

American Rescue Plan (ARP) State Fiscal Recovery Funds (SFRF) Request Form

Please complete this form in accordance with the process instructions.

Agency/Point of Contact: Minnesota Housing Finance Agency

Title of Request: Repurpose of \$20 million Authorized in Action Order #7 for Emergency Rental Assistance

Date: 1/24/2022 **Request Amount:** \$ 20,000,000

Expenditure Time Period: 2/1/2022 to 6/30/2023 (no later than 6/30/2023)

Brief Summary of Request: (Summary must be complete on this page with supporting information attached)

Minnesota Housing is requesting to repurpose the \$20 million authorized by Legislative COVID-19 Response Commission – Action Order #7. The repurposing will allow the agency to use the \$20 million to fund applications received prior to the closing of the program that cannot be funded with the existing Emergency Rental Assistance funding. Up to 15% of the direct assistance provided by \$20 million may be used for administrative costs to process applications and payments and the funding may also be used for additional months of assistance beyond the maximum 18 months allowed under federal law to provide additional housing stability.

Minnesota Housing has received two federal rounds of Emergency Rental Assistance including \$300 million in December 2020 (ERA1) and \$237 million in March's American Rescue Plan (ERA2). Since April 2021 RentHelpMN has been accepting applications for emergency rental assistance. The program is paying unpaid rent and utility bills going back to March 2020. As of January 13, the program has received 84,138 applications with applicants requesting \$481.4 million in assistance. The program has paid more than \$343.3 million in statewide assistance through more than 75,800 payments providing housing stability to more than 45,000 households. These numbers are updated frequently on the RentHelpMN public dashboard that can be found here: <https://www.mnhousing.gov/renthelpmn-dashboard>. Some current demographics and attributes of RentHelpMN applicants are: 1) 88% make less than 50% of AMI; 2) the average income is around \$21,000; 3) nearly 66% of applicants earn less than \$25,000 annually; and 4) 67% identify as Black, Indigenous and People of Color.

The RentHelpMN program has experienced sustained high demand from applicants with demand increasing in December 2021 and again in January 2022 as the pandemic continues. More than 12,000 applications were submitted in December and the projected total for January is about 16,000 before any surge that may be created by announcing pending closure to new applications. January applications are on track to be the highest number of submitted applications for the program. Additionally, in recent weeks the dollar requests for assistance have recently been higher than the program's average.

Due to these factors and limited funding remaining, RentHelpMN will be closing to new applications and re-applications soon. Our goals are to take applications as long as we reasonably can given diminishing funding, to provide as much program closure notice as possible, and to limit or not have any submitted applications that may exceed available resources. Given the significant and persistent need, Minnesota Housing has asked U.S. Treasury for additional resources through their reallocation process. The agency has taken advantage of every offered opportunity to access any reallocated resources asking for over \$550 million, but we do not anticipate receiving any additional federal funds.

Jennifer Ho

Department Head Signature

Digitally signed by Jennifer Ho
DN: cn=Jennifer Ho, o=Minnesota Housing, ou=Commissioner,
email=jennifer.ho@state.mn.us, c=US
Date: 2022.01.24 10:13:17 -0600

1/24/2022

Date