



400 Sibley Street | Suite 300 | Saint Paul, MN 55101-1998 | 651.296.7608  
800.657.3769 | fax: 651.296.8139 | tty: 651.297.2361 | www.mnhousing.gov  
*Equal Opportunity Housing and Equal Opportunity Employment*

## 2016 Legislative Summary

In even-numbered years, the Legislature typically passes a bonding bill to fund capital projects around the state. The agency's number one priority this session was to secure the Governor's recommendation for \$70 million in Housing Infrastructure Bonds and \$20 million in General Obligation Bonds for public housing rehabilitation. After an 11 week session, a busy final weekend of negotiations, and attempts at a last-minute passage of a bonding bill, the 2016 Legislative Session ended without passage of a bonding bill. The Legislature did approve a Supplemental Budget Bill, which was signed by the Governor.

### Supplemental Budget Bill (Chapter 189)

The Governor included three recommendations in his supplemental budget for Minnesota Housing. They were: \$5 million for downpayment and closing cost assistance, \$1 million for homebuyer counseling and \$250,000 for a landlord incentive fund pilot program. In the final supplemental budget bill, Minnesota Housing received \$2.5 million in new appropriations, including one of the Governor's recommendations.

### Appropriations

- \$250,000 (one-time) for a Landlord Incentive Fund Pilot within the Family Homeless Prevention and Assistance Program:
  - This Governor's recommendation was included in the Equity article of the bill and creates a pilot program that will provide financial incentives to landlords to rent to people they might not otherwise rent to, including people with criminal histories, people who have experienced homelessness, or people with mental illness.
- \$500,000 (one-time) for a Rental Assistance for Exploited Families Pilot Program:
  - This creates a pilot program in the Housing Trust Fund to provide rental assistance to individuals and families who are at risk of being homeless and who have been victims of gender-based violence, including domestic violence and sexual assault.
  - This was recommended by the Council on Asian Pacific Minnesotans, and authored by Representative Clark and Senator Johnson.
- \$750,000 (one-time) for the Workforce and Affordable Homeownership Program:
  - The purpose of the new program is to increase the supply of affordable, owner-occupied multifamily or single family housing throughout the state.
  - The program is similar to the agency's Economic Development and Housing Challenge program for homeownership development and includes a new use of funds for infrastructure in manufactured home parks. The program was to be funded by capturing the growth in the mortgage registration and deed taxes that are in the general fund, but this funding provision was not included in the final bill.
  - This was authored by Senator Cohen and Representative Fabian.

### **Appropriations (continued)**

- \$500,000 (one-time) for housing in an area with a job training center:
  - This is an appropriation for student housing, is targeted to the City of Worthington, and must produce new units of housing.
  - If the money is not committed by the end of state fiscal year 2017, it will go into the Economic Development and Housing Challenge program.
- \$500,000 for a direct appropriation to Build Wealth Minnesota:
  - The bill includes a \$500,000 direct appropriation to Build Wealth Minnesota to fund enhanced financial counseling for families.

### **Policy Changes**

In addition to the new appropriations, there were policy changes in the bill that impact Minnesota Housing:

- Family Homeless Prevention and Assistance Program Policy Changes:
  - The bill makes two changes to the Family Homeless Prevention and Assistance Program, including changing the homeless youth definition from age 22 and under to age 24 and under, and making tribes eligible applicants.
  - This was the agency's policy bill.
- Manufactured Home Relocation Trust Fund:
  - The bill increases minimum payments to manufactured home owner/occupants under the Manufactured Home Relocation Trust Fund program and increases revenues to the fund. The Fund was established in 2007 to provide relocation compensation to owner/occupants who reside in parks where a partial or complete closure has occurred. Minnesota Housing processes claims for this program and makes payments to eligible homeowners.