

39.3 **ARTICLE 3**
 39.4 **HOUSING APPROPRIATIONS**

39.5 Section 1. **HOUSING APPROPRIATIONS.**

39.6 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
 39.7 and for the purposes specified in this article. The appropriations are from the general fund,
 39.8 or another named fund, and are available for the fiscal years indicated for each purpose.
 39.9 The figures "2020" and "2021" used in this article mean that the appropriations listed under
 39.10 them are available for the fiscal year ending June 30, 2020, or June 30, 2021, respectively.
 39.11 "The first year" is fiscal year 2020. "The second year" is fiscal year 2021. "The biennium"
 39.12 is fiscal years 2020 and 2021.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2020</u>	<u>2021</u>

39.17 Sec. 2. **HOUSING FINANCE AGENCY**

39.18 Subdivision 1. **Total Appropriation** \$ **52,798,000** \$ **52,798,000**

39.19 The amounts that may be spent for each
 39.20 purpose are specified in the following
 39.21 subdivisions.

39.22 Unless otherwise specified, this appropriation
 39.23 is for transfer to the housing development fund
 39.24 for the programs specified in this section.
 39.25 Except as otherwise indicated, this transfer is
 39.26 part of the agency's permanent budget base.

39.27 Subd. 2. **Challenge Program** **10,675,000** **11,675,000**

39.28 This appropriation is for the economic
 39.29 development and housing challenge program
 39.30 under Minnesota Statutes, section 462A.33.

50.6 **ARTICLE 5**
 50.7 **HOUSING FINANCE AGENCY APPROPRIATIONS**

50.8 Section 1. **APPROPRIATIONS.**

50.9 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
 50.10 for the purposes specified in this article. The appropriations are from the general fund, or
 50.11 another named fund, and are available for the fiscal years indicated for each purpose. The
 50.12 figures "2020" and "2021" used in this article mean that the appropriations listed under them
 50.13 are available for the fiscal year ending June 30, 2020, or June 30, 2021, respectively. "The
 50.14 first year" is fiscal year 2020. "The second year" is fiscal year 2021. "The biennium" is
 50.15 fiscal years 2020 and 2021.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2020</u>	<u>2021</u>

50.20 Sec. 2. **HOUSING FINANCE AGENCY**

50.21 Subdivision 1. **Total Appropriation** \$ **66,798,000** \$ **64,798,000**

50.22 (a) The amounts that may be spent for each
 50.23 purpose are specified in the following
 50.24 subdivisions.

50.25 (b) Unless otherwise specified, this
 50.26 appropriation is for transfer to the housing
 50.27 development fund for the programs specified
 50.28 in this section. Except as otherwise indicated,
 50.29 this transfer is part of the agency's permanent
 50.30 budget base.

50.31 Subd. 2. **Challenge Program** **16,425,000** **16,425,000**

50.32 (a) This appropriation is for the economic
 50.33 development and housing challenge program
 51.1 under Minnesota Statutes, section 462A.33.

39.31 Of this amount, \$1,208,000 each year shall be
 39.32 made available during the first 11 months of
 39.33 the fiscal year exclusively for housing projects
 40.1 for American Indians. Any funds not
 40.2 committed to housing projects for American
 40.3 Indians in the first 11 months of the fiscal year
 40.4 shall be available for any eligible activity
 40.5 under Minnesota Statutes, section 462A.33.

40.6 The base for this program in fiscal year 2022
 40.7 and beyond is \$11,675,000.

51.2 Of the amount appropriated in this
 51.3 subdivision, \$1,500,000 each year is onetime.

51.4 (b) The base for this program in fiscal year
 51.5 2022 and beyond is \$14,425,000.

51.6 **Subd. 3. Local Housing Trust Fund Grants** 2,000,000 -0-

51.7 (a) This appropriation is for grants to housing
 51.8 trust funds established under Minnesota
 51.9 Statutes, section 462C.16, to incentivize local
 51.10 funding. This is a onetime appropriation.

