

1.1 ..... moves to amend H.F. No. 2309 as follows:

1.2 Page 2, after line 21, insert:

1.3 "Sec. .... Minnesota Statutes 2024, section 462A.39, subdivision 5, is amended to read:

1.4 Subd. 5. **Allocation.** The amount of a grant or deferred loans may not exceed 50 percent  
1.5 of the rental housing development project cost. The commissioner shall not award a grant  
1.6 or deferred loans to an eligible project area without certification by the eligible project area  
1.7 that the amount of the grant or deferred loans shall be matched by a local unit of government,  
1.8 business, nonprofit organization, or federally recognized Tribe, with \$1 for every \$2 provided  
1.9 in grant or deferred loans funds. If an eligible project area is selected for an award of a grant  
1.10 or loan under section 462A.40 and the award is funded by contributions to the Minnesota  
1.11 housing tax credit account that are intended for a specific project in the eligible project area,  
1.12 the amount of the award may count toward the matching requirement of this subdivision.

1.13 Sec. .... Minnesota Statutes 2024, section 462A.40, subdivision 2, is amended to read:

1.14 Subd. 2. **Use of funds; grant and loan program.** (a) The agency may award grants and  
1.15 loans to be used for workforce housing and for multifamily and single family developments  
1.16 for persons and families of low and moderate income. Allowable use of the funds include:  
1.17 gap financing, as defined in section 462A.33, subdivision 1; new construction; acquisition;  
1.18 rehabilitation; demolition or removal of existing structures; construction financing; permanent  
1.19 financing; interest rate reduction; and refinancing.

1.20 (b) The agency may give preference for grants and loans to comparable proposals that  
1.21 include regulatory changes or waivers that result in identifiable cost avoidance or cost  
1.22 reductions, including but not limited to increased density, flexibility in site development  
1.23 standards, or zoning code requirements."

1.24 Page 4, line 5, delete "Except for projects receiving funding under section 462A.39,"

- 2.1 Page 4, line 7, after the period, insert "This requirement does not apply to a project
- 2.2 meeting the requirements of section 462A.39, subdivision 4, paragraph (a)."
- 2.3 Renumber the sections in sequence and correct the internal references
- 2.4 Amend the title accordingly