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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 1402

02/18/2019 Authored by Howard, Haley, Brand, Theis, Sauke and others
The bill was read for the first time and referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to housing; appropriating money to the Housing Finance Agency for grants
1.3 to local housing trust funds.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. LOCAL HOUSING TRUST FUND GRANTS.

1.6 (a) \$10,000,000 in fiscal year 2020 is appropriated from the general fund to the Minnesota
1.7 Housing Finance Agency for deposit in the housing development fund for grants to local
1.8 housing trust funds established under Minnesota Statutes, section 462C.16, to incentivize
1.9 local funding. This is a onetime appropriation.

1.10 (b) A grantee is eligible to receive a grant amount equal to 100 percent of the public
1.11 revenue committed to the local housing trust fund from any source other than the state or
1.12 federal government, up to \$150,000, and in addition, an amount equal to 50 percent of the
1.13 public revenue committed to the local housing trust fund from any source other than the
1.14 state or federal government that is more than \$150,000 but not more than \$300,000.

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

1.19 (d) A grantee must use grant funds within eight years of receipt for purposes (1)
1.20 authorized under Minnesota Statutes, section 462C.16, subdivision 3, and (2) benefiting
1.21 households with incomes at or below 115 percent of the state median income. A grantee
1.22 must return any grant funds not used for these purposes within eight years of receipt to the

- 2.1 commissioner of the Housing Finance Agency for deposit into the housing development
- 2.2 fund.
- 2.3 **EFFECTIVE DATE.** This section is effective July 1, 2019.