

1.1 A bill for an act

1.2 relating to state government; establishing a budget for the Minnesota Housing

1.3 Finance Agency; modifying various housing policy provisions; providing for an

1.4 eviction moratorium phaseout; requiring a report; appropriating money; amending

1.5 Minnesota Statutes 2020, sections 12A.09, subdivision 3; 273.11, subdivision 12;

1.6 273.125, subdivision 8; 326B.106, subdivision 7; 462.352, subdivision 5; 462A.05,

1.7 subdivisions 14, 14a; 462A.07, subdivision 2; 462A.204, subdivision 3; 462A.24;

1.8 462A.30, subdivision 9; 462A.37, subdivisions 1, 2; 462A.38, subdivision 1;

1.9 462A.39, subdivisions 1, 2, 4, 5, by adding a subdivision; 471.9996, subdivision

1.10 1; 474A.061, subdivision 2a; 474A.091, subdivision 3; proposing coding for new

1.11 law in Minnesota Statutes, chapters 12; 168A; 462; 462A; repealing Minnesota

1.12 Statutes 2020, sections 168A.141; 471.9996, subdivision 2.

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

1.14 **ARTICLE 1**

1.15 **HOUSING APPROPRIATIONS**

1.16 Section 1. **APPROPRIATIONS.**

1.17 The sums shown in the columns marked "Appropriations" are appropriated to the agency

1.18 for the purposes specified in this article. The appropriations are from the general fund, or

1.19 another named fund, and are available for the fiscal years indicated for each purpose. The

1.20 figures "2022" and "2023" used in this article mean that the appropriations listed under them

1.21 are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The

1.22 first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is

1.23 fiscal years 2022 and 2023.

1.24 **APPROPRIATIONS**

1.25 **Available for the Year**

1.26 **Ending June 30**

1.27 **2022**

2023

3.1	<u>may include a portion of income and rent</u>		
3.2	<u>restricted units. Funded properties may include</u>		
3.3	<u>owner-occupied homes.</u>		
3.4	<u>Subd. 4. Manufactured Home Park</u>		
3.5	<u>Infrastructure Grants</u>	<u>1,750,000</u>	<u>1,750,000</u>
3.6	<u>This appropriation is for manufactured home</u>		
3.7	<u>park infrastructure grants under Minnesota</u>		
3.8	<u>Statutes, section 462A.2035, subdivision 1b.</u>		
3.9	<u>Subd. 5. Workforce Homeownership Program</u>	<u>1,850,000</u>	<u>1,850,000</u>
3.10	<u>This appropriation is for the workforce</u>		
3.11	<u>homeownership program under Minnesota</u>		
3.12	<u>Statutes, section 462A.38.</u>		
3.13	<u>Subd. 6. Housing Trust Fund</u>	<u>11,646,000</u>	<u>11,646,000</u>
3.14	<u>This appropriation is for deposit in the housing</u>		
3.15	<u>trust fund account created under Minnesota</u>		
3.16	<u>Statutes, section 462A.201, and may be used</u>		
3.17	<u>for the purposes provided in that section.</u>		
3.18	<u>Subd. 7. Homework Starts with Home</u>	<u>1,750,000</u>	<u>1,750,000</u>
3.19	<u>This appropriation is for the homework starts</u>		
3.20	<u>with home program under Minnesota Statutes,</u>		
3.21	<u>sections 462A.201, subdivision 2, paragraph</u>		
3.22	<u>(a), clause (4), and 462A.204, subdivision 8,</u>		
3.23	<u>to provide assistance to homeless or highly</u>		
3.24	<u>mobile families with children eligible for</u>		
3.25	<u>enrollment in a prekindergarten through grade</u>		
3.26	<u>12 academic program.</u>		
3.27	<u>Subd. 8. Rental Assistance for Mentally Ill</u>	<u>4,338,000</u>	<u>4,338,000</u>
3.28	<u>This appropriation is for the rental housing</u>		
3.29	<u>assistance program for persons with a mental</u>		
3.30	<u>illness or families with an adult member with</u>		
3.31	<u>a mental illness under Minnesota Statutes,</u>		
3.32	<u>section 462A.2097. Among comparable</u>		
3.33	<u>proposals, the agency shall prioritize those</u>		

4.1 proposals that target, in part, eligible persons
4.2 who desire to move to more integrated,
4.3 community-based settings.

4.4 **Subd. 9. Family Homeless Prevention** 10,269,000 10,269,000

4.5 This appropriation is for the family homeless
4.6 prevention and assistance programs under
4.7 Minnesota Statutes, section 462A.204.

4.8 **Subd. 10. Home Ownership Assistance Fund** 885,000 885,000

4.9 This appropriation is for the home ownership
4.10 assistance program under Minnesota Statutes,
4.11 section 462A.21, subdivision 8. The agency
4.12 shall continue to strengthen its efforts to
4.13 address the disparity gap in the
4.14 homeownership rate between white
4.15 households and Indigenous American Indians
4.16 and communities of color. To better
4.17 understand and address the disparity gap, the
4.18 agency is required to collect, on a voluntary
4.19 basis, demographic information regarding
4.20 race, color, national origin, and sex of
4.21 applicants for agency programs intended to
4.22 benefit homeowners and homebuyers.

4.23 **Subd. 11. Affordable Rental Investment Fund** 4,218,000 4,218,000

4.24 (a) This appropriation is for the affordable
4.25 rental investment fund program under
4.26 Minnesota Statutes, section 462A.21,
4.27 subdivision 8b, to finance the acquisition,
4.28 rehabilitation, and debt restructuring of
4.29 federally assisted rental property and for
4.30 making equity take-out loans under Minnesota
4.31 Statutes, section 462A.05, subdivision 39.

4.32 (b) The owner of federally assisted rental
4.33 property must agree to participate in the
4.34 applicable federally assisted housing program

5.1 and to extend any existing low-income
5.2 affordability restrictions on the housing for
5.3 the maximum term permitted.

5.4 (c) The appropriation also may be used to
5.5 finance the acquisition, rehabilitation, and debt
5.6 restructuring of existing supportive housing
5.7 properties and naturally occurring affordable
5.8 housing as determined by the commissioner.
5.9 For purposes of this paragraph, "supportive
5.10 housing" means affordable rental housing with
5.11 links to services necessary for individuals,
5.12 youth, and families with children to maintain
5.13 housing stability.

5.14 **Subd. 12. Owner-Occupied Housing**
5.15 **Rehabilitation**

2,772,000

2,772,000

5.16 (a) This appropriation is for the rehabilitation
5.17 of owner-occupied housing under Minnesota
5.18 Statutes, section 462A.05, subdivisions 14 and
5.19 14a.

5.20 (b) Notwithstanding any law to the contrary,
5.21 grants or loans under this subdivision may be
5.22 made without rent or income restrictions of
5.23 owners or tenants. To the extent practicable,
5.24 grants or loans must be made available
5.25 statewide.

5.26 **Subd. 13. Rental Housing Rehabilitation**

2,743,000

2,743,000

5.27 (a) This appropriation is for the rehabilitation
5.28 of eligible rental housing under Minnesota
5.29 Statutes, section 462A.05, subdivision 14. In
5.30 administering a rehabilitation program for
5.31 rental housing, the agency may apply the
5.32 processes and priorities adopted for
5.33 administration of the economic development
5.34 and housing challenge program under
5.35 Minnesota Statutes, section 462A.33, and may

6.1 provide grants or forgivable loans if approved
6.2 by the agency.

6.3 (b) Notwithstanding any law to the contrary,
6.4 grants or loans under this subdivision may be
6.5 made without rent or income restrictions of
6.6 owners or tenants. To the extent practicable,
6.7 grants or loans must be made available
6.8 statewide.

6.9 **Subd. 14. Homeownership Education,**
6.10 **Counseling, and Training**

1,007,000

1,007,000

6.11 (a) This appropriation is for the
6.12 homeownership education, counseling, and
6.13 training program under Minnesota Statutes,
6.14 section 462A.209.

6.15 (b) Of this amount, at least \$500,000 each year
6.16 is for grant awards for applicants that will
6.17 prioritize reducing the housing disparity gap
6.18 in the homeownership rate between white
6.19 households and Indigenous American Indians
6.20 and communities of color. The commissioner
6.21 may waive the statewide selection criteria
6.22 under Minnesota Statutes, section 462A.209,
6.23 subdivision 5, clause (1), in awarding grants
6.24 under this paragraph.

6.25 **Subd. 15. Capacity-Building Grants**

645,000

645,000

6.26 This appropriation is for nonprofit
6.27 capacity-building grants under Minnesota
6.28 Statutes, section 462A.21, subdivision 3b. Of
6.29 this amount, \$125,000 each year is for support
6.30 of the Homeless Management Information
6.31 System (HMIS), and \$85,000 in fiscal year
6.32 2022 and \$85,000 in fiscal year 2023 are for
6.33 Open Access Connections.

7.1 **Subd. 16. Availability and Transfer of Funds**

7.2 (a) When allowed under federal law, the
7.3 commissioner shall first use federal
7.4 COVID-19-related relief funds for
7.5 homelessness and support services before
7.6 using state-appropriated money under
7.7 subdivisions 6, 7, and 9 for similar services
7.8 and expenses.

7.9 (b) When allowed under federal law, the
7.10 commissioner shall first use federal
7.11 COVID-19-related relief funds for housing
7.12 counseling before using state-appropriated
7.13 money under subdivision 14 for similar
7.14 services and expenses.

7.15 (c) When allowed under federal law, the
7.16 commissioner shall first use federal emergency
7.17 rental assistance funds for persons or grant
7.18 recipients that would otherwise qualify for
7.19 rental assistance under subdivisions 6 to 9.

7.20 (d) By August 1, 2022, the commissioner shall
7.21 transfer any unused amount from the fiscal
7.22 year 2022 appropriations in subdivisions 6 to
7.23 9, and 14 due to the first use of federal funds
7.24 under paragraphs (a) to (c) to the workforce
7.25 homeownership program under subdivision
7.26 5. By September 30, 2022, the commissioner
7.27 shall report the transfers under this paragraph
7.28 to the legislature.

7.29 **Subd. 17. Prohibition of Grant Funds for Hiring**
7.30 **a Lobbyist**

7.31 No grant funds awarded by the agency may
7.32 be used to hire a lobbyist as defined in
7.33 Minnesota Statutes, section 10A.01,
7.34 subdivision 21.

