



## Richfield Housing & Redevelopment Authority Affordable Apartment Improvement Grants Program Guidelines

**Purpose:** The purpose of the Affordable Apartment Improvement Grants (AAIG) Program is to provide financial resources to improve existing, affordable rental housing. The grants are targeted at small rental buildings and intended to make improvements to units currently occupied by tenants, while maintaining affordable rents.

### **Program Objectives:**

- To maintain and improve Richfield's rental housing stock.
- To provide improvement resources to small apartment buildings and rental duplexes.
- To improve units occupied by existing tenants while maintaining affordability.
- To incentivize owners to invest private resources into apartment buildings and rental duplexes.
- To stabilize and improve neighborhoods.

### **Criteria for Eligibility:**

1. Rental apartment buildings that contain between four and fourteen units.
2. Duplexes which participate in a rental subsidy program. Only the unit with a rental subsidy is eligible for improvements.
3. Units to be improved must be occupied by tenants who have lived in the unit for five or more years, with priority given to tenants who have lived in the unit for ten or more years or in the case of a duplex, occupied by a tenant receiving a rental subsidy.
4. The building(s) to be improved must be at least 30 years old.
5. The contract rent of the units to be improved must be affordable at 50% of the Twin Cities Area Median Income. As of April 1, 2018, the maximum rents to be charged are: Efficiency/Studio = \$826; 1BR = \$885; 2Br = \$1,061; 3BR = \$1,226.
6. The grant recipient must be willing to commit to five years of affordability for improved units and raise rents no more than three percent per year.
7. The Applicant must have a current rental housing license for the Property and be in compliance with applicable city codes and ordinances.

### **Terms and Conditions of the Grants:**

1. Funds will be awarded in the form of a grant.
2. Minimum grant amount = \$5,000. Maximum grant amount per unit = \$5,000.  
The HRA Executive Director may consider requests for amounts more than the maximum.
3. The grant recipient must provide a 60% match of the grant funds.
4. A grant agreement will detail the terms of the grant.
5. Eligible improvements include but are not limited to: kitchen cabinets, counters, bathroom vanities, flooring, accessibility improvements, energy-efficiency-related improvements, paint. The plan for improvements to individual units must be made in consultation with the tenant.
6. HRA funds can only be used for improvements to individual units. Matching funds may be used to improve individual units, common areas, and/or the building exterior.
7. Funds will be disbursed following completion of the improvement work and submission of invoices and digital photos of the improvements.
8. Funding is available on a limited basis.
9. Funding an application is at the HRA's discretion.

Revised 6/15/20