



Funding Recommendations

Local Housing Incentives Account (LHIA)
Affordable Homeownership Pilot



January 2023

Ashleigh Johnson

metro council.org

Background



The Livable Communities Act (LCA) includes the Local Housing Incentives Account (LHIA), which provides funds to **help participating communities achieve their affordable housing goals.**

- Pooled in Minnesota Housing's annual Consolidated Request for Proposals (RFP)
- Baseline from statute of \$1.5M available annually
- Requires a dollar-for-dollar local match
- Homeownership Pilot approved for \$2M

Today's Presentation



Application and Evaluation Process Overview

Funding Recommendations

Project Summaries

Overview of Application + Evaluation Process



LHIA Pilot Priorities

Geographic Choice

- Cities with a higher share of single-family homes than the regional average
- Cities with a median home sale price more than \$25,000 above the regional average

Racial Equity

- Cities near or above the regional share of Black and Indigenous residents and residents of color
- Cities with higher homeownership disparities across race than the regional average

LHIA Pilot Scoring

Meets geographic choice eligibility criteria

Meets racial equity eligibility criteria

Efforts to target populations with significantly lower rates of homeownership than white households

Unique local needs, depth of affordability, length of affordability




Submitted Applications

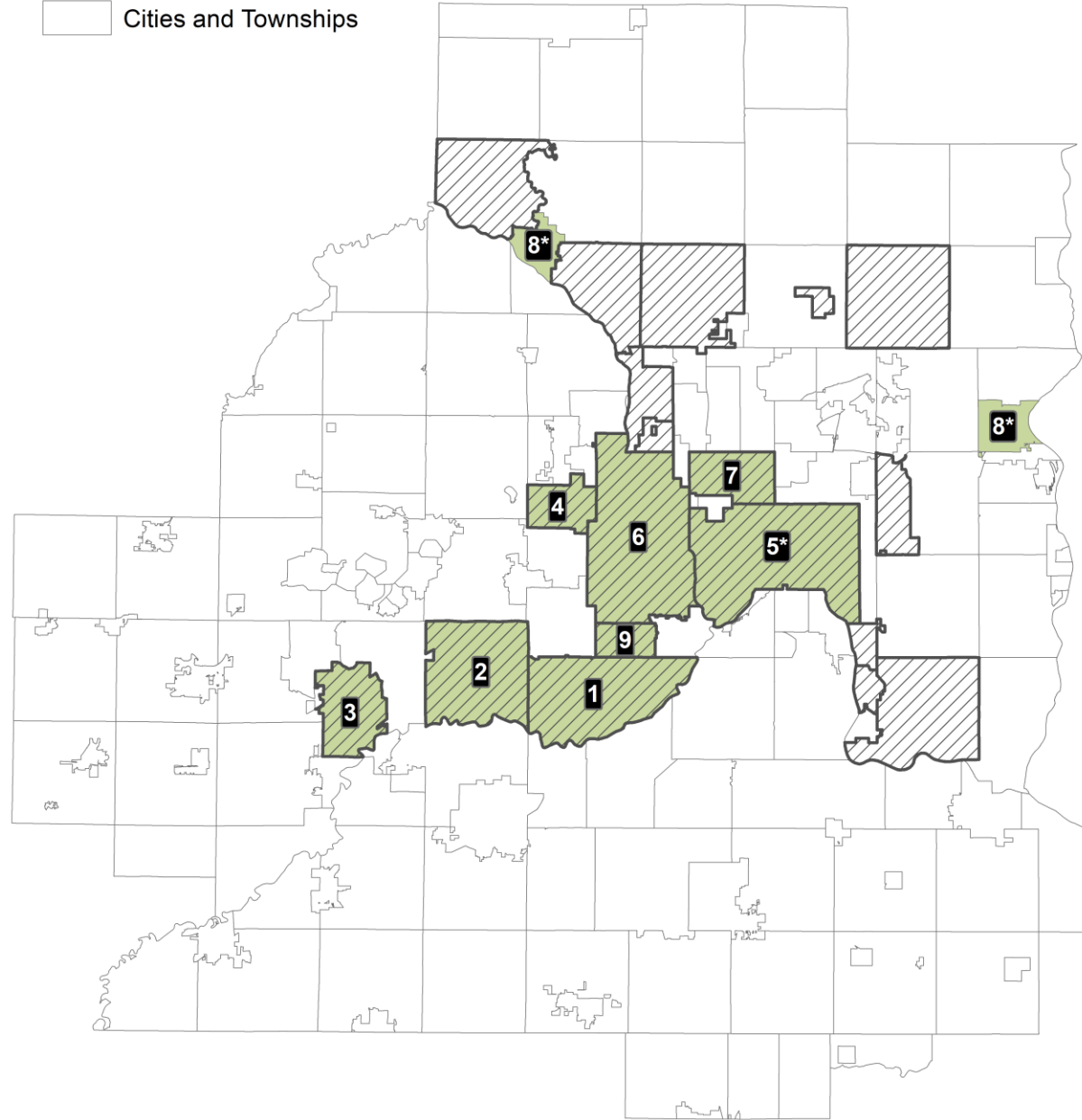
	Project	City/Applicant	Homes	Points	Total Requested	LHIA Funding Recommendation
1	Bloomington Affordable Homeownership	Bloomington HRA	5	77.5	\$375,000	\$300,000
2	Roseville Community Land Trust	Roseville EDA	10	73	\$800,000	\$300,000
3	Scattered Site Acquisition/Rehab 2022	Washington County CDA	4	68	\$380,000	\$285,000
4	Historic Bell Lofts	N/A*	12	66	\$1,440,552	0
5	Perpetually Affordable Homeownership in Minneapolis	City of Minneapolis	10	65.5	\$750,000	\$300,000
6	Home Ownership Program for Equity	City of Golden Valley	3	62	\$336,000	\$224,000
7	Woodlawn Terrace	City of Richfield	4	59	\$256,000	\$192,000
8	Margaret Street Affordable Homeownership	Ramsey County CED	1	59	\$50,000	\$50,000
9	Eden Prairie & Homes Within Reach CLT Program	City of Eden Prairie	3	55.5	\$240,000	\$160,000
10	Ernst House CLT Project	City of Chaska	4	53.5	\$400,000	\$189,000
11	PPL Greenbelt Homes	City of Minneapolis	5	52	\$825,000	0
12	Home Preservation Program	City of Edina	4	51.5	\$750,000	0
13	EP First-Generation Homebuyer Initiative	City of Eden Prairie	8	49.5	\$200,000	0
14	North Minneapolis Penn Avenue Townhomes	City of Minneapolis	15	38	\$875,000	0
15	Scattered-site Housing Opportunities	City of Minnetonka	4	33	\$439,569	0
16	St. Paul 1094 Kent	N/A*	1	31	\$100,000	0
	TOTAL		93		\$8,217,121	\$2,000,000