8.1 **Subd. 18. Federal Funds for Rental Assistance**
8.2 **for Persons with a Mental Illness**

8.3 When allowed under federal law, and if federal
8.4 funds are available for a similar purpose, the
8.5 commissioner shall use federal
8.6 COVID-19-related relief funds of at least
8.7 \$250,000 the first year and at least \$250,000
8.8 the second year for rental housing assistance
8.9 for persons with a mental illness in addition
8.10 to using state-appropriated money under
8.11 subdivision 8, except that the commissioner
8.12 must not use Coronavirus State and Local
8.13 Fiscal Recovery Funds from Public Law
8.14 117-2, title IX, subtitle M, section 9901, to
8.15 satisfy the requirement under this subdivision.

8.16 **Sec. 3. USE OF FEDERAL FUNDS FOR HOMEOWNER ASSISTANCE.**

8.17 The commissioner of management and budget shall not use any money received by the
8.18 state from the Homeowner Assistance Fund under Public Law 117-2, the American Rescue
8.19 Plan, to reimburse the federal coronavirus relief fund for money allocated to the Housing
8.20 Finance Agency according to the federal coronavirus relief fund action order number 44
8.21 that was approved by the commissioner on July 27, 2020.

8.22 **Sec. 4. HOUSING AFFORDABILITY FUND; FISCAL YEARS 2022 AND 2023**
8.23 **ALLOCATIONS.**

8.24 (a) At least 25 percent of the allocations from the Housing Finance Agency's housing
8.25 affordability fund, or Pool 3, in fiscal years 2022 and 2023 shall be for distribution to the
8.26 workforce homeownership program under Minnesota Statutes, section 462A.38, and the
8.27 manufactured home park infrastructure grants under Minnesota Statutes, section 462A.2035,
8.28 subdivision 1b, as determined by the agency. This amount shall not be used for loans or
8.29 other financing programs. The agency shall prioritize allocations under this paragraph to
8.30 programs that will address the disparity gap in the homeownership rate between white
8.31 households and Indigenous American Indians and communities of color. This allocation
8.32 shall remain until June 1, 2023, after which any money remaining in the set-aside shall be
8.33 available to all eligible projects as determined by the agency. No money from the allocation
8.34 under this paragraph may be used to administer this program.

9.1 (b) By June 30, 2022, and June 30, 2023, the commissioner of the Housing Finance
9.2 Agency shall report to the legislature the following for the allocation of housing affordability
9.3 funds under paragraph (a) for:

9.4 (1) the number and amount of grants issued for single-family homes, townhomes, and
9.5 manufactured homes;

9.6 (2) the number and amount of grants issued by income categories;

9.7 (3) the number and amount of grants issued by race or ethnic categories; and

9.8 (4) the number and amount of grants issued by county.

9.9 (c) Nothing in this section shall impair the obligation of the agency to use funds in Pool
9.10 3 to satisfy its obligations to holders of bonds secured by the general obligation pledge of
9.11 the agency to suggested use of agency resources.

9.12 **ARTICLE 2**

9.13 **HOUSING POLICY**

9.14 Section 1. Minnesota Statutes 2020, section 12A.09, subdivision 3, is amended to read:

9.15 Subd. 3. **Capacity building grants.** Grants may be made under section 462A.21,
9.16 subdivision 3b₂;

9.17 (1) to local units of government, including regional consortia, in the disaster area ~~and~~;

9.18 (2) to nonprofit organizations; and

9.19 (3) to federally recognized American Indian Tribes or subdivisions located in Minnesota
9.20 and Tribal housing corporations

9.21 working in the disaster area to assess housing and related needs, develop and implement
9.22 community or regional plans to meet those needs, and provide capacity to implement recovery
9.23 plans.

9.24 **EFFECTIVE DATE.** This section is effective August 1, 2021.

9.25 Sec. 2. **[168A.1411] MANUFACTURED HOME AFFIXED TO REAL PROPERTY**
9.26 **OWNED BY COOPERATIVE.**

9.27 Subdivision 1. **Certificates surrendered for cancellation; cooperatives.** (a) When a
9.28 manufactured home is to be affixed or is affixed, as defined in section 273.125, subdivision
9.29 8, paragraph (b), to real property owned by a Minnesota nonprofit corporation or a Minnesota
9.30 cooperative, the owner of the manufactured home may surrender the manufacturer's certificate

10.1 of origin or certificate of title to the department for cancellation so that the manufactured
10.2 home becomes an improvement to real property and is no longer titled as personal property.
10.3 The department must not issue a certificate of title for a manufactured home under chapter
10.4 168A if the manufacturer's certificate of origin is or has been surrendered under this
10.5 subdivision, except as provided in section 168A.142. Upon surrender of the manufacturer's
10.6 certificate of origin or the certificate of title, the department must issue notice of surrender
10.7 to the owner, and upon recording an affidavit of affixation, which the county recorder or
10.8 registrar of titles, as applicable, must accept, the manufactured home is deemed to be an
10.9 improvement to real property. An affidavit of affixation by the owner of the manufactured
10.10 home must include the following information:

10.11 (1) the name, residence address, and mailing address of owner or owners of the
10.12 manufactured home;

10.13 (2) the legal description of the real property in which the manufactured home is, or will
10.14 be, located;

10.15 (3) a copy of the surrendered manufacturer's certificate of origin or certificate of title
10.16 and the notice of surrender;

10.17 (4) a written statement from the county auditor or county treasurer of the county where
10.18 the manufactured home is located stating that all property taxes payable in the current year,
10.19 as provided under section 273.125, subdivision 8, paragraph (b), have been paid, or are not
10.20 applicable; and

10.21 (5) the signature of the person who executes the affidavit, properly executed before a
10.22 person authorized to authenticate an affidavit in this state.

10.23 (b) A certified copy of the affidavit must be delivered to the county auditor of the county
10.24 in which the real property to which the manufactured home was affixed is located.

10.25 (c) The department is not liable for any errors, omissions, misstatements, or other
10.26 deficiencies or inaccuracies in documents presented to the department under this section,
10.27 if the documents presented appear to satisfy the requirements of this section. The department
10.28 has no obligation to investigate the accuracy of statements contained in the documents.

10.29 Subd. 2. **Affidavit form; cooperatives.** An affidavit of affixation must be in substantially
10.30 the following form and must contain the following information.

10.31 **MANUFACTURED HOME AFFIDAVIT OF AFFIXATION IN A COOPERATIVE**

10.32 PURSUANT TO MINNESOTA STATUTES, SECTION 168A.1411

11.1 Homeowner, being duly sworn, on his or her oath, states as follows:

11.2 1. Homeowner owns the manufactured home ("home") described as follows:

11.3

11.4			<u>Manufacturer's</u>	<u>Model Name or</u>	<u>Manufacturer's</u>	
11.5	<u>New/Used</u>	<u>Year</u>	<u>Name</u>	<u>Model No.</u>	<u>Serial No.</u>	<u>Length/Width</u>

11.6 2. A copy of the surrendered manufacturer's certificate of origin or certificate of title is
11.7 attached.

11.8 3. A copy of the notice of surrender issued from the Minnesota Department of Public Safety
11.9 Driver and Vehicle Services is attached.

11.10 4. The home is or will be located at the following "Property Address":

11.11

11.12 Street or Route City County State Zip Code

11.13 5. The legal description of the property address ("land") is as follows or as attached hereto:

11.14

11.15

11.16

11.17 6. The owner of the land is a Minnesota nonprofit corporation or Minnesota cooperative
11.18 that owns the land and whose membership entitles the homeowner to occupy a specific
11.19 portion of the land.

11.20 7. The home is, or will be promptly upon delivery, anchored to the land by
11.21 attachment to a permanent foundation and connected to appropriate residential utilities (e.g.,
11.22 water, gas, electricity, sewer).

11.23 8. The homeowner intends that the home be an immovable permanent improvement to the
11.24 land, free of any personal property security interest.

11.25 9. A copy of the written statement from the county auditor or county treasurer of the county
11.26 in which the manufactured home is then located, stating that all property taxes payable in
11.27 the current year (pursuant to Minnesota Statutes, section 273.125, subdivision 8, paragraph
11.28 (b)), have been paid, or are not applicable, is attached.

11.29 10. The home is intended to be assessed and taxed as an improvement to the land.

11.30 Signed and sworn to (or affirmed) before me on (date) by (names of homeowner(s))

11.31

11.32 Homeowner Signature Address

12.1

12.2 Printed Name City, State

12.3

12.4 Homeowner Signature (if applicable)

12.5

12.6 Printed Name

12.7 This instrument was drafted by, and when recorded return to:

12.8

12.9

12.10

12.11 Subscribed and sworn to before me this day of,

12.12

12.13 Signature of Notary Public or Other Official

12.14 Notary Stamp or Seal

12.15 (optional)

12.16 Lender's Statement of Intent:

12.17 The undersigned ("lender") intends that the home be immovable and a permanent
12.18 improvement to the land free of any personal property security interest.

12.19

12.20 Lender

12.21 By:

12.22 Authorized Signature

12.23 STATE OF

12.24) ss:

12.25 COUNTY OF

12.26 On the day of in the year before me, the undersigned, a Notary Public in and
12.27 for said state, personally appeared

12.28

12.29 personally known to me or proved to me on the basis of satisfactory evidence to be the
12.30 individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged
12.31 to me that he/she/they executed the same in his/her/their capacity(ies), and that by
12.32 his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of
12.33 which the individual(s) acted, executed the instrument.

13.1

13.2 Notary Signature

13.3

13.4 Notary Printed Name

13.5 Notary Public, State of

13.6 Qualified in the County of

13.7 My commission expires

13.8 Official seal:

13.9 [only if the owner of the land is a Minnesota nonprofit corporation or cooperative]:

13.10 The undersigned is the of, a Minnesota [nonprofit
13.11 corporation or cooperative], which owns the land described above. I hereby certify that the
13.12 homeowner described above is a member of the [nonprofit corporation or cooperative]
13.13 whose membership entitles the homeowner to occupy [insert legal description of the
13.14 homeowner's lot or, if the corporation or cooperative has filed a scaled drawing as permitted
13.15 by subdivision 5, below, Lot shown on such scaled drawing].

