



STPAUL.GOV

CITY OF SAINT PAUL

# Local Affordable Housing Aid



## Local Affordable Housing Aid

- Funded by a \$0.25 metro wide sales tax
- Allocations made to metro cities with 10,000 or more population
- Allocations based on city's relative share of housing cost burdened households
- Estimated allocation to the City of Saint Paul in the first year: **\$5,600,000**
- Funds are given directly to the City from the MN Department of Revenue
- Will be paid in two equal installments: July 20 and December 26, beginning in 2024
- Funds must be spent by December 31 of the fourth year after the aid was received
- Annual reporting to Minnesota Housing is required



## Local Affordable Housing Aid

- Funds must be used for qualifying uses, which include:
  - Emergency Rental Assistance
  - Funding for non-profit development, preservation, and operation of supportive housing
  - Projects providing homeownership opportunities for households earning 115% AMI or less, prioritizing 80% AMI or less
  - Projects providing affordable rental opportunities for households earning 80% AMI or less, prioritizing 50% AMI or less



## Local Affordable Housing Aid

- If funds are not spent down in time, they must be returned unless:
  - The City can demonstrate why they were unable to expend the funds

AND

- The funds are moved to a Local Housing Trust Fund as defined by MN Statute 462C.16