

2020

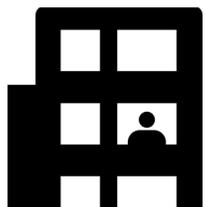
PROGRAM ASSESSMENT REPORT



*This document is available in alternative
formats by emailing mn.housing@state.mn.us.*

HOUSING NEED IN MINNESOTA

OUR WORK IN 2020



LOWER-INCOME RENTER
HOUSEHOLDS IN MINNESOTA COST
BURDENED BY THEIR HOUSING (2019)

245,100

RENTER HOUSEHOLDS RECEIVED
MINNESOTA HOUSING ASSISTANCE

40,638



RENTER HOUSEHOLDS AGES 25-44
POTENTIALLY INCOME-READY
TO BUY A HOME (2018)

179,000

CLIENTS RECEIVED
HOMEBUYER/OWNER
EDUCATION AND
COUNSELING

24,165

BUYERS
PURCHASED
A HOME

5,667

PROMOTING AND SUPPORTING SUCCESSFUL HOMEOWNERSHIP

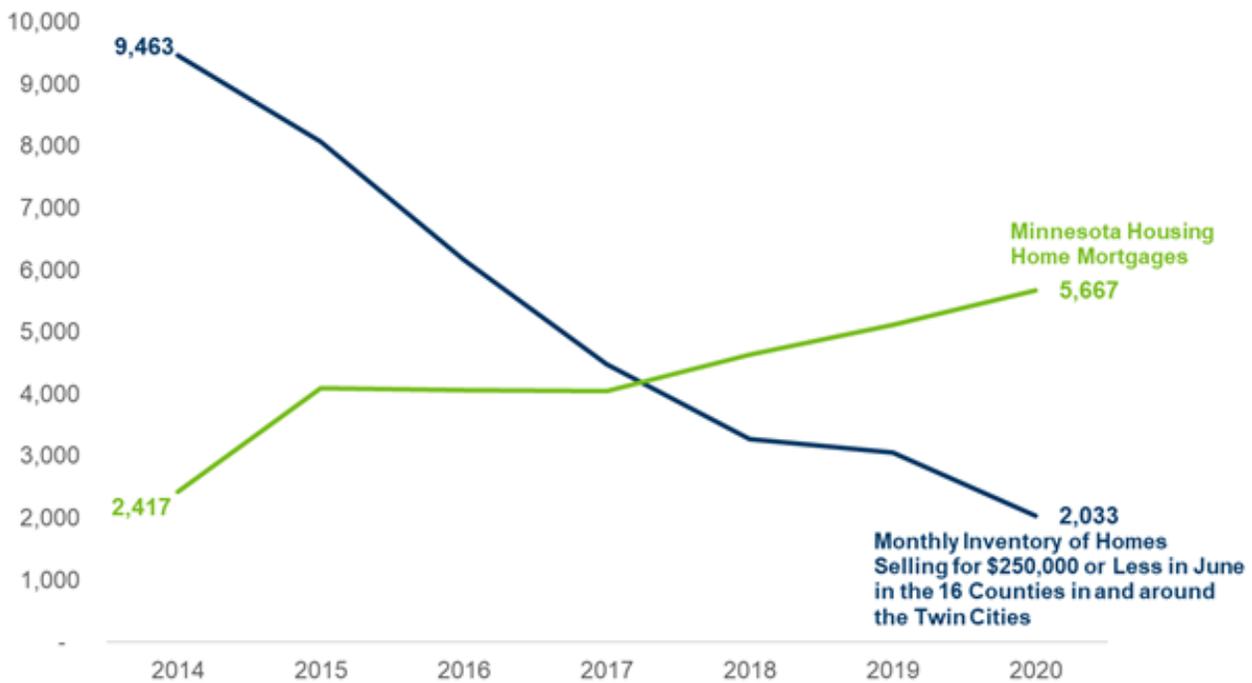
We finance: (1) pre- and post-purchase counseling, education and coaching; (2) mortgages and downpayment/closing-cost assistance loans; and (3) home improvement loans. Highlights from 2020 include:

- Increasing our mortgage lending by 11% from 5,105 homebuyers in 2019 to 5,667 in 2020;
- Delivering 34% of our first-time homebuyer mortgages (Start Up) to Black, Indigenous and people of color households, when the overall mortgage industry in Minnesota only delivers 17%;
- Serving over 24,000 homebuyers and owners through education, counseling and coaching (an 16% increase from 2019); and
- Expanding lending under our Home Improvement Loan Program by 26% from 872 homes in 2019 to 1,097 in 2020.





FIGURE 1: MINNESOTA HOUSING HAS INCREASED ITS HOME LENDING EVEN WHEN THE INVENTORY OF AFFORDABLE HOMES IS DECLINING



MINNESOTA HOUSING INCREASE IN HOME MORTGAGE LENDING SINCE 2014

134%

MINNESOTA HOUSING SHARE OF STATE'S MORTGAGE LENDING

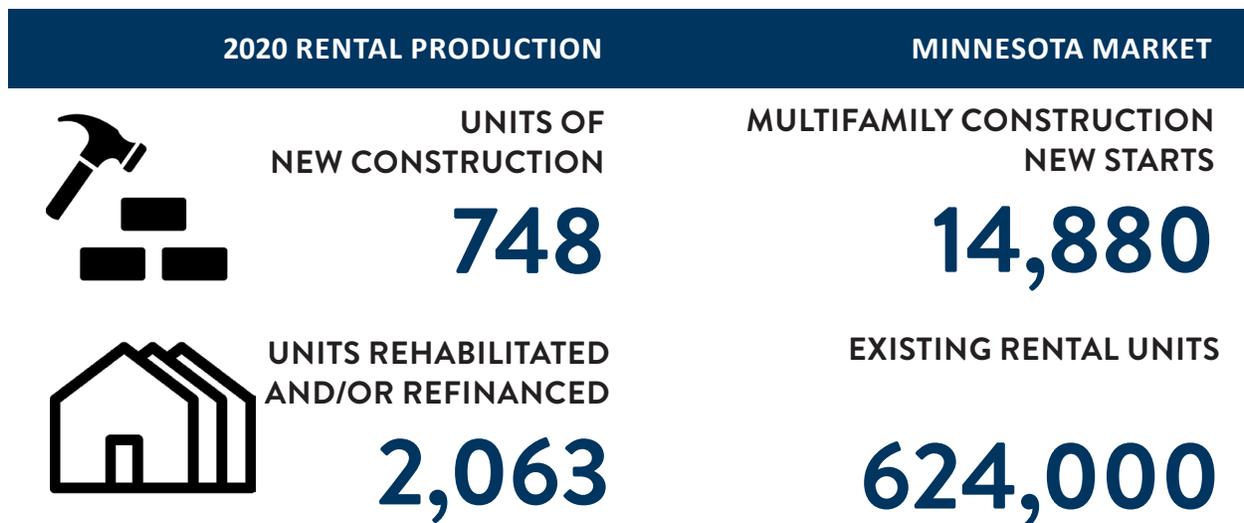
6%

FINANCING THE DEVELOPMENT AND PRESERVATION OF RENTAL HOUSING

We finance new rental construction and the preservation of existing rental housing through amortizing first mortgages, housing tax credits and zero-interest, deferred loans. Highlights from 2020 include:

- 2,811 rental housing units were produced or preserved in 2020.

The 2020 consolidated Request for Proposals (RFP) resulted in the selection or advancement of \$195 million for the development and rehabilitation of rental housing. These resources along with leveraged funds will support \$529 million of housing development and rehabilitation. The projected impact resulting from this investment is nearly 2,400 housing units. Because these projects have just been selected for funding, the rental units they finance will show up in future Program Assessments as the projects are completed.



