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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 1334

02/24/2025 Authored by Noor, Igo, Howard, Hussein, Youakim and others
The bill was read for the first time and referred to the Committee on Housing Finance and Policy

A bill for an act

relating to housing; modifying the high-rise sprinkler system grant program; appropriating money to Minnesota Housing Finance Agency; transferring money; amending Laws 2023, chapter 37, article 2, section 10.

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

Section 1. Laws 2023, chapter 37, article 2, section 10, is amended to read:

Sec. 10. **HIGH-RISE SPRINKLER SYSTEM ~~GRANT~~ PROGRAM.**

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Eligible building" means an existing residential building in which:

(1) at least one story used for human occupancy is 75 feet or more above the lowest level of fire department vehicle access or the building is seven or more stories in height; and

(2) at least two-thirds of its units are affordable to households with an annual income at or below ~~50~~ 60 percent of the area median income as determined by the United States Department of Housing and Urban Development, adjusted for family size~~, that is paying no more than 30 percent of annual income on rent~~.

(c) "Sprinkler system" means the same as the term "fire protection system" as defined in Minnesota Statutes, section 299M.01.

Subd. 2. ~~**Grant program**~~ **Use of funds.** The commissioner of the Housing Finance Agency must make grants and loans to owners of eligible buildings for installation of sprinkler systems and, if necessary, for relocation of residents during the installation of

sprinkler systems. Priority shall be given to nonprofit applicants. The maximum grant per eligible building shall be $2,000,000. Each grant to a nonprofit organization shall require a 25 percent match. Each grant to a for-profit organization shall require a 50 percent match.

Sec. 2. **TRANSFER AND APPROPRIATION; HIGH-RISE SPRINKLER SYSTEM PROGRAM.**

(a) $10,000,000 in fiscal year 2026 is transferred from the general fund to the housing development fund. This is a onetime transfer.

(b) $10,000,000 in fiscal year 2026 is appropriated from the housing development fund to the commissioner of the Housing Finance Agency for the high-rise sprinkler system program in Laws 2023, chapter 37, article 2, section 10. This is a onetime appropriation.