LIVABLE COMMUNITIES GRANT PROGRAMS

AFFORDABLE HOMEOWNERSHIP

The Affordable Homeownership program will provide grants to support affordable homeownership development for projects that best meet the following two priorities:

- **Racial Equity**: create homeownership opportunities for Black, Indigenous, and other ethnic or racial groups that own homes at disproportionately lower rates than white households in the region; and
- **Geographic Choice**: create affordable homeownership opportunities in parts of the region where it is most challenging to do so.

Funding

Available Funding: $3 million

Local Match: None

Grant Term: Three years (with an option to extend two years)

Award Limit: 50% of eligible project gap costs

Application Limit: None

Key Dates

Applications Due: October 1, 2025 at 3PM

Decision: December 2025

Affordable Homeownership Project Eligibility

- Create an affordable homeownership opportunity for a household living at 80% Area Median Income (AMI) or less
- Guarantee a minimum affordability term of 15 years
- Require Home Stretch or similar homeowner education for first-time homebuyers

Affordable Homeownership Eligible Costs Table

Eligible Costs

- Land acquisition
- Property (structure) acquisition
- Demolition
- Site preparation (e.g., water, sewer, roads)
- General construction/structural additions
- Alterations and rehabilitation
- Interior and exterior finishing
- Roofing
- Electrical, plumbing, and/or heating and ventilation

Ineligible Costs

- Soft costs, or administrative overhead
- Bonds and insurance
- Legal fees
- Permits
- Travel
- Grant/bid preparation costs
- Cleanup/abatement costs
- Resident services and/or operations

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METROPOLITAN COUNCIL

Affordable Homeownership Scoring Table

Proposals that meet eligibility requirements are reviewed and scored in the following four categories:

- Racial Equity
- Geographic Choice
- Equitable access
- Affordability

RACIAL EQUITY AND GEORAPHIC CHOICE

A minimum score of 5 points, out of a maximum of 18, is required in this section. Council Data is used to determine this score and is available to applicants in an online map tool.

<table>
<tr><th colspan="4">RACIAL EQUITY</th></tr>
<tr><td colspan="2">Criteria</td><td>Points</td><td>To Achieve Points</td></tr>
<tr><td colspan="2">Project is in a city with higher racial disparities in homeownership than the regional average</td><td>5</td><td rowspan="3">Racial Equity score is calculated based on Census data. Use the Affordable Homeownership mapping tool (census track level) to determine project score.</td></tr>
<tr><td>OR</td><td>Project is in a census tract with higher racial disparities in homeownership than the regional average</td><td>3</td></tr>
<tr><td>OR</td><td>Project is in a census tract with a higher share of Black, Indigenous, and other residents of color than the regional average</td><td>2</td></tr>
<tr><td colspan="2">Highest possible subtotal for racial equity</td><td colspan="2">8</td></tr>
<tr><th colspan="4">GEOGRAPHIC CHOICE</th></tr>
<tr><td colspan="2">Project is in a city with an average home sale price higher than what is affordable to a household earning 80% AMI</td><td>5</td><td rowspan="5">Geographic Choice score is calculated based on Census and Council data. Use the Affordable Homeownership mapping tool (city level) to determine project score.</td></tr>
<tr><td>OR</td><td>Project is in a city with an average home sale price higher than what is affordable to a household earning 60% AMI</td><td>3</td></tr>
<tr><td colspan="2">Project is in a city where the share of single-family housing stock is higher than the regional average</td><td>2</td></tr>
<tr><td colspan="2">Project is in a city with an affordable housing need less than 20 units OR more than 50% of their need is in the 51-80% affordability level.</td><td>2</td></tr>
<tr><td colspan="2">Project is located in a city with a net fiscal disparity of $200 or more per household</td><td>1</td></tr>
<tr><td colspan="2">Highest possible subtotal for geographic choice</td><td colspan="2">10</td></tr>
<tr><td colspan="2">Highest possible subtotal for both program priorities</td><td colspan="2">18</td></tr>
<tr><td colspan="4">A minimum of 5 points is required to ensure the project sufficiently addresses one or both program priorities</td></tr>
</table>

