

RICHFIELD AFFORDABLE HOUSING TRUST FUND



2023 ANNUAL REPORT

Richfield Affordable Housing Trust Fund

2023 Annual Report

Richfield strives to provide housing stability and opportunities for residents at all income levels and stages of life. In 2020, the City of Richfield established an Affordable Housing Trust Fund, dedicating funds to preserve and create affordable housing opportunities in the community for households with lower incomes.

What is affordable housing? Housing is considered affordable if it costs a person no more than 30% of their income. Affordable housing programs typically serve households earning less than 80% of the Area Median Income (AMI) (\$69,600 for an individual) for homeownership opportunities and serve households earning below 60% of the AMI (\$52,200) for rental opportunities.

In 2022, 28% of Richfield residents spent more than 30% of their income on housing (2018-2022 American Community Survey).

What is an Affordable Housing Trust Fund? A Trust Fund is a tool cities can use to rehabilitate and preserve existing affordable housing, develop new housing, and provide rental and down payment assistance.



Down Payment Assistance



HOUSEHOLDS SERVED: 11

Through the City's First-time Homebuyer Program, a total of \$215,000 was provided to eleven income-eligible households who were purchasing their first homes.

Of the eleven households, 70% were households of color, 90% were households with children, and 20% were households living in Richfield. Historically, people of color have been denied access to the homeownership market. The city's First-Time Homebuyer program works to help all people realize their dream of homeownership.

2023 funding for the Trust Fund was provided through land sale proceeds, pooled tax increment, and the federal Community Development Block Grant program.



Affordable Homeownership

HOUSEHOLDS SERVED: 1

\$100,000 was awarded to Homes Within Reach (HWR), a Community Land Trust, that purchased and rehabilitated a Richfield house and sold it to an income-qualified household. The house was in poor shape, and HWR gutted it to the studs and rehabbed it to energy-efficient standards before selling it to the end-buyer - a military veteran.

Under the land trust model, the land trust retains ownership of the property, selling the house only, guaranteeing affordability for 99 years. This is the 14th home Homes Within Reach has completed in Richfield.

Supportive Rental Housing



HOUSEHOLDS TO BE SERVED: 38

\$500,000 from the Trust Fund was committed to Aster Commons, a 38-unit affordable housing project to be developed at 6613 Portland Avenue. The project will serve neuro-diverse young adults in need of affordable housing and supportive services.

The project is being developed by Beacon Interfaith Housing Collaborative.



**FOR MORE
INFORMATION**

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