Funding Recommendations

LHIA Pilot Funding Recommendations

	Project	City/Applicant	Number of Homes	LHIA Funding Recommendation
1	Bloomington Affordable Homeownership	Bloomington HRA	4	\$300,000
2	Eden Prairie & Homes Within Reach CLT Program	City of Eden Prairie	2	\$160,000
3	Ernst House CLT Project	City of Chaska	2	\$189,000
4	Home Ownership Program for Equity	City of Golden Valley	2	\$224,000
5	Margaret Street Affordable Homeownership	Ramsey County CED	1	\$50,000
6	Perpetually Affordable Homeownership in Minneapolis	City of Minneapolis	4	\$300,000
7	Roseville Community Land Trust	Roseville EDA	4	\$300,000
8	Scattered Site Acquisition/Rehab 2022	Washington County CDA	3	\$285,000
9	Woodlawn Terrace	City of Richfield	3	\$192,000
	TOTAL		25	\$2,000,000

-  Potential Project Locations for 2022 LHIA Homeownership Pilot Recommended Grants
-  2022 Recommended LHIA Homeownership Pilot Award Recipients
-  Cities and Townships

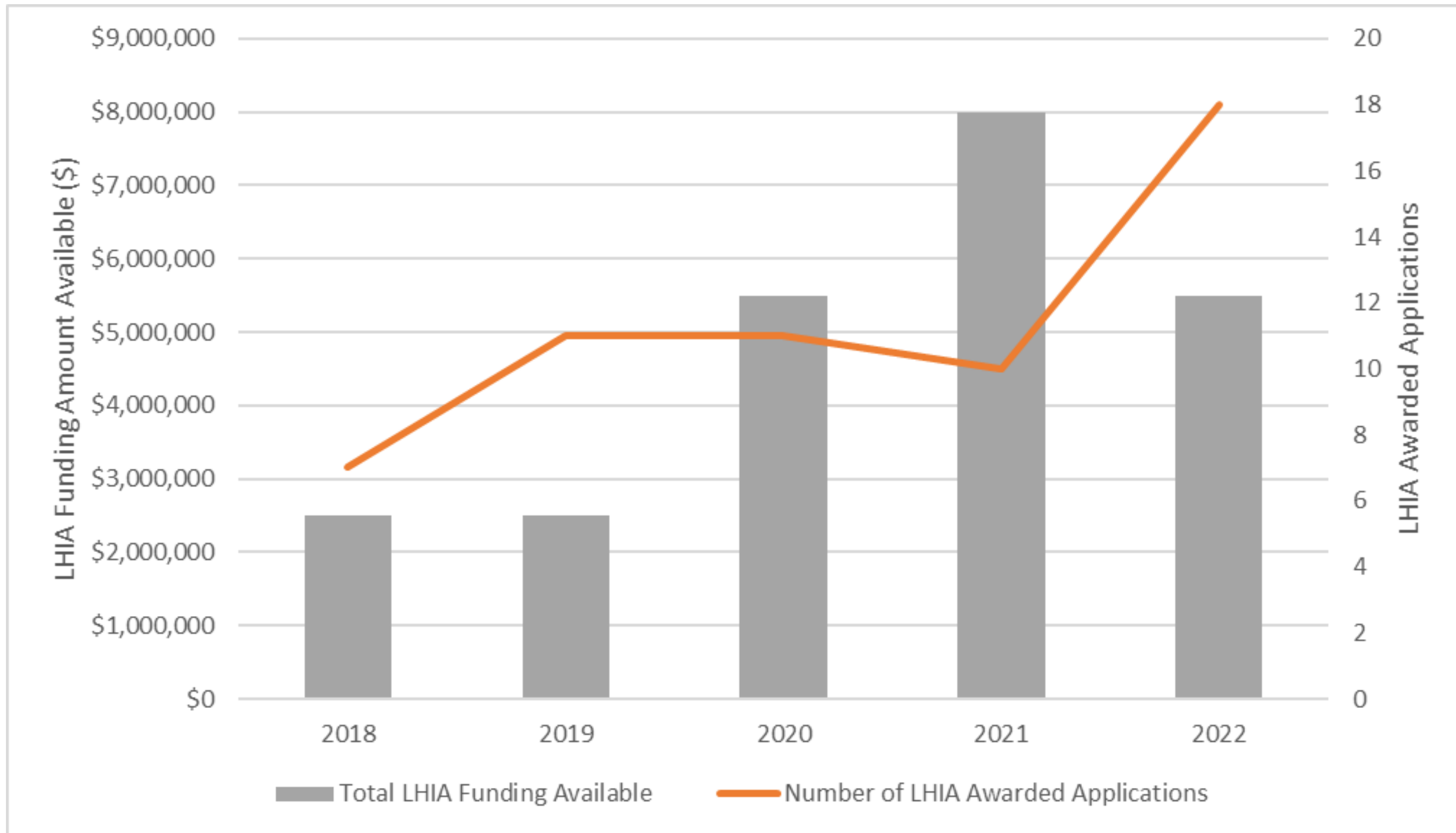


1. Bloomington Affordable Homeownership - Bloomington
2. Eden Prairie & Homes Within Reach CLT Program - Eden Prairie
3. Ernst House CLT Project - Chaska
4. Home Ownership Program for Equity - Golden Valley
- 5*. Margaret Street Affordable Homeownership - Ramsey County
6. Perpetually Affordable Homeownership in Minneapolis - Minneapolis
7. Roseville Community Land Trust - Roseville
- 8*. Scattered Site Acquisition/Rehab 2022 - Anoka County
- 8*. Scattered Site Acquisition/Rehab 2022 - Washington County
9. Woodlawn Terrace - Richfield

