

2021 Legislative Session & Eviction Moratorium Offramp Summary - Housing

LLE Housing Workgroup 08/11/2021

Funding Increases

- **Authorizes the issuance of \$100 million in housing infrastructure bonds (HIBs).** \$18,333,000 must be used for single-family housing activities and \$15,000,000 must be used for acquisition of manufactured home parks and for manufactured home park improvements and infrastructure
- **Workforce Homeownership Program** - Appropriates \$3.25 million in FY22 to provide grants and loans for the development of workforce and affordable homeownership (serving up to 115% of AMI) opportunities
- **Manufactured Home Park Infrastructure Grants** - Appropriates \$1.75 million in FY22 to fund infrastructure improvements or acquisition of manufactured home parks
- **Local Housing Trust Funds State Match** - Appropriates \$1 million in FY22 for grants to local housing trust funds
- **Economic Development and Housing Challenge (Challenge Fund)** - Appropriates an additional \$2.8 million one-time in FY22. Funds both multifamily rental and single-family homeownership new construction and redevelopment
- **Homeownership Assistance Fund (HAF)** - Appropriates an additional \$1 million in FY22 to assist persons and families of low and moderate income in the purchase of affordable residential housing
- **Shelter Bill of Rights Taskforce** - Appropriates \$200,000 one-time to establish a task force on shelter and requires a report to the legislature on the task force's findings and recommendations

Funding Increases & Services Adjustments

- **Housing Support** - Removes language related to absent days (effective July 1, 2021) so that people do not lose their housing when receiving in-patient medical treatment. Increases the base for the monthly housing support room and board rate by \$50 for residents in certain settings (effective July 1, 2022)
- **Emergency Services Program (ESP)** - The bill funds ESP at \$6 million annually, on an ongoing basis. The current base budget for this program is a \$844,000 per year
- **Shelter capital** - Appropriates \$1 million annually to preserve shelter infrastructure and make improvements that promote health, safety, and accessibility
- **Minnesota Family Investment Program (MFIP)** - Indexes to inflation to ensure that this cash benefit program for families with very low incomes keeps up with the rising costs of food, housing, and other necessities. Also makes a one-time payment to MFIP recipients as they recover from COVID-19