51.11 (b) A grantee is eligible to receive a grant
 51.12 amount equal to 100 percent of the public
 51.13 revenue committed to the local housing trust
 51.14 fund from any source other than the state or
 51.15 federal government, up to \$150,000, and in
 51.16 addition, an amount equal to 50 percent of the
 51.17 public revenue committed to the local housing
 51.18 trust fund from any source other than the state
 51.19 or federal government that is more than
 51.20 \$150,000 but not more than \$300,000.

51.21 (c) \$100,000 of this appropriation is for
 51.22 technical assistance grants to local and
 51.23 regional housing trust funds. A housing trust
 51.24 fund may apply for a technical assistance grant
 51.25 at the time and in the manner and form
 51.26 required by the agency. The agency shall make
 51.27 grants on a first-come, first-served basis. A
 51.28 technical assistance grant must not exceed
 51.29 \$5,000.

51.30 (d) A grantee must use grant funds within
 51.31 eight years of receipt for purposes (1)
 51.32 authorized under Minnesota Statutes, section
 51.33 462C.16, subdivision 3, and (2) benefiting
 51.34 households with incomes at or below 115

40.8	Subd. 3. Workforce Housing Development	<u>2,000,000</u>	<u>2,000,000</u>
40.9	<u>This appropriation is for the workforce</u>		
40.10	<u>housing development program under</u>		
40.11	<u>Minnesota Statutes, section 462A.39. If</u>		
40.12	<u>requested by the applicant and approved by</u>		
40.13	<u>the agency, funded properties may include a</u>		
40.14	<u>portion of income and rent restricted units.</u>		
40.15	Subd. 4. Manufactured Home Park		
40.16	Infrastructure Grants	<u>2,500,000</u>	<u>2,500,000</u>
40.17	<u>This appropriation is for manufactured home</u>		
40.18	<u>park infrastructure grants under Minnesota</u>		
40.19	<u>Statutes, section 462A.2035, subdivision 1b.</u>		
40.20	Subd. 5. Housing Infrastructure Grants Pilot		
40.21	Program	<u>500,000</u>	<u>0</u>
40.22	<u>This appropriation is for a pilot program to</u>		
40.23	<u>provide grants to municipalities for up to 50</u>		
40.24	<u>percent of the costs of infrastructure that</u>		
40.25	<u>would otherwise be required to be paid by the</u>		
40.26	<u>developer for new homeowner-owned housing</u>		
40.27	<u>developments that are affordable to households</u>		
40.28	<u>with an income of up to 130 percent of area</u>		
40.29	<u>median income. The grants shall be limited to</u>		
40.30	<u>16 housing units in the municipality and a</u>		
40.31	<u>maximum of \$10,000 per housing unit. This</u>		

52.1	<u>percent of the state median income. A grantee</u>		
52.2	<u>must return any grant funds not used for these</u>		
52.3	<u>purposes within eight years of receipt to the</u>		
52.4	<u>commissioner of the Housing Finance Agency</u>		
52.5	<u>for deposit into the housing development fund.</u>		
52.6	<u>(e) Before the agency makes any grants with</u>		
52.7	<u>money from this appropriation, the</u>		
52.8	<u>commissioner shall consult with interested</u>		
52.9	<u>stakeholders when developing the guidelines</u>		
52.10	<u>and procedures for the grant program.</u>		
52.11	Subd. 4. Workforce Housing Development	<u>3,000,000</u>	<u>3,000,000</u>
52.12	<u>This appropriation is for the workforce</u>		
52.13	<u>housing development program under</u>		
52.14	<u>Minnesota Statutes, section 462A.39. If</u>		
52.15	<u>requested by the applicant and approved by</u>		
52.16	<u>the agency, funded properties may include a</u>		
52.17	<u>portion of income and rent restricted units. Of</u>		
52.18	<u>the amount appropriated in this subdivision.</u>		
52.19	<u>\$1,000,000 each year is onetime.</u>		