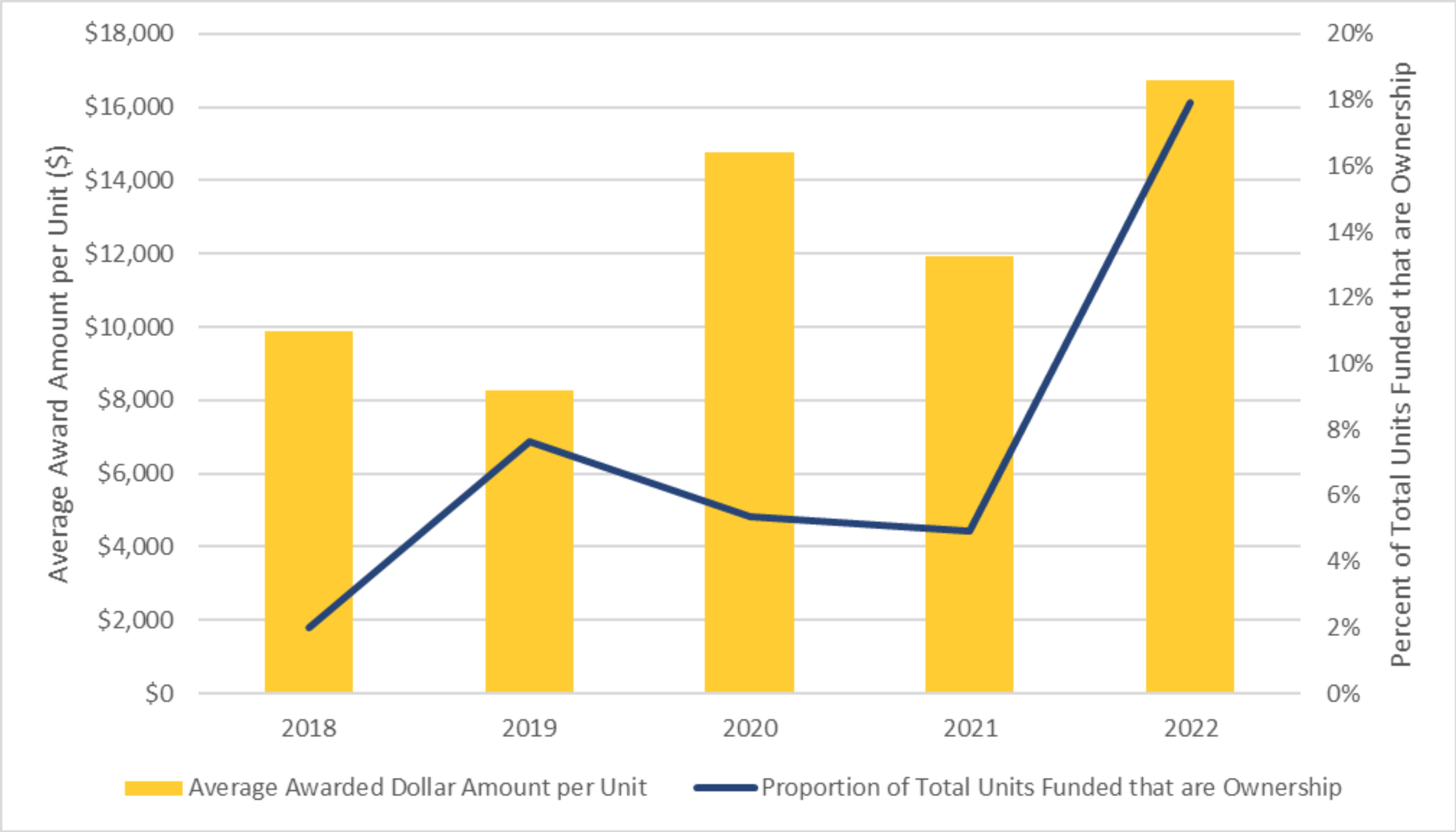
0 3.25 6.5 13 Miles



LHIA Funding Availability and Awards



Average LHIA Spending per Unit



Bloomington Affordable Homeownership

Bloomington HRA

Recommended Award: **\$300,000**

- New Construction
- 4 Homes
- Affordable at/below 80% AMI
- Use: Construction & Rehab



