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To: Goodhue County Board of Commissioners

Date: January 30, 2024

**RE: New State Funding Updates** 

On Tuesday we will have two presentations on the two new categories of housing funding that the 2023 State Legislature passed for all counties in MN.

The first presentation will be a presentation by Katie Quinn HHS Social Services Supervisor on how we are we are administering the Local Housing Prevention Aid funds through our Parent Support Outreach Program (PSOP) via our Child and Family Social Services Team and focusing on youth homelessness.

The second will be a presentation and request for approval on an RFP for Affordable Housing by SEMCHRA Executive Director Buffy Beranek in relation to the Statewide Affordable Housing Aid. For reference below we have the state definitions and discussion that have been had with our GC Housing Advisory Committee since last summer.

- Local Homeless Prevention Aid Funding The goal of this funding is to prevent child homelessness. Funding can cover rent assistance for any period of time or providing support/case management services to improve housing stability. It needs to target families with children who are eligible for Pre-K-grade 12 and are: living in overcrowded conditions, paying more than 50% of their income on rent OR lacking fixed, regular adequate nighttime residence, or are unaccompanied youth in need of an alternative residential setting. Goodhue County received \$66,992 in 2023 and \$72,707 in 2024 (allocated in two installments in July and December of each year). These amounts are influenced by the number of students in the county who are identified as being homeless by the schools. HHS plans to use this funding to help expand the Parent Support Outreach Program (PSOP) with the new PSOP position. This will allow us to serve more families with needs for rent assistance and older kids.
- Statewide Affordable Housing Aid (also previously referred to as "Local Housing Aid?") Funding for local governments to develop and preserve affordable housing within their jurisdictions to keep families from losing housing and to help those experiencing homelessness find housing. However,

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there is a diverse list of eligible qualifying projects/uses of funding: including emergency rental assistance, financial support to nonprofit affordable housing providers, projects designed for the purpose of construction, acquisition, rehab, demolition construction financing (home ownership and rental projects). It looks like these amounts are impacted by the number of households who are cost burdened added on to the "base aid" amount of \$78,300 for all counties receiving funding. For 2023, funding is paid in one yearly installment on Dec. 26<sup>th</sup>. Starting in 2024, the allocation will be paid in two installments (July and Dec). Goodhue County's 2023 allocation is \$131,220 and 2024 allocation is \$131,220. FYI that the City of Red Wing is also receiving \$95,500 for 2023 and \$95,500 for 2024. **SEMCHRA and the GC Housing Trust Fund Committee will be requesting approval of an RFP for affordable housing projects at the February 6<sup>th</sup> County Board meeting.** 

Attached please find presentations, flyer, report, and the proposed RFP.