40.32	<u>is a onetime appropriation and is available</u>						
40.33	<u>until June 30, 2021.</u>						
41.1	Subd. 6. <u>Workforce Affordable Homeownership</u>			53.14	Subd. 9. <u>Workforce Homeownership Program</u>	<u>1,000,000</u>	<u>1,000,000</u>
41.2	<u>Development Program</u>	<u>1,000,000</u>	<u>500,000</u>				
41.3	<u>This appropriation is for the workforce and</u>			53.15	<u>(a) This appropriation is for the workforce</u>		
41.4	<u>affordable homeownership development</u>			53.16	<u>homeownership program under Minnesota</u>		
41.5	<u>program under Minnesota Statutes, section</u>			53.17	<u>Statutes, section 462A.38.</u>		
41.6	<u>462A.38. At least 50 percent of the money</u>						
41.7	<u>appropriated must be for municipalities with</u>						
41.8	<u>populations less than 7,500.</u>			53.18	<u>(b) The base for this program in fiscal year</u>		
				53.19	<u>2022 and beyond is \$500,000.</u>		
41.9	Subd. 7. <u>Housing Trust Fund</u>	<u>11,646,000</u>	<u>11,646,000</u>	52.20	Subd. 5. <u>Housing Trust Fund</u>	<u>11,646,000</u>	<u>11,646,000</u>
41.10	<u>This appropriation is for deposit in the housing</u>			52.21	<u>This appropriation is for deposit in the housing</u>		
41.11	<u>trust fund account created under Minnesota</u>			52.22	<u>trust fund account created under Minnesota</u>		
41.12	<u>Statutes, section 462A.201, and may be used</u>			52.23	<u>Statutes, section 462A.201, and may be used</u>		
41.13	<u>for the purposes provided in that section.</u>			52.24	<u>for the purposes provided in that section.</u>		
				52.25	Subd. 6. <u>Homework Starts with Home</u>	<u>3,000,000</u>	<u>3,000,000</u>
				52.26	<u>This appropriation is for the homework starts</u>		
				52.27	<u>with home program under Minnesota Statutes,</u>		
				52.28	<u>sections 462A.201, subdivision 2, paragraph</u>		
				52.29	<u>(a), clause (4), and 462A.204, subdivision 8,</u>		
				52.30	<u>to provide assistance to homeless or highly</u>		
				52.31	<u>mobile families with children eligible for</u>		
				52.32	<u>enrollment in a prekindergarten through grade</u>		
				52.33	<u>12 academic program.</u>		
41.14	Subd. 8. <u>Rental Assistance for Mentally Ill</u>	<u>4,088,000</u>	<u>4,088,000</u>	52.34	Subd. 7. <u>Rental Assistance for Mentally Ill</u>	<u>5,088,000</u>	<u>5,088,000</u>
41.15	<u>This appropriation is for the rental housing</u>			53.1	<u>This appropriation is for the rental housing</u>		
41.16	<u>assistance program for persons with a mental</u>			53.2	<u>assistance program for persons with a mental</u>		
41.17	<u>illness or families with an adult member with</u>			53.3	<u>illness or families with an adult member with</u>		
41.18	<u>a mental illness under Minnesota Statutes,</u>			53.4	<u>a mental illness under Minnesota Statutes,</u>		
41.19	<u>section 462A.2097. Among comparable</u>			53.5	<u>section 462A.2097. Among comparable</u>		
41.20	<u>proposals, the agency shall prioritize those</u>			53.6	<u>proposals, the agency shall prioritize those</u>		
41.21	<u>proposals that target, in part, eligible persons</u>			53.7	<u>proposals that target, in part, eligible persons</u>		