PROVIDING HOUSING STABILITY FOR POPULATIONS NEEDING EXTRA SUPPORT

We provide rental assistance, operating subsidies for supportive housing, homelessness prevention resources and other assistance. Highlights for 2020 include:

- We served 7,900 households with annual incomes typically around \$10,000. The annual assistance per household is typically in the \$1,000 to \$8,500 range.

ADMINISTERING FEDERAL PROJECT-BASED RENTAL ASSISTANCE

We administer the Section 8 project-based rental assistance program in Minnesota for the U.S. Department of Housing and Urban Development (HUD). Highlights for 2020 include:

- Supporting nearly 28,000 households with rental assistance and contract administration. The federal government has not added housing units to this stock since the 1980s. Our goal is to effectively manage the contracts and preserve the affordability and condition of these units. From program year 2020, only 30 units are in line to be potentially lost after the property owners opted out of their contracts.



ADDITIONAL EFFORTS IN 2020 – COVID-19

In July, Minnesota Housing received \$100 million through the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act and in record time designed and started operating the COVID-19 Housing Assistance Program by the end of August. The program helps households that have been impacted by COVID-19 through unemployment, illness or other COVID-19-related circumstances. Funds were awarded to local administrators across the state to help households that had unpaid rent, mortgage, and utility payments, as well as unpaid homeowner association dues, contract for deed payments, homeowner insurance payments, and other housing-related expenses.

Eligible applicants were required to have a household income at or below 300% of federal poverty guidelines, with a preference for those at or below 200% of federal poverty guidelines. In program year 2020 (ended September 30, 2020), \$5.5 million in COVID-19 Housing Assistance were approved for disbursement to more than 2,500 households. In the first several months of program year 2021, local administrators continued processing applications and this activity will show up in next year's program assessment. The funds are reaching households with a median income of \$18,000 and 56% are BIPOC households.



Call 211
Toll Free: 1-800-543-7709
Local: 651-291-0211

Visit 211unitedway.org

Text "MNRENT" or "MNHOME" to 898-211

m MINNESOTA



DETAILED TABLES

Detailed tables encompass the body of this report and include information that must be reported to the State Legislature annually, which is why we provide detailed information for each program. Full descriptions of these programs can be found in [Appendix B of the 2020-2021 Affordable Housing Plan](#). The following table provides a quick overview of the programs.

OVERVIEW OF MINNESOTA HOUSING PROGRAMS

Home Mortgages		Rental Production – New Construction and Rehabilitation	
Start Up (first time homebuyers)	Amortizing Loans	Low Income Housing Tax Credits (LIHTC)	Investment Tax Credits
Step Up (primarily repeat homebuyers)	Amortizing Loans	Economic Develop. & Housing/Challenge (EDHC)	Deferred Loans
Downpayment and Closing-Cost Assistance for Homebuyers		Housing Infrastructure Bonds	Deferred Loans
Deferred Payment Loan (DPL)	Deferred Loans	Preservation - Affordable Rental Housing Fund (PARIF)	Deferred Loans
Monthly Payment Loan (MPL)	Amortizing Loans	HOME	Deferred Loans
Homebuyer/owner Education, Counseling & Coaching		National Housing Trust Fund	Deferred Loans
Homeownership Education, Counseling & Training (HECAT)	Grants	Publicly Owned Housing Program (POHP)	Deferred Loans
Enhanced Homeownership Capacity Initiative (intensive coaching)	Grants	Rental Rehabilitation Deferred Loan (RRDL) Program	Deferred Loans
Home Improvement		Asset Management	Deferred or Amortizing Loans
Home Improvement Loan Program	Amortizing Loans	Workforce Housing Development	Grants or Loans
Rehabilitation Loan Program (RLP)	Deferred Loans	Rental Assistance Contract Administration	
Single Family Housing Development (New Construction and Rehab)		Section 8 Project-Based Rental Assistance	Grants
Community Homeownership Impact Funds	Deferred Loans and Grants	Housing Stability	
Other		Housing Trust Fund – Rental Assistance (HTF-RA)	Grants
Disaster Recovery	Deferred Loans	Housing Trust Fund – Operating Subsidies	Grants
Manufactured Home Relocation Trust Fund	Grants	Bridges – Rental Assistance	Grants
Technical Assistance and Operating Support	Grants	Homework Starts with Home	Grants
Manufactured Home Community Redevelopment	Grants	Section 811 – Rental Assistance	Grants
Rental Production – New Construction and Rehabilitation		Family Homeless Prevention and Assistance Program (FHPAP)	Grants
Low and Moderate Income Rental (LMIR)	Amortizing First Mortgages	Housing Opportunities for Persons with AIDS (HOPWA)	Grants
Flexible Financing for Capital Costs (FFCC)	Deferred Loans	COVID Housing Assistance Program	Grants

Table 1 (page 10-11): Median incomes of households served by each program

We serve the full continuum of low- and moderate-income households. On the low end, the median annual income of people who recently moved into housing funded with Housing Infrastructure Bonds (supportive housing or housing with project-based rental assistance) was just \$6,168. On the high end, the median income of people who received Step Up (home mortgages primarily for repeat homebuyers) was \$81,538. For context, the 2020 poverty level for a family of three was \$21,720, and the 2020 median family income in Minnesota was \$98,700.

Table 2 (page 12-13): Income distribution by type of assisted household

The majority of homebuyers that we served had an income below \$60,000; the majority of homeowners that we served had an income below \$50,000; and the majority of renters had an income below \$15,000.



Table 3 (page 16-18): Key funding and demographic statistics for each program

The table provides the level of assistance, the number of households served and their characteristics.

- Slightly over one-third of the homebuyers that we serve are BIPOC households (34.2%), compared with 17% served by the overall mortgage industry in Minnesota.
- The Enhanced Homeownership Capacity Initiative (intensive financial coaching for people who want to become homeowners but do not currently qualify) is reaching a particularly large share of BIPOC households (82.9%).
- A smaller share of households served by our home improvement programs are BIPOC households (9% to 11%). For context, these underrepresented communities account for 10% of all homeowners in Minnesota who income-qualify for one of these programs.
- The majority of the households served by many of the rental programs are BIPOC households.

Table 4 (page 19-20): Information about BIPOC households receiving direct assistance from Minnesota Housing by program

In 2020, we provided over \$534 million of direct financial assistance to nearly 23,000 BIPOC households. This only includes loans, rental assistance or other supports provided directly to households. It does not include any of the funding provided to developers for the development and rehabilitation of affordable rental housing. For the programs included in the Table 4 calculation, over a third of the assistance (37%) went to BIPOC households.

Project-based Section 8 rental assistance plays a critical role in the overall share of direct assistance going to households of Black, Indigenous and people of color communities because it is our largest program in terms of households served. In 2020, 43% of Section 8 assistance went to BIPOC households. Seniors account for 45% of project-based Section 8 tenants, and seniors are a less racial diverse population than younger Minnesotans.

Table 5 (page 22-23): Distribution of resources by region

We distribute our competitive resources (grants, deferred loans and housing tax credits) fairly evenly across the state. Each region’s share of our competitive assistance is close to its share of lower-income households that are cost burdened by their housing payments (housing payments accounting for more than 30% of gross income). For example, the seven-county Twin Cities metro region has 54.9% of the state’s lower-income cost-burdened households and received 49% of our competitive funding in 2020.

The Twin Cities metro area received a larger share of our market-driven resources (68.2%), which are our amortizing loans – primarily home mortgages, home improvement loans and first mortgages for rental development. Demand for our amortizing loan products is lower in Greater Minnesota because the U.S. Department of Agriculture’s Rural Development also provides these types of products, which are only available in rural areas.

