

Memorandum

TO: Economic Development Authority
FROM: Niki Hill, AICP , Assistant Community Development Director
DATE: February 3, 2025
SUBJECT: Local Housing Trust Fund Grant Program
ITEM NUMBER: 5.b
SECTION: GENERAL BUSINESS

REQUESTED MOTION

To authorize staff to submit the "intent to apply" application for the Housing Trust Fund Grant.

INTRODUCTION

The Minnesota Local Housing Trust Fund Grant Program was established in 2021 to incentivize local governments to create Housing Trust Funds by providing state funding to encourage investment in affordable housing.

DISCUSSION

In 2025, eligible entities may apply for a 100% Housing Trust Fund match of up to \$150,000 (pending availability). Any additional funding over \$150,000 up to \$300,000 will be matched at 50%.

The grant funds:

- Must be used for households at or below 115% of state median income
- May be used for
 - Development, rehabilitation or financing of housing
 - Downpayment assistance
 - Rental assistance
 - Homebuyer counseling services
 - Administrative expenses, up to 10% of grant
- Must be used within five years

RECOMMENDATION

To discuss the grant program and authorize staff to prepare and submit the intent to apply for the Housing Trust Fund Grant Program.

ATTACHMENTS

[Local Housing Trust Fund Program Guide](#)