Eden Prairie & Homes Within Reach CLT Program

Eden Prairie

Recommended Award: **\$160,000**

- New Construction & Preservation
- 2 Homes
- Affordable at/below 80% AMI
- Use: Property & Land Acquisition



Ernst House CLT Project

Chaska

Recommended Award: **\$189,000**

- New construction & Preservation
- 2 Homes
- Affordable at/below 80% AMI
- Use: Construction & Rehab



Recommended Award: **\$224,000**

- New Construction & Preservation
- Affordable at/below 60% AMI
- Use: Construction & Rehab



Margaret Street Affordable Homeownership

Ramsey County: St. Paul

Recommended Award: **\$50,000**

- Preservation
- 1 Home
- Affordable at/below 80% AMI
- Use: Acquisition & Affordability Gap



Perpetually Affordable Homeownership in Minneapolis

Minneapolis

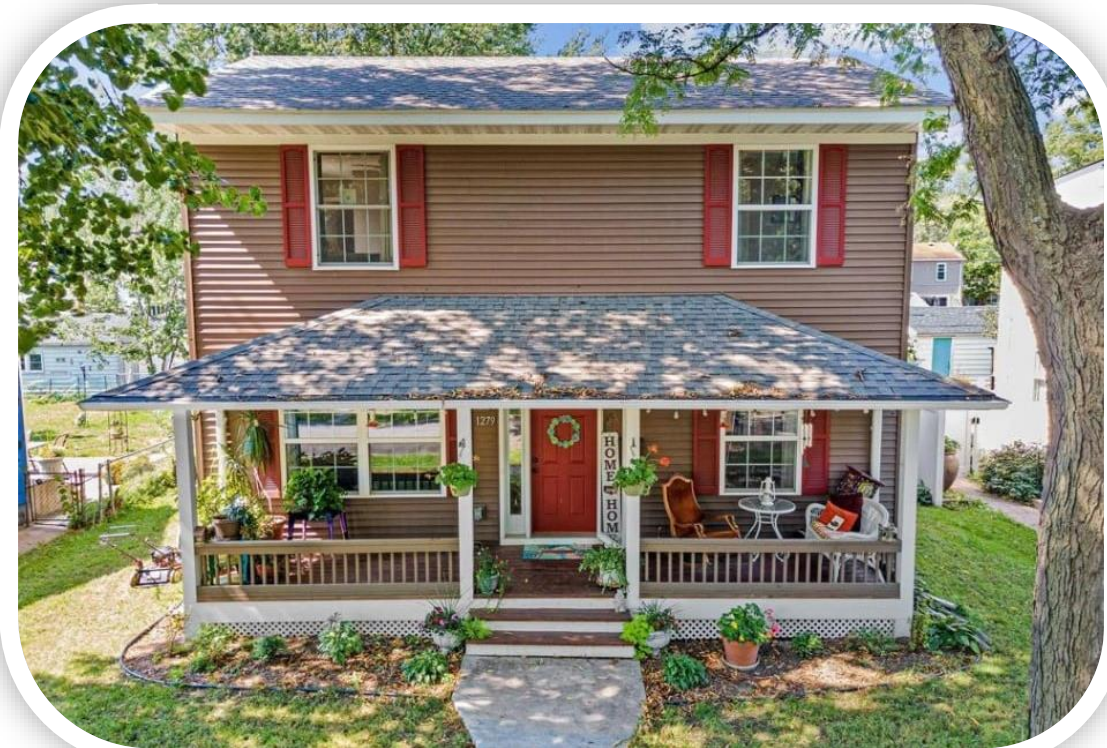
Recommended Award: **\$300,000**

- Preservation
- 4 Homes
- Affordable at/below 80% AMI
- Use: Acquisition & Rehab