Table 6 (page 24-28): Comparison of assistance levels for each program for the years 2018, 2019 and 2020

Overall, program funding has increased from \$1.27 billion to \$1.62 billion. The number of assisted households increased from 67,000 to 73,000. Between 2018 and 2020, the number of households or housing units assisted increased or remained stable for most program areas. However, the number of clients served by the Housing Stability programs declined from 9,770 to 7,934, largely because these programs are increasingly focusing on rapid re-housing and harder-to-serve clients who typically need more assistance.

Table 7 (page 29-30): Characteristics of the households served in 2020

We prioritize serving the communities most impacted by housing instability, which includes people experiencing homelessness, people with a disability, seniors, children, BIPOC households, and the people with lowest incomes. Table 3 provides data on income levels and BIPOC households. Table 7 provides information on people experiencing homelessness, people with a disability, seniors and families with children. With respect to homeownership, the Rehabilitation Loan Program is particularly effective in reaching senior households and households with a member who is disabled. On the rental side, 77% of households receiving rental assistance through our Housing Trust Fund program have experienced long-term homelessness. In addition, Bridges (rental assistance for people with a mental illness) is designed to serve people with a disability. Of all our programs, the Community Homeownership Impact Fund (resources to develop and rehabilitate homes for low- and moderate-income homebuyers) is the most effective program at serving families with children, accounting for nearly 55% of the households served. As shown in Table 3, the median income of these households was only \$48,000.

**ONE-THIRD OF HOMEBUYERS
WE SERVE ARE HOUSEHOLDS OF COLOR
OR FROM INDIGENOUS COMMUNITIES**



TABLE 1: MEDIAN INCOMES OF ASSISTED HOUSEHOLDS COMPARED WITH SELECTED INCOME STANDARDS, FFY 2020

Resources	Activity	Annual Household Incomes	Percent of State Median
Housing Infrastructure Bonds (HIB)	Deferred Loan, Rental Production	\$6,168	6.7%
Homework Starts with Home	Rent Assistance, Housing Stability	\$8,052	8.8%
Housing Trust Fund - Operating Subsidies	Grant, Housing Stability	\$9,252	10.1%
Housing Trust Fund, Rental Assistance (HTF-RA)	Rent Assistance, Housing Stability	\$9,636	10.5%
Family Homeless Prevention and Assistance Program (FHPAP)	Grant, Housing Stability	\$9,972	10.9%
Section 811	Rent Assistance, Housing Stability	\$10,368	11.3%
Bridges	Rent Assistance, Housing Stability	\$10,368	11.3%
Publicly Owned Housing Program (POHP)	Deferred Loan, Rental Production (Rehab Only)	\$11,676	12.7%
HOME	Deferred Loan, Rental Production	\$12,205	13.3%
Section 8 Performance Based Contract Administration (PBCA)	Rent Assistance	\$12,205	13.3%
Section 8 Traditional Contract Administration (TCA)	Rent Assistance	\$12,502	13.6%
MN Family Investment Program (one adult, two children) maximum benefit including food support		\$14,136	15.4%
Preservation- Affordable Rental Housing Fund (PARIF)	Deferred Loan, Rental Production (Rehab Only)	\$15,229	16.6%
Rehabilitation Loan Program (RLP)	Deferred Loan, Home Rehabilitation	\$15,591	17.0%
Rental Rehabilitation Deferred Loan (RRDL) Program	Deferred Loan, Rental Production (Rehab Only)	\$17,125	18.7%
COVID Housing Assistance Program (Launch Phase)	Rental Assistance, Homeowner Improvement	\$18,000	19.6%
Economic Development and Housing/Challenge Fund (EDHC) - Rental Production Portion Only	Deferred Loan, Rental Production	\$20,370	22.2%
Poverty guideline, three-person household		\$21,720	23.7%
Housing Opportunities for Persons with AIDS (HOPWA)	Grant, Housing Stability	\$22,029	24.0%
Low-Income Housing Tax Credits (LIHTC)	Investment Tax Credit, Rental Production	\$22,103	24.1%

TABLE 1: MEDIAN INCOMES OF ASSISTED HOUSEHOLDS COMPARED WITH SELECTED INCOME STANDARDS, FFY 2020

Resources	Activity	Annual Household Incomes	Percent of State Median
Low and Moderate Income Rental (LMIR)	Amortizing First Mortgage, Rental Production	\$26,190	28.5%
Poverty guideline, four-person household		\$26,200	28.5%
Disaster Recovery	Deferred Loan, Home Rehabilitation	\$40,000	43.6%
Homeownership Education, Counseling, and Training (HECAT)	Education & Counseling	\$41,498	45.2%
Enhanced Homeownership Capacity Initiative	Education & Counseling	\$42,000	45.8%
200% of poverty, three-person household		\$43,440	47.3%
50% of HUD median income, statewide		\$45,900	50.0%
Community Homeownership Impact Fund	Loans and Grants, Single Family	\$47,982	52.3%
50% of HUD median income, Minneapolis/St. Paul		\$51,700	56.3%
200% of poverty, four-person household		\$52,400	57.1%
Deferred Loan, Homeownership Downpayment	Deferred Loan, Homeownership Downpayment	\$53,899	58.7%
Home Mortgage Loan - Start Up	First Mortgage, First-Time Homebuyer	\$57,428	64.2%
60% of HUD median income, Minneapolis/St. Paul		\$62,040	67.6%
HUD median income, Minnesota nonmetro areas		\$72,600	79.1%
Home Improvement Loan Program	Amortizing Loan, Homeowner Improvement	\$78,587	85.6%
Monthly Payment Loans (MPL)	Amortizing Loan, Homeownership Downpayment	\$81,180	88.4%
Home Mortgage Loan - Step Up	First Mortgage, Primarily Repeat Homebuyer	\$81,538	88.8%
HUD median income, statewide		\$91,800	100.0%
HUD median income, Minnesota metro areas		\$98,700	107.5%
HUD median income for Minneapolis/St. Paul metro area		\$103,400	112.6%

TABLE 2: INCOME DISTRIBUTION OF ASSISTED HOUSEHOLDS, FFY 2020

Gross Annual Household Income	Homebuyers		Homeowners	
	Percentage	Cumulative Percentage	Percentage	Cumulative Percentage
\$0-\$4,999	0.0%	0.0%	3.9%	3.9%
\$5,000-\$9,999	0.1%	0.1%	3.2%	7.0%
\$10,000-\$14,999	0.3%	0.4%	8.4%	15.5%
\$15,000-\$19,999	0.4%	0.8%	6.9%	22.4%
\$20,000-\$24,999	0.8%	1.6%	6.3%	28.7%
\$25,000-\$29,999	1.6%	3.2%	4.2%	32.9%
\$30,000-\$34,999	3.6%	6.9%	4.2%	37.1%
\$35,000-\$39,999	5.5%	12.4%	4.2%	41.4%
\$40,000-\$44,999	7.8%	20.2%	3.9%	45.3%
\$45,000-\$49,999	9.0%	29.1%	4.7%	50.1%
\$50,000-\$54,999	10.1%	39.2%	3.8%	53.8%
\$55,000-\$59,999	9.5%	48.8%	3.9%	57.7%
\$60,000-\$64,999	8.9%	57.7%	4.1%	61.8%
\$65,000-\$69,999	7.9%	65.5%	3.7%	65.5%
\$70,000-\$74,999	7.0%	72.6%	4.0%	69.5%
\$75,000-\$79,999	5.4%	78.0%	3.4%	72.9%
\$80,000 and above	22.0%	100%	27.1%	100%
Total	100%		100%	



