SENATE COUNSEL, RESEARCH, & FISCAL ANALYSIS

BILL SUMMARY

S.F. No. 2552 – Modifications to Housing Finance Agency provisions

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S.F. 2552 modifies various provisions relating to the Housing Finance Agency and its programs.

Section 1 (462A.051, subdivision 2) adds counties and cities that allocate low-income housing tax credits to the section relating to wage theft prevention and use of responsible contractors and makes a technical correction relating to multifamily housing.

Section 2 (462A.2095, subdivision 3) allows the commissioner to determine a formula to determine award amounts for the rent assistance program and to redistribute unused funds among program administrators.

Section 3 (462A.33, subdivision 9) amends the subdivision relating to grants to schools in the economic development and housing challenge program to allow a nonprofit organization contracted by a school, an educational cooperative, or a charter school to be awarded a grant.

Section 4 (462A.40, subdivision 3) amends the eligible recipients for the Minnesota housing tax credit contribution grants and loans to clarify that officers or principles for the purpose of disqualifying a business do not include individuals serving as volunteer nonprofit board members. This section also excludes projects receiving funds through the Workforce Housing Development Program from income limits.

Section 5 (477A.35, subdivision 5) specifies that any income generated by funds received through local affordable housing aid must be reinvested in qualified housing projects.

Section 6 (477A.36, subdivision 5) specifies that any income generated by funds received through statewide local housing aid must be reinvested in qualified housing projects.

Section 7 (Laws 2023, chapter 37, article 1, section 2, subdivision 21) amends the local housing trust fund grants program to require a grantee to use the funds within five years.

Section 8 (Laws 2023, chapter 37, article 2, section 10) amends the high-rise sprinkler system grant program to allow loans, and amends the definition of eligible building to include those seven stories or more and those serving households at or below 60 percent of the area median income.