



2024 LCDA Affordable Homeownership Funding Recommendations



December 2024

Affordable Homeownership Grant Program



Background

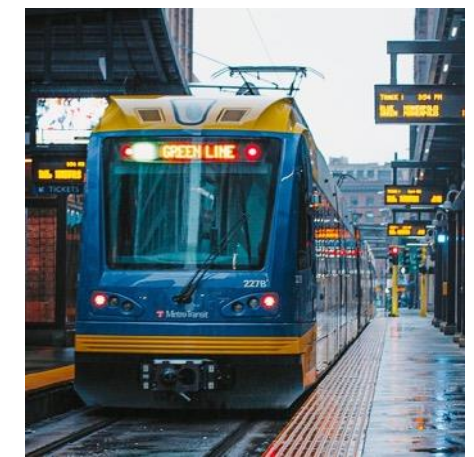
- Council established the program in 2022 as part of a suite of activities to reduce racial disparities and spread the Council's investments across a wide geography.
- Homeownership opportunities are considered affordable if they are accessible to households earning 80% AMI (\$97,800 in 2024) or less with a home price of \$290,300 or less.
- The program prioritizes projects that:
 - 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
 - Create affordable homeownership opportunities in parts of the region where it is most challenging to do so.
- Projects are also scored on affordability to the homebuyer and efforts to create equitable access to homeownership opportunities.

Affordable Homeownership Grant Program

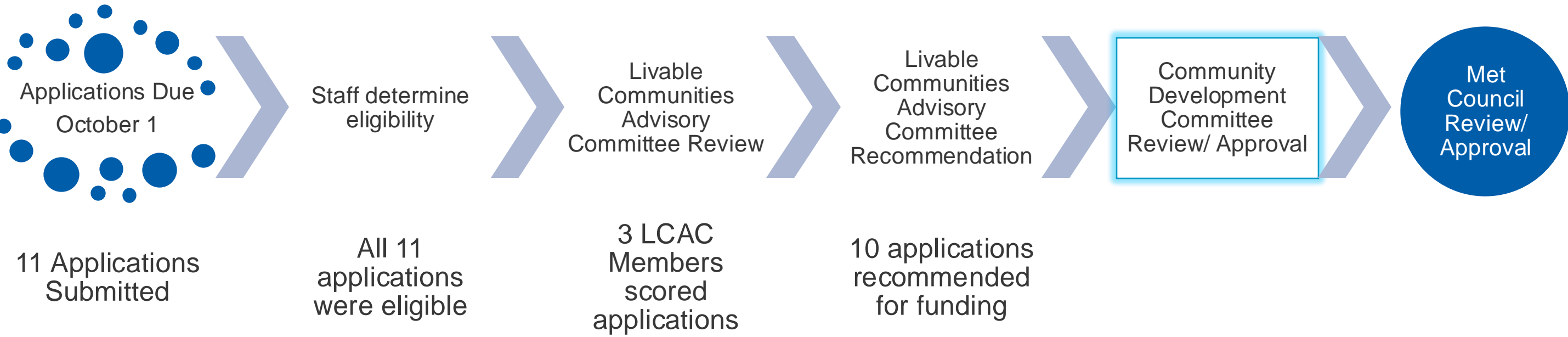
2024 Program Specifics

Approved by Council in the Annual Livable Communities Act Fund Distribution Plan

- \$3,000,000 available from the Livable Communities Demonstration Account (LCDA)
- Project Maximum Award = 50% of acquisition and hard costs
- No local match is required



Process



Funding Recommendation

That the Metropolitan Council

- Award ten (10) Livable Communities Demonstration Account Affordable Homeownership Grants totaling \$3 million, as outlined in Table 1.
- Authorize the Executive Director of Community Development to execute the grant agreements on behalf of the Council.