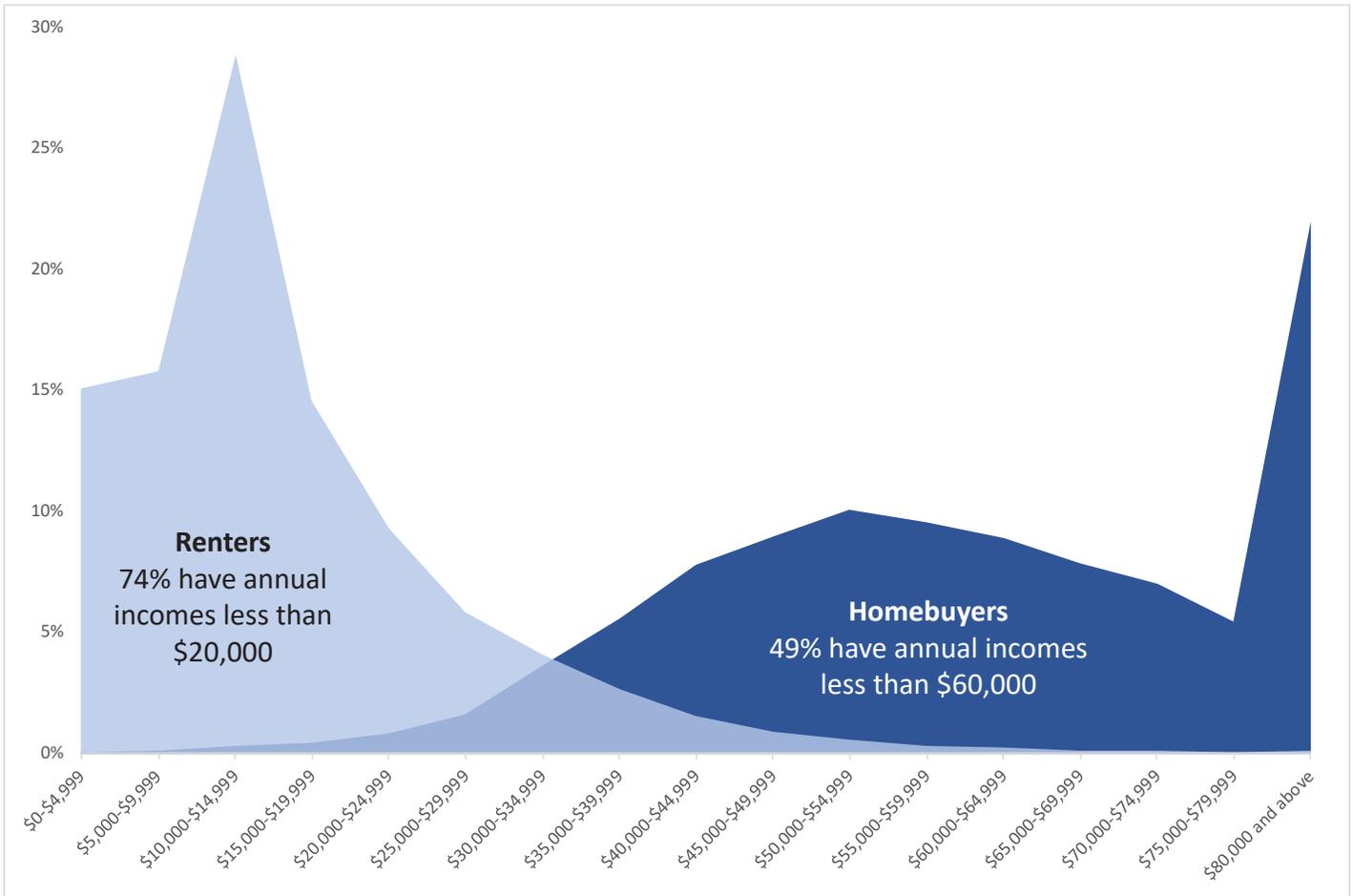
TABLE 2: INCOME DISTRIBUTION OF ASSISTED HOUSEHOLDS, FFY 2020

Gross Annual Household Income	Non-Section 8 Renters		Section 8 Renters	
	Percentage	Cumulative Percentage	Percentage	Cumulative Percentage
\$0-\$4,999	21.7%	21.7%	9.4%	9.4%
\$5,000-\$9,999	16.3%	38.0%	15.3%	24.7%
\$10,000-\$14,999	20.2%	58.2%	36.4%	61.1%
\$15,000-\$19,999	11.4%	69.7%	17.3%	78.3%
\$20,000-\$24,999	8.3%	78.0%	10.1%	88.5%
\$25,000-\$29,999	6.5%	84.5%	5.2%	93.7%
\$30,000-\$34,999	5.2%	89.7%	3.1%	96.8%
\$35,000-\$39,999	3.8%	93.5%	1.7%	98.4%
\$40,000-\$44,999	2.4%	95.9%	0.8%	99.2%
\$45,000-\$49,999	1.4%	97.3%	0.4%	99.6%
\$50,000-\$54,999	0.9%	98.2%	0.2%	99.8%
\$55,000-\$59,999	0.5%	98.7%	0.1%	99.9%
\$60,000-\$64,999	0.4%	99.2%	0.1%	100.0%
\$65,000-\$69,999	0.3%	99.4%	0.0%	100.0%
\$70,000-\$74,999	0.2%	99.8%	0.0%	100.0%
\$75,000-\$79,999	0.1%	99.9%	0.0%	100.0%
\$80,000 and above	0.3%	100%	0.0%	100.0%
Total	100%		100%	

Note: These data exclude households reported under Homeownership Education, Counseling and Training, a program without income limits.

Nearly three-quarters of renters served made less than \$20,000 per year.

FIGURE 2: INCOME DISTRIBUTION OF ASSISTED HOUSEHOLDS, FFY 2020



ER AND
NEW EACH
ROW



TABLE 3: FUNDING AND HOUSEHOLD CHARACTERISTICS, BY PROGRAM, FFY 2020

Resources¹	Minnesota Housing Assistance	Households or Units Assisted	Average Assistance Per Household or Unit	Median Annual Household Income	Black, Indigenous, and People of Color Households²
Homebuyer and Home Refinance (unduplicated count)	\$1,173,678,966	5,667			
Home Mortgage Loans ³ - Start Up	\$822,377,858	4,330	\$189,926	\$57,428	34.2%
<i>no downpayment/closing cost loan</i>	\$15,300,291	107	\$142,993	\$57,192	20.6%
<i>with a downpayment/closing cost loan</i>	\$807,077,567	4,223	\$191,115	\$57,432	34.5%
Home Mortgage Loans ³ - Step Up	\$300,563,914	1,337	\$224,805	\$81,538	28.3%
<i>no downpayment/closing cost loan</i>	\$41,713,882	204	\$204,480	\$68,895	17.6%
<i>with a downpayment/closing cost loan</i>	\$258,850,032	1,133	\$228,464	\$83,768	30.3%
Deferred Payment Loans (DPL) (second mortgage)	\$29,293,275	3,361	\$8,716	\$53,899	35.9%
Monthly Payment Loans (MPL) (second mortgage)	\$21,443,919	1,995	\$10,749	\$81,180	29.8%
Homebuyer/owner Education and Counseling	\$2,677,604	24,165			
Homeownership Education, Counseling, and Training (HECAT) ⁵	\$1,424,595	23,155	\$204	\$41,498	56.4%
Enhanced Homeownership Capacity Initiative	\$1,253,009	1,010	\$1,241	\$42,000	82.9%
Home Improvement	\$28,746,040	1,309			
Home Improvement Loan Program	\$24,083,355	1,097	\$21,954	\$78,587	10.6%
Rehabilitation Loan Program	\$4,662,685	212	\$21,994	\$15,591	9.4%
Rental Production - New Construction and Rehabilitation (unduplicated count)*	\$165,462,238	2,811			
<i>New Construction Subtotal</i>	<i>\$94,430,648</i>	<i>748</i>			
<i>Rehabilitation Subtotal</i>	<i>\$20,182,590</i>	<i>1,424</i>			
<i>Refinance Only Subtotal</i>	<i>\$50,849,000</i>	<i>639</i>			
Low and Moderate Income Rental (LMIR)	\$81,544,844	1,176	\$69,341	\$26,190	58.6%
Flexible Financing for Capital Costs (FFCC)	\$9,069,000	560	\$16,195	See LMIR	See LMIR
Low-Income Housing Tax Credits (LIHTC) syndication proceeds**	\$23,232,952	141	\$164,773	\$22,103	49.7%
Economic Development and Housing/ Challenge Fund (EDHC)	\$9,713,508	83	\$117,030	\$20,370	69.9%

