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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 2901

03/27/2025 Authored by Rehrauer, Momanyi-Hiltsley, Norris and Freiberg
The bill was read for the first time and referred to the Committee on Housing Finance and Policy

1.1 A bill for an act
1.2 relating to housing; expanding allowable uses of funds in the Minnesota housing
1.3 tax credit contribution account to include funding supportive services in supportive
1.4 housing; amending Minnesota Statutes 2024, section 462A.40, subdivision 2.

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

1.6 Section 1. Minnesota Statutes 2024, section 462A.40, subdivision 2, is amended to read:

1.7 Subd. 2. Use of funds; grant and loan program. (a) The agency may award grants and
1.8 loans to be used for multifamily and single family developments for persons and families
1.9 of low and moderate income. Allowable use of the funds include: gap financing, as defined
1.10 in section 462A.33, subdivision 1; new construction; acquisition; rehabilitation; demolition
1.11 or removal of existing structures; construction financing; permanent financing; interest rate
1.12 reduction; services enumerated in section 462A.37, subdivision 1, paragraph (k), in existing
1.13 supportive housing as defined in that paragraph; and refinancing.

1.14 (b) The agency may give preference for grants and loans to comparable proposals that
1.15 include regulatory changes or waivers that result in identifiable cost avoidance or cost
1.16 reductions, including but not limited to increased density, flexibility in site development
1.17 standards, or zoning code requirements.