



Housing Infrastructure Bonds and Public Housing Rehab

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Our Unique Role



- Established in 1971
- Seven-member board of directors
-includes State Auditor
- Annual independent financial audit
- Does not own or operate housing
- AA+ Bond ratings from Moody's and Standard & Poor's

Housing Affordability is a Statewide Problem



- 643,000 households pay 30% or more of their income for housing.
- The cost of a modest new home is unaffordable at the median homeowner income.
- 81% of Extremely Low-Income Minnesota renters are cost burdened.
- The preliminary 2025 Point-in-Time total showed 8,392 people facing homelessness on a given night.



Housing Infrastructure Bonds

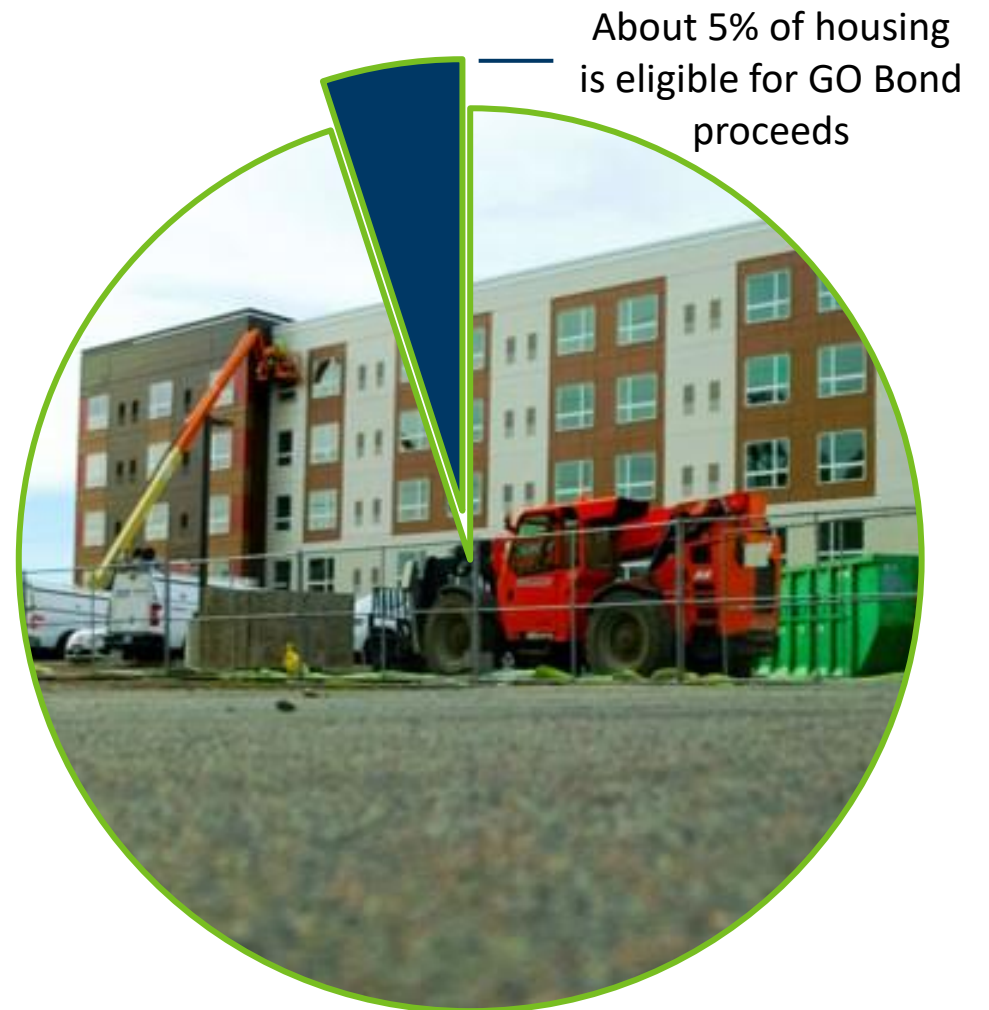
Housing Infrastructure Bonds (HIB)



- Since 2019, the Governor has requested \$1.1 billion and the Legislature has provided \$560 million.
- All 2024 and 2025 Housing Infrastructure Bond authorizations have been allocated.
- \$50 million would be committed to housing developments in December 2026.