TABLE 3: FUNDING AND HOUSEHOLD CHARACTERISTICS, BY PROGRAM, FFY 2020

Resources ¹	Minnesota Housing Assistance	Households or Units Assisted	Average Assistance Per Household or Unit	Median Annual Household Income	Black, Indigenous, and People of Color Households ²
Housing Infrastructure Bonds (HIB)	\$15,209,185	141	\$107,867	\$6,168	54.0%
Preservation- Affordable Rental Housing Fund (PARIF)	\$0	0	N/A	N/A	N/A
HOME	\$7,324,462	34	\$215,425	\$12,205	55.8%
Publicly Owned Housing Program (POHP)	\$9,655,756	996	\$9,695	\$11,676	24.1%
Rental Rehabilitation Deferred Loan (RRDL) Program	\$1,344,928	86	\$15,639	\$17,125	15.4%
Asset Management ⁶	\$3,049,743	289	N/A	N/A	N/A
National Housing Trust Fund	\$2,511,840	40	\$62,796	N/A	N/A
Workforce Housing Development	\$2,806,020	99	N/A	N/A	N/A
Rental Assistance Contract Administration	\$200,147,439	27,919			
Section 8 Performance Based Contract Administration (PBCA)	\$170,763,266	23,438	\$7,286	\$12,680	38.2%
Section 8 Traditional Contract Administration (TCA)	\$29,384,173	4,481	\$6,558	\$12,502	22.5%
Housing Stability for Populations Needing Extra Support	\$26,376,298	7,934			
Housing Trust Fund - Rental Assistance (HTF-RA) ⁷	\$9,969,447	1,464	\$8,638	\$9,636	62.3%
Housing Trust Fund - Operating Subsidies	\$1,249,481	644	\$1,940	\$9,252	59.7%
Bridges ⁷	\$3,806,855	755	\$6,911	\$10,368	31.5%
Homework Starts with Home	\$1,028,176	191	\$5,383	\$8,052	77.0%
Family Homeless Prevention and Assistance Program (FHPAP) ⁸	\$9,191,079	4,557	\$2,017	\$9,972	61.8%
Section 811	\$952,777	146	\$6,526	\$10,368	52.6%
Housing Opportunities for Persons with AIDS (HOPWA)	\$178,483	177	\$1,008	\$22,029	49.7%

TABLE 3: CONTINUED, FUNDING AND HOUSEHOLD CHARACTERISTICS, BY PROGRAM, FFY 2020

Resources ¹	Minnesota Housing Assistance	Households or Units Assisted	Average Assistance Per Household or Unit	Median Annual Household Income	Black, Indigenous, and People of Color Households ²
Multiple Use Resources (unduplicated count)	\$16,200,860	3,053			
Community Homeownership Impact Fund ⁹ (unduplicated)	\$9,670,037	323	\$29,938	\$47,982	61.6%
-Appropriations	\$7,314,177	322	\$22,715	\$47,991	61.9%
-HIB	\$716,266	38	\$18,849	\$36,783	37.9%
-Interim construction	\$1,639,593	16	\$102,475	\$37,268	26.7%
COVID Housing Assistance Program (Launch Phase) ¹⁰	\$5,530,823	2,625	\$2,107	\$18,000	56.0%
Workforce Affordable Housing Program	\$0	0	N/A	N/A	N/A
Manufactured Homes Communities	\$1,000,000	105	\$9,524	N/A	N/A
Other	\$1,514,436	13			
Disaster Recovery	\$72,727	7	\$10,390	\$40,000	0.0%
Manufactured Home Relocation Trust Fund	\$15,550	6	Not available	Not available	Not available
Technical Assistance and Operating Support	\$1,426,159	No demographic data; this is assistance to nonprofits			
Total (unduplicated count)	\$1,614,803,881	72,871			

*The demographic information for rental production numbers exclude units that also receive Section 8 Project-Based vouchers.

** An unusually small number of low-income housing tax credit projects closed in FFY 2020, not due to funds being awarded but due to the timing of when projects are completed.

TABLE 4: ASSISTANCE TO BLACK, INDIGENOUS, AND PEOPLE OF COLOR HOUSEHOLDS, FFY 2020

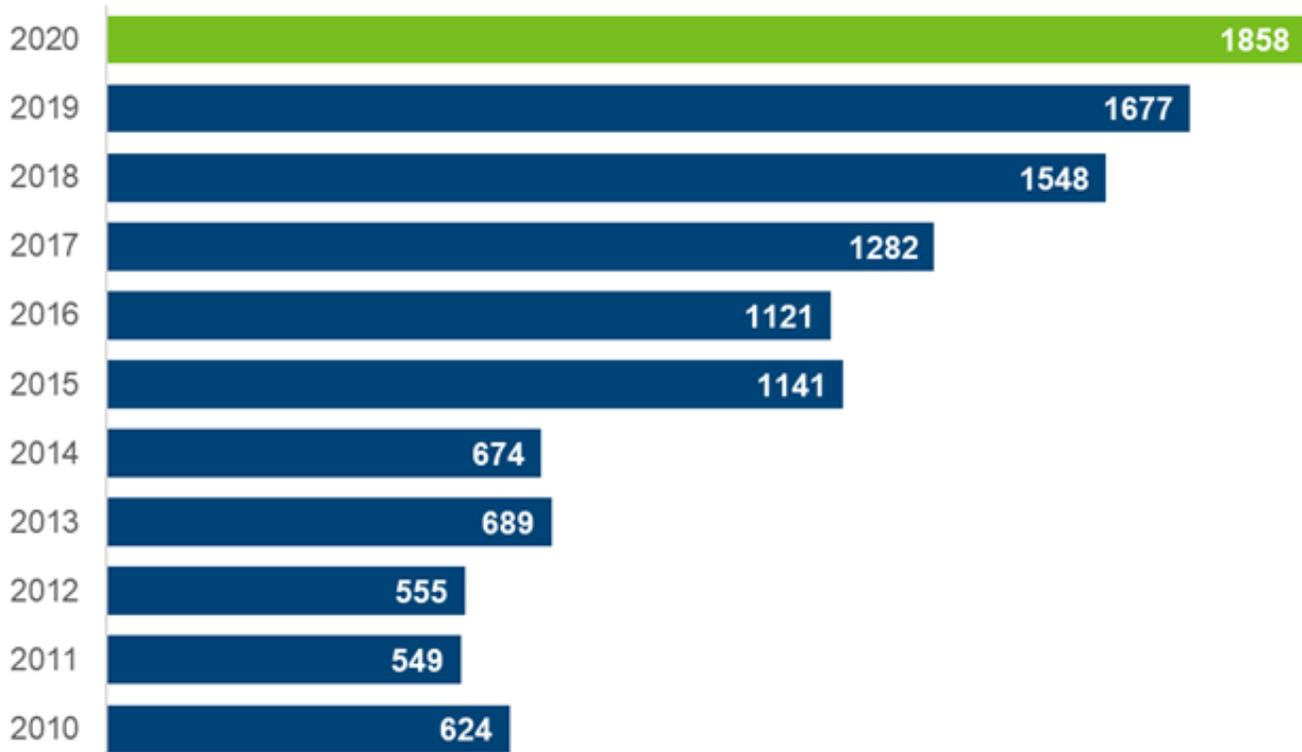
Resources¹	Minnesota Housing Assistance	Households or Units Assisted²	Average Assistance Per Household or Unit	Median Annual Household Income
Homebuyer (unduplicated count)	\$421,606,342	1,858		
Home Mortgage Loans (Start Up & Step Up) ³	\$403,673,056	1,858	\$217,262	\$63,011
<i>no downpayment/closing cost loan</i>	\$11,327,911	58	\$195,309	\$68,846
<i>with a downpayment/closing cost loan</i>	\$392,345,145	1,800	\$217,970	\$62,883
Deferred Payment Loans (second mortgage amount)	\$11,193,723	1206	\$9,282	\$56,974
Monthly Payment Loans (second mortgage amount)	\$6,739,563	594	\$11,346	\$82,711
Homebuyer/owner Education and Counseling	\$1,760,470	4,378		
Homeownership Education, Counseling, and Training (HECAT) ⁵	\$722,086	3,541	\$204	\$42,700
Enhanced Homeownership Capacity Initiative	\$1,038,385	837	\$1,241	\$42,576
Home Improvement	\$3,062,030	136		
Home Improvement Loan Program	\$2,665,909	116	\$22,982	\$83,250
Rehabilitation Loan Program	\$396,121	20	\$19,806	\$16,560
Rental Assistance Contract Administration	\$85,388,320	10,183		
Section 8 Performance Based Contract Administration (PBCA)	\$83,522,869	9,891	\$8,444	\$11,190
Section 8 Traditional Contract Administration (TCA)	\$1,865,451	292	\$6,389	\$10,372
Housing Stability for Populations Needing Extra Support	\$15,010,677	4,808		
Housing Trust Fund - Rental Assistance (HTF-RA) ⁷	\$6,615,010	1,457	\$9,230	\$9,636
Bridges ⁷	\$1,355,798	231	\$7,766	\$10,224
Homework Starts with Home	\$791,319	147	\$5,383	\$9,972
Family Homeless Prevention and Assistance Program (FHPAP) ¹⁷	\$5,675,597	2,814	\$2,017	\$9,624
Section 811	\$484,216	71	\$6,820	\$10,236
Housing Opportunities for Persons with AIDS (HOPWA)	\$88,737	88	\$1,008	Not available

