

Local Government Housing Programs

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New Resources for Local Governments and Regions

Legislature Invested in Local Government Support

New resources for new programs include over \$100 million in annual sales taxes in the metro and over \$50 million in annual appropriations all targeted to units of local government.

Minnesota Housing Created a New Team with Deputy Commissioner

Director: Jennifer Bergman

Manager of Local Programs: Annie Reiersen

Manager of Bring It Home Rental Assistance: Dani Salus

Program Policy Specialist: Nick Boettcher

Housing Development Officer: Colleen Meier

New Funding: Local Government Housing Programs

- **Bring It Home Rental Assistance, Annual**
 - Statewide Appropriation \$23 million
 - Sales Tax (7-County Metro) \$32 million (updated estimate)
- **Affordable Housing Aid, Annual**
 - Local Affordable Housing Aid \$100 million (updated estimate)
 - **Statewide Affordable Housing Aid \$20.25 million**
 - **Tier II Cities Competitive Grant \$2.25 million**
- **Local Housing Trust Fund, one-time \$5.8 million**
- **Greater Minnesota Infrastructure, one-time \$8 million**
- **Lead Safe Homes, one-time \$4 million**

NEW: Local Housing Trust Funds

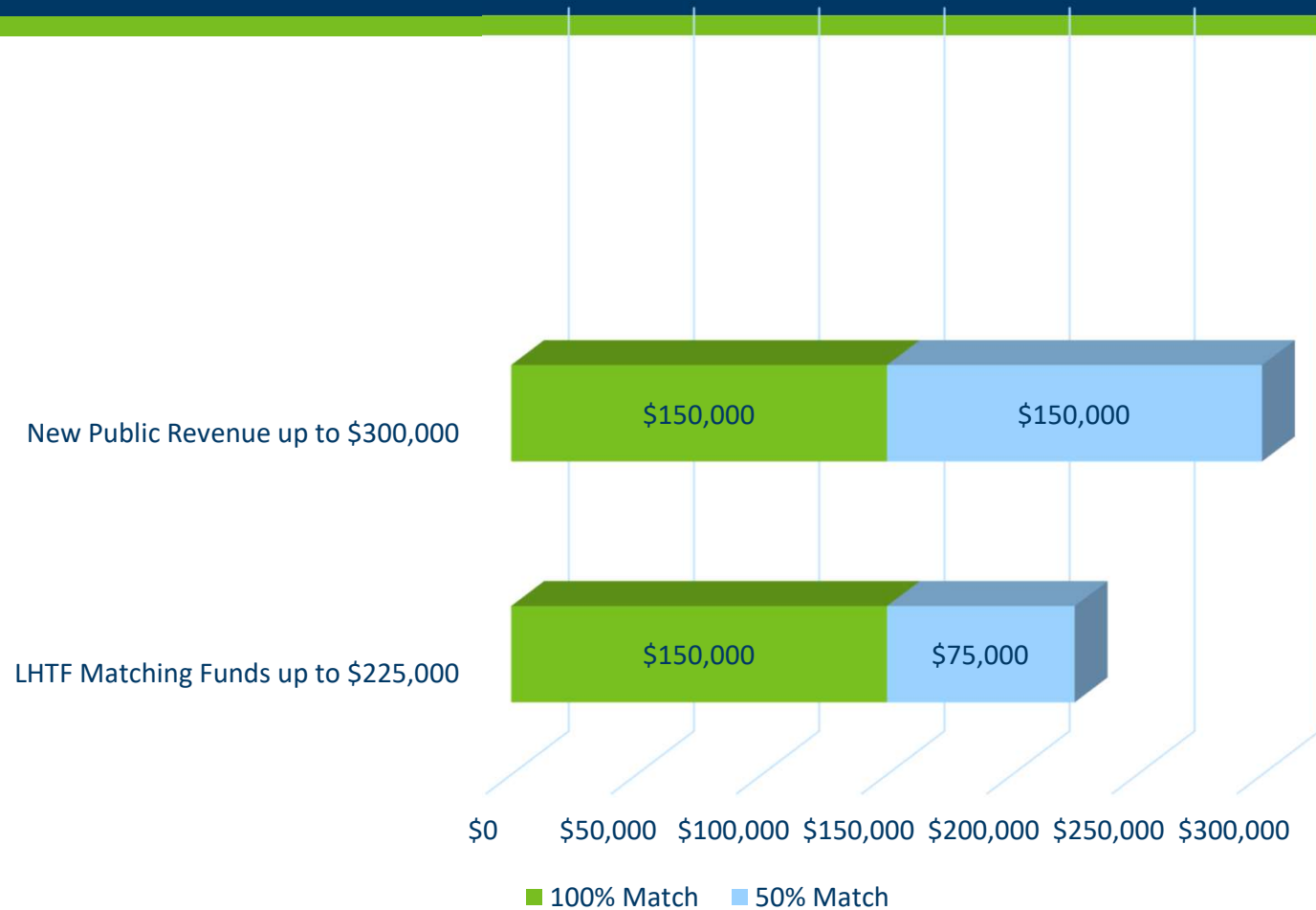
- Incentivize local governments to create or fund Local Housing Trust Funds
- Funds can be used locally on a wide range of housing related activities.
- Matching funds awarded up to 100% of New Public Revenue, up to \$150,000.
 - New Public Revenue defined as local funds committed **on or after June 29, 2021**.
 - Additional funds may be available to match 50% of new public revenue between \$150,000 and \$300,000.

