

SENATE
STATE OF MINNESOTA
EIGHTY-EIGHTH SESSION

S.F. No. 2638

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DATE	D-PG	OFFICIAL STATUS
03/13/2014	6212	Introduction and first reading Referred to Health, Human Services and Housing

1.1 A bill for an act
 1.2 relating to housing; creating the Housing Opportunities Made Equitable (HOME)
 1.3 pilot project; appropriating money.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. **HOUSING OPPORTUNITIES MADE EQUITABLE (HOME) PILOT**
 1.6 **PROJECT.**

1.7 (a) The Minnesota Housing Finance Agency shall establish the Housing
 1.8 Opportunities Made Equitable (HOME) pilot project to support closing the disparity
 1.9 gap in affordable homeownership and rental housing for all communities of color and
 1.10 American Indians in Minnesota.

1.11 (b) \$50,000,000 is appropriated in fiscal year 2015 from the general fund to the
 1.12 Minnesota Housing Finance Agency for the HOME pilot project under this section. Funds
 1.13 appropriated shall be used to support the capacity of several local community nonprofit
 1.14 housing and service providers to administer the project. The Minnesota Housing Finance
 1.15 Agency shall choose providers that have proven track records of assisting culturally
 1.16 diverse groups of people with long-term education services and wraparound services that
 1.17 have historically resulted in sustainable affordable housing opportunities for culturally
 1.18 diverse groups. The pilot project must:

1.19 (1) increase housing opportunities for specific groups while closing the disparity gap
 1.20 that exists in Minnesota;

1.21 (2) redevelop and rebuild challenged neighborhoods affected by foreclosure crisis;

1.22 (3) bring long-term cost benefits by rejuvenating a property tax base of more than
 1.23 \$2,500,000 over four years; and

2.1 (4) create a revenue stream of at least \$..... each year to be redistributed to providers
2.2 to expand capacity to help more families.

2.3 (c) Of the appropriation, \$..... must be used to assist families to attain sustainable
2.4 affordable homeownership and rental units. Assistance may include long-term financial
2.5 education, training, case management, credit mending, homebuyer education, foreclosure
2.6 prevention mitigation services, jobs and employment readiness training resources, and
2.7 supporting wraparound services.

2.8 (d) Of the appropriation, \$..... must be used to develop and administer a revolving
2.9 loan pool for lending to assist families with culturally sensitive credit affordability
2.10 financing that will be administered by the providers. Proceeds from the origination,
2.11 processing, administrative fees, and servicing of the loans must go into a pool that will
2.12 be redistributed back to the providers to expand capacity to assist more families with
2.13 purchasing a home or providing rental subsidies.