TABLE 4: CONTINUED, ASSISTANCE TO BLACK, INDIGENOUS, AND PEOPLE OF COLOR HOUSEHOLDS, FFY 2020

Resources ¹	Minnesota Housing Assistance	Households or Units Assisted ²	Average Assistance Per Household or Unit	Median Annual Household Income
Multiple Use Resources	\$7,589,023	1,607		
Community Homeownership Impact Fund ⁹ (unduplicated)	\$4,495,215	167	N/A	N/A
-Appropriations	\$3,960,298	167	\$23,714	\$52,002
-HIB	\$178,656	11	\$16,241	\$34,200
-Interim construction	NA	<5	NA	NA
COVID Housing Assistance Program (Launch Phase)	\$3,093,808	1,440	\$2,148	\$17,520
Other	N/A	N/A		
Disaster Recovery	N/A	N/A	N/A	N/A
Total (unduplicated count)	\$534,416,863	22,970		

Note: Excludes funding going to developers of rental housing, which does not go directly to households.

FIGURE 3: HOME MORTGAGE LOANS FOR BLACK, INDIGENOUS, AND PEOPLE OF COLOR HOUSEHOLDS COMMUNITIES, FFY 2010-2020





Over the past three years, almost half of competitive assistance has gone to Greater Minnesota.

TABLE 5: ASSISTANCE BY REGION AND FUNDS SOURCE, FFY 2020

Region	Competitive Assistance: Grants, Deferred Loans, and Housing Tax Credits				
	2020		Three Years: 2018-20		Area Share of Lower Income Cost-Burdened Households
	Amount of Assistance	Area Share of Assistance	Amount of Assistance	Area Share of Assistance	
Central	\$51,406,943	19.9%	\$90,662,079	13.4%	12.7%
Twin Cities	\$126,844,047	49.0%	\$362,649,914	53.7%	54.9%
<i>Minneapolis</i>	\$12,170,809	4.7%	\$56,606,628	8.4%	11.4%
<i>Saint Paul</i>	\$11,804,447	4.6%	\$60,736,142	9.0%	7.4%
Northeast	\$13,837,821	5.4%	\$46,956,964	7.0%	7.0%
<i>Duluth</i>	\$7,288,363	2.8%	\$23,878,881	3.5%	2.3%
Northwest	\$12,324,091	4.8%	\$46,507,820	6.9%	3.2%
Southeast	\$33,144,157	12.8%	\$78,798,623	11.7%	13.0%
Southwest	\$11,682,981	4.5%	\$21,698,474	3.2%	4.8%
West Central	\$9,371,972	3.6%	\$27,573,723	4.1%	4.5%
Total	\$258,612,012	100.0%	\$674,847,597	100.0%	100.0%





TABLE 5: ASSISTANCE BY REGION AND FUNDS SOURCE, FFY 2020

Region	Market-Driven Assistance: Amortizing Loans			
	2020		Three Years: 2018-20	
	Amount of Assistance	Area Share of Assistance	Amount of Assistance	Area Share of Assistance
Central	\$176,407,773	15.0%	\$438,374,315	14.3%
Twin Cities	\$802,179,297	68.2%	\$2,105,373,176	68.8%
<i>Minneapolis</i>	\$81,792,642	7.0%	\$218,669,748	7.1%
<i>Saint Paul</i>	\$111,019,336	9.4%	\$295,970,552	9.7%
Northeast	\$23,903,873	2.0%	\$59,761,900	2.0%
<i>Duluth</i>	\$11,986,289	1.0%	\$32,214,179	1.1%
Northwest	\$7,840,407	0.7%	\$23,137,292	0.8%
Southeast	\$118,921,314	10.1%	\$312,521,666	10.2%
Southwest	\$24,436,129	2.1%	\$66,816,056	2.2%
West Central	\$22,629,609	1.9%	\$55,364,942	1.8%
Total	\$1,176,318,402	100.0%	\$3,061,349,348	100%

Notes: Data available for this table include non-Section 8 resources Minnesota Housing provided in 2020.

Competitive funds are generally distributed to developers and service organizations through a competitive process, such as a Request for Proposals.

Grants and deferred loans are state and federal appropriations (other than Section 8), and Minnesota Housing Pool 3 resources.

Housing tax credits reflect the syndication proceeds in developments for which loans closed with 9% housing tax credits in 2020 (not including suballocators).

Amortizing loans involve regular principal and interest payments with borrowers deciding if they want to apply for a Minnesota Housing loan or pursue other lending options.

Regional total amounts include data for Duluth, Minneapolis, and Saint Paul, i.e., the sum of regional shares is 100%.

Share of lower income cost-burdened households is based on estimates of the number of households with income less than \$50,000 who pay more than 30% of income for housing (from the Census Bureau’s American Community Survey, 2015-2019).