Roseville Community Land Trust

Roseville

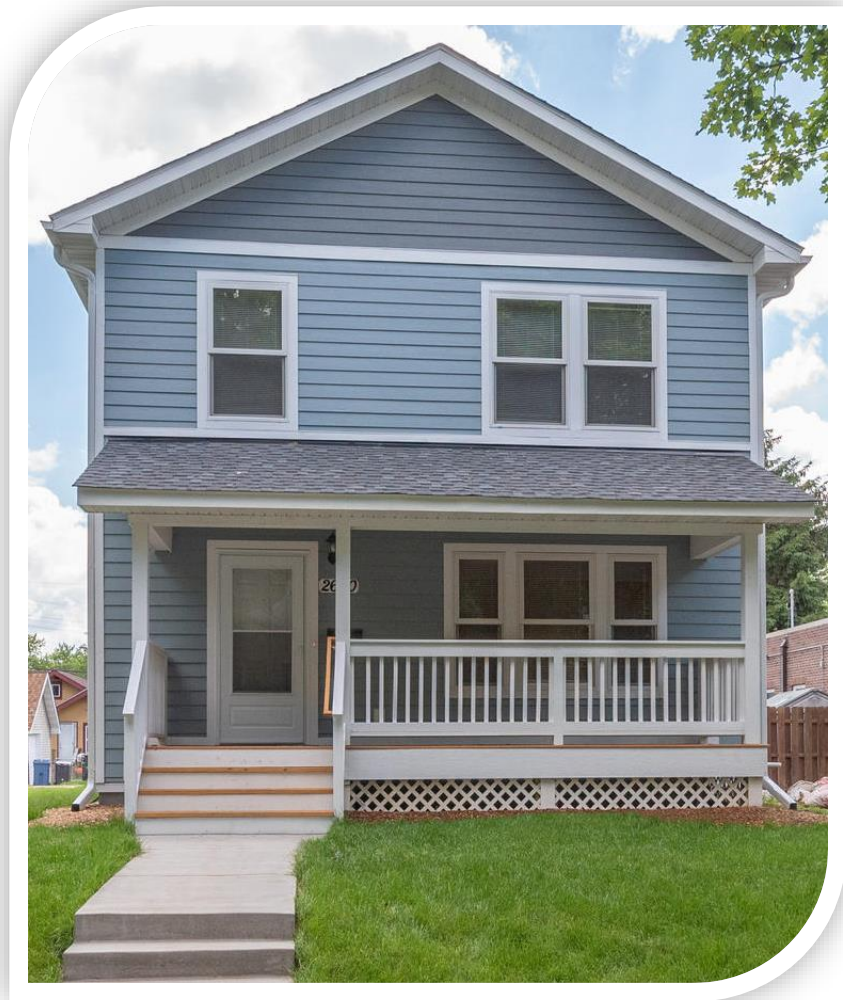


Recommended Award: **\$300,000**

- New Construction & Preservation
- 4 Homes
- Affordable at/below 80% AMI
- Acquisition & Construction

Twin Cities Habitat for Humanity

Anoka County
Washington County



Recommended Award: **\$285,000**

- Preservation
- 3 Homes
- Affordable 30-80% AMI
- Cities: Cottage Grove, Hugo, Newport, Oakdale, St. Paul Park, Blaine, Centerville, Columbia Heights, Coon Rapids, Fridley, and/or City of Ramsey

Woodlawn Terrace

Richfield

Recommended Award: **\$192,000**

- New Construction
- Manufactured Homes
- Affordable at/below 80% AMI
- Uses: Affordability Gap,
Demolition & Site Preparation



Funding Recommendation

That the Metropolitan Council:

1. Award nine homeownership Local Housing Incentives Account (LHIA) grants, totaling \$2 million.
2. Authorize its Executive Director of Community Development to execute the grant agreements on behalf of the Council.

Contact

Name: [Ashleigh Johnson, Senior Planner](#)

Email: Ashleigh.Johnson@metc.state.mn.us

Phone: [651.602.1106](tel:651.602.1106)