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# State of Minnesota

## HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

# H. F. No. 2901

03/27/2025 Authored by Rehrauer, Momanyi-Hiltsley, Norris, Freiberg, Xiong and others  
The bill was read for the first time and referred to the Committee on Housing Finance and Policy

- 1.1 A bill for an act
- 1.2 relating to housing; expanding allowable uses of funds in the Minnesota housing
- 1.3 tax credit contribution account to include funding supportive services in supportive
- 1.4 housing; amending Minnesota Statutes 2024, section 462A.40, subdivision 2.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. Minnesota Statutes 2024, section 462A.40, subdivision 2, is amended to read:
- 1.7 Subd. 2. **Use of funds; grant and loan program.** (a) The agency may award grants and
- 1.8 loans to be used for multifamily and single family developments for persons and families
- 1.9 of low and moderate income. Allowable use of the funds include: gap financing, as defined
- 1.10 in section 462A.33, subdivision 1; new construction; acquisition; rehabilitation; demolition
- 1.11 or removal of existing structures; construction financing; permanent financing; interest rate
- 1.12 reduction; services enumerated in section 462A.37, subdivision 1, paragraph (k), in existing
- 1.13 supportive housing as defined in that paragraph; and refinancing.
- 1.14 (b) The agency may give preference for grants and loans to comparable proposals that
- 1.15 include regulatory changes or waivers that result in identifiable cost avoidance or cost
- 1.16 reductions, including but not limited to increased density, flexibility in site development
- 1.17 standards, or zoning code requirements.