13.16

13.17 Signature block for nonprofit or cooperative

13.18

13.19 Acknowledgment of officer of nonprofit or
13.20 cooperative

13.21 Subd. 3. **Perfected security interest prevents surrender.** The department may not
13.22 cancel a certificate of title if, under this chapter, a security interest has been perfected on
13.23 the manufactured home. If a security interest has been perfected, the department must notify
13.24 the owner that each secured party must release or satisfy the security interest prior to
13.25 proceeding with surrender of the manufacturer's certificate of origin or certificate of title to
13.26 the department for cancellation. Permanent attachment to real property or the recording of
13.27 an affidavit of affixation does not extinguish an otherwise valid security interest in or tax
13.28 lien on the manufactured home, unless the requirements of subdivisions 1 to 3, including
13.29 the release of any security interest, have been satisfied.

13.30 Subd. 4. **Notice of security interest.** When a perfected security interest exists, or will
13.31 exist, on the manufactured home at the time the manufactured home is affixed to real
13.32 property, and the owner has not satisfied the requirements of subdivision 1, the owner of
13.33 the manufactured home, or its secured party, may record a notice with the county recorder,
13.34 or with the registrar of titles, if the land is registered, stating that the manufactured home
13.35 located on the property is encumbered by a perfected security interest and is not an

14.1 improvement to real property. The notice must state the name and address of the secured
14.2 party as set forth on the certificate of title, the legal description of the real property, and the
14.3 name and address of the record fee owner of the real property on which the manufactured
14.4 home is affixed. When the security interest is released or satisfied, the secured party must
14.5 attach a copy of the release or satisfaction to a notice executed by the secured party containing
14.6 the county recorder or registrar of titles document number of the notice of security interest.
14.7 The notice of release or satisfaction must be recorded with the county recorder, or registrar
14.8 of titles, if the land is registered. Neither the notice described in this subdivision nor the
14.9 security interest on the certificate of title is deemed to be an encumbrance on the real
14.10 property. The notices provided for in this subdivision need not be acknowledged.

14.11 Subd. 5. Scaled drawing. (a) If the portion of the land occupied by the homeowner has
14.12 not been subdivided, the nonprofit or cooperative owner shall have prepared and recorded
14.13 against the land a scaled drawing prepared by a licensed professional land surveyor, who
14.14 shall certify that:

14.15 (1) the scaled drawing accurately depicts all information required by this subdivision;
14.16 and

14.17 (2) the work was undertaken by, or reviewed and approved by, the certifying land
14.18 surveyor.

14.19 (b) The scaled drawing shall show:

14.20 (1) the dimensions and location of all existing material structural improvements and
14.21 roadways;

14.22 (2) the extent of any encroachments by or upon any portion of the land;

14.23 (3) the location and dimensions of all recorded easements within the land burdening any
14.24 portion of the land;

14.25 (4) the distance and direction between noncontiguous parcels of real estate;

14.26 (5) the location and dimensions of the front, rear, and side boundaries of each lot that a
14.27 member of the cooperative or nonprofit corporation has a right to occupy and that lot's
14.28 unique lot number; and

14.29 (6) the legal description of the land.

15.1 Sec. 3. **[168A.1412] MANUFACTURED HOME AFFIXED TO REAL PROPERTY.**

15.2 **Subdivision 1. Manufactured home as real property.** A manufactured home may be
15.3 made an improvement to real property, and no longer titled as personal property, pursuant
15.4 to this section. A manufactured home constitutes an improvement to real property when:

15.5 (1) the manufactured home is to be affixed or is affixed, as defined in section 273.125,
15.6 subdivision 8, paragraph (b), to the real property;

15.7 (2) the certificate of title is surrendered and canceled pursuant to subdivision 2 or the
15.8 manufacturer's certificate or statement of origin is canceled pursuant to subdivision 3; and

15.9 (3) an affidavit of affixation pursuant to subdivision 5 is recorded with the county recorder
15.10 or registrar of titles, as applicable.

15.11 **Subd. 2. Surrender of certificate of title.** (a) The owner of the manufactured home
15.12 may surrender the manufacturer's certificate of title to the commissioner for cancellation.
15.13 Upon receipt of the certificate of title, the commissioner must issue a notice of cancellation
15.14 to the owner of the manufactured home. In the event the certificate of title is lost, stolen,
15.15 mutilated, destroyed, or becomes illegible, the owner may submit a written request for
15.16 cancellation of the title which includes the serial number of the manufactured home and
15.17 states that the certificate of title is lost, stolen, mutilated, destroyed, or has become illegible.
15.18 Upon receipt of the request and verification of ownership in DVS records, the commissioner
15.19 must issue a notice of cancellation to the owner of the manufactured home and must not
15.20 require the owner to deliver the certificate of title or obtain a duplicate certificate of title.
15.21 After canceling a certificate of title, the commissioner must not allow transfer of the title
15.22 to the manufactured home as personal property. The commissioner must not require the
15.23 owner of the manufactured home to deliver the affidavit of affixation described in subdivision
15.24 5 in order for the commissioner to issue a notice of cancellation.

15.25 (b) The commissioner must not cancel a certificate of title if, under this chapter, a security
15.26 interest has been perfected on the manufactured home. If a security interest has been
15.27 perfected, the commissioner must notify the owner of the manufactured home that each
15.28 secured party must release or satisfy the security interest prior to cancellation of the certificate
15.29 of title by the commissioner. Affixing the manufactured home to real property or the
15.30 recording of an affidavit of affixation without cancellation of the certificate of title does not
15.31 extinguish an otherwise valid security interest in or tax lien on the manufactured home.

15.32 **Subd. 3. Surrender of manufacturer's certificate of origin.** The owner of the
15.33 manufactured home may surrender the manufacturer's certificate of origin to the
15.34 commissioner for cancellation. Upon delivery of the original certificate of origin, the

16.1 commissioner must issue notice of cancellation to the owner of the manufactured home.
 16.2 The commissioner must not issue a certificate of title for a manufactured home if the
 16.3 manufacturer's certificate of origin is or has been canceled under this subdivision, except
 16.4 as provided in section 168A.142. The commissioner must not require the owner of the
 16.5 manufactured home to deliver the affidavit of affixation described in subdivision 5 in order
 16.6 for the commissioner to cancel the certificate of origin.

16.7 Subd. 4. **Verification.** The commissioner is not liable for any errors, omissions,
 16.8 misstatements, or other deficiencies or inaccuracies in documents presented to the
 16.9 commissioner under this section if the documents presented appear to satisfy the requirements
 16.10 of this section. The commissioner has no obligation to investigate the accuracy of statements
 16.11 contained in the documents to verify that the manufactured home has been affixed to the
 16.12 real property.

16.13 Subd. 5. **Affidavit of affixation.** An affidavit of affixation must be in substantially the
 16.14 following form and must contain the following information and attachments described in
 16.15 the form. The county recorder or registrar of titles, as applicable, must accept any such
 16.16 affidavit. The county recorder or registrar of titles, as applicable, must provide a copy of
 16.17 the recorded affidavit of affixation to the county auditor of the county for the real property
 16.18 described therein or otherwise inform the county auditor that the home is to be taxed as an
 16.19 improvement to the real property to which it is affixed.

16.20 **MANUFACTURED HOME AFFIDAVIT OF AFFIXATION**

16.21 PURSUANT TO MINNESOTA STATUTES, SECTION 168A.1412

16.22("Affiant"), being first duly sworn, on oath states, or affirms
 16.23 under penalties of perjury, that:

16.24 1. I am an owner of the manufactured home ("Manufactured Home") described as follows:

16.25 Manufacturer's name:

16.26 Make:

16.27 Model number:

16.28 Model year:

16.29 Serial number:

16.30 Dimensions:

16.31 Other descriptive information (if any):

16.32 2. The Manufactured Home is or will be (check one) affixed, in accordance with
 16.33 Minnesota Statutes, section 273.125, subdivision 8, to real property in

16.34 County, Minnesota, with the street address of:

17.1 Street or route:

17.2 City:

17.3 State:

17.4 Zip code:

17.5 and legally described as follows ("Land"):

17.6

17.7

17.8

17.9 Check here if all or part of the described real property is Registered (Torrens)

17.10 3. A copy of the notice of cancellation issued from the Minnesota Department of Public
17.11 Safety Driver and Vehicle Services pursuant to Minnesota Statutes, section 168A.1412,
17.12 subdivision 2 or 3, is attached.

17.13 4. The owner(s) of the Manufactured Home is/are the owner(s) of the Land.

17.14 5. The Affiant makes this affidavit to demonstrate that the Manufactured Home is an
17.15 improvement to real property, no longer titled as personal property, and free of any personal
17.16 property security interest.

17.17 Affiant

17.18

17.19 (Signature)

17.20 Signed and sworn to (or affirmed) before me this day of,

17.21 Notary Stamp or Seal

17.22

17.23 Signature of notarial officer Title (and Rank):

17.24 My commission expires:

17.25 This instrument was drafted by, and when
17.26 recorded return to

17.27

17.28 Subd. 6. Notice of security interest. When a perfected security interest exists, or will
17.29 exist, on the manufactured home at the time the manufactured home is affixed to real
17.30 property, and the owner has not satisfied the requirements of subdivision 1, the owner of
17.31 the manufactured home, or its secured party, may record a notice with the county recorder,
17.32 or with the registrar of titles, if the land is registered, stating that the manufactured home
17.33 located on the property is encumbered by a perfected security interest and is not an
17.34 improvement to real property. The notice must state the name and address of the secured

18.1 party as set forth on the certificate of title, the legal description of the real property, and the
 18.2 name and address of the record fee owner of the real property on which the manufactured
 18.3 home is affixed. When the security interest is released or satisfied, the secured party must
 18.4 attach a copy of the release or satisfaction to a notice executed by the secured party containing
 18.5 the county recorder or registrar of titles document number of the notice of security interest.
 18.6 The notice of release or satisfaction must be recorded with the county recorder, or registrar
 18.7 of titles, if the land is registered. Neither the notice described in this subdivision nor the
 18.8 security interest on the certificate of title is deemed to be an encumbrance on the real
 18.9 property. The notices provided for in this subdivision need not be acknowledged.

18.10 Sec. 4. Minnesota Statutes 2020, section 273.11, subdivision 12, is amended to read:

18.11 Subd. 12. **Community land trusts.** (a) A community land trust, as defined under chapter
 18.12 462A, is (i) a community-based nonprofit corporation organized under chapter 317A, which
 18.13 qualifies for tax exempt status under 501(c)(3), or (ii) a "city" as defined in section 462C.02,
 18.14 subdivision 6, which has received funding from the Minnesota housing finance agency for
 18.15 purposes of the community land trust program. The Minnesota Housing Finance Agency
 18.16 shall set the criteria for community land trusts.

