

Summary of Statewide Affordable Housing Aid (SAHA) Certified for 2024

The annual appropriation for Statewide Affordable Housing Aid is \$10 million. For 2023 and 2024, there is an additional appropriation of \$12.5 million. The \$22.5 million total is distributed as follows:

- \$15.3 million to all counties, of which \$2.25 million is for transfer to the Minnesota Housing Finance Agency
- \$4.5 million to 37 cities that have a population over 10,000 and are not located in a metropolitan county as defined by Minnesota Statutes, section 473.121, subdivision 4
- \$2.7 million to 11 eligible Tribal nations

2023 and 2024 Law Changes

Statewide Affordable Housing Aid was created by the 2023 Legislature. The first year of payment was 2023, which was made in one installment on December 26, 2023. Beginning in 2024, aid will be paid to counties and eligible cities in two installments, on July 20 and December 26. It will be paid to Tribal nations in one installment on December 26.

The 2024 Legislature amended Statewide Affordable Housing Aid. For aid payable in calendar year 2024 and thereafter:

- Aid was expanded to include all 11 federally recognized Indian Tribes located in Minnesota that submit an application under Minnesota Statutes, section 477A.36, subdivision 6.
- The commissioner of revenue must annually calculate and certify the amount of aid payable to each eligible Tribal nation on or before August 1 of the aid payable year.
- The commissioner of revenue will pay Statewide Affordable Housing Aid to eligible Tribal nations annually on December 26 of the year the aid is certified.

For aid payable in 2024 only:

• The application and enrollment information required under Minnesota Statutes, section 477A.36, subdivision 6, paragraph (g), may be submitted as late as June 30, 2024.

The commissioner will recertify, no later than August 1, 2024, the amount of Statewide Affordable Housing Aid payable to each Tribal nation.

Counties

The calculation for counties has two components:

- Base aid
- II. Cost-burdened household aid

I. Base Aid

Each county receives 0.6% of the total appropriation available for distribution to counties. For 2023, the total available is \$13.05 million. The amount for each county is:

\$13.05 million x 0.6% = \$78,300



For 2024, the total amount of base aid is \$6,812,100.

II. Cost-Burdened Household Aid

The remaining appropriation is multiplied by each county's distribution factor.

The county distribution factor is the number of households in a county that are cost-burdened divided by the total cost-burdened households in all counties. A "cost-burdened household" is one in which the gross rent is 30 percent or more of household income or in which homeownership costs are 30 percent or more of household income.

For 2024, the data used was used the most recent estimates provided by the American Community Survey of the United States Census Bureau as of May 1, 2023. This was the five-year estimate ending in 2021 from Table DP04, Selected Housing Characteristics, as accessed at

https://data.census.gov/table?q=DP04&tid=ACSDP5Y2021.DP04 and then filtering by Geography > County > Minnesota > All Counties in Minnesota. The characteristics used were:

- Selected Monthly Owner Costs as a Percentage of Household Income, Housing Units with a Mortgage, 30.0% to 34.9%
- Selected Monthly Owner Costs as a Percentage of Household Income, Housing Units with a Mortgage, 35.0% or more
- Selected Monthly Owner Costs as a Percentage of Household Income, Housing Units without a Mortgage, 30.0% to 34.9%
- Selected Monthly Owner Costs as a Percentage of Household Income, Housing Units without a mortgage, 35.0% or more
- Gross Rent as a Percentage of Housing Income, Occupied Units Paying Rent, 30.0% to 34.9%
- Gross Rent as a Percentage of Housing Income, Occupied Units Paying Rent, 35.0% or more%

For 2024, the total amount of cost-burdened housing aid is \$6,237,900.

Cities

The entire \$4.5 million appropriation for cities is distributed based on cost-burdened households.

The city distribution factor is the number of households in a city that are cost-burdened divided by the total cost-burdened households in eligible cities. A "cost-burdened household" is one in which the gross rent is 30 percent or more of household income or in which homeownership costs are 30 percent or more of household income.

For 2024, the data used was used the most recent estimates provided by the American Community Survey of the United States Census Bureau as of May 1, 2023. This was the five-year estimate ending in 2021 from Table DP04, Selected Housing Characteristics, as accessed at

https://data.census.gov/table?q=DP04&tid=ACSDP5Y2021.DP04 and then filtering by Geography > Place > Minnesota > All Places in Minnesota. The characteristics used were:

- Selected Monthly Owner Costs as a Percentage of Household Income, Housing Units with a Mortgage, 30.0% to 34.9%
- Selected Monthly Owner Costs as a Percentage of Household Income, Housing Units with a Mortgage, 35.0% or more
- Selected Monthly Owner Costs as a Percentage of Household Income, Housing Units without a Mortgage, 30.0% to 34.9%



- Selected Monthly Owner Costs as a Percentage of Household Income, Housing Units without a mortgage, 35.0% or more
- Gross Rent as a Percentage of Housing Income, Occupied Units Paying Rent, 30.0% to 34.9%
- Gross Rent as a Percentage of Housing Income, Occupied Units Paying Rent, 35.0% or more%

Tribal Nations

The entire \$2.7 million distributed to Tribal nations is divided equally between the Tribes that opted in to receive aid for aid payable in 2024. This section will be updated when aid amounts for Tribal nations are recertified by August 1, 2024.

SAHA Payment Dates

In 2024, SAHA is paid to eligible cities and county recipients in two installments, on July 20 and December 26 and to Tribal Nation recipients in one installment, on December 26.