

Subject Grants to the Minnesota Housing Finance Agency to promote homeownership

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Overview

This bill appropriates \$2,000,000 in each fiscal year of the upcoming biennium from the general fund to the Minnesota Housing Finance Agency (MHFA) for a grant to Build Wealth Minnesota for its family stabilization plan.

This bill also establishes a grant program with MHFA to promote homeownership in various ways through nonprofit community development financial institutions (CDFIs). The bill appropriates \$100,000,000 in fiscal year 2023 from the general fund to MHFA for the program.

The bill appropriates \$25,250,000 in each fiscal year of the upcoming biennium from the general fund to MHFA for the workforce and affordable homeownership development program.

Summary

Section	Description
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| 1 | Build Wealth Minnesota; appropriation.
Appropriates \$2,000,000 in fiscal year 2024 and \$2,000,000 in fiscal year 2025 from the general fund to the Minnesota Housing Finance Agency for a grant to Build Wealth Minnesota for its family stabilization plan. |
| 2 | Homeownership investment grants program; appropriation.
Establishes a grant program for housing development, housing financing, and housing services. Appropriates \$100,000,000 in fiscal year 2023 from the general fund to MHFA to fund the program. |

Subd. 1. Definitions. Defines terms for the purposes of the program.

Section **Description**

Subd. 2. Eligible organization. Defines an eligible organization as a nonprofit community development financial institution with primary operations located in the state.

Subd. 3. Eligible services. Defines eligible services as housing development; financing programs for new construction or manufactured housing; acquiring, rehabilitating, or reselling homes for owner occupancy; or services to increase access to owner-occupied housing in low-income communities, Indigenous American Indian communities, and communities of color.

Subd. 4. Commissioner duties. Requires the commissioner of MHFA to consult with stakeholders in developing program procedures, guidelines, and materials. Requires the commissioner to distribute grants throughout the state and to prioritize grant awards to applicants with an intent to regrant funds to nonprofit developers and lenders. Requires applicants to submit a plan for use of grant moneys. Requires a report to the legislature on January 15, 2024.

Subd. 5. Appropriation. Appropriates \$100,000,000 to the program in fiscal year 2023.

3 Workforce homeownership program; appropriation.

Appropriates \$25,250,000 in fiscal year 2024 and \$25,250,000 in fiscal year 2025 from the general fund to MHFA for the workforce and affordable homeownership development program.



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