18.17 (b) ~~All occupants of a community land trust building must have a family income of less~~
 18.18 ~~than 80 percent of the greater of (1) the state median income, or (2) the area or county~~
 18.19 ~~median income, as most recently determined by the Department of Housing and Urban~~
 18.20 ~~Development.~~ Before the community land trust can rent or sell a unit to an applicant, the
 18.21 community land trust shall verify to the satisfaction of the administering agency or the city
 18.22 that the family income of each person or family applying for a unit in the community land
 18.23 trust building is within the income criteria provided in ~~this paragraph~~ section 462A.30,
 18.24 subdivision 9. The administering agency or the city shall verify to the satisfaction of the
 18.25 county assessor that the occupant meets the income criteria under ~~this paragraph~~ section
 18.26 462A.30, subdivision 9. The property tax benefits under paragraph (c) shall be granted only
 18.27 to property owned or rented by persons or families within the qualifying income limits. The
 18.28 family income criteria and verification is only necessary at the time of initial occupancy in
 18.29 the property.

18.30 (c) A unit which is owned by the occupant and used as a homestead by the occupant
 18.31 qualifies for homestead treatment as class 1a under section 273.13, subdivision 22. A unit
 18.32 which is rented by the occupant and used as a homestead by the occupant shall be class 4a
 18.33 or 4b property, under section 273.13, subdivision 25, whichever is applicable. Any remaining
 18.34 portion of the property not used for residential purposes shall be classified by the assessor

19.1 in the appropriate class based upon the use of that portion of the property owned by the
19.2 community land trust. The land upon which the building is located shall be assessed at the
19.3 same classification rate as the units within the building, provided that if the building contains
19.4 some units assessed as class 1a and some units assessed as class 4a or 4b, the market value
19.5 of the land will be assessed in the same proportions as the value of the building.

19.6 **EFFECTIVE DATE.** This section is effective August 1, 2021.

19.7 Sec. 5. Minnesota Statutes 2020, section 273.125, subdivision 8, is amended to read:

19.8 Subd. 8. **Manufactured homes; sectional structures.** (a) In this section, "manufactured
19.9 home" means a structure transportable in one or more sections, which is built on a permanent
19.10 chassis, and designed to be used as a dwelling with or without a permanent foundation when
19.11 connected to the required utilities, and contains the plumbing, heating, air conditioning, and
19.12 electrical systems in it. Manufactured home includes any accessory structure that is an
19.13 addition or supplement to the manufactured home and, when installed, becomes a part of
19.14 the manufactured home.

19.15 (b) Except as provided in paragraph (c), a manufactured home that meets each of the
19.16 following criteria must be valued and assessed as an improvement to real property, the
19.17 appropriate real property classification applies, and the valuation is subject to review and
19.18 the taxes payable in the manner provided for real property:

19.19 (1) ~~the owner of the unit holds title to the land on which it is situated~~ is held by: (i) the
19.20 owner of the unit; or (ii) a Minnesota nonprofit corporation or a Minnesota cooperative to
19.21 which the owner is a member;

19.22 (2) the unit is affixed to the land by a permanent foundation or is installed at its location
19.23 in accordance with the Manufactured Home Building Code in sections 327.31 to 327.34,
19.24 and rules adopted under those sections, or is affixed to the land like other real property in
19.25 the taxing district; and

19.26 (3) the unit is connected to public utilities, has a well and septic tank system, or is serviced
19.27 by water and sewer facilities comparable to other real property in the taxing district.

19.28 (c) A manufactured home that meets each of the following criteria must be assessed at
19.29 the rate provided by the appropriate real property classification but must be treated as
19.30 personal property, and the valuation is subject to review and the taxes payable in the manner
19.31 provided in this section:

19.32 (1) the owner of the unit is a lessee of the land under the terms of a lease, or the unit is
19.33 located in a manufactured home park but is not the homestead of the park owner;

20.1 (2) the unit is affixed to the land by a permanent foundation or is installed at its location
20.2 in accordance with the Manufactured Home Building Code contained in sections 327.31 to
20.3 327.34, and the rules adopted under those sections, or is affixed to the land like other real
20.4 property in the taxing district; and

20.5 (3) the unit is connected to public utilities, has a well and septic tank system, or is serviced
20.6 by water and sewer facilities comparable to other real property in the taxing district.

20.7 (d) Sectional structures must be valued and assessed as an improvement to real property
20.8 if the owner of the structure holds title to the land on which it is located or is a qualifying
20.9 lessee of the land under section 273.19. In this paragraph "sectional structure" means a
20.10 building or structural unit that has been in whole or substantial part manufactured or
20.11 constructed at an off-site location to be wholly or partially assembled on site alone or with
20.12 other units and attached to a permanent foundation.

20.13 (e) The commissioner of revenue may adopt rules under the Administrative Procedure
20.14 Act to establish additional criteria for the classification of manufactured homes and sectional
20.15 structures under this subdivision.

20.16 (f) A storage shed, deck, or similar improvement constructed on property that is leased
20.17 or rented as a site for a manufactured home, sectional structure, park trailer, or travel trailer
20.18 is taxable as provided in this section. In the case of property that is leased or rented as a site
20.19 for a travel trailer, a storage shed, deck, or similar improvement on the site that is considered
20.20 personal property under this paragraph is taxable only if its total estimated market value is
20.21 over \$10,000. The property is taxable as personal property to the lessee of the site if it is
20.22 not owned by the owner of the site. The property is taxable as real estate if it is owned by
20.23 the owner of the site. As a condition of permitting the owner of the manufactured home,
20.24 sectional structure, park trailer, or travel trailer to construct improvements on the leased or
20.25 rented site, the owner of the site must obtain the permanent home address of the lessee or
20.26 user of the site. The site owner must provide the name and address to the assessor upon
20.27 request.

20.28 Sec. 6. Minnesota Statutes 2020, section 326B.106, subdivision 7, is amended to read:

20.29 Subd. 7. **Window fall prevention device code.** (a) The commissioner of labor and
20.30 industry shall adopt rules for window fall prevention devices as part of the State Building
20.31 Code. Window fall prevention devices include, but are not limited to, safety screens,
20.32 hardware, guards, and other devices that comply with the standards established by the
20.33 commissioner of labor and industry. The rules shall require compliance with standards for
20.34 window fall prevention devices developed by ASTM International, contained in the

21.1 International Building Code as the model language with amendments deemed necessary to
21.2 coordinate with the other adopted building codes in Minnesota. The rules shall establish a
21.3 scope that includes the applicable building occupancies, and the types, locations, and sizes
21.4 of windows that will require the installation of fall devices.

21.5 (b) In one- and two-family dwellings and townhouses, as defined in Minnesota Rules,
21.6 part 1309.0202, subpart 1, window fall prevention devices are not required when: (1) the
21.7 lowest part of the window opening of an operable window is a minimum of 24 inches above
21.8 the finished floor of the room in which the window is located; or (2) the lowest part of the
21.9 opening of an operable window is located 72 inches or less above the exterior grade below.

21.10 Sec. 7. Minnesota Statutes 2020, section 462.352, subdivision 5, is amended to read:

21.11 Subd. 5. **Comprehensive municipal plan.** (a) "Comprehensive municipal plan" means
21.12 a compilation of policy statements, goals, standards, and maps for guiding the physical,
21.13 social and economic development, both private and public, of the municipality and its
21.14 environs, and may include, but is not limited to, the following: statements of policies, goals,
21.15 standards, a land use plan, including proposed densities for development, a community
21.16 facilities plan, a transportation plan, and recommendations for plan execution. A
21.17 comprehensive plan represents the planning agency's recommendations for the future
21.18 development of the community.

21.19 (b) As part of the comprehensive municipal plan, municipalities are encouraged to enact
21.20 public policy to facilitate the development of unsubsidized affordable housing. These policies
21.21 may include but are not limited to the municipal plan authorizing smaller lot sizes for
21.22 single-family homes, allowing the construction of duplexes through fourplexes on lots that
21.23 would otherwise be zoned exclusively for single-family houses, and allowing for mixed-use
21.24 development.

21.25 Sec. 8. **[462.3575] LIMITING REGULATIONS ON RESIDENTIAL**
21.26 **DEVELOPMENT.**

21.27 Subdivision 1. **Application.** This section applies to official controls adopted under
21.28 sections 462.357, 462.358, and 462.3595.

21.29 Subd. 2. **Planned unit development.** (a) A municipality shall not require a planned unit
21.30 development agreement in lieu of a proposed residential development if the proposed
21.31 residential development complies with the existing city zoning ordinances, subdivision
21.32 regulation, or qualifies as a conditional use.

22.1 (b) A municipality shall not require planned unit development agreement conditions
22.2 that exceed the requirements in the State Building Code under chapter 326B.

22.3 (c) A planned unit development agreement must be made available to the public by
22.4 posting the agreement on the website of the municipality at least seven days prior to the
22.5 governing body's review of the agreement. If the municipality does not have a website, a
22.6 copy of the planned unit development agreement must be available for review at the city
22.7 hall building of the municipality. If the agreement is approved by the governing body, the
22.8 agreement cannot be modified unless all parties to the agreement concur.

22.9 Subd. 3. **Limitation on aesthetic mandates.** A municipality shall not condition approval
22.10 of a building permit, subdivision development, or planned unit development on the use of
22.11 specific materials, design, amenities, or other aesthetic conditions that are not required by
22.12 the State Building Code under chapter 326B.

22.13 Subd. 4. **Exception.** This section shall not apply to a proposed residential development
22.14 that is to be developed by the municipality.

