

4900.2440 URBAN AND RURAL HOMESTEADING PROGRAM.

Subpart 1. **Purpose of program.** The urban and rural homesteading program provides grants to eligible organizations to acquire and rehabilitate existing single-family residences, or to acquire and demolish eligible properties and construct new single-family residences, and sell them through contracts for deed to eligible homebuyers who are considered to be at risk and are willing to strengthen the neighborhood by adhering to a good neighbor policy reference.

Subp. 2. **Uses of grant money.** The grants must be used by eligible organizations to buy eligible properties and pay for the cost of acquiring and rehabilitating those properties, or acquiring and demolishing those properties and constructing new single-family homes. The agency may establish an allocation plan for the program to provide for the greater likelihood of awarding such grants among urban and rural properties. The agency may establish a priority that new construction is only permitted on a case-by-case review, as described in part 4900.2520, subpart 4. The agency may also establish requirements pertaining to maximum allowable administrative costs under the program, but in no instance may the administrative costs exceed ten percent of the amount awarded per eligible organization from funds appropriated for the program during the period of acquisition, rehabilitation, or as permitted, demolition and construction, and sale.

Statutory Authority: *MS s 462A.057; 462A.06*

History: *14 SR 2632; 22 SR 1402; 26 SR 863; 29 SR 1479*

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