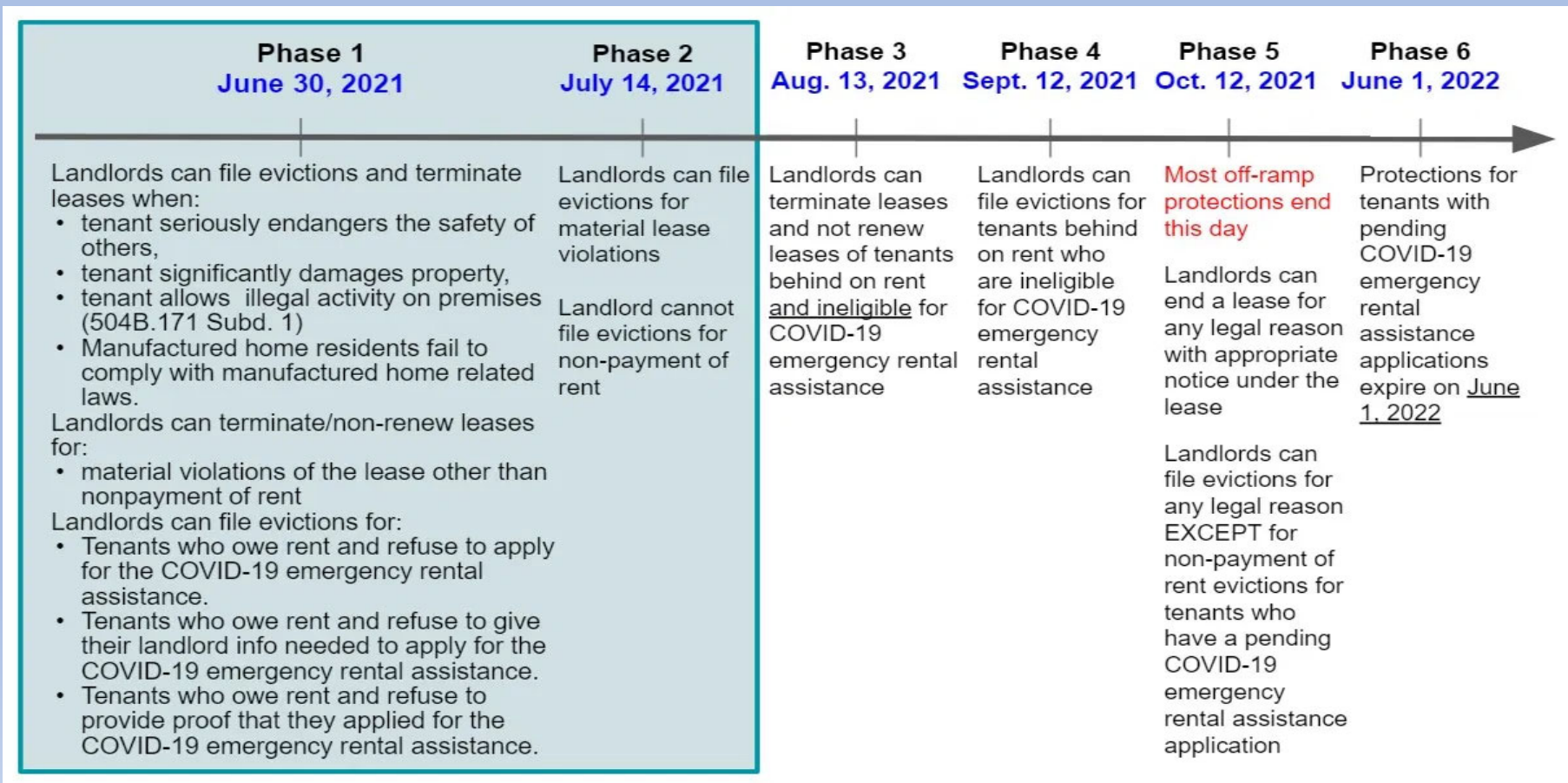
2021 Tax Bill

- **Affordable Housing Tax Credit** - Establishing the Affordable Housing Tax Credit at \$9.9 million annually for the next 6 years, making this the largest new and ongoing investment to support affordable housing development and preservation since 2013. Establishes the housing tax credit contribution fund to make grants or loans to recipients for eligible single family and multifamily affordable housing developments for persons and families with low and moderate incomes. Allows taxpayers to claim a credit for contributions to the housing tax credit contribution fund or contributions designated for a specific project. This new program creates more predictable funding and provides an opportunity to incentivize broader public participation in achieving the affordable housing needs in communities across Minnesota. This program is flexible to meet the needs of individual communities and can be used as a stand-alone program or paired with other existing financing tools. The tax credit supports deeper affordability with 35% of funds reserved for households at or below 50% AMI and it includes set asides for communities with populations smaller than 2,500 and for single-family housing

2021 Tax Bill cont.

- **Temporary 4d valuation reduction** - Sets the first-tier limit for class 4d property at \$100,000 for assessment years 2022 and 2023. The bill also includes language mandating a study due by January 2022 on the best path forward regarding 4d properties and the tax classification rate. Beginning with assessment year 2024, the first-tier limit is annually adjusted. Since 2014, the second-tier rate reduction “kick-in” has risen 74 percent, which far exceeded the increase in property tax valuations that were expected. The rising valuations means the value of the second tier has provided less and less benefit, putting more and more stress on affordable housing providers to increase rents
- **Historic Preservation** - Extends the sunset date on the historic structure rehabilitation credit for one year
- **Local Homeless Prevention Aid:** Appropriates \$20 million annually for six years and provides new state aid to counties that can be used to fund family homeless prevention and assistance projects. The purpose of the aid is to ensure that no child is homeless by keeping families from losing housing and helping those experiencing homelessness find housing. Distributes aid based on the population of the county and each county’s percentage share of students experiencing homelessness, except that each county must receive at least \$5,000 per year. Sunsets the program after six years

Eviction Moratorium Off-ramp



Eviction Moratorium Off-ramp Key Updates

- Tenants who are behind on rent should immediately apply for emergency rental assistance through [RentHelpMN.org](https://renthelpmn.org) or by calling 2-1-1. Applying for this assistance can protect tenants from eviction for nonpayment of rent while they are waiting for their application to be processed and the money paid out. This protection lasts until June 1, 2022, but only for those tenants who have pending applications, so applying for this assistance is an essential first step
- Tenants should receive a notice from their landlord 15 days before an eviction action for nonpayment is filed. This will give tenants time to apply for emergency rental assistance and protect them from eviction while the application is pending. This notice requirement lasts until October 12, 2021
- Some tenants may be subject to lease termination, lease non-renewal, and/or eviction immediately for a few specific reasons. Then, over a series of several key dates on the 105-day timeline (*previous slide*), additional types of lease terminations, lease non-renewals, and evictions can be filed. Tenants who dispute a specific type of lease termination, lease non-renewal, or eviction should seek legal advice immediately.

Eviction Moratorium Updates & RentHelpMN

- Additional FAQs about the moratorium:
 - [HOME Line](#)
 - [RentHelpMN](#)
- [Dashboard](#) – As of 8/5/21, there have been 527 applications submitted from Scott County households for a total of \$3.81M in assistance requested.
- [Energy Assistance Program](#) Reminder

Local Efforts

- FRC Support – Isuroon & Scott Co. housing will be available at the Family Resource Centers to assist households during their application to RentHelpMN
- Law Library Collaboration – Continued legal clinic availability
 - Coordination with Court Admin to update the summons documents that are sent to households facing an eviction, along with assistance in establishing a report that can track the number of filings that happen in Scott County. As of 08/09/21, we have had 0 filings.