

Local Housing Trust Fund Manual for Minnesota

What is a Local Housing Trust Fund?

Local Housing Trust Funds (LHTF) are funds established by a local government by dedicating local public revenue for housing. They are a consistent, flexible resource for housing within a local jurisdiction. Trust funds help communities leverage public and private resources and jumpstart projects that draw investment and jobs. LHTFs enable communities to prioritize developments that maximize benefit to the local community.

What is the Local Housing Trust Fund Manual for Minnesota?

The Local Housing Trust Fund Manual for Minnesota was developed by the Minnesota Housing Partnership. Its purpose is to provide an in-depth discussion of the various decisions to be made by local Minnesota communities in establishing an LHTF including revenue, programming, and policies. With 80 pages of references, case studies, and explainers, the manual is an in-depth guide to help local communities get LHTFs established.

Benefits of Local Housing Trust Funds



Encourage local contributions



Establish dedicated sources of revenue



Leverage private dollars



Provide flexibility to meet local needs

Goodhue County

Goodhue County and the Southeastern Minnesota Multi-County Housing and Redevelopment Authority started an Affordable Housing Trust Fund (AHTF) in 2018. The fund provides downpayment assistance, a fund for multi-family housing projects, and a flexible fund.

Red Wing

Established in 2015, Red Wing invests \$100,000 annually into their Affordable Housing Trust Fund (AHTF). Tax Increment Financing will soon provide an additional investment of up to \$100,000 annually for 25 years. To date, the AHTF has provided homebuyer assistance loans to at least six families.

Minneapolis

The City of Minneapolis created its Affordable Housing Trust Fund (AHTF) in 2003. As a direct result of the AHTF the city tax base has expanded by up to \$800 million, leveraging \$9 for every dollar invested in the fund.

Get the Manual

To download a copy of the LHTF Manual for Minnesota, visit: www.mhponline.org/community-development/lhtfmanual-minnesota

Questions?

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On average, city housing trust funds leverage \$6 in additional public and private funds for every \$1 the trust fund invests.

\$1
invested

\$6
leveraged