



Olmsted County
Housing & Redevelopment Authority

Growing Affordable Inclusive Neighborhoods (GAIN) Program Guide

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Revision Dates	
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1. Program Purpose

The Growing Affordable Inclusive Neighborhoods (GAIN) program is intended to incentivize new construction of affordable residences. The program provides a forgivable, 0% interest down payment assistance loan to eligible households in Olmsted County. Funds are available on a rolling basis to households that meet program eligibility. Funding for GAIN comes from the American Rescue Plan Act (ARPA) through the federal government.

Communities within Olmsted County are encouraged, but not required, to offer additional benefits to further reduce the cost to construct an affordable new residence. This may include, but is not limited to, waivers or reductions of Water Availability Charge (WAC) and Sewer Availability Charge (SAC) fees, building permit fees, or lots at reduced prices. As communities within Olmsted County offer additional benefits, this program guide will be updated to reflect collaboration between programs.

Olmsted County will use program allocations to ensure that all parts of the county will have access to program benefits. The following are allocations for GAIN program funding for each City located within Olmsted County: Rochester 200, Byron 50, Stewartville 50, all townships 50, Chatfield 30, Dover 25, Eyota 40, Oronoco 25, and Pine Island 30. Loan funds will only be allocated to qualifying applicants and residences in the portions of Chatfield and Pine Island which are in Olmsted County.

2. Eligible Use of Funds

Qualifying applicants would receive a \$10,000 down-payment assistance loan, forgivable incrementally over the first five years. A qualifying applicant meets program eligibility criteria and commits to construct an affordable new residence or purchases a newly constructed residence.

3. Application Process

Applications will be processed in the order received. Funding is not guaranteed during the application and review process. Eligibility for the GAIN program will be determined once the buyer has signed a contract with a builder or have executed a purchase agreement for new construction. Buyers must submit a completed application and provide all required documentation before funding can be guaranteed. This includes a signed purchase agreement if buying new construction or if building new construction, an affidavit from the builder certifying that the cost to construct the residence exclusive of the other costs will not exceed \$300,000.

Application materials can be found at www.olmstedcountyhousing.com. Completed applications can be mailed or dropped off to 2117 Campus Dr SE, Rochester MN, 55904, or submitted to olmstedhra@olmstedcounty.gov. All applications should be labeled ATTN: GAIN Program.



4. Eligible Households

Households eligible for the GAIN program must have gross annual income less than 80% of the area median income (AMI), as set by the U.S. Department of Housing and Urban Development (HUD), adjusted for household size. Income will be verified through submission of 8 weeks of paystubs, a benefit statement or other third party verification and must be dated within the last 90 days from program application. All sources of income must be reported for all household members, regardless of age, even if they are not on the mortgage. The household size reported on the application must reflect all household members (including children and other family) that will consider the property their primary residence. The table below shows 80% AMI limits effective April 1, 2021.

1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
55,850	63,800	71,800	79,800	86,150	92,550	98,900	105,300

5. Eligible Properties

The property must be located within Olmsted County and be owner-occupied homesteaded residence. Eligible properties include single family homes, duplexes, modular and manufactured homes. Funds may not be used to acquire a modular or manufactured home to be placed on leased land which is not permanently affixed to the real estate.

The anticipated cost to construct the residence must not exceed \$300,000. The cost to purchase land on which the residence is built and other related costs such as appliances and furnishings for the residence once constructed will not be included in the \$300,000 limit. Program funds may not be used towards a project where an existing livable residence was torn down.

6. Other Down Payment Assistance and Equity Contributions

There are no restrictions on GAIN being utilized in addition to other down payment assistance resources. Applicants will need to determine which down payment assistance resources best meet their household needs. Applicants are encouraged to work with their lender and other down payment resources to understand their program requirements. There are no restrictions on the amount of equity a buyer has made towards the purchase price of the property.

7. Fund Disbursement

The Olmsted HRA will provide a funding commitment letter and additional requested information to the lender of upon GAIN program application approval. Funds will be released to the lender upon closing. At closing, the GAIN program promissory note and mortgage will be executed and recorded against the property.

8. Loan Terms

Qualified households will receive a \$10,000 down payment assistance loan. This is a 0% interest loan that is forgiven incrementally at \$2,000 per year from the date of closing. GAIN down payment assistance will be recorded as a mortgage against the property. If the residence owner permanently vacates the property for any reason before 5 years have elapsed, a prorated amount of the loan funds must be repaid to the County without interest. However, so long as at least one of the original residence owners continues to reside in the residence for the duration of the 5-year period, a payback of the loan funds to the County will not be triggered.

9. Program Deadlines

Communities must have until December 31, 2023 to secure program allocations for their City. After December 31, 2023 assistance may be reallocated. Applications from buyers will be accepted through this date or until all allocations for the City have approved applicants. Closing must be completed on or before December 31, 2026.

10. Fair Housing

All applicants and enrolled households of the GAIN program have equal housing opportunity regardless of race, color, creed, religion, national origin, sex, marital status, status regarding public assistance, disability, familial status, or sexual orientation.

11. Data Privacy

The GAIN program must comply with applicable data privacy laws and regulations. All adult household members included on the GAIN application must sign the General Authorization for Release of Information for the GAIN program and the Tennessean Warning. These forms will be retained in the participant's file.

12. Records Retention

The GAIN program application, eligibility information, program documents and legal documents will be stored for seven (7) years after the loan is completely forgiven or paid off by the household. Program applications and eligibility information for denied or approved applicants who did not enroll will be stored for seven (7) years after the decision not to enroll has been made. Files will be destroyed per company policy after the retention period.