

# Community Preference: Ownership Housing Policy

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## Policy Goal

The goal of the Community Preference Policy: Ownership Housing is to disrupt involuntary displacement of Minneapolis residents. Preference policy opportunities will apply to those who have either experienced or are at-risk of experiencing displacement from identified Minneapolis neighborhoods due to extreme economic forces or housing crisis. Community preference policy intends to serve current and previous Minneapolis community members, focusing on anti-displacement of Black, Indigenous, People of Color, and Immigrant (BIPOCI) and low wealth communities; which are disproportionately impacted. Involuntary displacement can and has been a result of extreme economic forces, such as gentrification and rapidly increasing housing costs.

## Eligible Homebuyer

In the Community Preference Policy: Ownership Housing program all potential owner-occupants must be in alignment with homebuyer selection criteria and as well as criteria below:

- At or below 80% AMI
- Renters and/or homeowners that were or are facing involuntarily displacement in eligible location areas due to the foreclosure crisis, tax forfeiture or economic displacement beginning January 1, 2007:
  - Current City of Minneapolis residents residing in eligible location
  - Previous City of Minneapolis residents

If all of the selection criteria above are applied and there are still multiple applicants for a housing unit, then a randomized selection will be conducted.

## Eligibility Verification

Households will be treated equally through the selection process defined below:

- Look up current residency and verify eligible neighborhood; OR
- Verify residency within an eligible neighborhood 2007-present AND displacement from the eligible home through Hennepin County records
  - Tax forfeiture: recorded Certificate of Expiration of Redemption Certificate; notice to vacate, eviction notice
  - Foreclosure: foreclosure notice and/or deed in lieu of foreclosure eligible; notice to vacate, eviction notice
- Evidence of other economic displacement

## Eligible Location

Neighborhood Stabilization Program (NSP) Target Area Neighborhoods (See Exhibit A)

## Homebuyer Selection

In the Minneapolis Homes: Financing and/or the Perpetually Affordable Housing programs, the following selection criteria will be utilized for homes produced:

- Income Eligibility – if households are not income eligible, as defined in program guidelines, they will be disqualified
- Household Size – applicants whose household size is less than the number of bedrooms in the unit plus one will only be selected if there are no qualified applicants of a compatible size for the unit
- Preference Policy – applicants who meet the criteria of a City approved preference policy
- Current Renters – households that don't own a home

If all of the selection criteria above are applied and there are still multiple applicants for a housing unit, then a randomized selection will be conducted.

## Eligible Activity

Development of property for ownership in the eligible location that are:

- City-owned or
- City-funded

Projects that use local and/or federal funds, including HOME Investment Partnership, are eligible. Use of the community preference ownership housing policy with HOME funded projects is subject to HUD approval of program language in the Consolidated Plan.

## Unit Selection

Units that will have preference applied will be identified at the time of enrollment through the Minneapolis Homes: Financing and/or the Perpetually Affordable Housing programs. Staff will randomly identify 50% of units within the preference target area and 50% of units outside of the preference target area to provide even distribution of units with a preference option. Outcomes for homeownership community preference will be tracked through the Minneapolis Homes programs.

**Exhibit A: Community Preference Policy Eligible Neighborhoods and Map**

Audubon Park	Bancroft	Beltrami	Bottineau
Bryant	Camden Industrial	Central	Cleveland
Columbia Park	Corcoran	East Phillips	Ericsson
Field	Folwell	Harrison	Hawthorne
Humboldt Industrial	Jordan	Lind-Bohanon	Logan Park
Marshall Terrace	McKinley	Midtown Phillips	Near-North
Northeast Park	Northrop	Phillips West	Powderhorn Park
Regina	Sheridan	Shingle Creek	Standish
Sumner-Glendwood	Victory	Ventura Village	Waite Park
Webber-Camden	Whittier	Willard-Hay	Windom Park