41.22	<u>who desire to move to more integrated,</u>		
41.23	<u>community-based settings.</u>		
41.24	Subd. 9. Family Homeless Prevention	<u>8,519,000</u>	<u>8,519,000</u>
41.25	<u>This appropriation is for the family homeless</u>		
41.26	<u>prevention and assistance programs under</u>		
41.27	<u>Minnesota Statutes, section 462A.204.</u>		
41.28	Subd. 10. Home Ownership Assistance Fund	<u>885,000</u>	<u>885,000</u>
41.29	<u>This appropriation is for the home ownership</u>		
41.30	<u>assistance program under Minnesota Statutes,</u>		
41.31	<u>section 462A.21, subdivision 8. The agency</u>		
41.32	<u>shall continue to strengthen its efforts to</u>		
41.33	<u>address the disparity gap in the</u>		
41.34	<u>homeownership rate between white</u>		
42.1	<u>households and indigenous American Indians</u>		
42.2	<u>and communities of color. To better</u>		
42.3	<u>understand and address the disparity gap, the</u>		
42.4	<u>agency is required to collect, on a voluntary</u>		
42.5	<u>basis, demographic information regarding</u>		
42.6	<u>race, color, national origin, and sex of</u>		
42.7	<u>applicants for agency programs intended to</u>		
42.8	<u>benefit homeowners and homebuyers.</u>		
42.9	Subd. 11. Affordable Rental Investment Fund	<u>3,718,000</u>	<u>3,718,000</u>
42.10	<u>(a) This appropriation is for the affordable</u>		
42.11	<u>rental investment fund program under</u>		
42.12	<u>Minnesota Statutes, section 462A.21,</u>		
42.13	<u>subdivision 8b, to finance the acquisition,</u>		
42.14	<u>rehabilitation, and debt restructuring of</u>		
42.15	<u>federally assisted rental property and for</u>		
42.16	<u>making equity take-out loans under Minnesota</u>		
42.17	<u>Statutes, section 462A.05, subdivision 39.</u>		
42.18	<u>(b) The owner of federally assisted rental</u>		
42.19	<u>property must agree to participate in the</u>		
42.20	<u>applicable federally assisted housing program</u>		
42.21	<u>and to extend any existing low-income</u>		
42.22	<u>affordability restrictions on the housing for</u>		
42.23	<u>the maximum term permitted. The owner must</u>		
42.24	<u>also enter into an agreement that gives local</u>		

53.8	<u>who desire to move to more integrated,</u>		
53.9	<u>community-based settings.</u>		
53.10	Subd. 8. Family Homeless Prevention	<u>9,519,000</u>	<u>9,519,000</u>
53.11	<u>This appropriation is for the family homeless</u>		
53.12	<u>prevention and assistance programs under</u>		
53.13	<u>Minnesota Statutes, section 462A.204.</u>		
55.11	Subd. 12. Home Ownership Assistance Fund	<u>885,000</u>	<u>885,000</u>
55.12	<u>This appropriation is for the home ownership</u>		
55.13	<u>assistance program under Minnesota Statutes,</u>		
55.14	<u>section 462A.21, subdivision 8. The agency</u>		
55.15	<u>shall continue to strengthen its efforts to</u>		
55.16	<u>address the disparity gap in the</u>		
55.17	<u>homeownership rate between white</u>		
55.18	<u>households and indigenous American Indians</u>		
55.19	<u>and communities of color. To better</u>		
55.20	<u>understand and address the disparity gap, the</u>		
55.21	<u>agency is required to collect, on a voluntary</u>		
55.22	<u>basis, demographic information regarding</u>		
55.23	<u>race, color, national origin, and sex of</u>		
55.24	<u>applicants for agency programs intended to</u>		
55.25	<u>benefit homeowners and homebuyers.</u>		
53.20	Subd. 10. Affordable Rental Investment Fund	<u>4,218,000</u>	<u>4,218,000</u>
53.21	<u>(a) This appropriation is for the affordable</u>		
53.22	<u>rental investment fund program under</u>		
53.23	<u>Minnesota Statutes, section 462A.21,</u>		
53.24	<u>subdivision 8b, to finance the acquisition,</u>		
53.25	<u>rehabilitation, and debt restructuring of</u>		
53.26	<u>federally assisted rental property and for</u>		
53.27	<u>making equity take-out loans under Minnesota</u>		
53.28	<u>Statutes, section 462A.05, subdivision 39.</u>		
53.29	<u>(b) The owner of federally assisted rental</u>		
53.30	<u>property must agree to participate in the</u>		
53.31	<u>applicable federally assisted housing program</u>		
53.32	<u>and to extend any existing low-income</u>		
53.33	<u>affordability restrictions on the housing for</u>		
53.34	<u>the maximum term permitted. The owner must</u>		
54.1	<u>also enter into an agreement that gives local</u>		

