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Housing Budget Adopted by Legislature* FY 2008-2009

- **Housing Solutions Through Substantial New Investments in the Entire Housing Continuum**
 - A 62% increase in general fund appropriations to Minnesota Housing over FY 2006-2007 for a total of \$114,557,000
 - Largest proposed base budget ever for Minnesota Housing - \$89,876,000
 - All Minnesota Housing programs increased; base budgets for nearly all programs equal to or more than the pre-fiscal crisis biennium of 2002-2003; \$24,641,000 non-base investments in various programs

- **Significant New Resources for Homes for Working Families**
 - Challenge Fund is increased by \$15 million or 70% to \$34,244,000
 - Efforts will focus on linking new housing investments to other quality of life outcomes such as the environment, energy, transportation and education
 - Leverage provisions will be modified; significant local government contributions rewarded
 - Opportunities for investments in manufactured housing preservation, emerging markets home ownership, and specialized community needs

- **Expanded Investments in Continuum of Homelessness Prevention, Housing the Homeless, and the Business Plan to End Long-Term Homelessness**
 - \$23 million in new investments for housing the homeless and related initiatives
 - The Family Homelessness Prevention and Assistance Program is more than doubled with a base increase of \$7.5 million to \$14,930,000
 - Bridges is increased by \$2 million for a base of \$5,276,000
 - The Housing Trust Fund is increased by \$9.5 million to \$22,110,000 (\$4.5 million of the increase is to the base)
 - The DHS Supportive Services Fund is increased by \$2 million to \$12,000,000 (non-base increase)
 - The DHS Transitional Housing Program is increased by \$750,000 (non-base increase)
 - A Prisoner Reentry Initiative is funded in the Department of Corrections at \$5 million of which \$1.6 million will be used in a county pilot that includes a housing component

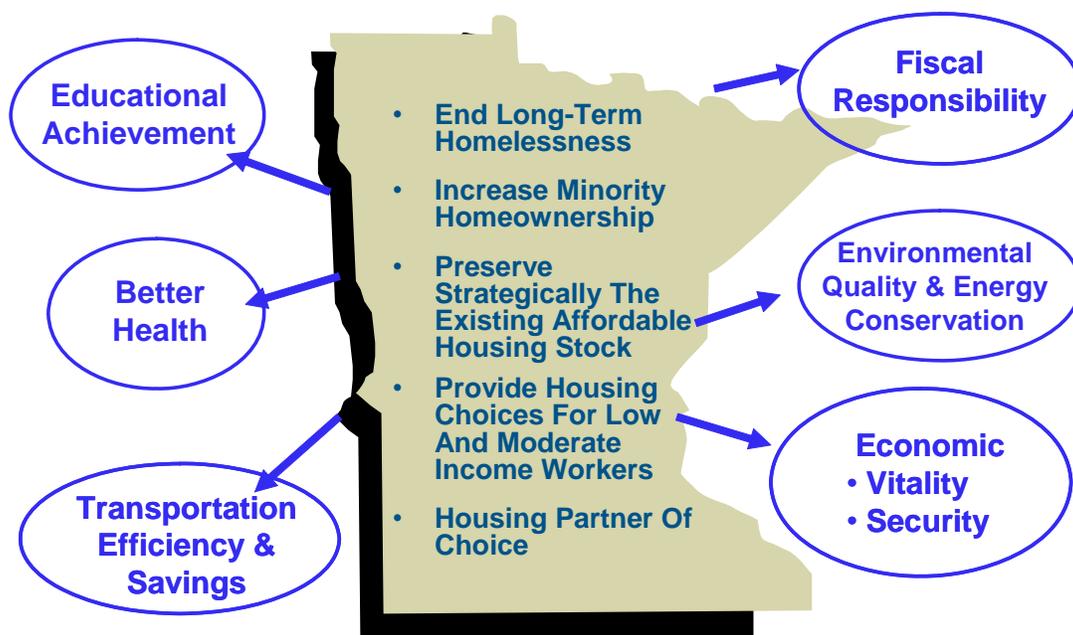
*Committed to meeting Minnesotans' needs for decent, safe, affordable homes and stronger communities
Equal Opportunity Housing & Equal Opportunity Employment*

- **New Investments in Housing Preservation, including Public Housing, and Stronger Communities**
 - \$2.5 million of new resources to preserve the state’s public housing stock owned and operated by Public Housing Authorities
 - An increase of \$4,566,000 in the Single Family Rehabilitation Loan Program

- **New Investments in Homeownership Opportunities**
 - \$1,770,000 is restored to the Homeownership Assistance Fund for down payment and similar assistance
 - The Homeownership Education Counseling and Training program (HECAT) is increased by \$190,000; a focus for new resources will be for programs that serve emerging markets and foreclosure prevention activities in areas with high foreclosure rates

- **Increased Capacity for Delivery Partners and Housing Service Infrastructure**
 - Minnesota Housing Capacity Building Grant Program is increased by \$180,000 (non-base increase)

“Significant and strategic investments in housing solutions and affordability enhances the quality of life for all Minnesotans.” - Governor Tim Pawlenty, January 2007.



See attached tables

*The Governor signed this legislation on Friday, May 25, 2007. Unless otherwise noted, the provisions of this legislation are effective July 1, 2007.

May 31, 2007

Comparison - Final Conference Committee and Governor Proposed Minnesota Housing Budget - General Fund

(in thousands)

FY 2008 - 2009

MN Housing Program	Governor's Recommended Appropriations			Conference Committee Report		
	Base FY 2008-09	One-Time FY 2008	Total FY 2008-2009	Base FY 2008-09	One-Time FY 2008	Total FY 2008-2009
Challenge	\$21,814	\$15,000	\$36,814	\$19,244	\$15,000	\$34,244
PARIF	\$17,992	\$ 2,500	\$20,492	\$17,992	\$2,500	\$20,492
HTF	\$17,110	\$ 5,000	\$22,110	\$17,110	\$5,000	\$22,110
FHPAP	\$14,930	\$ 0	\$14,930	\$14,930	\$ 0	\$14,930
Rehab Loans	\$8,574	\$1,370	\$9,944	\$8,574	\$1,300	\$9,874
Bridges	\$5,276	\$ 0	\$5,276	\$5,276	\$ 0	\$5,276
HECAT	\$1,730	\$630	\$2,360	\$1,730	\$ 0	\$1,730
Capacity Building	\$680	\$ 0	\$680	\$500	\$180	\$680
HAF	\$1,770	\$ 0	\$1,770	\$1,770	\$ 0	\$1,770
Tribal Indian Housing	Set aside in Challenge - \$2,570			\$2,430	\$647	\$3,077
Urban Indian Housing				\$360	\$14	\$374
TOTAL	\$89,876	\$24,500	\$114,376	\$89,916	\$24,641	\$114,557