



HOME OWNERSHIP CREATION PROGRAM

Program Guidelines

2024
CITY OF ROCHESTER
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City of Rochester Home Ownership Creation Program Guidelines

1. Introduction

It is the policy of the City of Rochester to promote and provide diverse and affordable housing options for residents. The City of Rochester Home Ownership Creation Program specifically addresses these goals by supporting the development of affordable housing.

The Home Ownership Creation Program contributes to the development of owner-occupied housing units by either reimbursing all or a portion of City fees assessed or providing an upfront subsidy to lower the final price of the home built. When qualifying a proposal through reimbursement, the maximum fee reimbursement amount to be awarded is determined by eligibility, but not to exceed \$20,000 per unit. All fee reimbursements are subject to funding availability and are reviewed at the discretion of Rochester Community Development Department. Projects qualifying for upfront subsidies are not limited to maximum award amounts, but rather determined based on the independently proposed project and discretion of Rochester Community Development Department with City Council approval.

2. Program Goals

The goals of the Home Ownership Creation Program are:

- Increase the supply of owner-occupied housing citywide.
- Further affordable living by supporting the development of diverse housing types and housing prices.
- Support all people having fair and equal access to adequate affordable housing, now and in the future.

Fee Reimbursement Priority Matrix

Priority	Housing Type
High	New Construction or adaptive re-use with existing infrastructure services
High	New Construction proposing to create a high volume of dwelling units
Lowest	Re-Use of existing rental-occupied housing to owner-occupied housing

3. Eligibility Requirements

To be eligible for funding support in this program the housing unit must be located within the City Limits. **No one unit supported can exceed a sales price of \$500,000.**

Projects eligible for fee reimbursements are:

- a) Development of new single-family, (attached and detached) owner-occupied housing units.
- b) Re-use of non-residential development to owner-occupied housing.

Projects can qualify for funding support in two different ways:

1. Sales Price of Home:

An owner-occupied housing unit is eligible for reimbursements if the sale price of the unit is at or below the maximum housing price a standard household earning 115% AMI could afford. The income limit is determined by the US Department of Housing and Urban Development, Section 8 Program. These numbers are updated on a yearly basis. The current maximum sales price eligible for reimbursements in this this program is **\$426,100**.

2. Creating High Volume of Housing:

Upfront subsidies are available to support the creation of a high volume of owner-occupied housing units if at least 50 homes are proposed. To qualify for upfront subsidies, a portion of the homes are required to be priced at or below the maximum housing price a standard household earning 115% AMI could afford based on the number of proposed units as follows:

Number of Proposed Units	50-100	100-150	150-200	200-250	>250
Minimum Requirement of 115% AMI Units	60%	30%	20%	15%	10%

4. Ineligible Uses

The following uses are considered ineligible under the Home Ownership Creation Program:

- a) Any project outside of the Rochester City Limits.
- b) Any project with no residential components.
- c) Development of renter-occupied housing units.

5. Funding Support Awards

All funding support awards are subject to funding availability and available at the discretion of the City. The method and type of award is determined based on eligibility and include the following:

- Fee reimbursement of all or a portion of City fees related to the development of owner-occupied housing units.
- Upfront subsidy to offset City fees to be assessed and lower final price of home.

Funding support is provided on a first come, first served basis. The maximum fee reimbursement amount to be awarded is determined by eligibility, but not to exceed \$20,000 per unit. Projects qualifying for up-front subsidies are not limited to maximum award amounts, but rather determined based on the independently proposed project and discretion of Rochester Community Development Department with City Council approval.

6. Additional Requirements and Conditions

- 75% of retroactive fees may be reimbursed, up to three years from the date of fee reimbursement request.
- Housing units are restricted from renting within five years of the sale.
- A non-refundable administrative fee shall of \$500 be applied per the application and deducted from program funding.
- The City reserves the right to deny any application.

7. Application Process

1. The City's Consolidated Application for Housing Funding for this program is available online and should be submitted to the Rochester Community Development Department. Applicants may contact the Community Development Department for assistance if needed.
2. If approved, the applicant will be notified and receive a Funding Request form which will be processed upon verifying that the constructed dwelling unit meets the eligibility requirements of the program. This includes evidence of support benefiting the purchasing household either through down payment assistance or reduction of the value of the home less the subsidy provided.