42.25 units of government, housing and
 42.26 redevelopment authorities, and nonprofit
 42.27 housing organizations the right of first refusal
 42.28 if the rental property is offered for sale.
 42.29 Priority must be given among comparable
 42.30 federally assisted rental properties to
 42.31 properties with the longest remaining term
 42.32 under an agreement for federal assistance.
 42.33 Priority must also be given among comparable
 42.34 rental housing developments to developments
 42.35 that are or will be owned by local government
 43.1 units, a housing and redevelopment authority,
 43.2 or a nonprofit housing organization.

43.3 (c) The appropriation also may be used to
 43.4 finance the acquisition, rehabilitation, and debt
 43.5 restructuring of existing supportive housing
 43.6 properties and naturally occurring affordable
 43.7 housing as determined by the commissioner.
 43.8 For purposes of this paragraph, "supportive
 43.9 housing" means affordable rental housing with
 43.10 links to services necessary for individuals,
 43.11 youth, and families with children to maintain
 43.12 housing stability.

43.13 **Subd. 12. Housing Rehabilitation** 6,015,000 6,015,000

43.14 This appropriation is for the housing
 43.15 rehabilitation program under Minnesota
 43.16 Statutes, section 462A.05, subdivision 14. Of
 43.17 this amount, \$2,772,000 each year is for the
 43.18 rehabilitation of owner-occupied housing and
 43.19 \$3,243,000 each year is for the rehabilitation
 43.20 of eligible rental housing. In administering a
 43.21 rehabilitation program for rental housing, the
 43.22 agency may apply the processes and priorities
 43.23 adopted for administration of the economic
 43.24 development and housing challenge program
 43.25 under Minnesota Statutes, section 462A.33,
 43.26 and may provide grants or forgivable loans if
 43.27 approved by the agency.

43.28 Notwithstanding any law to the contrary,
 43.29 grants or loans under this subdivision may be

54.2 units of government, housing and
 54.3 redevelopment authorities, and nonprofit
 54.4 housing organizations the right of first refusal
 54.5 if the rental property is offered for sale.
 54.6 Priority must be given among comparable
 54.7 federally assisted rental properties to
 54.8 properties with the longest remaining term
 54.9 under an agreement for federal assistance.
 54.10 Priority must also be given among comparable
 54.11 rental housing developments to developments
 54.12 that are or will be owned by local government
 54.13 units, a housing and redevelopment authority,
 54.14 or a nonprofit housing organization.

54.15 (c) The appropriation also may be used to
 54.16 finance the acquisition, rehabilitation, and debt
 54.17 restructuring of existing supportive housing
 54.18 properties and naturally occurring affordable
 54.19 housing as determined by the commissioner.
 54.20 For purposes of this paragraph, "supportive
 54.21 housing" means affordable rental housing with
 54.22 links to services necessary for individuals,
 54.23 youth, and families with children to maintain
 54.24 housing stability.

54.25 **Subd. 11. Housing Rehabilitation** 6,515,000 6,515,000

54.26 (a) This appropriation is for the housing
 54.27 rehabilitation program under Minnesota
 54.28 Statutes, section 462A.05, subdivision 14. Of
 54.29 this amount, \$2,772,000 each year is for the
 54.30 rehabilitation of owner-occupied housing and
 54.31 \$3,743,000 each year is for the rehabilitation
 54.32 of eligible rental housing. In administering a
 54.33 rehabilitation program for rental housing, the
 54.34 agency may apply the processes and priorities
 54.35 adopted for administration of the economic
 55.1 development and housing challenge program
 55.2 under Minnesota Statutes, section 462A.33,
 55.3 and may provide grants or forgivable loans if
 55.4 approved by the agency.

55.5 (b) Notwithstanding any law to the contrary,
 55.6 grants or loans under this subdivision may be

43.30 made without rent or income restrictions of
 43.31 owners or tenants. To the extent practicable,
 43.32 grants or loans must be made available
 43.33 statewide.