22.15 Sec. 9. Minnesota Statutes 2020, section 462A.05, subdivision 14, is amended to read:

22.16 Subd. 14. **Rehabilitation loans.** It may agree to purchase, make, or otherwise participate
22.17 in the making, and may enter into commitments for the purchase, making, or participation
22.18 in the making, of eligible loans for rehabilitation, with terms and conditions as the agency
22.19 deems advisable, to persons and families of low and moderate income, and to owners of
22.20 existing residential housing for occupancy by such persons and families, for the rehabilitation
22.21 of existing residential housing owned by them. The loans may be insured or uninsured and
22.22 may be made with security, or may be unsecured, as the agency deems advisable. The loans
22.23 may be in addition to or in combination with long-term eligible mortgage loans under
22.24 subdivision 3. They may be made in amounts sufficient to refinance existing indebtedness
22.25 secured by the property, if refinancing is determined by the agency to be necessary to permit
22.26 the owner to meet the owner's housing cost without expending an unreasonable portion of
22.27 the owner's income thereon. No loan for rehabilitation shall be made unless the agency
22.28 determines that the loan will be used primarily to make the housing more desirable to live
22.29 in, to increase the market value of the housing, for compliance with state, county or municipal
22.30 building, housing maintenance, fire, health or similar codes and standards applicable to
22.31 housing, or to accomplish energy conservation related improvements. In unincorporated
22.32 areas and municipalities not having codes and standards, the agency may, solely for the
22.33 purpose of administering the provisions of this chapter, establish codes and standards. ~~Except~~
22.34 ~~for accessibility improvements under this subdivision and subdivisions 14a and 24, clause~~

23.1 ~~(1), no secured loan for rehabilitation of any owner-occupied property shall be made in an~~
 23.2 ~~amount which, with all other existing indebtedness secured by the property, would exceed~~
 23.3 ~~110 percent of its market value, as determined by the agency.~~ No loan under this subdivision
 23.4 for the rehabilitation of owner-occupied housing shall be denied solely because the loan
 23.5 will not be used for placing the owner-occupied residential housing in full compliance with
 23.6 all state, county, or municipal building, housing maintenance, fire, health, or similar codes
 23.7 and standards applicable to housing. Rehabilitation loans shall be made only when the
 23.8 agency determines that financing is not otherwise available, in whole or in part, from private
 23.9 lenders upon equivalent terms and conditions. Accessibility rehabilitation loans authorized
 23.10 under this subdivision may be made to eligible persons and families without limitations
 23.11 relating to the maximum incomes of the borrowers if:

23.12 (1) the borrower or a member of the borrower's family requires a level of care provided
 23.13 in a hospital, skilled nursing facility, or intermediate care facility for persons with
 23.14 developmental disabilities;

23.15 (2) home care is appropriate; and

23.16 (3) the improvement will enable the borrower or a member of the borrower's family to
 23.17 reside in the housing.

23.18 The agency may waive any requirement that the housing units in a residential housing
 23.19 development be rented to persons of low and moderate income if the development consists
 23.20 of four or less dwelling units, one of which is occupied by the owner.

23.21 **EFFECTIVE DATE.** This section is effective July 1, 2021.

23.22 Sec. 10. Minnesota Statutes 2020, section 462A.05, subdivision 14a, is amended to read:

23.23 Subd. 14a. **Rehabilitation loans; existing owner-occupied residential housing.** It may
 23.24 make loans to persons and families of low and moderate income to rehabilitate or to assist
 23.25 in rehabilitating existing residential housing owned and occupied by those persons or
 23.26 families. Rehabilitation may include replacement of manufactured homes. No loan shall be
 23.27 made unless the agency determines that the loan will be used primarily for rehabilitation
 23.28 work necessary for health or safety, essential accessibility improvements, or to improve the
 23.29 energy efficiency of the dwelling. No loan for rehabilitation of owner-occupied residential
 23.30 housing shall be denied solely because the loan will not be used for placing the residential
 23.31 housing in full compliance with all state, county or municipal building, housing maintenance,
 23.32 fire, health or similar codes and standards applicable to housing. The amount of any loan
 23.33 shall not exceed the lesser of (a) a maximum loan amount determined under rules adopted

24.1 by the agency not to exceed ~~\$27,000~~ \$40,000, or (b) the actual cost of the work performed,
24.2 or (c) that portion of the cost of rehabilitation which the agency determines cannot otherwise
24.3 be paid by the person or family without the expenditure of an unreasonable portion of the
24.4 income of the person or family. Loans made in whole or in part with federal funds may
24.5 exceed the maximum loan amount to the extent necessary to comply with federal lead
24.6 abatement requirements prescribed by the funding source. In making loans, the agency shall
24.7 determine the circumstances under which and the terms and conditions under which all or
24.8 any portion of the loan will be repaid and shall determine the appropriate security for the
24.9 repayment of the loan. Loans pursuant to this subdivision may be made with or without
24.10 interest or periodic payments.

24.11 **EFFECTIVE DATE.** This section is effective July 1, 2021.

24.12 Sec. 11. Minnesota Statutes 2020, section 462A.07, subdivision 2, is amended to read:

24.13 Subd. 2. **Technical assistance; residential housing.** It may provide general technical
24.14 services and support to assist in the planning, processing, design, construction or
24.15 rehabilitation, and inspection of residential housing for occupancy by persons and families
24.16 of low and moderate income and to increase the capacity of entities to meet the housing
24.17 needs in the state.

24.18 **EFFECTIVE DATE.** This section is effective August 1, 2021.

24.19 Sec. 12. Minnesota Statutes 2020, section 462A.204, subdivision 3, is amended to read:

24.20 Subd. 3. **Set aside.** At least one grant must be awarded in an area located outside of the
24.21 metropolitan area. A county, a group of contiguous counties jointly acting together, a Tribe,
24.22 a group of Tribes, or a community-based nonprofit organization ~~with a sponsoring resolution~~
24.23 ~~from each of the county boards of the counties located within its operating jurisdiction~~ may
24.24 apply for and receive grants ~~for areas located outside the metropolitan area.~~

24.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

24.26 Sec. 13. Minnesota Statutes 2020, section 462A.24, is amended to read:

24.27 **462A.24 CONSTRUCTION; GRANTS AND LOANS; PRIORITIES.**

24.28 (a) This chapter is necessary for the welfare of the state of Minnesota and its inhabitants;
24.29 therefore, it shall be liberally construed to effect its purpose.

24.30 (b) To the extent practicable, the agency shall award grant and loan amounts with a
24.31 reasonable balance between nonmetropolitan and metropolitan areas of the state.

25.1 (c) Beginning with applications made in response to requests for proposals issued after
25.2 July 1, 2020, after final decisions are made on applications for programs of the agency, the
25.3 results of any quantitative scoring system used to rank applications shall be posted on the
25.4 agency website.

25.5 (d) The agency shall award points in the agency's decision-making criteria for all
25.6 programs of the agency based on how quickly a project can be constructed.

25.7 Sec. 14. Minnesota Statutes 2020, section 462A.30, subdivision 9, is amended to read:

25.8 Subd. 9. **Persons and families of low and moderate income.** "Persons and families of
25.9 low and moderate income" means persons or families whose income does not exceed:

25.10 (1) ~~80~~115 percent of the greater of state median income, or area or county median income
25.11 as determined by the Department of Housing and Urban Development; or

25.12 (2) the amount that qualifies the organization for tax exempt status under United States
25.13 Code, title 26, section 501(c)(3), whichever is less.

25.14 **EFFECTIVE DATE.** This section is effective August 1, 2021.

25.15 Sec. 15. Minnesota Statutes 2020, section 462A.37, subdivision 1, is amended to read:

25.16 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
25.17 the meanings given.

25.18 (b) "Abandoned property" has the meaning given in section 117.025, subdivision 5.

25.19 (c) "Community land trust" means an entity that meets the requirements of section
25.20 462A.31, subdivisions 1 and 2.

25.21 (d) "Debt service" means the amount payable in any fiscal year of principal, premium,
25.22 if any, and interest on housing infrastructure bonds and the fees, charges, and expenses
25.23 related to the bonds.

25.24 (e) "Foreclosed property" means residential property where foreclosure proceedings
25.25 have been initiated or have been completed and title transferred or where title is transferred
25.26 in lieu of foreclosure.

25.27 (f) "Housing infrastructure bonds" means bonds issued by the agency under this chapter
25.28 that:

25.29 (1) are qualified 501(c)(3) bonds, within the meaning of section 145(a) of the Internal
25.30 Revenue Code;

26.1 (2) finance qualified residential rental projects within the meaning of section 142(d) of
26.2 the Internal Revenue Code;

26.3 (3) finance the construction or rehabilitation of single-family houses that qualify for
26.4 mortgage financing within the meaning of section 143 of the Internal Revenue Code; or

26.5 (4) are tax-exempt bonds that are not private activity bonds, within the meaning of
26.6 section 141(a) of the Internal Revenue Code, for the purpose of financing or refinancing
26.7 affordable housing authorized under this chapter.

26.8 (g) "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

26.9 (h) "Senior" means a person 55 years of age or older ~~with an annual income not greater~~
26.10 ~~than 50 percent of:~~

26.11 ~~(1) the metropolitan area median income for persons in the metropolitan area; or~~

26.12 ~~(2) the statewide median income for persons outside the metropolitan area.~~

26.13 (i) "Senior household" means a household with one or more senior members and with
26.14 a combined annual income not greater than 50 percent of:

26.15 (1) the metropolitan area median income for persons in the metropolitan area; or

26.16 (2) the statewide median income for persons outside the metropolitan area.

26.17 ~~(j)~~ (j) "Senior housing" means housing intended and operated for occupancy by ~~at least~~
26.18 ~~one senior per unit~~ senior households with at least 80 percent of the units occupied by ~~at~~
26.19 ~~least one senior per unit~~ senior households, and for which there is publication of, and
26.20 adherence to, policies and procedures that demonstrate an intent by the owner or manager
26.21 to provide housing for seniors. Senior housing may be developed in conjunction with and
26.22 as a distinct portion of mixed-income senior housing developments that use a variety of
26.23 public or private financing sources.

26.24 ~~(k)~~ (k) "Supportive housing" means housing that is not time-limited and provides or
26.25 coordinates with linkages to services necessary for residents to maintain housing stability
26.26 and maximize opportunities for education and employment.

26.27 **EFFECTIVE DATE.** This section is effective August 1, 2021.

26.28 Sec. 16. Minnesota Statutes 2020, section 462A.37, subdivision 2, is amended to read:

26.29 Subd. 2. **Authorization.** (a) The agency may issue up to \$30,000,000 in aggregate
26.30 principal amount of housing infrastructure bonds in one or more series to which the payment
26.31 made under this section may be pledged. The housing infrastructure bonds authorized in

27.1 this subdivision may be issued to fund loans, or grants for the purposes of clause (4), on
27.2 terms and conditions the agency deems appropriate, made for one or more of the following
27.3 purposes:

27.4 (1) to finance the costs of the construction, acquisition, and rehabilitation of supportive
27.5 housing for individuals and families who are without a permanent residence;

27.6 (2) to finance the costs of the acquisition and rehabilitation of foreclosed or abandoned
27.7 housing to be used for affordable rental housing and the costs of new construction of rental
27.8 housing on abandoned or foreclosed property where the existing structures will be demolished
27.9 or removed;

27.10 (3) to finance that portion of the costs of acquisition of property that is attributable to
27.11 the land to be leased by community land trusts to low- and moderate-income home buyers;

27.12 (4) to finance the acquisition, improvement, and infrastructure of manufactured home
27.13 parks under section 462A.2035, subdivision 1b;

27.14 (5) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
27.15 of senior housing;

27.16 (6) to finance the costs of acquisition and rehabilitation of federally assisted rental
27.17 housing and for the refinancing of costs of the construction, acquisition, and rehabilitation
27.18 of federally assisted rental housing, including providing funds to refund, in whole or in part,
27.19 outstanding bonds previously issued by the agency or another government unit to finance
27.20 or refinance such costs; and

27.21 (7) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
27.22 of single-family housing.

