

Community Development Programs

Community Homeownership

Impact Fund



The Community Homeownership Impact Fund

The Community Homeownership Impact Fund provides funding for developers and administrators of single-family, owner-occupied affordable and workforce housing activity in communities across Minnesota. Resources are available through a competitive Request for Proposal published each spring.

Eligible Applicants

- Cities
- Housing and Redevelopment Authorities
- For-profit and nonprofit organizations
- Indian tribes or tribal housing corporations
- Public Housing Agencies
- Joint powers boards
- Cooperative housing corporations
- Individuals

Income Limits

Household income cannot exceed 115% of the area median.

Eligible Uses of Funds

- Acquisition, rehabilitation and resale of existing housing
- Reducing interest rates on Minnesota Housing home improvement loans through a Community Fix Up Initiative.
- Owner-occupied rehabilitation
- New construction, including demolition or removal of existing structures with rebuild.

Types of Funds Available		
Interim Financing	Deferred Loans	Grants
Interim financing is available for acquisition, rehabilitation, and construction of owner-occupied housing. Generally provided at a subsidized rate; interest-free financing may be available for innovative proposals.	Interest-free deferred loan financing is available to help eligible homeowners bridge affordability gaps not covered by first-mortgage or other funding sources.	Grants are provided on a limited basis to bridge value gaps between a project’s total development cost and its fair market value or for other eligible activities where recapture of loan funds proves infeasible or unaffordable.

Basic Program Requirements

- Supply or improve owner-occupied, single-family housing
- Comply with Green Communities Criteria



General Selection Standards and Funding Priorities

- **Project feasibility:** The cost of developing or rehabilitating the proposed housing must be reasonable and economically viable given market conditions.
- **Community need:** The extent to which there is a well-defined community need for the housing activity in the Target Area based on local demographic, workforce, and economic factors.
- **Organization capacity:** The applicant’s and applicant’s partners’ related housing experience is evaluated for capacity to undertake and complete the proposal.
- **Additional funding priorities** include:
 - Leverage for other financial and in-kind investments, including employer contributions;
 - Cost containment and non-duplication of an existing program or service;
 - Providing long-term housing affordability and housing affordable to the local workforce;
 - Addressing the housing needs of underserved populations;
 - Providing housing proximate to jobs, transportation, schools and services;
 - Providing housing investments in areas in need of community recovery.

Impact Fund Leveraging Minnesota Housing Home Improvement Programs	
Fix Up Loans	Community Fix Up Initiative
<p>Minnesota Housing provides affordable home improvement loans through a statewide network of participating lenders that include banks, credit unions, and nonprofit organizations. Fix Up provides:</p> <ul style="list-style-type: none"> • Loans for most basic remodeling, repairs and upgrades. • Loan options for homeowners with limited equity, including an unsecured loan option. • A lower interest rate and no income limit for basic energy conservation and accessibility improvements. 	<ul style="list-style-type: none"> • A community partner joins with an approved lender to provide services and funds at a lower interest rate. • The approved lender originates these loans and sells them to Minnesota Housing. • Targeted to specific community needs • The Impact Fund or other leveraged resources supplied by the community partner can be used to write down the Community Fix Up interest rate.

For more information about Minnesota Housing Home Improvement programs, visit www.mnhousing.gov > Lenders & Homeownership Partners > Home Improvement Partners.

Interested?

The Impact Fund can help create and reinvest in affordable owner-occupied homes in your community! To learn more about the program, visit the Minnesota Housing website at www.mnhousing.gov > Lenders & Homeownership Partners > Community Development > Impact Fund, or contact a member of the Impact Fund Team:

Nancy Slattsveen
 nancy.slattsveen@state.mn.us
 651.296.7994

Nick Boettcher
 nick.boettcher@state.mn.us
 651.296.9567