Items Covered in Waiver: The Minnesota Housing Finance Agency is seeking a waiver for the following products, as described in detail below:

- Name of Product 1: Machine Room Less Elevator System
  - NAICS: 333921
  - PSC: 3960
  - Technical Specifications: Complete machine-room-less passenger elevator system, including cab, traction equipment, controller, doors/operators, fixtures, hoistway equipment, safety devices, and associated components required for a fully operational elevator system.
- Name of Product 2: PVC-Free Luxury Non-Vinyl Tile
  - NAICS: 326199
  - PSC: 7220
  - Technical Specifications: Commercial-grade resilient flooring providing LVT-equivalent durability and appearance without PVC, plasticizers, ortho-phthalates, or halogenated additives; resistant to moisture, staining, scratching, and routine commercial traffic.
- Name of Product 3: Wired Glazing

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        - NAICS: 327211
        - PSC: 5620
        - Technical Specifications: Flat safety glass with wire mesh embedded within the glass during manufacturing; suitable for architectural glazing applications requiring enhanced glass retention and applicable fire/safety performance.
    - Name of Product 4: Thermally Broken Brick Ties
        - NAICS: 332323
        - PSC: 5670
        - Technical Specifications: Corrosion-resistant masonry veneer anchors incorporating a thermal break to reduce thermal bridging while transferring lateral loads between brick veneer and structural backup.
    - Name of Product 5: Surveillance Cameras
        - NAICS: 334310
        - PSC: 5836
        - Technical Specifications: Network-connected digital video cameras with high-definition imaging, remote/network connectivity, and applicable night-vision, motion/event detection, and recording-system compatibility.
    - Name of Product 6: Commercial Door Hardware (Grade 2 Cylindrical Locks; Wall-Mounted Door Holders; Coordinator Mounting Brackets; Electronic Deadbolts; Electronic Door Software)
        - NAICS: 332510
        - PSC: 5340
        - Technical Specifications: Commercial-grade cylindrical locks, door holders, coordinator brackets, and electronic deadbolts designed for multifamily/commercial door assemblies and applicable ANSI/BHMA requirements.
    - Name of Product 7: Ductless Split Systems (Mini-Split) HVAC
        - NAICS: 333415
        - PSC: 4120
        - Technical Specifications: Ductless split heating/cooling system consisting of indoor and outdoor units, refrigerant piping, controls, and associated components; designed for localized conditioning and applicable efficiency requirements.
    - Name of Product 8: Circuit Breakers
        - NAICS: 335931
        - PSC: 6110
        - Technical Specifications: Resettable overcurrent protection devices rated for the required voltage, amperage, poles, and interrupting capacity; designed to protect electrical circuits from overload and short-circuit conditions.
    - Name of Product 9: Electrical Cover Plates
        - NAICS: 335931
        - PSC: 6110

        - Technical Specifications: Durable electrical device faceplates compatible with standard switches, receptacles, outlets, and electrical boxes; suitable for residential/commercial interior applications.
    - Name of Product 10: Electrical Switches
        - NAICS: 335931
        - PSC: 6110
        - Technical Specifications: Standard building wiring switches for controlling lighting/electrical circuits; compatible with standard electrical boxes and rated for required voltage and amperage.
    - Name of Product 11: Electrical Receptacles
        - NAICS: 335931
        - PSC: 6110
        - Technical Specifications: Standard building electrical outlets compatible with applicable electrical boxes and wiring systems and rated for required voltage/amperage; may include grounding, tamper-resistant, weather-resistant, or GFCI features.
    - Name of Product 12: Electric Meters
        - NAICS: 334515
        - PSC: 6625
        - Technical Specifications: Digital electrical energy meters for measuring and recording electricity consumption and related electrical parameters within building or utility distribution systems.
    - Name of Product 13: Electronic Submeters
        - NAICS: 334515
        - PSC: 6625
        - Technical Specifications: Digital electrical meters for measuring and recording energy consumption and electrical parameters for individual units, tenant spaces, circuits, or loads.

Description of Efforts Made to Avoid the Need for a Waiver

Both the grantee and HUD made every effort to obtain domestically produced products meeting the project's technical specifications.

The grantee conducted market research, including supplier scouting and extensive independent market research in May 2026, contacting manufacturers and suppliers for each of the products below. None of the manufacturers or suppliers were able to provide BABA-compliant products that met the technical specifications of the project.

HUD conducted an online search of manufacturers and suppliers and did not locate any manufacturers or suppliers that could provide BABA-compliant products.

Anticipated Impact if No Waiver is Issued

Failure to grant a waiver for this project would result in the inability of the developer to install the required products, which are necessary components of the affordable housing project.

Assessment of Cost Advantage of a Foreign-Sourced Product Under OMB M-24-02, agencies are expected to assess "whether a significant portion of any cost advantage of a foreign-sourced product is the result of the use of dumped steel, iron, or manufactured products or the use of injuriously subsidized steel, iron, or manufactured products" as appropriate before granting a public interest waiver. HUD has concluded that this assessment is not applicable to this waiver as this waiver is not based on the cost of foreign-sourced products.

Description of Award

Agency: United States Department of Housing and Urban Development (HUD)

Common Governmentwide Accounting Classification (CGAC) Code: 086

Title of Project: Terrano Apartments

Recipient Name: Minnesota Housing Finance Agency

Unique Entity Identifier (UEI): KGAPBAMK58L3

Federal Award Identification Number (FAIN): F25SG2-70100

Financial Assistance Listing Name: Housing Trust Fund (HTF)

Assistance Listing Number: 14.275

Federal Financial Assistance Funding Amount: $2,820,936.00

Total Estimated Infrastructure Expenditures: $25,238,641.00

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