27.23 (b) Among comparable proposals for permanent supportive housing, preference shall
27.24 be given to permanent supportive housing for veterans and other individuals or families
27.25 who:

27.26 (1) either have been without a permanent residence for at least 12 months or at least four
27.27 times in the last three years; or

27.28 (2) are at significant risk of lacking a permanent residence for 12 months or at least four
27.29 times in the last three years.

27.30 (c) Among comparable proposals for senior housing, the agency must give priority to
27.31 requests for projects that:

28.1 (1) demonstrate a commitment to maintaining the housing financed as affordable to
28.2 ~~seniors~~ senior households;

28.3 (2) leverage other sources of funding to finance the project, including the use of
28.4 low-income housing tax credits;

28.5 (3) provide access to services to residents and demonstrate the ability to increase physical
28.6 supports and support services as residents age and experience increasing levels of disability;
28.7 and

28.8 ~~(4) provide a service plan containing the elements of clause (3) reviewed by the housing~~
28.9 ~~authority, economic development authority, public housing authority, or community~~
28.10 ~~development agency that has an area of operation for the jurisdiction in which the project~~
28.11 ~~is located; and~~

28.12 ~~(5)~~ (4) include households with incomes that do not exceed 30 percent of the median
28.13 household income for the metropolitan area.

28.14 To the extent practicable, the agency shall balance the loans made between projects in the
28.15 metropolitan area and projects outside the metropolitan area. Of the loans made to projects
28.16 outside the metropolitan area, the agency shall, to the extent practicable, balance the loans
28.17 made between projects in counties or cities with a population of 20,000 or less, as established
28.18 by the most recent decennial census, and projects in counties or cities with populations in
28.19 excess of 20,000.

28.20 **EFFECTIVE DATE.** This section is effective August 1, 2021.

28.21 Sec. 17. Minnesota Statutes 2020, section 462A.38, subdivision 1, is amended to read:

28.22 Subdivision 1. **Establishment.** A workforce and affordable homeownership development
28.23 program is established to award homeownership development grants to:

28.24 (1) cities;

28.25 (2) counties;

28.26 (3) Tribal governments;

28.27 (4) nonprofit organizations;

28.28 (5) cooperatives created under chapter 308A or 308B; and

28.29 (6) community land trusts created for the purposes outlined in section 462A.31,
28.30 subdivision 1,

29.1 for development of workforce and affordable homeownership projects. The purpose of the
29.2 program is to increase the supply of workforce and affordable, owner-occupied multifamily
29.3 or single-family housing throughout Minnesota.

29.4 **EFFECTIVE DATE.** This section is effective July 1, 2021.

29.5 Sec. 18. Minnesota Statutes 2020, section 462A.39, subdivision 1, is amended to read:

29.6 Subdivision 1. **Establishment.** The commissioner of Minnesota housing finance shall
29.7 establish a workforce housing development program to award grants or deferred loans to
29.8 eligible project areas to be used for qualified expenditures. Grants or deferred loans
29.9 authorized under this section may be made without limitations relating to the maximum
29.10 incomes of the renters or homeowners.

29.11 Sec. 19. Minnesota Statutes 2020, section 462A.39, subdivision 2, is amended to read:

29.12 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the
29.13 meanings given.

29.14 (b) "Eligible project area" means a home rule charter or statutory city located outside
29.15 of the metropolitan area as defined in section 473.121, subdivision 2, with a population
29.16 exceeding 500; a community that has a combined population of 1,500 residents located
29.17 within 15 miles of a home rule charter or statutory city located outside the metropolitan
29.18 area as defined in section 473.121, subdivision 2; federally recognized Tribal reservations;
29.19 or an area served by a joint county-city economic development authority.

29.20 (c) "Joint county-city economic development authority" means an economic development
29.21 authority formed under Laws 1988, chapter 516, section 1, as a joint partnership between
29.22 a city and county and excluding those established by the county only.

29.23 (d) "Market rate residential rental properties" means properties that are rented at market
29.24 value, including new modular homes, new manufactured homes, and new manufactured
29.25 homes on leased land or in a manufactured home park, and may include rental developments
29.26 that have a portion of income-restricted units.

29.27 (e) "Qualified expenditure" means expenditures for owner-occupied housing or market
29.28 rate residential rental properties including acquisition of property; construction of
29.29 improvements; and provisions of loans or subsidies, grants, interest rate subsidies, public
29.30 infrastructure, and related financing costs.

29.31 **EFFECTIVE DATE.** This section is effective July 1, 2021.

30.1 Sec. 20. Minnesota Statutes 2020, section 462A.39, subdivision 4, is amended to read:

30.2 Subd. 4. **Program requirements.** (a) The commissioner must not award a grant or
30.3 deferred loans to an eligible project area under this section until the following determinations
30.4 are made:

30.5 (1) the average vacancy rate for rental housing located in the eligible project area, and
30.6 in any other city located within 15 miles or less of the boundaries of the area, has been five
30.7 percent or less for at least the prior two-year period;

30.8 (2) one or more businesses located in the eligible project area, or within 25 miles of the
30.9 area, that employs a minimum of 20 full-time equivalent employees in aggregate have
30.10 provided a written statement to the eligible project area indicating that the lack of available
30.11 ~~rental~~ housing has impeded their ability to recruit and hire employees; and

30.12 (3) the eligible project area has certified that the grants or deferred loans will be used
30.13 for qualified expenditures for the development of ~~rental~~ housing to serve employees of
30.14 businesses located in the eligible project area or surrounding area.

30.15 (b) Preference for grants or deferred loans awarded under this section shall be given to
30.16 eligible project areas with less than 30,000 people.

30.17 (c) Among comparable proposals, preference must be given to projects with a higher
30.18 proportion of units that are not income-restricted.

30.19 Sec. 21. Minnesota Statutes 2020, section 462A.39, subdivision 5, is amended to read:

30.20 Subd. 5. **Allocation.** The amount of a grant or deferred loans may not exceed 25 percent
30.21 of the ~~rental~~ housing development project cost. The commissioner shall not award a grant
30.22 or deferred loans to ~~a city~~ an eligible project area without certification by the ~~city~~ eligible
30.23 project area that the amount of the grant or deferred loans shall be matched by:

30.24 (1) a local unit of government;

30.25 (2) a business,~~or;~~

30.26 (3) a nonprofit organization; or

30.27 (4) a federally recognized Tribe

30.28 with \$1 for every \$2 provided in grant or deferred loans funds.

30.29 **EFFECTIVE DATE.** This section is effective July 1, 2021.

31.1 Sec. 22. Minnesota Statutes 2020, section 462A.39, is amended by adding a subdivision
31.2 to read:

31.3 Subd. 5a. **No change in project scope.** (a) When a contingency is provided in a grant
31.4 award under this section, changes to the project made by the developer to meet the
31.5 contingency shall not be considered a change in project scope and the grant must be funded,
31.6 provided that:

31.7 (1) the number of affordable units is not reduced;

31.8 (2) an increase in the number of affordable units is allowed if required to cover the
31.9 increased financial costs of meeting the agency contingency; and

31.10 (3) additional state funds are not solicited for the project.

31.11 (b) Additional local matching funds may be solicited for the project under this
31.12 subdivision, including but not limited to funds from local units of government.

31.13 Sec. 23. **[462A.40] PROGRAM FOR MANUFACTURED HOME MORTGAGE**
31.14 **FINANCING AND DOWN PAYMENT ASSISTANCE FOR CERTAIN**
31.15 **MANUFACTURED HOMES.**

31.16 (a) By August 1, 2022, the agency, in conjunction with Fannie Mae's HomeReady
31.17 program, or other federal mortgage programs that may authorize it, must develop and
31.18 implement a program that offers mortgage financing and down payment assistance for
31.19 purchasers of eligible manufactured homes.

31.20 (b) For purposes of this section "eligible manufactured homes" means a manufactured
31.21 home titled as real property in this state and affixed to real property owned by a
31.22 resident-owned community.

31.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

31.24 Sec. 24. Minnesota Statutes 2020, section 471.9996, subdivision 1, is amended to read:

31.25 Subdivision 1. ~~In general~~ **Prohibition.** (a) No statutory or home rule charter city, county,
31.26 or town may adopt or renew by ordinance or otherwise any law to control rents on private
31.27 residential property ~~except as provided in subdivision 2.~~ This section does not impair the
31.28 right of any statutory or home rule charter city, county, or town:

31.29 (1) to manage or control property in which it has a financial interest through a housing
31.30 authority or similar agency;

31.31 (2) to contract with a property owner;

32.1 (3) to act as required or authorized by laws or regulations of the United States government
32.2 or this state; or

32.3 (4) to mediate between property owners and tenants for the purpose of negotiating rents.

32.4 (b) Nothing in this section shall be deemed to limit or restrict the classification of
32.5 low-income rental property as class 4d under section 273.13, subdivision 25.

32.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

32.7 Sec. 25. Minnesota Statutes 2020, section 474A.061, subdivision 2a, is amended to read:

32.8 Subd. 2a. **Housing pool allocation.** (a) Commencing on the second Tuesday in January
32.9 and continuing on each Monday through the last Monday in June, the commissioner shall
32.10 allocate available bonding authority from the housing pool to applications received on or
32.11 before the Monday of the preceding week for residential rental projects that meet the
32.12 eligibility criteria under section 474A.047. Allocations of available bonding authority from
32.13 the housing pool for eligible residential rental projects shall be awarded in the following
32.14 order of priority:

32.15 (1) preservation projects;

32.16 (2) 30 percent AMI residential rental projects;

32.17 (3) 50 percent AMI residential rental projects;

32.18 (4) 100 percent LIHTC projects;

32.19 (5) 20 percent LIHTC projects; and

32.20 (6) other residential rental projects for which the amount of bonds requested in their
32.21 respective applications do not exceed the aggregate bond limitation.

