

2026 Annual Local Housing Trust Fund (LHTF) Funding Menu

City of Northfield, Minnesota

This menu establishes annual funding priorities, income targeting, and maximum award levels for the Local Housing Trust Fund. Amounts may be adjusted annually based on available revenues and Council direction.

1. Housing Stabilization & Prevention Programs

Program	Eligible Activities	AMI Target	Max Assistance	Key Conditions
Emergency Rental Assistance (Gap)	Short-term rent arrears, utility stabilization	≤60% AMI	\$50,000 to CAC	One-time assistance; housing stability plan required
Rental Assistance	Housing Stability for youth ages 14-24	≤30% AMI	\$35,000 to NUY	On-going monitoring and mentoring, Wall Flower Host and Host Home

2. Owner-Occupied Rehabilitation & Preservation

Program	Eligible Activities	AMI Target	Max Assistance	Key Conditions
Health & Safety Rehab	Code compliance, roof, electrical, plumbing	≤80% AMI	\$25,000 per unit	Deferred or forgivable loan
Critical Repair Grant	Emergency repairs preventing displacement	≤60% AMI	\$50,000 to TRCA	Immediate habitability threat

3. Homeownership Access & Retention

Program	Eligible Activities	AMI Target	Max Assistance	Key Conditions
Down Payment Assistance	First-time buyer assistance	≤110% AMI	\$25,000 per household	Resale restrictions apply

4. Predevelopment & Strategic Housing Tools

Program	Eligible Activities	AMI Target	Max Assistance	Key Conditions
HRA Predevelopment Activities	Design, site work, predevelopment	≤110% AMI	\$49,000	Predevelopment

5. Annual Allocation Guidance (Recommended)

Category	% of Annual LHTF	\$ of Annual LHTF
Housing Stabilization & Prevention	17-18%	\$85,000
Preservation & Rehabilitation	40–41%	\$203,256
Homeownership Programs	31–32%	\$154,257
Predevelopment & Strategic Tools	Up to 10%	\$49,000

6. Flexibility & Annual Adjustments

- Program caps may be waived for high-impact projects
- AMI targeting may be adjusted to align with MHFA or HUD programs
- Unused funds may roll between categories with HRA approval

This Funding Menu of the City's existing programming operationalizes the City's Local Housing Trust Fund Programming Guide and is intended to be updated annually in conjunction with the budget process.

As of 12/31/2025 the LHTF balance was \$168,597.

2026 funding:

\$150,000 MHFA Matching funds – MUST be programmed to DPA or Rehab

\$140,944 HRA tax levy – this is less than 40% due to other budgetary needs

\$31,972 State Affordable Housing Aid

\$491,513 to be budgeted for 2026