



# Board of County Commissioners Agenda Request

**10B**  
Agenda Item #

**Requested Meeting Date:** November 25, 2025

**Title of Item:** Approve Agreement. Minnesota Housing Finance Agency

|   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> REGULAR AGENDA<br><br><input type="checkbox"/> CONSENT AGENDA   | <b>Action Requested:</b><br><input checked="" type="checkbox"/> Approve/Deny Motion<br><input type="checkbox"/> Adopt Resolution (attach draft)<br><input type="checkbox"/> Hold Public Hearing <i>*provide copy of hearing notice that was published</i> | <input type="checkbox"/> Direction Requested<br><input type="checkbox"/> Discussion Item<br><input type="checkbox"/> Information Only |
| <b>Submitted by:</b><br>Mark Jeffers  |   | <b>Department:</b><br>Economic Development  |
| <b>Presenter (Name and Title):</b><br>Mark Jeffers, Economic Development Coordinator  |   | <b>Estimated Time Needed:</b><br>5 minutes  |
| <b>Summary of Issue:</b><br><p>Minnesota Housing manages the Minnesota City Participation Program (MCP), which uses the Tax Exempt Bond Housing Pool Allocation authorized by the Office of Minnesota Management and Budget (MMB) to enable communities throughout the state to efficiently provide first-time home buyer loans in their community without the administrative burden of running their own bond program. The first-time home buyers access the program through their local lenders and have access to down payment and closing cost assistance if needed.</p> <p>2026 would be our third year of participation in this program.</p> <p>Through October of 2025, Aitkin County residents have received \$118,500. in first time homeowner down payment and closing cost assistance.</p> <p>The Economic Development Committee recommends approval to execute this program. The County Attorney has reviewed all documents and find them proper to form.</p> |   |   |
| <b>Alternatives, Options, Effects on Others/Comments:</b>   |   |   |
| <b>Recommended Action/Motion:</b><br>Motion to approve Aitkin County Economic Development to participate in the program for 2026 and grant the County Administrator approval to sign the agreement.   |   |   |
| <b>Financial Impact:</b><br><p>Is there a cost associated with this request? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>What is the total cost, with tax and shipping? \$</p> <p>Is this budgeted? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>Please Explain:</i></p>  |   |   |

**MINNESOTA HOUSING FINANCE AGENCY  
MINNESOTA CITY PARTICIPATION PROGRAM**

**PROGRAM APPLICATION  
COMMITMENT AGREEMENT**

**THIS APPLICATION AND AGREEMENT** (this "Agreement") is between Aitkin County(the "City"), with its office at 307 2<sup>nd</sup> St NW, Room 316, Aitkin, MN 56431 and Minnesota Housing Finance Agency ("Minnesota Housing"), with its office at 400 Wabasha Street North, Suite 400, St. Paul, MN 55102.

**RECITALS:**

A. Minnesota Housing, under the provisions of Minn. Stat. §474A.061, Subd. 2a is authorized to issue qualified mortgage bonds, as that term is used in the Internal Revenue Code of 1986, as amended (the "Code"), on behalf of the City, and it will issue bonds for that purpose (the "Bonds").

B. The City applying to participate is a Minnesota city, county, city or county housing and redevelopment authority, economic development authority, port authority or a consortium of local government units, as defined by Minn. Stat. §474A.061, Subd. 2a(c) and Minn. Stat. §462C.02, subd. 6.

C. Minnesota Housing has implemented Minnesota Housing Finance Agency Minnesota City Participation Program (the "Program") and will use a portion of the proceeds from the issuance of the Bonds to fund the Program.

D. The City has requested and received a set-aside of funds from the Program.

E. The City wishes to obtain a commitment by Minnesota Housing to direct Minnesota Housing's designated Master Servicer (the "Master Servicer") to purchase mortgage notes ("Mortgages") that will be originated by a lender or lenders that meet Minnesota Housing requirements for participation in programs funded by qualified mortgage bonds (collectively, the "Lender").

F. Mortgages that the Master Servicer purchases pursuant to the commitment requested by the City must only be for residences located within a geographic area to be established and designated by the City.

