

Subject Housing infrastructure bonds for buildings with mixed income levels

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Overview

The Minnesota Housing Finance Agency (MHFA) issues housing infrastructure bonds (HIBs) to fund grants and loans for the acquisition, rehabilitation, and construction of residential property.

This bill, as proposed to be amended by H.F. 4405A1, would allow HIBs to be used for buildings where a set percentage of the units are affordable to households at varying percentages of area median income (AMI). Among comparable applicants seeking to use HIBs for this purpose, this bill would require MHFA to give preference to projects with more units affordable to households at or below 30 percent of AMI.

Summary

Section	Description
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1	Authorization.
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	Authorizes MHFA to use HIBs for buildings: (1) where at least 20 percent of the units are affordable to households at or below 50 percent of AMI or at least 40 percent of the units are affordable to households at or below 60 percent of AMI; (2) where all units are affordable to households at or below 80 percent of AMI; and (3) where at least 20 units or 50 percent of the units are used for one of the other authorized uses of HIBs. Among comparable proposals for this new authorized use, requires MHFA to give preference to projects with more units that would be affordable to households at or below 30 percent of AMI.
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