Housing Requires a Different Financing Tool

- **~95% of housing in Minnesota is privately owned.** State GO bonds for housing are limited to publicly owned units.
- Housing Infrastructure resources are the **largest state source** of capital for housing development to address the lack of supply and to preserve existing housing
- HIBs remain unique to Minnesota and **leverage** federal, local, and private resources.



Housing Infrastructure Supports a Continuum of Uses



**Federally assisted
rental** housing preservation



**Permanent supportive
housing** construction and
preservation.



**Affordable housing for
seniors** ages 55 and older
(new in 2018)



**Manufactured home
community**
acquisition and infrastructure
(new in 2018)



Single-family homes
development, including in
community land trusts
(new in 2020)



More **deeply affordable
rental** housing and
cooperatives
(new in 2023-24)

Housing Infrastructure at Work: 2012-2025

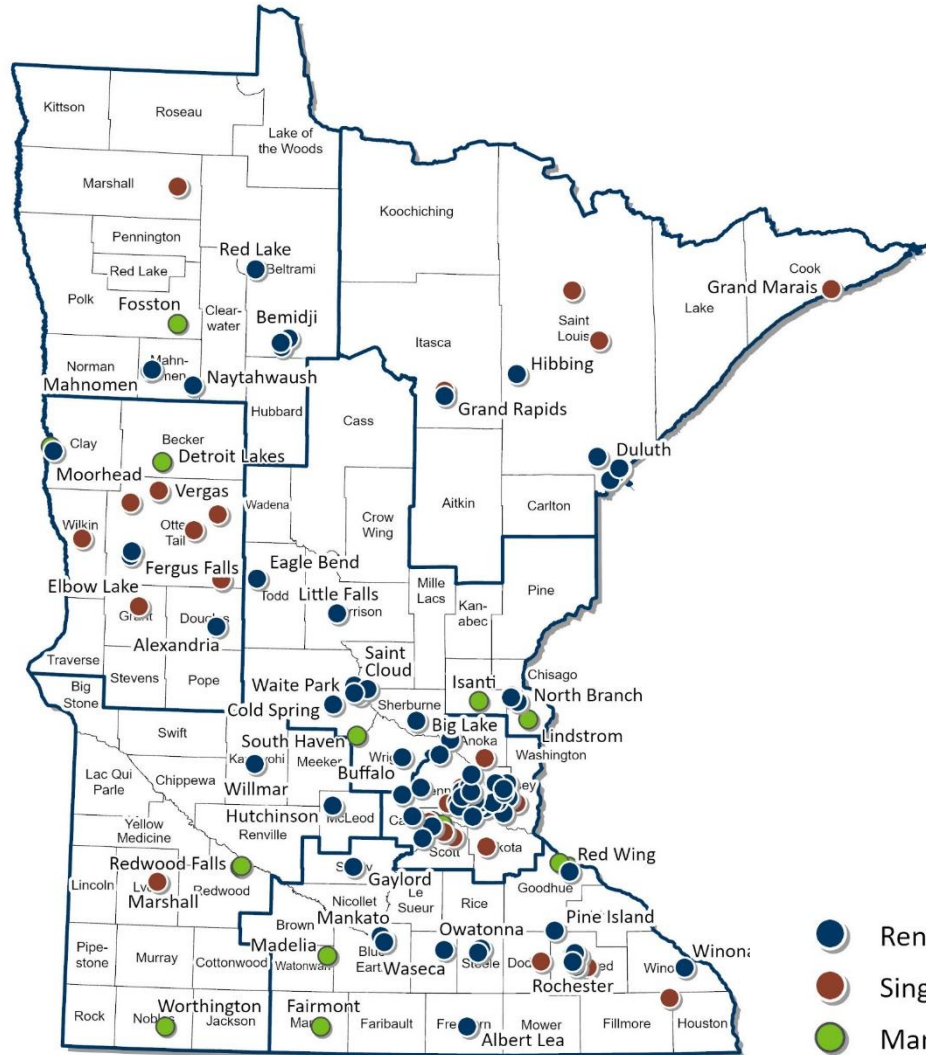


	Number of Units	Housing Infrastructure (Committed)	Total Development Costs
Rental Housing New Construction and Preservation	6,910	\$741 million	\$1.7 billion
Single Family Development*	1,527	\$98 million	\$359 million
Manufactured Home Community Infrastructure**	1,626	\$21 million	\$35 million
TOTAL	10,063	\$860 million	\$2.09 billion