32.22 If there are two or more applications for residential rental projects at the same priority level
32.23 and there is insufficient bonding authority to provide allocations for all the projects in any
32.24 one allocation period, available bonding authority shall be ~~randomly~~ awarded by not giving
32.25 preference for projects with a lower cost per square foot but only for projects that can receive
32.26 the full amount of their respective requested allocations. If a residential rental project does
32.27 not receive any of its requested allocation pursuant to this paragraph and the project applies
32.28 for an allocation of bonds again in the same calendar year or to the next successive housing
32.29 pool, the project shall be fully funded up to its original application request for bonding
32.30 authority before any new project, applying in the same allocation period, that has an equal
32.31 priority shall receive bonding authority. An issuer that receives an allocation under this
32.32 paragraph must issue obligations equal to all or a portion of the allocation received on or

33.1 before 180 days of the allocation. If an issuer that receives an allocation under this paragraph
33.2 does not issue obligations equal to all or a portion of the allocation received within the time
33.3 period provided in this paragraph or returns the allocation to the commissioner, the amount
33.4 of the allocation is canceled and returned for reallocation through the housing pool or to
33.5 the unified pool after July 1.

33.6 (b) After January 1, and through January 15, The Minnesota Housing Finance Agency
33.7 may accept applications from cities for single-family housing programs which meet program
33.8 requirements as follows:

33.9 (1) the housing program must meet a locally identified housing need and be economically
33.10 viable;

33.11 (2) the adjusted income of home buyers may not exceed 80 percent of the greater of
33.12 statewide or area median income as published by the Department of Housing and Urban
33.13 Development, adjusted for household size;

33.14 (3) house price limits may not exceed the federal price limits established for mortgage
33.15 revenue bond programs. Data on the home purchase price amount, mortgage amount, income,
33.16 household size, and race of the households served in the previous year's single-family
33.17 housing program, if any, must be included in each application; and

33.18 (4) for applicants who choose to have the agency issue bonds on their behalf, an
33.19 application fee pursuant to section 474A.03, subdivision 4, and an application deposit equal
33.20 to one percent of the requested allocation must be submitted to the Minnesota Housing
33.21 Finance Agency before the agency forwards the list specifying the amounts allocated to the
33.22 commissioner under paragraph (d). The agency shall submit the city's application fee and
33.23 application deposit to the commissioner when requesting an allocation from the housing
33.24 pool.

33.25 Applications by a consortium shall include the name of each member of the consortium
33.26 and the amount of allocation requested by each member.

33.27 (c) Any amounts remaining in the housing pool after June 15 are available for
33.28 single-family housing programs for cities that applied in January and received an allocation
33.29 under this section in the same calendar year. For a city that chooses to issue bonds on its
33.30 own behalf or pursuant to a joint powers agreement, the agency must allot available bonding
33.31 authority based on the formula in paragraphs (d) and (f). Allocations will be made loan by
33.32 loan, on a first-come, first-served basis among cities on whose behalf the Minnesota Housing
33.33 Finance Agency issues bonds.

34.1 Any city that received an allocation pursuant to paragraph (f) in the same calendar year
34.2 that wishes to issue bonds on its own behalf or pursuant to a joint powers agreement for an
34.3 amount becoming available for single-family housing programs after June 15 shall notify
34.4 the Minnesota Housing Finance Agency by June 15. The Minnesota Housing Finance
34.5 Agency shall notify each city making a request of the amount of its allocation within three
34.6 business days after June 15. The city must comply with paragraph (f).

34.7 For purposes of paragraphs (a) to (h), "city" means a county or a consortium of local
34.8 government units that agree through a joint powers agreement to apply together for
34.9 single-family housing programs, and has the meaning given it in section 462C.02, subdivision
34.10 6. "Agency" means the Minnesota Housing Finance Agency.

34.11 (d) The total amount of allocation for mortgage bonds for one city is limited to the lesser
34.12 of: (i) the amount requested, or (ii) the product of the total amount available for mortgage
34.13 bonds from the housing pool, multiplied by the ratio of each applicant's population as
34.14 determined by the most recent estimate of the city's population released by the state
34.15 demographer's office to the total of all the applicants' population, except that each applicant
34.16 shall be allocated a minimum of \$100,000 regardless of the amount requested or the amount
34.17 determined under the formula in clause (ii). If a city applying for an allocation is located
34.18 within a county that has also applied for an allocation, the city's population will be deducted
34.19 from the county's population in calculating the amount of allocations under this paragraph.

34.20 Upon determining the amount of each applicant's allocation, the agency shall forward
34.21 to the commissioner a list specifying the amounts allotted to each application with all
34.22 application fees and deposits from applicants who choose to have the agency issue bonds
34.23 on their behalf.

34.24 Total allocations from the housing pool for single-family housing programs may not
34.25 exceed 27 percent of the adjusted allocation to the housing pool until after June 15 in 2020
34.26 and 2021, after which the allocations may not exceed 31 percent of the adjusted allocation
34.27 to the housing pool until after June 15.

34.28 (e) The agency may issue bonds on behalf of participating cities. The agency shall request
34.29 an allocation from the commissioner for all applicants who choose to have the agency issue
34.30 bonds on their behalf and the commissioner shall allocate the requested amount to the
34.31 agency. The agency may request an allocation at any time after the second Tuesday in
34.32 January and through the last Monday in June. After awarding an allocation and receiving
34.33 a notice of issuance for the mortgage bonds issued on behalf of the participating cities, the
34.34 commissioner shall transfer the application deposits to the Minnesota Housing Finance

35.1 Agency to be returned to the participating cities. The Minnesota Housing Finance Agency
35.2 shall return any application deposit to a city that paid an application deposit under paragraph
35.3 (b), clause (4), but was not part of the list forwarded to the commissioner under paragraph
35.4 (d).

35.5 (f) A city may choose to issue bonds on its own behalf or through a joint powers
35.6 agreement and may request an allocation from the commissioner by forwarding an application
35.7 with an application fee pursuant to section 474A.03, subdivision 4, and a one percent
35.8 application deposit to the commissioner no later than the Monday of the week preceding
35.9 an allocation. If the total amount requested by all applicants exceeds the amount available
35.10 in the pool, the city may not receive a greater allocation than the amount it would have
35.11 received under the list forwarded by the Minnesota Housing Finance Agency to the
35.12 commissioner. No city may request or receive an allocation from the commissioner until
35.13 the list under paragraph (d) has been forwarded to the commissioner. A city must request
35.14 an allocation from the commissioner no later than the last Monday in June. No city may
35.15 receive an allocation from the housing pool for mortgage bonds which has not first applied
35.16 to the Minnesota Housing Finance Agency. The commissioner shall allocate the requested
35.17 amount to the city or cities subject to the limitations under this paragraph.

35.18 If a city issues mortgage bonds from an allocation received under this paragraph, the
35.19 issuer must provide for the recycling of funds into new loans. If the issuer is not able to
35.20 provide for recycling, the issuer must notify the commissioner in writing of the reason that
35.21 recycling was not possible and the reason the issuer elected not to have the Minnesota
35.22 Housing Finance Agency issue the bonds. "Recycling" means the use of money generated
35.23 from the repayment and prepayment of loans for further eligible loans or for the redemption
35.24 of bonds and the issuance of current refunding bonds.

35.25 (g) No entitlement city or county or city in an entitlement county may apply for or be
35.26 allocated authority to issue mortgage bonds or use mortgage credit certificates from the
35.27 housing pool. No city in an entitlement county may apply for or be allocated authority to
35.28 issue residential rental bonds from the housing pool or the unified pool.

35.29 (h) A city that does not use at least 50 percent of its allotment by the date applications
35.30 are due for the first allocation that is made from the housing pool for single-family housing
35.31 programs in the immediately succeeding calendar year may not apply to the housing pool
35.32 for a single-family mortgage bond or mortgage credit certificate program allocation that
35.33 exceeds the amount of its allotment for the preceding year that was used by the city in the
35.34 immediately preceding year or receive an allotment from the housing pool in the succeeding
35.35 calendar year that exceeds the amount of its allotment for the preceding year that was used

36.1 in the preceding year. The minimum allotment is \$100,000 for an allocation made prior to
36.2 June 15, regardless of the amount used in the preceding calendar year, except that a city
36.3 whose allocation in the preceding year was the minimum amount of \$100,000 and who did
36.4 not use at least 50 percent of its allocation from the preceding year is ineligible for an
36.5 allocation in the immediate succeeding calendar year. Each local government unit in a
36.6 consortium must meet the requirements of this paragraph.

36.7 **EFFECTIVE DATE.** This section is effective January 1, 2022.

36.8 Sec. 26. Minnesota Statutes 2020, section 474A.091, subdivision 3, is amended to read:

36.9 Subd. 3. **Allocation procedure.** (a) The commissioner shall allocate available bonding
36.10 authority under this section on the Monday of every other week beginning with the first
36.11 Monday in July through and on the last Monday in November. Applications for allocations
36.12 must be received by the department by 4:30 p.m. on the Monday preceding the Monday on
36.13 which allocations are to be made. If a Monday falls on a holiday, the allocation will be made
36.14 or the applications must be received by the next business day after the holiday.

36.15 (b) Prior to October 1, only the following applications shall be awarded allocations from
36.16 the unified pool. Allocations shall be awarded in the following order of priority:

36.17 (1) applications for residential rental project bonds;

36.18 (2) applications for small issue bonds for manufacturing projects; and

36.19 (3) applications for small issue bonds for agricultural development bond loan projects.

36.20 (c) On the first Monday in October through the last Monday in November, allocations
36.21 shall be awarded from the unified pool in the following order of priority:

36.22 (1) applications for student loan bonds issued by or on behalf of the Minnesota Office
36.23 of Higher Education;

36.24 (2) applications for mortgage bonds;

36.25 (3) applications for public facility projects funded by public facility bonds;

36.26 (4) applications for small issue bonds for manufacturing projects;

36.27 (5) applications for small issue bonds for agricultural development bond loan projects;

36.28 (6) applications for residential rental project bonds;

36.29 (7) applications for enterprise zone facility bonds;

36.30 (8) applications for governmental bonds; and

37.1 (9) applications for redevelopment bonds.

37.2 (d) If there are two or more applications for manufacturing projects from the unified
37.3 pool and there is insufficient bonding authority to provide allocations for all manufacturing
37.4 projects in any one allocation period, the available bonding authority shall be awarded based
37.5 on the number of points awarded a project under section 474A.045 with those projects
37.6 receiving the greatest number of points receiving allocation first. If two or more applications
37.7 for manufacturing projects receive an equal amount of points, available bonding authority
37.8 shall be awarded by lot unless otherwise agreed to by the respective issuers.