G. Minnesota Housing is willing to issue a commitment agreeing to purchase Mortgage-Backed Securities backed by Mortgages that are: (i) originated by the Lender; (ii) purchased by the Master Servicer; (iii) in accordance with the terms and conditions of this Agreement, the Program, and the Start Up Procedural Manual to be supplied by Minnesota Housing (the "Procedural Manual"), the provisions of which are hereby incorporated by reference into this Agreement as if set forth in full herein; and (iv) made to borrowers with adjusted incomes not exceeding the greater of 80 percent of statewide or area median income as calculated by Minnesota Housing.

**NOW, THEREFORE**, in consideration of the covenants contained in this Agreement, Minnesota Housing and the City agree as follows:

1. **City Requirements.** All Mortgages submitted to Minnesota Housing for purchase under the Program must comply with all of the requirements of the Program, the Procedural Manual and this Agreement.

2. **Commitment and Commitment Amount.** The City, which applied in January 2026 for a commitment, hereby requests that Minnesota Housing cause its Master Servicer to purchase Mortgages that have been originated by the Lender and meet the requirements of, and are made in accordance with the provisions of, this Agreement, the Program, and the Procedural Manual. Minnesota Housing, by accepting this Agreement, commits to the purchase of those Mortgages in the aggregate principal amount (the "Commitment Amount") to be determined and allocated

by Minnesota Housing in accordance with Minnesota Statutes §474A.061, Subd. 2a(d), and provided to the City.

The Master Servicer will only purchase Mortgages pursuant to this Agreement securing property that, and borrowers who, satisfy the requirements and provisions of this Agreement, the Program, and the Procedural Manual. The City acknowledges that the commitment is effective upon the approval thereof by Minnesota Housing and the delivery of a copy of this Agreement by Minnesota Housing to the City.

3. **Lender Qualifications.** Lenders must meet Minnesota Housing requirements for participation in programs funded by qualified mortgage bonds.

4. **Commitment Term.** The term of this Agreement and the City's participation in the Program (the "Commitment Term") will commence on January 16, 2026 and shall continue through November 30, 2026. This Agreement, and the City's participation in the Program, will automatically terminate, without the need for any action by either party hereto, at the end of the Commitment Term.

5. **Set-Aside Term.** The Commitment Amount will be set-aside and held by Minnesota Housing for the sole use by the City for a period of time to be established by Minnesota Housing, in its sole option and discretion, provided, however, that time period will not be less than six months (the "Set-Aside Term") commencing on a date to be selected and specified by Minnesota Housing. Minnesota Housing will notify the City in writing of the date on which the Set-Aside Term commences.

Any portion of the Commitment Amount not reserved for the purchase of qualifying Mortgages as of the end of the Set-Aside Term shall be canceled and returned to Minnesota Housing for redistribution under the Program. In addition, any portion of the Commitment Amount reserved for Mortgages that are not delivered to the Master Servicer for purchase within the time period delineated in the Procedural Manual for that purchase, will be canceled and Minnesota Housing will redistribute that amount under the Program. Minnesota Housing may make any funds available to the Program at the end of the Commitment Term for mortgage loans that are eligible to be financed with proceeds of the Bonds.

6. **Commitment Fees.** There is no commitment fee payable by the City for the commitment by Minnesota Housing to the purchase by the Master Servicer of qualifying Mortgages.

7. **Purchase Price.** The purchase price of each Mortgage to be purchased by the Master Servicer pursuant to this Agreement will be as set forth in the requirements of the Procedural Manual and posted on Minnesota Housing's website.

8. **Mortgage Terms.** The terms and conditions for all Mortgages, including but not limited to the interest rate, will be set from time to time by Minnesota Housing, at its sole option and discretion, and communicated to the Lender in accordance with the procedures set forth in the Procedural Manual.

9. **Area Limitation.** Minnesota Housing, pursuant to this Agreement, is required to purchase only those Mortgages that are for residences located within a geographic area to be established and designated by the City.

10. **Servicing.** The servicing of Mortgages shall be the sole responsibility of the Master Servicer or one or more other entities that Minnesota Housing may designate in its sole discretion.

11. **Contract Documents.** The purchase by the Master Servicer of each Mortgage pursuant to Minnesota Housing's commitment is a contract consisting of this Agreement and the provisions and requirements contained in the Procedural Manual, with all amendments and supplements thereto in effect as of the date of Minnesota Housing's acceptance of this Agreement.

12. **Paragraph Captions and Program Headings.** The captions and headings of the paragraphs of this Agreement are for convenience only and will not be used to interpret or define the provisions thereof.