Table 1: Funding Recommendations for 2024 Affordable Homeownership Grants (Alphabetical)

Grantee	Project	# of Homes	Award Amount
Bloomington HRA	Single Family + ADUs	2	\$100,000
Carver County CDA	413 Franklin (Watertown)	1	\$69,875
City of Eden Prairie	Scattered Site (Homes Within Reach)	1	\$28,377
City of Maplewood	Beebe Meadows	7	\$525,000
City of Minnetonka	Minnetonka Mills	10	\$500,000
City of Minnetonka	Scattered Site Across Western Hennepin County (Homes Within Reach)	9	\$180,000
Roseville EDA	Scattered Site (Twin Cities Habitat for Humanity)	3	\$375,000
Scott County CDA	Moraine (Shakopee)	2	\$200,000
City of Saint Paul	1036 Marshall	4	\$760,169
Saint Paul Port Authority	Serenity Townhouses	7	\$261,579
TOTAL		46	\$3,000,000

2024 LCDA Affordable Homeownership Applications & Scoring

Project	Points	Request	Request per Home	# of Homes Proposed	# of Homes Possible w/ Recommendation	Recommendation
City of Maplewood <i>Beebe Meadows</i>	41.5	\$525,000	\$75,000	7	7	\$525,000
City of Minnetonka <i>Minnetonka Mills</i>	41.3	\$500,000	\$50,000	10	10	\$500,000
Bloomington <i>Single Family + ADU</i>	40	\$100,000	\$50,000	2	2	\$100,000
Roseville EDA <i>Scattered Site</i>	39.2	\$500,000	\$125,000	4	3	\$375,000
City of Minnetonka <i>Scattered Site</i>	38.9	\$300,000	\$20,000	15	9	\$180,000
City of St. Paul <i>1036 Marshall</i>	37	\$1,140,253	\$190,042	6	4	\$760,169
Carver County CDA <i>413 Franklin (Watertown)</i>	36.2	\$69,875	\$69,875	1	1	\$69,875
Saint Paul Port Authority <i>Serenity Townhouses</i>	34.3	\$710,000	\$37,368	19	7	\$261,579
Scott County CDA <i>Moraine (Shakopee)</i>	33.7	\$1,000,000	\$100,000	10	2	\$200,000
Eden Prairie <i>Scattered Site</i>	33.3	\$240,000	\$40,000	6	0.71	\$28,377
Minneapolis <i>Greenbelt</i>	29.8	\$322,555	\$64,511	5	0	\$-
TOTAL					45.71	\$3,000,000

Bloomington HRA

Recommended Funding \$100,000

Affordability	
Number of Homes	2 (each with ADU)
Development Type	New
Targeted Area Median Income (AMI)	45-65%
Affordability Term	99 years
Affordability Mechanism	Community Land Trust
Anticipated Home Attributes	
Estimated Market Value	\$450,000
Anticipated Sale Price	\$222,111
Type of Home	Single Family w/ ADU
Home Size (square feet)	1,900
Number of Bedrooms	5

- ADUs are a newly eligible use due to City zoning changes
- ADUs are ideal for multi-generational families and can help create additional wealth



Carver County CDA (Watertown)



Recommended Funding \$69,875

Affordability	
Number of Homes	1
Development Type	New, Infill
Targeted Area Median Income (AMI)	50-80%
Affordability Term	99 years
Affordability Mechanism	Community Land Trust
Anticipated Home Attributes	
Estimated Market Value	\$425,000
Anticipated Sale Price	\$275,000
Type of Home	Single Family
Home Size (square feet)	1,762
Number of Bedrooms	4

- Home that was previously on this lot was demolished in 2014/15 after a fire
- Project brings much needed supply; there is only 1 other Community Land Trust home in Watertown

City of Eden Prairie

Recommended Funding \$28,377

Affordability	
Number of Homes	1
Development Type	Preservation
Targeted Area Median Income (AMI)	45-65% Target
Affordability Term	99 years
Affordability Mechanism	Community Land Trust
Anticipated Home Attributes	
Estimated Market Value	\$425,000
Anticipated Sale Price	\$220,000
Type of Home	Single Family, Townhome, or Condo
Home Size (square feet)	1800-2100
Number of Bedrooms	3-4

- Partnership with Homes Within Reach
- Preservation of existing housing that is otherwise at risk for tear down and being replaced by larger, more expensive homes



City of Maplewood



Recommended Funding \$525,000

Affordability	
Number of Homes	7
Development Type	New
Targeted Area Median Income (AMI)	30-80%
Affordability Term	30 years
Affordability Mechanism	Restrictive Covenant
Anticipated Home Attributes	
Estimated Market Value	\$350,000
Anticipated Sale Price	\$205,000
Type of Home	Single Family
Home Size (square feet)	1,650
Number of Bedrooms	3-5

- Earlier project on this site stalled, and it sat vacant.
- Some homes have features, making them accessible to people who have difficulty with stairs.
- TCHFH reports positive feedback from neighbors.