11/4/2024



\$5.8 million
(including \$1 million from
previous appropriation)

Local Housing Trust Fund – Matching Funds



Statewide Affordable Housing Aid (SAHA)

SAHA was created to help Tribes and Greater Minnesota counties and cities meet local housing needs through affordable housing development projects and support organizations and individuals in maintaining stable, affordable housing.

- All 87 Minnesota counties, nonmetro cities over 10,000 in population and 11 Tribal Nations
- \$22.5 Appropriation for 2023 and 2024, appropriation steps down starting in 2025
- Department of Revenue calculates and disburses funding
- Minnesota Housing supports the program and collects reports
- First round of funding was dispersed in late 2023

SAHA Cities and Counties

Appropriated aid statewide is the same in 2023 and 2024, steps down in 2025:

- **All 87 Counties in Minnesota:**
 - Metro counties receive SAHA in addition to LAHA: Anoka \$400K, Carver \$171K, Dakota \$517K, Hennepin \$1.7 million, Ramsey \$800K, Scott \$211K, Washington \$323K
 - Greater Minnesota counties (examples): Big Stone \$83K, Mower \$119K, Olmstead \$242K, Otter Tail \$144K, St Louis \$321K, Stearns \$243K, Wright \$204K
- **Thirty-Seven (37) Nonmetropolitan Cities (examples)**
 - Bemidji \$114K, Duluth \$520K, Hibbing \$67K, Rochester \$546K, St. Cloud \$376K, Willmar \$44K
- **Tribal Governments: 7 received equal distributions in 2023; aids will be based on Tribal applications in 2024 and after**

Role of Minnesota Housing for LAHA/SAHA

Role of Minnesota Housing:

- Collect reporting (in 2025)
- Support local governments
- Assist in coordination between housing programs and partners

SAHA and Tier II Requirements

Use of Funds: Any funds distributed under this program must be spent on a qualifying project.

- See Minnesota Housing's [Frequently Asked Questions](#) for more information on the housing aid programs, reporting and compliance.
- Additional requirements detailed in Minnesota Statutes 477A.35

Qualifying Projects:

- Emergency Rental Assistance
- Financial Support to Non-Profit Affordable Housing Providers
- Construction, acquisition, rehabilitation, demolition or removal of existing structures, construction financing, permanent financing, interest rate reduction, refinancing to provide affordable housing to those who earn less than 115% of AMI (homeownership) and 80% AMI (rental)
- Financing the operations and management of financially distressed residential properties (2024)
- Funding of supportive housing (2024)
- Costs of operating emergency shelter facilities, including services (2024)

NEW: Greater Minnesota Tier II Local Cities Grants

- Communities with population of less than 10,000 and not in a metropolitan county.
- \$25,000 minimum award size.
- Funds can be used for a range of rental, homeownership and housing stability activities.
- Competitive grant process, prioritizing based on proportion of cost-burdened households.



\$4.5 million

**Two years of appropriations
in one RFP**

Greater Minnesota Housing Infrastructure

Purpose: Assist counties and cities with infrastructure costs to support new single family, multifamily and manufactured housing developments.

Funding:

Up to 50 percent of the capital costs of public infrastructure necessary for an eligible workforce housing development project.

- Grants limited to:
 - \$40,000 per lot for 1-4 units
 - \$180,000 per lot for multifamily (5+ units/building)
- \$60,000 per manufactured housing lot
- Cities and counties limited to \$500,000 over a two-year period; no maximum for manufactured housing.



\$8 million

NEW: Bring It Home – Rental Assistance

- Funded by state appropriations (statewide) and regional sales tax (metro). Metro sales tax collection began October 1.
- Need formula for distribution outlined in legislation.
- Minnesota Housing will enter into grant agreements with voucher administrators statewide.
- Estimated 5000 vouchers, which can be tenant-based or project-based.
- For households earning 50% AMI or less, with priority for those with children and incomes under 30% AMI.



\$46 million (approp.)
\$80 million (est. tax)

Bring it Home Scale

- Statewide the program will provide for between 4,000 and 5,000 new housing vouchers.
- Allocations are determined based on cost-burdened rental households in each administrator's region and are limited by the available resources.
- Examples – these are estimates only as available revenues are a projection:

	Annual Allocation	Estimated Vouchers
Becker County EDA	\$38,708	5-7
Detroit Lakes HRA	\$95,505	11-15
Clay County HRA	\$821,378	64-87
Douglas County HRA	\$223,785	26-35
Grant County HRA	\$16,573	2-3
Otter Tail County HRA	\$96,327	11-15
Fergus Falls HRA	\$179,374	19-25
Stevens County HRA	\$60,476	8-10

- The actual number of vouchers will vary depending on the cost of administration, some policy choices on behalf of the administrator, and realized household rents and incomes

For more information

**Minnesota Housing
website (mnhousing.gov)**

Local Government Housing
Programs

*[https://mnhousing.gov/local-
government.html](https://mnhousing.gov/local-government.html)*



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