*new use added in 2020

**new use added in 2018

Housing Infrastructure, 2012-2025



New Construction:

- 3,958 rental units
- 410 homeownership

Preservation/Rehabilitation:

- 2,863 rental units
- 235 single family homes

46% has been committed to projects in Greater Minnesota

- Rental Housing - New Construction and Preservation
- Single Family Development
- Manufactured Home Community Infrastructure

Annual Consolidated Applications Open in Spring

Multifamily Consolidated RFP

Single Family (Impact Fund) Consolidated RFP

Manufactured Housing Infrastructure RFP

- Applicants complete one request to be considered for multiple sources of funds.
- Agency staff match requests to sources of funding to meet project needs and ensure highest utilization.
- Funds appropriated/authorized in the current legislative session can be applied to projects selected in December.

Recent Housing Infrastructure Authorizations

2023: \$200 million in Housing Infrastructure Bonds and Cash
2024: \$50 million in Housing Infrastructure Bonds

Rental:

2023	\$101.9 million (12 developments, 783 homes)
2024	\$75.8 million (6 developments, 318 homes)

Single Family:

2023	\$51.6 million (39 proposals, 725 homes)
2024	\$9.5 million (8 proposals, 99 homes)

Manufactured Home Communities:

2023	\$6.5 million (4 communities, 309 homes)
2024	\$680,000 (1 community, 202 homes)

2025 Session: \$50 million in Housing Infrastructure Bonds



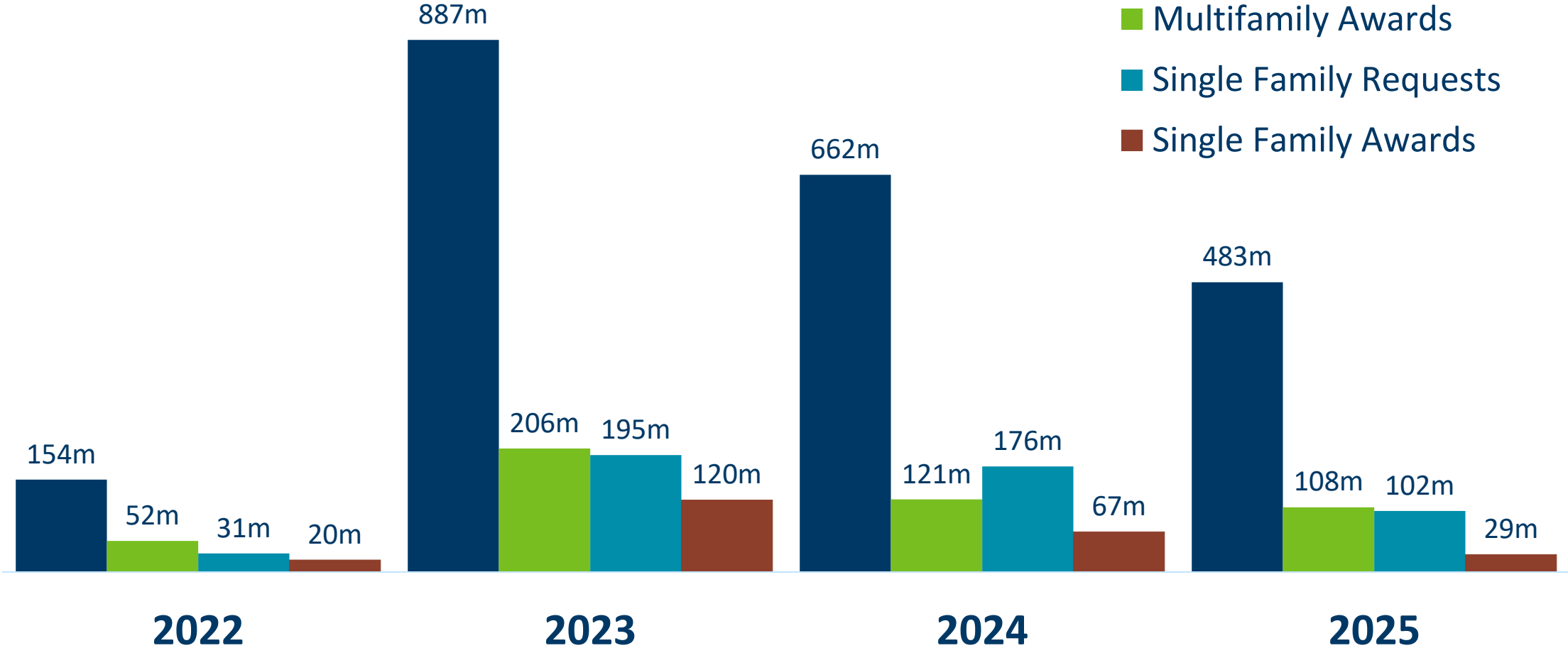
December 2025 selections:

