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Section

1 Housing trust funds for local housing development.

Subd. 1. Definitions. Defines commissioner, fund, local government (county or city), local housing trust fund, and regional housing trust fund (established by joint powers).

Subd. 2. Creation and administration. Permits a local government to establish a local housing trust fund by ordinance or participate in a joint powers agreement to establish a regional housing trust fund. Permits a regional housing trust fund to be administered through a nonprofit organization that must encourage private donations.

Subd. 3. Authorized expenditures. Specifies use of funds.

Subd. 4. Funding. Permits local government spending for the trust fund.

Subd. 5. Matching contributions. For the next biennium only, if a trust fund gets money from a housing and redevelopment authority, the Housing Finance Agency must give to the trust a matching amount up to \$100,000 and 50 percent of the amount over that, up to \$500,000. Allows eight years to spend the money, which must be spent on activities serving individuals and households with incomes at or below 115 percent of the state median income.

Subd. 6. Reports. Requires reports.

Subd. 7. Effect on existing local or regional housing trust funds. Grandfathers in existing local housing trust funds.

2 Appropriation. Appropriates \$1 million in each year of the biennium to the Housing Finance Agency to make matching contributions and provides for proportionate distribution if necessary.