Affordable Homeownership Scoring Table Continued

EQUITABLE ACCESS			
Criteria	Points	Evaluation Considerations	Examples to Achieve Points
Developer or program partner has a demonstrated record of serving Black, Indigenous, and/or other households of color in homeownership at rates equal to or greater than the city and or region's homeownership rates for those same groups	5	• Percentage of households that received services who identify as BIPOC • Percentage of homebyers that identify as BIPOC • Other proxy measures that indicate that the developer or program partner serves a significant percentage of BIPOC households	• Service and buyer statistics at the level of individual races (not aggregated "people of color") • Referral source serves primarily BIPOC households
Developer or program partner has current waiting list consisting of Black, Indigenous, or other households of color at levels equal or greater to the regional and/or city population	3	• Percentage of waitlist that are BIPOC households • If no waitlist, explanation of demand for program and proxy measures for knowing that a significant portion of the demand is BIPOC households • Other proxy measures that indicate that the developer or program partner serves a significant percentage of BIPOC households	• Service and buyer statistics at the level of individual races (not aggregated "people of color") • Average time before a home sells is below regional average • Referral source serves primarily BIPOC households
Project team includes a lender, realtor, or other homebuyer-facing team member that is reflective of the Black, Indigenous, or other households of color that have disparate homeownership rates in the region	2	• There are BIPOC individuals on the project team • Additional efforts to intentionally engage BIPOC individuals throughout the project; as a team member and/or to inform team members	• Defined developer, lender, realtor, other roles with racial identity (or if a company, percentage of their employees or ownership who identify as BIPOC) • Community engagement or input efforts
Project will be made available to a first-generation homebuyers	3	• First-gen homebuyers are prioritized to purchase proposed homes • Applicant describes how existing services will be utilized to target or prioritize first-gen homebuyers	• First-time homebuyer program • First-time homebuyers are paired with downpayment assistance • Developer or program partner experience with first-time homebuyer loan products

Affordable Homeownership Scoring Table Continued

EQUITABLE ACCESS CONTINUED			
Criteria	Points	Evaluation Considerations	Examples to Achieve Points
Project addresses a need specific to the community in which the project is located, through financing marketing, design, size or other unique need	6	• All communities have a need for affordable homeownership opportunities. Is there a need this project meets beyond the need for affordable housing and to close the racial homeownership gap? • What is the community specific need? How was the need defined and by whom? • How does the proposed project address part of or the whole need? • What is the impact of addressing the need?	• Need is related to a value/goal in Imagine 2050 • Need was defined with input from those most impacted • Need was defined by a reputable souce • Homes are accesible to people with disabilities • Home has unique environmental features • Home has features for large families
Project incorporates marketing efforts to affirmatively further fair housing	1	• How to darking efforts affirmatively further fair housing? • How do marketing efforts reach potential BIPOC and/or first-time homebuyer households?	• Marketing partners include indivuduals who identify as BIPOC • Marketing includes affirmatively furthering fair housing strategies
Other efforts as described by applicant that further equitable access to homeownership	5	The applicant shares additional efforts to futher access to homeownership for those who have been historically disproportionately excluded; i.e. partnerships, programs, policies	• Specific financing programs • Policies that give preference to certain populations • Policies or code that ensure homes are accessible to people with diabilities • Partnerships with other wealth building programs • Energy and water conserving building features that keep homeownership costs low long-term • Accessible or adaptable design features
Subtotal Equitable Access	**25**		

Affordable Homeownership Scoring Table Continued

AFFORDABILITY			
Criteria	Points	Evaluation Explanation	Examples to Achieve Points
Project will be affordable to homebuyers earning less than 80% AMI	3	• Does the project provide deeper affordability for households living on less than 80% AMI (If applicant provides a range, project will be scored based on the top of the range)	• Homes will be affordable to households living at 60% AMI • Homes will be affordable to households living at 50% AMI
Project will remain affordable upon resale for more than 15 years	3	• Applicant clearly identifies how project will be kept affordable for 15 years • Project provides affordability past 15 years; i.e. 30 years, in perpetuity	• Restrictive Covenant • Community Land Trust • Requirement of other funding souce
Subtotal Affordability	**6**		
Total Possible Points	**57**		