Rental: \$53.5 million
(7 developments, 308 homes)

Single Family: \$17.5 million
(18 proposals, 118 homes)

Historic Resources; Still Oversubscribed

- Multifamily Requests
- Multifamily Awards
- Single Family Requests
- Single Family Awards



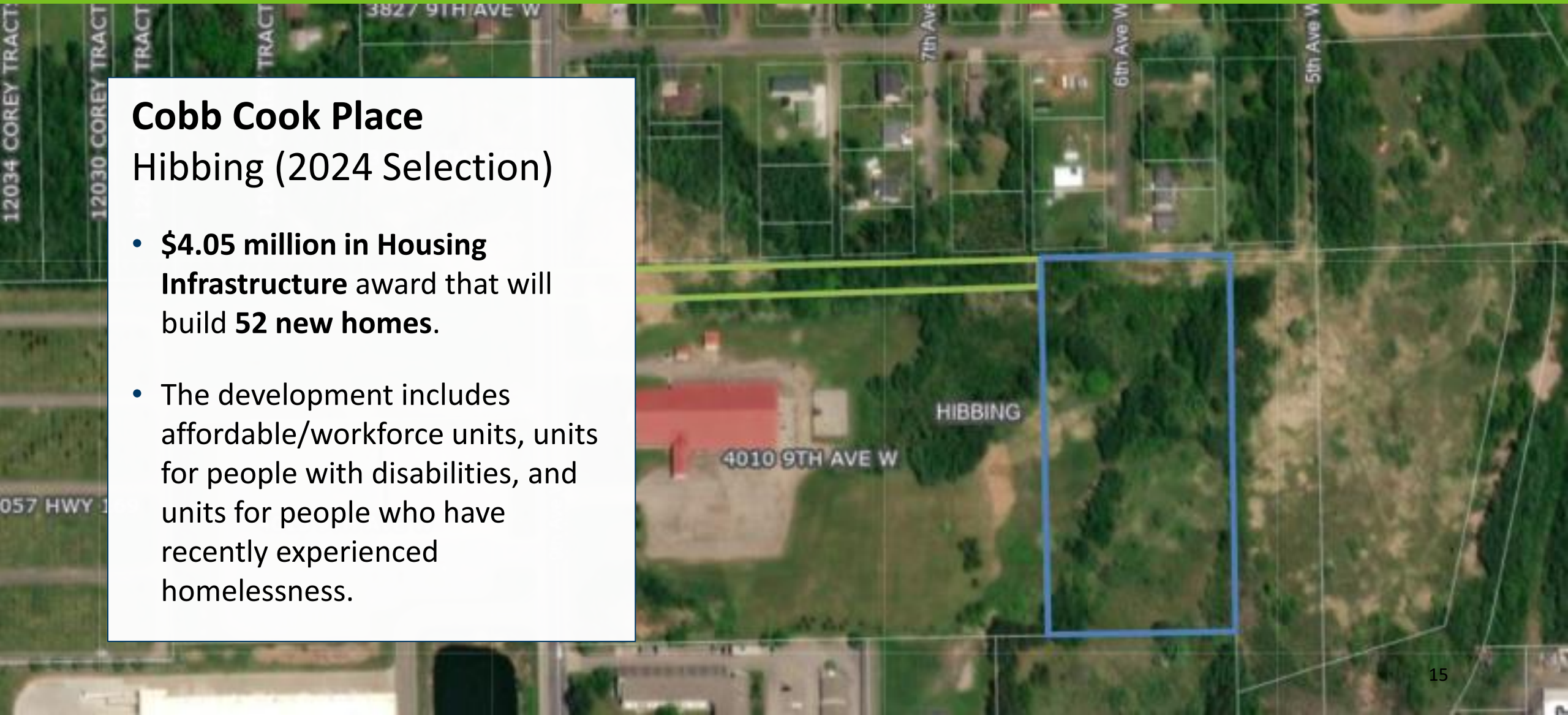


Recently Funded Projects

Workforce and Supportive Housing New Construction

Cobb Cook Place Hibbing (2024 Selection)

- **\$4.05 million in Housing Infrastructure** award that will build **52 new homes**.
- The development includes affordable/workforce units, units for people with disabilities, and units for people who have recently experienced homelessness.



Adaptive Reuse – Senior Housing

Hilltop Square Apartments Eagle Bend (2025 Selection)

- **\$4.3 million in Housing Infrastructure for 23 units.**
- Will convert the old high school into 23 one-bedroom units serving the senior population in the Eagle Bend area.
- Includes supportive housing and units for people who have experienced homelessness.



Single Family New Construction

Habitat for Humanity Minnesota

Ottertail and North St. Louis
County (2025 Selection)

- **\$400,000 in Housing Infrastructure** funding will be used to bridge the gap between construction costs and affordable pricing for **10 new single family units.**





Public Housing Rehabilitation

Publicly Owned Housing Program (POHP)



The Publicly Owned Housing Program preserves housing in Minnesota for its most vulnerable residents – those with **the lowest incomes, seniors, children, and people with disabilities.**

- Recent authorizations by the legislature were \$87 million in 2023 and \$26 million in 2025.
- The program funds vital affordable housing units in every part of the state.

