



Housing Infrastructure Bonds and Public Housing Rehabilitation

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Governor's Recommendations

\$250 million in Housing Infrastructure Bonds

- Estimated Impact:
3,500 homes created
or preserved

\$60 million in general obligation bonds for public housing rehab

- Estimated Impact:
6,000 homes improved



Relationship to Governor's Priorities

- The pandemic continues to elevate the importance of home.
- Housing stability is at the foundation of the Governor's One Minnesota Plan.
- Housing instability and homelessness impacts Black and Indigenous households and people of color more than white households.

Housing Infrastructure Bonds

Why Housing Infrastructure Bonds?

95% of the housing in the state is privately owned.

State GO bonds for housing are limited to public ownership.

Created in 2012, Housing Infrastructure Bonds are the **largest state source** of capital for housing development and are unique around the country.

Bonds leverage local, federal and private investment and spur development that otherwise would not happen.



Types of housing impacted by Housing Infrastructure Bonds

- Build and rehabilitate permanent supportive housing for people or families experiencing or at risk of homelessness, and for people with behavioral health needs.
- Preserve federally assisted rental housing.
- Create affordable housing for seniors aged 55 and older (a new use as of 2018).
 - Statutory preference for 30% AMI units
- Finance manufactured home community acquisition and infrastructure (new in 2018).
- Develop single-family homes, including homes in community land trusts (expanded in 2020).

Housing Infrastructure Bonds – Summary

Just over \$500 million have been authorized since 2012, leveraging over \$960 million in total development costs.

More than 6,200 units have been created or preserved, including units in the pipeline.

A critical resource to support households at 30% AMI levels, including permanent supportive housing and new construction senior housing.



Housing Infrastructure Bonds – 2021 RFP Selections

- In 2021, the total units supported was 1,545, the highest ever selected for Housing Infrastructure Bonds.
- **Single-Family Development:**
 - \$5.3 million for 16 proposals, supporting 88 units (including 36 homes in community land trusts)
- **Manufactured Housing**
 - \$5.4 million for 7 proposals, supporting 789 units.
- **Rental Housing**
 - Supportive Housing - \$37.4 million for 4 proposals, supporting 225 units.
 - Senior Housing - \$55.6 million for 6 proposals, supporting 364 units.
 - Preservation - \$1.5 million for 1 proposal, supporting 80 units.

Public Housing Rehabilitation – State General Obligation Bonds

Public Housing in Minnesota

- Public housing serves about **36,000** low-income households throughout the state.
 - Includes 12,000 children as well as a high percentage of elderly and disabled individuals.
 - More than 65% of households have incomes of less than \$15,000 per year.
 - More than **90%** of public housing units are 20+ years old.
 - This request and funding process prioritize life/safety projects. The agency prioritizes the funding of fire suppression systems.



Public Housing Funding Summary

Year	Amount Authorized	Amount Awarded	# of Projects	# of Units
2012	\$5.5	\$5.5	14	950
2014	20	20	35	2,438
2017	10	10	27	1,844
2018	10	9.8	20	1,622
2020	16	14.8	21	1,870
Totals	\$61.5	\$60.1	117	8,724

Thank you