TABLE 6: ASSISTANCE BY PROGRAM, FFY 2018-2020

Resources ¹	2018		2019		2020	
	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households Units Assisted
Homebuyer (unduplicated count)	\$840,003,238	4,640	\$976,524,978	5,105	\$1,173,678,966	5,667
Home Mortgage Loans (Start Up and Step Up) ³	\$800,803,963	4,622	\$932,392,513	5,105	\$1,122,941,772	5,667
<i>no downpayment/closing cost loan</i>	\$20,352,681	141	\$18,842,388	117	\$57,014,173	311
<i>with downpayment/closing cost loan</i>	\$780,451,282	4,481	\$913,550,125	4,988	\$1,065,927,599	5,356
<i>with Mortgage Credit Certificate</i>	\$5,721,374	32	No activity	No activity	No activity	No activity
Mortgage Credit Certificates ⁴	NA	32	No activity	No activity	No activity	No activity
Deferred Payment Loans (second mortgage amount)	\$23,786,550	3,021	\$24,126,600	3,021	\$29,293,275	3,361
Monthly Payment Loans (second mortgage amount)	\$13,939,200	1,454	\$20,005,865	1,967	\$21,443,919	1,995
Homebuyer/owner Education and Counseling	\$2,763,640	21,043	\$2,755,256	20,806	\$2,677,604	24,165
Homeownership Education, Counseling, and Training (HECAT) ⁵	\$1,591,500	20,046	\$1,502,500	19,716	\$1,424,595	23,155
Enhanced Homeownership Capacity Initiative	\$1,172,140	997	\$1,252,756	1,090	\$1,253,009	1,010
Home Improvement	\$17,236,147	853	\$23,847,205	1130	\$28,746,040	1,309
Home Improvement Loan Program	\$11,887,522	617	\$18,226,799	872	\$24,083,355	1,097
Rehabilitation Loan Program	\$5,348,625	236	\$5,620,406	258	\$4,662,685	212

TABLE 6: ASSISTANCE BY PROGRAM, FFY 2018-2020

Resources ¹	2018		2019		2020	
	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households Units Assisted
Rental Production - New Construction and Rehabilitation (unduplicated count)*	\$187,528,048	2,065	\$194,957,932	3,215	\$165,462,238	2,811
Amortizing Loan Program (LMIR and MAP)	\$27,641,000	666	\$46,166,000	850	\$81,544,844	1,176
Flexible Financing for Capital Costs (FFCC)	\$1,741,978	217	\$6,505,363	635	\$9,069,000	560
Low-Income Housing Tax Credits (LIHTC) syndication proceeds	\$111,586,589	1,018	\$80,401,968	1,054	\$23,232,952	141
Economic Development and Housing/Challenge Fund (EDHC)	\$6,792,072	233	\$9,285,509	269	\$9,713,508	83
Preservation-Affordable Rental Housing Fund (PARIF)	\$6,839,491	481	\$11,252,064	306	\$0	0
HOME	\$7,256,506	176	\$2,678,978	24	\$7,324,462	34
Housing Infrastructure Bonds (HIB)	\$13,475,837	177	\$24,229,378	274	\$15,209,185	141
Publicly Owned Housing Program (POHP)	\$2,009,918	174	\$5,975,468	1,193	\$9,655,756	996
Rental Rehabilitation Deferred Loan (RRDL) Program	\$1,765,329	167	\$3,532,436	212	\$1,344,928	86
Asset Management ⁶	\$1,019,328	236	\$2,930,768	50	\$3,049,743	289
National Housing Trust Fund	\$2,700,000	30	\$0	0	\$2,511,840	40

TABLE 6: CONTINUED, ASSISTANCE BY PROGRAM, FFY 2018-2020

Resources ¹	2018		2019		2020	
	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households Units Assisted
Workforce Housing Development	Program not yet implemented	Program not yet implemented	\$500,000	24	\$2,806,020	99
Strategic Investments	\$4,700,000	N/A	\$1,500,000	98	\$0	0
Rental Assistance Contract Administration	\$184,845,700	28,075	\$185,554,012	28,063	\$200,147,439	27,919
Section 8 Performance Based Contract Administration (PBCA)	\$140,893,369	21,349	\$145,634,153	21,337	\$170,763,266	23,438
Section 8 Traditional Contract Administration (TCA)	\$43,952,331	6,726	\$39,919,859	6,726	\$29,384,173	4,481
Housing Stability for Populations Needing Extra Support	\$25,738,005	9,770	\$26,724,125	10,143	\$26,376,298	7,934
Housing Trust Fund - Rental Assistance (HTF-RA) ⁷	\$9,625,871	1,611	\$9,850,414	1,649	\$9,969,447	1,464
Housing Trust Fund - Operating Subsidies	\$3,397,859	1,455	\$2,371,613	1,385	\$1,249,481	644
Bridges ⁷	\$4,354,591	894	\$4,106,576	816	\$3,806,855	755
Homework Starts with Home	Program not yet implemented	\$1,028,176	191			
Family Homeless Prevention and Assistance Program (FHPAP) ⁸	\$7,602,359	5,536	\$9,510,553	6,013	\$9,191,079	4,557
Section 811	\$601,892	100	\$740,116	124	\$952,777	146
Housing Opportunities for Persons with AIDS (HOPWA)	\$155,433	174	\$144,854	156	\$178,483	177

TABLE 6: CONTINUED, ASSISTANCE BY PROGRAM, FFY 2018-2020

Resources ¹	2018		2019		2020	
	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households Units Assisted
Multiple Use Resources (unduplicated count)	\$4,802,082	198	\$7,460,298	345	\$16,200,860	3,053
Community Homeownership Impact Fund ⁹	\$4,802,082	198	\$7,460,298	345	\$9,670,037	323
-Appropriations	\$4,497,610	198	\$6,327,165	342	\$7,314,177	322
-HIB	\$83,000	4	\$647,785	26	\$716,266	38
-Interim construction	\$221,472	9	\$485,349	6	\$1,639,593	16
COVID Housing Assistance Program (Launch Phase)	Program not yet implemented	\$5,530,823	2,625			
Manufactured Homes Communities	Program not yet implemented	\$1,000,000	105			
Other	\$4,022,309	91	\$1,474,989	77	\$1,514,436	13
Neighborhood Stabilization Program (NSP)	\$1,334,589	21	No activity	No activity	No activity	No activity
Disaster Recovery	\$198,287	9	\$172,967	10	\$72,727	7
Manufactured Home Relocation Trust Fund	\$281,371	61	\$166,476	67	\$15,550	6
Technical Assistance and Operating Support ¹¹	\$2,208,062	N/A	\$1,135,546	N/A	\$1,426,159	N/A
Total (unduplicated count)	1,266,939,169	66,735	1,419,298,796	68,884	\$1,614,803,881	72,871

* The demographic information for rental production numbers exclude units that also receive Section 8 Project-Based vouchers.

TABLE 6: CONTINUED, ASSISTANCE BY PROGRAM, FFY 2018-2020

Notes

¹ For programs in which Minnesota Housing provides second mortgages in conjunction with other Minnesota Housing assistance, units are counted only once, i.e., under the program from which the first mortgage or greatest amount of financing was provided.

² HOME HELP may be funded prior to or after closing on the first mortgage. The HOME HELP reported here is based on funding date of the HOME HELP loan.

³ HECAT is also funded through other partners; amount shown is Minnesota Housing's contribution to all households assisted.

⁴ Multifamily activity numbers for 2011 and 2012 have been adjusted/corrected from previous reports to ensure consistency with 2013 data, i.e., total units are shown by program and an unduplicated unit count is shown for subtotals. Rental Production in all three years has been updated to include Challenge, previously reported under Multiple Use Resources.

⁵ Beginning with the report for 2010, the total amount of syndication proceeds are reported for developments with loans that closed in the reporting year. Previous reports have shown the annual amount of credit claimed for the first time in the previous year (an annual average of \$8.4 million in credits from 2007-2009), which underreported the value of housing tax credits. Tax credit units receiving Minnesota Housing assistance are counted only once, under the program from which the agency disbursed assistance funds. Data do not include suballocator units.