POHP Preserves Critical Affordable Housing



The Publicly Owned Housing Program funds capital improvements to rehabilitate and preserve public housing units throughout the state. Priority is given to critical health and safety, operational and accessibility needs.

- **Health and Life Safety**
Fire suppression, remediation of mold, radon or asbestos
- **Accessibility Improvements**
Building and unit access features
- **Critical Physical Needs**
Elevator updates, roofs, boilers, and windows
- **Energy and Water Use**
Lighting or water conservation measures

What is the asset preservation need?



About 95% of the public housing stock in Minnesota is **over 40 years old.**



In Minnesota, the estimated total need for capital improvements between 2020-2024 was **over \$500 million.**



Nationally, the backlog of repairs due to the **deficit of funding** is estimated to be **\$70 billion**, while annual appropriations average around \$3 billion.

Publicly Owned Housing in Minnesota

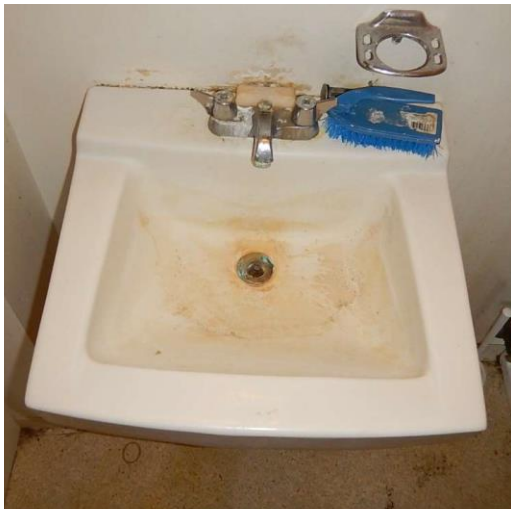


- Approximately 21,000 housing units that are home to 36,000 people statewide
- Nearly two-thirds of the households are headed by seniors or those with disabilities
- Around 75% percent of the residents of public housing have annual incomes of under 30% AMI
- One-third of public housing residents are children, many of whom are at high risk of homelessness or recently homeless

Deferred maintenance and fire hazards



Updating living spaces



Saint Paul – Wabasha High-Rise Before/After



Bricks crumbling from façade and falling to sidewalks below.



Thank you for your partnership!

Contact Us

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