44.1 **Subd. 13. Homeownership Capacity, Counseling,**
 44.2 **and Stabilization Grants** 1,252,000 1,252,000

44.3 This appropriation is for homeownership
 44.4 education, counseling, and training under
 44.5 Minnesota Statutes, section 462A.209, and for
 44.6 capacity-building grants under Minnesota
 44.7 Statutes, section 462A.21, subdivision 3b. The
 44.8 commissioner shall award competitive grants
 44.9 to nonprofit housing organizations, housing
 44.10 and redevelopment authorities, or other
 44.11 political subdivisions to provide intensive
 44.12 financial education and coaching services to
 44.13 individuals or families who have the goal of
 44.14 homeownership and family stabilization.
 44.15 Financial education and counseling services
 44.16 include, but are not limited to, asset building,
 44.17 development of spending plans, credit report
 44.18 education, repair and rebuilding, consumer
 44.19 protection training, and debt reduction. Priority
 44.20 must be given to organizations that have
 44.21 experience serving underserved populations.

55.7 made without rent or income restrictions of
 55.8 owners or tenants. To the extent practicable,
 55.9 grants or loans must be made available
 55.10 statewide.

56.6 **Subd. 14. Homeownership Education,**
 56.7 **Counseling, and Training** 857,000 857,000

56.8 This appropriation is for the homeownership
 56.9 education, counseling, and training program
 56.10 under Minnesota Statutes, section 462A.209.

56.11 **Subd. 15. Capacity-Building Grants** 745,000 745,000

56.12 This appropriation is for nonprofit
 56.13 capacity-building grants under Minnesota
 56.14 Statutes, section 462A.21, subdivision 3b. Of
 56.15 this amount, \$125,000 each year is for support
 56.16 of the Homeless Management Information
 56.17 System (HMIS). Of this amount, \$300,000
 56.18 each year is for a statewide tenant hotline that
 56.19 provides free and confidential legal advice for
 56.20 all Minnesota renters.

56.21 **Subd. 16. Build Wealth MN** 500,000 500,000

56.22 This appropriation is for a grant to Build
 56.23 Wealth Minnesota to provide a family
 56.24 stabilization plan program including program
 56.25 outreach, financial literacy education, and
 56.26 budget and debt counseling.

56.27 **Subd. 17. Homeownership Capacity** 400,000 400,000

56.28 This appropriation is for competitive grants
 56.29 to nonprofit housing organizations, housing
 56.30 and redevelopment authorities, or other
 56.31 political subdivisions to provide intensive
 56.32 financial education and coaching services to

56.33 individuals or families who have the goal of
56.34 homeownership. Financial education and
57.1 coaching services include but are not limited
57.2 to asset building, development of spending
57.3 plans, credit report education, repair and
57.4 rebuilding, consumer protection training, and
57.5 debt reduction. Priority must be given to
57.6 organizations that have experience serving
57.7 underserved populations.

55.26 **Subd. 13. Lead Safe Homes Grant Program** 1,000,000 1,000,000

55.27 (a) This appropriation is for grants under the
55.28 lead safe homes grant program under
55.29 Minnesota Statutes, section 462A.2095.

55.30 (b) At least one grant must be to a nonprofit
55.31 organization or political subdivision serving
55.32 an area in the seven-county metropolitan area,
55.33 as defined in Minnesota Statutes, section
55.34 473.121, and at least one grant must be to a
56.1 nonprofit organization or political subdivision
56.2 serving an area outside the seven-county
56.3 metropolitan area.

56.4 (c) The base for this program in fiscal year
56.5 2022 and beyond is \$500,000.

44.22 **Sec. 3. DISTRIBUTION OF HOUSING INVESTMENT FUND AND HOUSING**
44.23 **AFFORDABILITY FUND.**

44.24 For fiscal years 2020 and 2021, to the extent practicable, the commissioner of the housing
44.25 finance agency shall distribute the money within the Housing Investment Fund, or Pool 2,
44.26 and the Housing Affordability Fund, or Pool 3, equally between the Twin Cities metropolitan
44.27 area and the nonmetropolitan area.