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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. **2045**

03/09/2021

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The bill was read for the first time and referred to the Committee on Housing Finance and Policy

1.1 A bill for an act
1.2 relating to housing; limiting rent increases in manufactured home parks; providing
1.3 a civil cause of action for residents of manufactured home parks; appropriating
1.4 money for a manufactured home park cooperative purchase program; amending
1.5 Minnesota Statutes 2020, sections 327C.06, subdivision 3; 327C.15.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2020, section 327C.06, subdivision 3, is amended to read:

1.8 Subd. 3. **Rent increases limited.** A park owner may impose only ~~two~~ one rent ~~increases~~
1.9 increase on a resident in any 12-month period. A park owner may only impose a rent increase
1.10 up to three percent of the amount of rent owed for the calendar year. For the purposes of
1.11 determining the amount of rent owed for the calendar year, the park owner must use the
1.12 annual rent owed for a calendar year as of January 1 each year.

1.13 Sec. 2. Minnesota Statutes 2020, section 327C.15, is amended to read:

1.14 **327C.15 REMEDIES; PENALTIES; ENFORCEMENT.**

1.15 (a) Any violation of sections 327C.01 to 327C.14 is a violation of a law referred to in
1.16 section 8.31, subdivision 1.

1.17 (b) A resident of a manufactured home park has a cause of action against the owner of
1.18 a manufactured home park for a violation of sections 327C.02 to 327C.06; 327C.07,
1.19 subdivision 1; 327C.096; 327C.10; or 327C.12 to 327C.14 for any actual damages caused
1.20 by the violation, and for a civil penalty awarded to the plaintiff for each violation in an
1.21 amount up to \$500, as well as costs and fees related to commencing the action. A claim
1.22 under this section may be filed in conciliation court.

2.1 Sec. 3. **APPROPRIATION; MANUFACTURED HOME PARK COOPERATIVE**
2.2 **PURCHASE PROGRAM.**

2.3 (a) \$1,000,000 in fiscal year 2022 and \$1,000,000 in fiscal year 2023 are appropriated
2.4 from the general fund to the commissioner of the Minnesota Housing Finance Agency to
2.5 provide grants for an assistance program to assist residents of manufactured home parks in
2.6 the purchase of parks to create a cooperative owned manufactured home park. The funding
2.7 under this section may be used for grants to nonprofit organizations to assist manufactured
2.8 home park residents in organizing and purchasing manufactured home parks, and for grants
2.9 to provide down payment assistance to residents to purchase manufactured home parks.

2.10 (b) The agency may develop criteria to evaluate grants for nonprofit organizations to
2.11 assist manufactured home park residents in organizing for the purpose of purchasing the
2.12 park they reside in, and for the down payment assistance awarded to representatives acting
2.13 on behalf of residents for the purchase of a manufactured home park.

2.14 (c) Grants provided to park residents must be created for the purpose of affordable
2.15 housing preservation. A representative who purchases a park using funds provided by this
2.16 section shall maintain the property for a period of at least 50 years following the closing
2.17 date of the purchase as:

2.18 (1) a manufactured home park;

2.19 (2) a combination of manufactured homes and nonmanufactured home single-dwelling
2.20 units contained in one-family, two-family, or multifamily dwellings affordable for
2.21 low-income households; or

2.22 (3) all nonmanufactured home single-dwelling units contained in one-family, two-family,
2.23 or multifamily dwellings affordable for low-income households.

2.24 (d) The deed to the representative must contain a covenant running with the land that
2.25 requires the property to meet at least one of the conditions specified in paragraph (a) for at
2.26 least 50 years from the date of the deed transfer.

2.27 (e) For the purposes of this section, the terms "manufactured home," "manufactured
2.28 home park," "park," "park owner," "representative acting on behalf of residents," "resident,"
2.29 and "resident organization" have the meanings given in section 327C.01. For the purposes
2.30 of this section, "affordable" has the meaning given in Code of Federal Regulations, title 24,
2.31 section 81.15, and "low-income households" has the meaning given in Code of Federal
2.32 Regulations, title 24, section 570.3.