

FEDERAL AND STATE COVID-19 RESPONSE

Housing and Homelessness in Minnesota



Updated 4.22.2020

This summary reflects the current status of housing and homelessness funding and policy enacted in response to the COVID-19 public health emergency. This document will be updated with additional resources or information as it becomes available.

State of Minnesota

Funding

The Governor signed Laws of 2020, Chapter 71 into law on March 28. That bill did not include funding for Minnesota Housing but did include funding for the Department of Human Services to address the needs of people experiencing homelessness and shelters.

The bill included:

- \$26.5 million in emergency services grants for providing additional shelter space, purchasing vouchers for the cost of motel or hotel, purchasing personal protective equipment for shelters, hiring staff necessary to protect the health and wellness of people experiencing homelessness.
- \$5.6 million for a 15% increase in Housing Supports for rental housing to comply with federal and state health and safety guidance.

Governor Walz released his Supplemental Budget in mid-March that included at least \$10 million in Family Homelessness Prevention and Assistance Program. That program provides short-term financial assistance to help pay rent and mortgage payments for individuals and families earning less than \$51,500. The programs serve all 87 counties through a network of partners. The program currently serves an estimated 10% of all eligible households.

Policy

On March 24, 2020, Governor Walz's [Executive Order 20-14](#) suspending evictions and writs of recovery went into effect. Tenants and homeowners continue to be responsible to pay rent and mortgage payments on time, but the following actions are suspended during the order: 1) filing residential evictions; 2) lease terminations; 3) carrying out a Writ of Recovery (enforcing an eviction through forcible removal of a household.) The order also requests that lenders and financial institutions suspend foreclosures.

A summary, guidance for renters and homeowners, and Frequently Asked Questions documents can be found on [Minnesota Housing's COVID website](#).

Federal Government

Funding

To date, funding for housing and homelessness is found within the CARES Act. The following programs received funding.

Program	Total	Total MN Allocation	Administered by Minnesota Housing	Administered by Other State Agencies
Community Development Block Grants	\$5 billion	\$31.3 million	0	\$11.2 million (DEED)
Emergency Solutions Grants	\$4 billion	\$15.7 million	0	\$7.6 million (DHS)
Housing Opportunities for Persons with AIDS	(part of \$120 million)	\$288,948	\$36,749	0
Public Housing Operating Fund	\$685 million	TBD	0	0
Tenant Based Rental Assistance	\$1.25 billion	TBD	0	0
Project Based Rental Assistance	\$1 billion	TBD	TBD	0
Tribal Housing	\$300 million	TBD	0	0

TBD – Indicates that funding allocation/distribution to Minnesota is unknown at this time

Policy Provisions in CARES Act

Moratoriums on Evictions and Foreclosures

The bill institutes a moratorium on foreclosures for all federally-backed mortgages, including those covered by HUD, USDA, FHA, VA, Fannie Mae and Freddie Mac, for 60 days beginning on March 18, 2020. Under the bill, a borrower experiencing a financial hardship due to coronavirus may also request forbearance for up to 180 days.

- In Minnesota, there are one million homeowners with a mortgage, and it's estimated that over half of these mortgages are federally backed under this definition.

The bill provides a temporary moratorium on evictions for most residents of federally subsidized apartments, including those supported by HUD, USDA or Treasury (Low Income Housing Tax Credit developments).

- In Minnesota, there are 590,000 renter households and we estimate that nearly half of rented homes are covered by this provision. The bill also institutes a moratorium on filings for evictions for renters in homes covered by federally backed mortgages for 120 days of enactment. These multifamily owners can also request forbearance of 30 days, which can be extended by 60 days. ([More information: National Low Income Housing Coalition](#)).

Liquidity for State and Local Municipal Bond Issuers

The bill provides \$500 billion for the Secretary of the Treasury to provide assistance to eligible businesses, states, and municipalities for losses incurred as a result of coronavirus. This assistance can be in the form of loans, loan guarantees, and other investments.

Up to \$454 billion of this amount may be used for loans, loan guarantees, and other investments in programs or facilities established by the Federal Reserve to provide liquidity to the financial system that supports lending to eligible businesses, states, or municipalities through loans and purchasing direct or secondary obligations of such entities. Eligible municipalities include political subdivisions of states and instrumentalities of a municipality, state, or political subdivision of a state. (More information: [National Council of State Housing Agencies](#)). We're waiting for more information to better understand how this will impact Minnesota.