Fluctuation in the dollar value of syndication from year to year may be attributable to fluctuation in the number of loan closings occurring in a given year, fluctuation in tax credit pricing, and increased syndication proceeds related to utilization of the 4% tax credit resource in 2013.

⁶ Previous reports only included those Section 236 units financed by Minnesota Housing (approximately 500); this report includes all Section 236 units for which Minnesota Housing currently makes interest reduction payments.

⁷ Assistance amount for Bridges and Housing Trust Fund Rental Assistance is the actual voucher and security deposit amounts disbursed during the reporting year. Average assistance per household is estimated for 12 months based on average monthly assistance (including security deposits) paid in the reporting year. Both the Bridges and Housing Trust Fund assistance amounts include some ELHIF resources.

⁸ Beginning in 2009, for greater consistency and accuracy, data on FHPAP assistance has been reported by State Fiscal Year (July 1 through June 30), based on expenditures for assistance and services reported to Minnesota Housing by FHPAP providers.

TABLE 7: CHARACTERISTICS OF HOUSEHOLDS SERVED, BY PROGRAM, FFY 2020

Resources ¹	Percentage of households that are:			
	Families with Children	Seniors	With a Disabled Occupant*	Long-term Homeless
Homebuyer and Home Refinance (unduplicated count)	51.4%	1.9%	1.1%	N/A
Home Mortgage Loans (Start Up and Step Up) ³	51.4%	1.9%	1.1%	N/A
Deferred Payment Loans	65.3%	1.9%	1.8%	N/A
Monthly Payment Loans	61.8%	2.0%	0.3%	0.0%
Homebuyer/owner Education and Counseling	N/A	9.1%	N/A	N/A
Homeownership Education, Counseling, and Training (HECAT) ⁵	N/A	10.1%	N/A	N/A
Enhanced Homeownership Capacity Initiative	63.5%	3.6%	N/A	N/A
Home Improvement	65.5%	18.3%	7.3%	N/A
Home Improvement Loan Program	70.0%	12.9%	1.5%	N/A
Rehabilitation Loan Program	39.8%	46.7%	37.3%	N/A
Rental Production - New Construction and Rehabilitation (unduplicated household count)	35.5%	20.0%	27.6%	6.8%
Low and Moderate Income Rental (LMIR)	49.0%	15.4%	15.3%	2.8%
Flexible Financing for Capital Costs (FFCC)	See characteristics for LMIR	See characteristics for LMIR	See characteristics for LMIR	See characteristics for LMIR
Low-Income Housing Tax Credits (LIHTC) syndication proceeds	43.2%	19.3%	20.4%	6.3%
Economic Development and Housing/Challenge Fund (EDHC)	42.8%	12.7%	14.3%	6.5%
Preservation- Affordable Rental Housing Fund (PARIF)	N/A	N/A	N/A	N/A
HOME	25.0%	25.4%	34.4%	3.7%
Housing Infrastructure Bonds (HIB)	16.4%	14.4%	66.8%	17.3%
Preservation- Affordable Rental Housing (PARIF)	No completed projects in FFY2020	No completed projects in FFY2020	No completed projects in FFY2020	No completed projects in FFY2020

TABLE 7, CONTINUED: CHARACTERISTICS OF HOUSEHOLDS SERVED, BY PROGRAM, FFY 2020

Resources ¹	Percentage of households that are:			
	Families with Children	Seniors	With a Disabled Occupant*	Long-term Homeless
Publicly Owned Housing Program (POHP)	8.1%	36.0%	46.9%	2.9%
Rental Rehabilitation Deferred Loan (RRDL) Program	19.8%	34.2%	26.3%	0.2%
Rental Assistance Contract Administration (Section 8 PBCA and TCA)	24.9%	45.2%	34.9%	N/A
Housing Stability for Populations Needing Extra Support	48.5%	5.3%	N/A	34.9%
Housing Trust Fund - Rental Assistance (HTF-RA) ⁷	52.7%	9.1%	N/A	77.0%
Housing Trust Fund - Operating Subsidies	31.6%	8.1%	42.9%	42.8%
Bridges ⁷	30.8%	4.9%	100.0%	18.1%
Family Homeless Prevention and Assistance Program (FHPAP) ⁸	52.2%	3.9%	44.5%	22.9%
Homework Starts with Home	100.0%	0.5%	27.2%	27.2%
Section 811	4.8%	4.8%	100.0%	N/A
Housing Opportunities for Persons with AIDS	No detailed household data available			
Multiple Use Resources (unduplicated count)	54.5%	14.9%	N/A	N/A
Community Homeownership Impact Fund ⁹	53.9%	14.9%	N/A	N/A
COVID Housing Assistance Program (Launch Phase)	74.1%	N/A	N/A	N/A
Other				
Quickstart Disaster Recovery	85.7%	N/A	N/A	N/A

*For all programs except FHPAP, disability percentages are based on the disability status of any household member; for FHPAP, the disability percentage is based on the disability status of only the head of the household. When interpreting these percentages, one would expect lower percentages when considering only the head of the household's disability status.

Seniors= 62 and older

Long-term Homeless= Lacking a permanent place to live continuously for a year or more, or at least four times in the past three years.

NOTES

¹ Data for all programs include loans and grants purchased, closed, or disbursed during the program year, not loans and grants currently committed but not yet disbursed. For programs in which Minnesota Housing provides second mortgages in conjunction with other Minnesota Housing assistance, total units are shown by program, but are unduplicated in subtotal and total unit counts.

Tenant demographics for rental units are reported to Minnesota Housing by owners of agency-funded developments being monitored for compliance with program rules. Data include characteristics of tenants occupying developments funded prior to the reporting year. These data are proxies for the tenants most likely to move into these units. With the exception of households with a disabled member, all percentage calculations are based on households with complete information reported; due to the availability of data, we calculated percentages of disabled households based on the total number of households reporting. Household income is based only on tenants with income reported in the last three years.

Tenant characteristics will vary from year-to-year reflecting the number, size, location, and type of developments on which owners report.

² These are households in which the head of household (borrower or coborrower, in the case of homeownership or home-improvement loans) is of a race other than white or is of Latinx/Hispanic origin.

³ Data include first mortgages that U.S. Bank Home Mortgage HFA Division purchased during the reporting year.

⁴ Includes the number of households that received a mortgage credit certificate, either with or without a first mortgage from Minnesota Housing.

⁵ The number of HECAT households served includes people who took the online Framework course.

⁶ Includes Financing Adjustment Factor and Financing Adjustment (FAF/FA) resources.

⁷ Total assistance amount for Bridges and Housing Trust Fund Rental Assistance is the actual voucher, security deposit, and housing expense amounts disbursed during the reporting year. Average assistance per household is estimated for 12 months based on average monthly assistance paid in the reporting year.

⁸ Beginning in 2009, for greater consistency and accuracy, data on FHPAP assistance has been reported by State Fiscal Year (July 1 through June 30), based on expenditures for assistance and services reported to Minnesota Housing by FHPAP providers and demographic data reported in HMIS. Because the organization administering the data for FHPAP is improving the system for maintaining the data, the FHPAP demographic information in this report should be considered estimates, not actuals. The household served and dollars are actuals.

⁹ The Community Homeownership Impact Fund includes Single Family's Economic Development and Housing/Challenge Fund resources. This is a count of loans, not households; some households may receive more than one loan under this program.

¹⁰ COVID Housing Assistance Program data are based on households that had their application for assistance approved in FFY2020, and funds had not yet necessarily been disbursed.



400 Wabasha Street North, Suite 400
St. Paul, MN 55102
651.296.7608 | 800.657.3769 | mnhousing.gov

Equal Opportunity Housing and Equal Opportunity Employment.