City of Minnetonka – Minnetonka Mills

Recommended Funding \$500,000

Affordability	
Number of Homes	10
Development Type	New
Targeted Area Median Income (AMI)	30-80%
Affordability Term	30 years
Affordability Mechanism	Community Land Trust
Anticipated Home Attributes	
Estimated Market Value	\$400,000
Anticipated Sale Price	\$205,000
Type of Home	Twin-Home
Home Size (square feet)	1,550
Number of Bedrooms	3

- Project is only possible at this site thanks to local advocacy and zoning changes adopted by the City
- Project will improve stormwater management in the area and make a church-owned playground more accessible to mobility impaired people



City of Minnetonka – Scattered Site



Recommended Funding \$180,000

Affordability	
Number of Homes	9
Development Type	Preservation
Targeted Area Median Income (AMI)	45-65% Target
Affordability Term	99 years
Affordability Mechanism	Community Land Trust
Anticipated Home Attributes	
Estimated Market Value	\$460,000
Anticipated Sale Price	\$250,000
Type of Home	Single Family, Townhome, or Condo
Home Size (square feet)	1,600
Number of Bedrooms	3

- Acquisitions possible in Bloomington, Brooklyn Center, Brooklyn Park, Crystal, Eden Prairie, Edina, Golden Valley, Long Lake, Loretto, Maple Grove, Minnetonka, New Hope, Plymouth, Richfield, Robbinsdale, Rogers, St. Louis Park, Wayzata
- Preserve homes that are often torn down and replaced with larger, more expensive homes.

Roseville EDA

Recommended Funding \$375,000

Affordability	
Number of Homes	3
Development Type	Preservation or New
Targeted Area Median Income (AMI)	50-60% Target
Affordability Term	99 years
Affordability Mechanism	Community Land Trust
Anticipated Home Attributes	
Estimated Market Value	\$400,000
Anticipated Sale Price	\$197,000
Type of Home	Single Family or Twin-Home
Home Size (square feet)	1,700
Number of Bedrooms	3

- Recent City zoning changes permit twin-homes on single family lots.
- The Roseville-Twin Cities Habitat for Humanity partnership already has one twin home underway and several preservation projects in the pipeline.



Scott County CDA (Shakopee)



Recommended Funding \$200,000

Affordability	
Number of Homes	2
Development Type	New
Targeted Area Median Income (AMI)	80%
Affordability Term	99 years
Affordability Mechanism	Community Land Trust
Anticipated Home Attributes	
Estimated Market Value	\$450,000
Anticipated Sale Price	\$290,300
Type of Home	Single Family
Home Size (square feet)	2,000
Number of Bedrooms	3-4