13. **Applicable Law.** This Agreement is made and entered into in the State of Minnesota, and all questions relating to the validity, construction, performance and enforcement hereof will be governed by the laws of the State of Minnesota.

14. **Agreement Conditional Upon Minnesota Housing Approval.** This Agreement will be a binding obligation of Minnesota Housing upon its execution by Minnesota Housing and delivery of a copy of the same to the City; provided, however, Minnesota Housing may, in its sole option and discretion, any time on or after January 16, 2026 revoke such obligation and terminate this Agreement if the City has not fully executed and returned a fully executed original hereof to Minnesota Housing. That revocation and termination will be accomplished and evidenced by Minnesota Housing notifying the City thereof by way of a "Certified Letter - Return Receipt Requested" addressed and delivered to the City. Upon revocation and termination this Agreement will be null and void and of no force or effect.

15. **Issuance of Bonds.** The City hereby authorizes Minnesota Housing to issue, on behalf of the City, qualified mortgage bonds, as that term is used in the Code, in an amount equal to the Commitment Amount, and Minnesota Housing agrees to issue those bonds if and when federal law authorizes and Minnesota Housing deems it is economically feasible to do so.

(THE REMAINING PORTION OF THIS PAGE IS INTENTIONALLY LEFT BLANK)

**IN WITNESS WHEREOF**, the City has executed this Agreement this \_\_\_\_\_ day of \_\_\_\_\_  
(Day)

\_\_\_\_\_, \_\_\_\_\_  
(Month) (Year)

By: \_\_\_\_\_  
(Signature of Authorized Officer)

\_\_\_\_\_  
(Name of Authorized Officer)

By: \_\_\_\_\_  
(Signature of Authorized Officer)

\_\_\_\_\_  
(Name of Authorized Officer)

**Minnesota Housing APPROVAL**

Minnesota Housing hereby accepts the above Program Application-Commitment Agreement and approves and grants participation in the program.

**MINNESOTA HOUSING FINANCE AGENCY**

By: \_\_\_\_\_  
Kayla Schuchman

Its: Assistant Commissioner, Single-Family Division

Signed this \_\_\_\_ day of \_\_\_\_\_, 2026.

# Minnesota Housing 2026 Minnesota City Participation Program (MCP) Application

Minnesota Housing must receive your application by email between January 2-15, 2026 at 5:00

Please provide all the information below.

## Agency Contact Information

Agency Name: Aitkin County Government

Contact Person: Mark Jeffers

Mailing Address: 307 2nd St NW #316 Physical Address: same

City: Aitkin State: MN Zip: 56431 Website: naturallybetterhere.com

Phone #: 218.513.6188 E-Mail: mark.jeffers@aitkincountymn.gov

## Administrative Information

- Check agency type: ☐ City ☐ City HRA/CDA/EDA ☒ County HRA/ ☐ Port Authority  
☐ Multi-County HRA: Receive single allocation for all counties within your jurisdiction  
☐ Consortium of local government units applying jointly by agreement (please submit evidence of agreement with this application, even if you provided one in previous years).
- List the legal name(s) of all cities and counties where the funds will be utilized. For county and multicounty applications, only list the counties.  
AitkinCounty- cities of Aitkin, Hill City, Malmo, McGrath, McGregor, Palisade, Tamar
- Check the box below to confirm this statement:  
☒ MCP helps the community meet an identified housing need and the program is economically viable.
- Does your City (or County) offer a down payment program or other homeownership assistance?  
☐ Yes ☒ No  
If yes, list program names (For informational purposes only; does not impact your application status):  
\_\_\_\_\_

## Signature

Provide authorized signature(s) from the organization submitting this application, including printed or typewritten name, title and phone number. Scan original and email application to [mn.housing@state.mn.us](mailto:mn.housing@state.mn.us) (Original not needed).

Signature \_\_\_\_\_

County Administrator

Name (Print)

David J. Minke

Title

david.minke@aitkincountymn.gov

Phone number or check here if same as above. ☐

E-mail or check here if same as above. ☐

## Program and Contact Information

Minnesota Statute sets Borrower Income Limits and House Purchase Price Limits. Minnesota Housing makes final determinations of the total amount of program funds available and individual allotments (in compliance with a per capita distribution method specified in statute).

Questions about MCP or this application? Contact Greg Krenz at (651)297-3623 or [greg.krenz@state.mn.us](mailto:greg.krenz@state.mn.us)