

October 6, 2026

ITEM: New Business – Resolution 10.26.06: Authorizing the St. James Mayor and City Manager to Enter into the Greater Minnesota Small Cities (Tier II Cities) Housing Aid Grant Program Agreement with the Minnesota Housing Finance Agency

BACKGROUND: The City of St. James has been awarded \$120,000 through the Minnesota Housing Finance Agency (MHFA) Greater Minnesota Small Cities (Tier II Cities) Housing Aid Grant Program. The attached grant contract establishes the terms and conditions for the city's acceptance and use of the funding.

Under the approved work plan, the city will use the \$120,000 to provide financial support to Southwest Housing Partnership (SWMHP) for its affordable housing efforts. As a condition of the city's financial support, SWMHP will prioritize projects that provide affordable housing to homeowners or homebuyer households.

The grant period begins October 6, 2026, or when all required signatures are obtained, whichever is later, and continues through October 6, 2030. The city may not begin grant-funded activities until the agreement is fully executed and MHFA has provided authorization to proceed.

The city will be responsible for administering the grant, maintaining supporting documentation, requesting reimbursement from MHFA, and completing required annual reporting. The work plan anticipates providing financial support to SWMHP in at least two payments as expenses are incurred.

STAFF RECOMMENDATION: Approve/Deny Resolution.