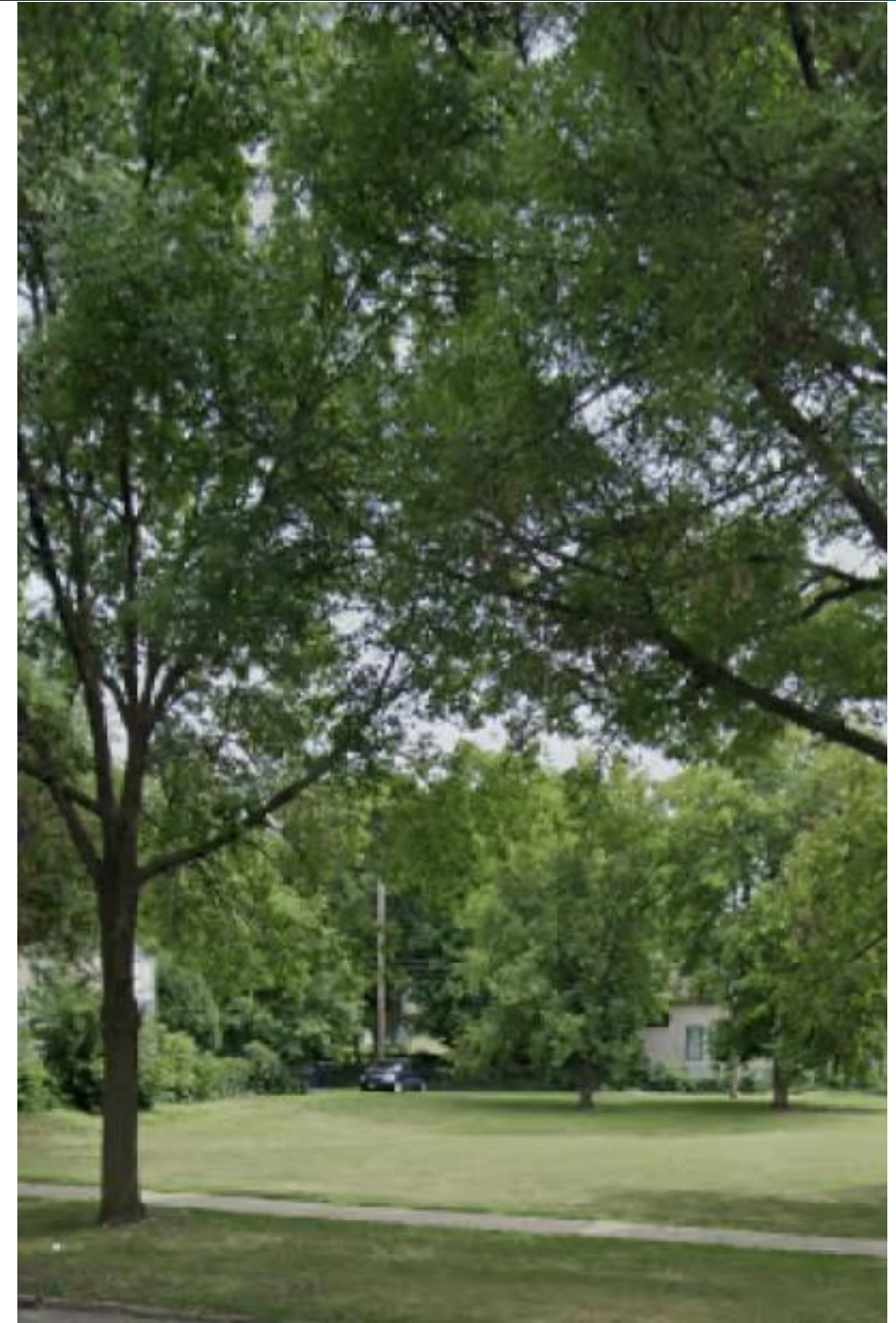
- Project prioritizes first-time homebuyers
- Will be the first affordable owner-occupied housing built in Shakopee since 2013

City of Saint Paul

Recommended Funding \$760,169

Affordability	
Number of Homes	4
Development Type	New
Targeted Area Median Income (AMI)	60-80%
Affordability Term	99 years
Affordability Mechanism	Community Land Trust
Anticipated Home Attributes	
Estimated Market Value	\$307,500
Anticipated Sale Price	\$290,300
Type of Home	Townhome
Home Size (square feet)	2,640
Number of Bedrooms	3

- Project received an LCDA Predevelopment grant previously
- Project design includes a central greenspace, toddler playground, and room for gardens.



Saint Paul Port Authority



Recommended Funding \$262,579

Affordability	
Number of Homes	7
Development Type	New
Targeted Area Median Income (AMI)	60-80%
Affordability Term	99 years
Affordability Mechanism	Community Land Trust
Anticipated Home Attributes	
Estimated Market Value	\$263,710
Anticipated Sale Price	\$263,710
Type of Home	Townhome
Home Size (square feet)	1,876
Number of Bedrooms	3-4

- Received a 2023 Affordable Homeownership Grant
- Will meet Zero-Energy-Ready Standards

Anticipated Grant Outcomes

Affordability Target (2024 Annual Income Hourly Wage if Employed Full Time) ¹	2024 Affordable Home Price ²	# of Homes
30%-80% AMI (\$37,250 - \$97,800 \$17.91 - \$47.02)	\$100,800 - \$290,300	17
45%-65% AMI (\$55,013 - \$79,463 \$26.45 - \$38.20)	\$163,294 - \$235,869	12
50%-60% AMI (\$62,100 - \$74,520 \$29.86 - \$35.83)	\$178,600 - \$217,400	3
50%-80% AMI (\$62,100 - \$97,800 \$29.86 - \$47.02)	\$178,600 - \$290,300	1
60%-80% AMI (\$74,520 - \$97,800 \$35.83 - \$47.02)	\$217,400 - \$290,300	1
80% AMI (\$97,800 \$47.02)	\$290,300	2
TOTAL Affordable At or Below 80% AMI		46

¹ Affordability Target (if reported by applicant) is therefore targeted affordability band. ² Affordable home price is updated annually and available on the [Council website](#).

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