

HOUSING TRUST FUND

The Minnesota Legislature established the Housing Trust Fund in 1988 to support the development of affordable housing for low-income persons and families. Its purpose was expanded in 2001 (see below). Revenue for the Housing Trust Fund is generated from the interest earnings on real estate broker's trust accounts; interest accrued on revenue bond application fees and forfeited fees; and state appropriated funds.

Housing Trust Fund At-a-Glance

In 2011, Housing Trust Fund funding provided:

- \$10.8 million in rental assistance to 1,993 households
- \$1.05 million in operating subsidies to 266 units
- 64% of households receiving rental assistance were households of color
- Median Annual Household Income of households receiving rental assistance of \$7,680

Housing Trust Fund: Rental Assistance

- In 2001, eligible activities of the Housing Trust Fund program were expanded to include funding for rental assistance and housing operating support
- For rental assistance, there are three options: tenant-based, sponsor-based, and project-based rental assistance
- Housing Trust Fund rental assistance is intended to be temporary in nature and to provide assistance through an Administrator to an individual household or through the owner of an Agency-financed development approved to receive project-based rental assistance
- At least 75 percent of funds in HTF must be used for the benefit of persons and families whose income, at the time of initial occupancy, does not exceed 30 percent of the median family income for the Minneapolis/Saint Paul metropolitan area

Housing Trust Fund: Bridges Program and Housing Opportunities for Persons with AIDS (HOPWA)

- The Bridges Program is modeled after Section 8 and provides rental assistance to persons with serious mental illness who may or may not have been homeless. Referrals are made by mental health professionals
- The HOPWA Program provides assistance to low-income people living with AIDS. It is administered by Minnesota Housing and funded by HUD through a formula allocation



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2013 Request: \$2 million (Restored); \$2.5 million Increase