

Subject Minnesota Housing Finance Agency Policy and Technical Bill

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Overview

This is the policy and technical bill of the Minnesota Housing Finance Agency (MHFA).

Summary

Section	Description
1	Application. Applies a wage theft provision governing MHFA's allocation of the low-income housing tax credit to other Minnesotan political subdivisions that allocate the credit.
2	Grants to program administrators. Allows MHFA to use a formula to determine award amounts for the state rent assistance program, notwithstanding state procurement guidelines. Allows MHFA to redistribute unused or underutilized funds.
3	Grant funding to schools. Allows nonprofit organizations contracted by a school district to receive funding under the challenge program provisions allowing funding for certain schools.
4	Eligible recipients; definitions; restrictions; use of funds. Makes workforce housing development program projects eligible for grants and loans from the Minnesota housing tax credit contribution program, even if those projects do not meet current income limitations applying to the housing tax credit contribution program. Allows certain nonprofit projects to receive funding from the account even if the account received contributions from one of the nonprofit's volunteer board members.
5	Use of proceeds. Requires that income generated from a local affordable housing aid project be used on an eligible expenditure of the local affordable housing aid.

Section	Description
6	<p>Use of proceeds.</p> <p>Requires that income generated from a statewide affordable housing aid project be used on an eligible expenditure of the statewide affordable housing aid.</p>
7	<p>Local housing trust fund grants.</p> <p>Amends 2023 session law to require that a grantee of the local housing trust fund grant program use funds within five years of receipt. This change conforms 2023 riders for the program with riders for the program enacted in the 2021 budget bill.</p>
8	<p>High-rise sprinkler system grant and loan program.</p> <p>Modifies building eligibility requirements and allows awards of loans in addition to grants.</p> <p>Subd. 1. Definitions. Allows any building more than six stories in height to receive funding through the program. Increases income limitations for the program from 50 to 60 percent of area median income. Removes a rent restriction on income-limited units.</p> <p>Subd. 2. Use of funds. Allows MHFA to issue loans. The program currently allows only grants.</p>



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