

4900.3727 ELIGIBLE USES OF FUNDS.

To be eligible for capital funding under the housing trust fund program, rental housing must satisfy the following requirements.

A. The proposed housing development must consist of living accommodations for persons and families. Nursing homes, board and care facilities, and supervised living facilities licensed by the Department of Health or a delegated local department of health are not eligible housing developments, nor are properties where all residents require an individual 24-hour plan for supervision, medical, or health care.

B. The assisted units in the proposed housing development must provide rental housing for persons and families whose gross incomes, at the time of initial occupancy, do not exceed 60 percent of median income as determined by HUD for the metropolitan area. This median income may be adjusted for family size for families with five or more people. A household with Section 8 project-based or voucher assistance is deemed to meet the income requirements of this item.

C. The proposed housing developments must consist of a minimum of four rental housing units.

D. The use restrictions in this part must remain in effect until the later of:

(1) the date on which the loan is repaid or the grant agreement is terminated;

or

(2) the date that is 15 years from the closing date of the loan or grant.

E. At least 75 percent of funds in the housing trust fund program must be used for the benefit of persons and families whose gross incomes, at the time of initial occupancy, do not exceed 30 percent of the median family income for the metropolitan area. This median income may be adjusted for family size for families with five or more people. A household with Section 8 project-based or voucher assistance is deemed to meet the income requirements of this item.

Statutory Authority: *MS s 462A.06*

History: *26 SR 1511; 29 SR 1479*

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