37.9 (e) If there are two or more applications for enterprise zone facility projects from the
37.10 unified pool and there is insufficient bonding authority to provide allocations for all enterprise
37.11 zone facility projects in any one allocation period, the available bonding authority shall be
37.12 awarded based on the number of points awarded a project under section 474A.045 with
37.13 those projects receiving the greatest number of points receiving allocation first. If two or
37.14 more applications for enterprise zone facility projects receive an equal amount of points,
37.15 available bonding authority shall be awarded by lot unless otherwise agreed to by the
37.16 respective issuers.

37.17 (f) If there are two or more applications for residential rental projects from the unified
37.18 pool and there is insufficient bonding authority to provide allocations for all residential
37.19 rental projects in any one allocation period, the available bonding authority shall be awarded
37.20 in the following order of priority: (1) preservation projects; (2) 30 percent AMI residential
37.21 rental projects; (3) 50 percent AMI residential rental projects for which the amount of bonds
37.22 requested in their respective applications do not exceed the aggregate bond limitations; (4)
37.23 100 percent LIHTC projects; (5) 20 percent LIHTC projects; and (6) other residential rental
37.24 projects. If there are two or more applications for residential rental projects at the same
37.25 priority level and there is insufficient bonding authority to provide allocations for all the
37.26 projects in any one allocation period, available bonding authority shall be ~~randomly~~ awarded
37.27 by ~~lot~~ giving preference for projects with a lower cost per square foot but only for projects
37.28 that can receive the full amount of their respective requested allocations. If a residential
37.29 rental project does not receive any of its requested allocation pursuant to this paragraph and
37.30 the project applies in the next successive housing pool or the next successive unified pool
37.31 for an allocation of bonds, the project shall be fully funded up to its original application
37.32 request for bonding authority before any new project, applying in the same allocation period,
37.33 that has an equal priority shall receive bonding authority.

37.34 (g) From the first Monday in July through the last Monday in November, \$20,000,000
37.35 of bonding authority or an amount equal to the total annual amount of bonding authority

38.1 allocated to the small issue pool under section 474A.03, subdivision 1, less the amount
38.2 allocated to issuers from the small issue pool for that year, whichever is less, is reserved
38.3 within the unified pool for small issue bonds to the extent the amounts are available within
38.4 the unified pool.

38.5 (h) The total amount of allocations for mortgage bonds from the housing pool and the
38.6 unified pool may not exceed:

38.7 (1) \$10,000,000 for any one city; or

38.8 (2) \$20,000,000 for any number of cities in any one county.

38.9 (i) The total amount of allocations for student loan bonds from the unified pool may not
38.10 exceed \$25,000,000 per year.

38.11 (j) If there is insufficient bonding authority to fund all projects within any qualified bond
38.12 category other than enterprise zone facility projects, manufacturing projects, and residential
38.13 rental projects, allocations shall be awarded by lot unless otherwise agreed to by the
38.14 respective issuers.

38.15 (k) If an application is rejected, the commissioner must notify the applicant and return
38.16 the application deposit to the applicant within 30 days unless the applicant requests in writing
38.17 that the application be resubmitted.

38.18 (l) The granting of an allocation of bonding authority under this section must be evidenced
38.19 by issuance of a certificate of allocation.

38.20 **EFFECTIVE DATE.** This section is effective January 1, 2022.

38.21 Sec. 27. **REVISOR INSTRUCTION.**

38.22 The revisor of statutes must change all cross-references to Minnesota Statutes, section
38.23 168A.141, to Minnesota Statutes, section 168A.1412.

38.24 Sec. 28. **REPEALER.**

38.25 (a) Minnesota Statutes 2020, section 168A.141, is repealed.

38.26 (b) Minnesota Statutes 2020, section 471.9996, subdivision 2, is repealed.

38.27 **EFFECTIVE DATE.** Paragraph (a) is effective August 1, 2021. Paragraph (b) is effective
38.28 the day following final enactment.

39.1 **ARTICLE 3**

39.2 **EVICTION MORATORIUM PHASEOUT**

39.3 Section 1. **[12.47] LIMITATION OF POWERS; EVICTION PROCEEDINGS.**

39.4 Notwithstanding any law to the contrary, an order issued under this chapter prohibiting
39.5 or delaying eviction proceedings under chapter 504B is valid for a period not to exceed 30
39.6 days. The governor must not extend the order beyond 30 days unless the extension is
39.7 approved by a majority vote of each house of the legislature. The governor shall not allow
39.8 the order to expire and issue a new order delaying or prohibiting eviction proceedings under
39.9 chapter 504B in an effort to avoid obtaining legislative approval for an extension of the
39.10 order as provided in this section. An order issued to avoid obtaining legislative approval as
39.11 required under this section is null and void.

39.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

39.13 Sec. 2. **EXECUTIVE ORDER 20-79 VOID; EVICTION MORATORIUM ORDERS**
39.14 **TEMPORARILY PROHIBITED.**

39.15 (a) Notwithstanding Minnesota Statutes, chapter 12, or any other law to the contrary,
39.16 Executive Order 20-79 is null and void.

39.17 (b) Notwithstanding Minnesota Statutes, chapter 12, or any law to the contrary, the
39.18 governor is prohibited from issuing an order prohibiting or delaying eviction proceedings
39.19 under Minnesota Statutes, chapter 504B, for 30 days following the enactment of this act.

39.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

39.21 Sec. 3. **EVICTION MORATORIUM PHASEOUT.**

39.22 (a) Notwithstanding any law to the contrary, the following actions are prohibited:

39.23 (1) termination or nonrenewal of residential leases, except:

39.24 (i) at the request of a tenant or where the termination is due to the tenant seriously
39.25 endangering the safety of others or significantly damaging property;

39.26 (ii) for violations under Minnesota Statutes, section 504B.171, subdivision 1;

39.27 (iii) termination and nonrenewal of residential leases are permitted for material violations
39.28 of the lease other than nonpayment of rent; and

40.1 (iv) from and after 30 days after the date of enactment of this act, termination and
40.2 nonrenewal of leases are permitted for those with outstanding rent, but who are ineligible
40.3 for rental assistance through the COVID-19 emergency rental assistance program;

40.4 (2) filing of eviction actions under Minnesota Statutes, section 504B.285 or 504B.291,
40.5 except:

40.6 (i) where the tenant seriously endangers the safety of others or significantly damages
40.7 property;

40.8 (ii) for violations under Minnesota Statutes, section 504B.171, subdivision 1;

40.9 (iii) from and after 30 days after the date of enactment of this act, eviction actions are
40.10 permitted for material violations of the lease other than nonpayment of rent; and

40.11 (iv) from and after 60 days after the date of enactment of this act, eviction actions are
40.12 permitted for those with outstanding rent, but who are ineligible for rental assistance through
40.13 the COVID-19 emergency rental assistance program;

40.14 (3) termination of a residential rental agreement or filing an eviction action under
40.15 Minnesota Statutes, section 327C.09, except for terminations or eviction actions under
40.16 Minnesota Statutes, section 327C.09, subdivision 3, or under Minnesota Statutes, section
40.17 327C.09, subdivision 5, if the case is based on the resident endangering the safety of other
40.18 residents or park personnel; and

40.19 (4) delivery of default notices by owners of security interests in manufactured homes
40.20 located in Minnesota pursuant to Minnesota Statutes, section 327.64. A secured party is
40.21 also prohibited from commencing an action for a court order to remove an occupant from
40.22 a manufactured home.

40.23 (b) Notwithstanding paragraph (a), a landlord may file an eviction action against a tenant:

40.24 (1) who is eligible for assistance through the COVID-19 emergency rental assistance
40.25 program; and

40.26 (2) who refuses to apply for assistance through the program, refuses to provide
40.27 information needed by the landlord to apply for assistance on the tenant's behalf, or refuses
40.28 to provide the landlord with proof that the tenant applied for assistance through the program.

40.29 (c) Within 15 days of the date of enactment of this act, a landlord is encouraged to share
40.30 the following with all tenants in arrears over 30 days:

40.31 (1) the total amount due;

41.1 (2) the availability of any financial assistance programs for which the tenant may be
41.2 eligible; and

41.3 (3) information about documents required by the city, county, state, or other entity to
41.4 receive financial assistance.

41.5 (d) Nothing in this section shall:

41.6 (1) prohibit an action where the tenant or occupant abandons the premises and relief is
41.7 sought under Minnesota Statutes, section 504B.271 or 504B.365;

41.8 (2) reduce the rent owed by the tenant to the landlord, prevent the landlord from collecting
41.9 rent owed, or reduce arrears owed by a tenant for rent; or

41.10 (3) prohibit a tenant who is ineligible for assistance through the COVID-19 emergency
41.11 rental assistance program from applying for or obtaining rental assistance through other
41.12 programs.

41.13 (e) This section expires 90 days after the date of enactment of this act.

41.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

41.15 **Sec. 4. EVICCTIONS; PENDING APPLICATIONS FOR RENTAL ASSISTANCE.**

41.16 Notwithstanding any law to the contrary, including section 3, the filing of an eviction
41.17 action based on nonpayment of rent against a tenant with a pending application for assistance
41.18 through the COVID-19 emergency rental assistance program is prohibited. This section
41.19 expires June 1, 2022.

41.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

168A.141 MANUFACTURED HOME AFFIXED TO REAL PROPERTY.

Subdivision 1. **Certificates surrendered for cancellation.** (a) When a manufactured home is to be affixed or is affixed, as defined in section 273.125, subdivision 8, paragraph (b), to real property, the owner of the manufactured home may surrender the manufacturer's certificate of origin or certificate of title to the department for cancellation so that the manufactured home becomes an improvement to real property and is no longer titled as personal property. The department must not issue a certificate of title for a manufactured home under chapter 168A if the manufacturer's certificate of origin is or has been surrendered under this subdivision, except as provided in section 168A.142. Upon surrender of the manufacturer's certificate of origin or the certificate of title, the department must issue notice of surrender to the owner, and upon recording an affidavit of affixation, which the county recorder or registrar of titles, as applicable, must accept, the manufactured home is deemed to be an improvement to real property. An affidavit of affixation by the owner of the manufactured home must include the following information:

- (1) the name, residence address, and mailing address of owner or owners of the manufactured home;
- (2) the legal description of the real property in which the manufactured home is, or will be, located;
- (3) a copy of the surrendered manufacturer's certificate of origin or certificate of title and the notice of surrender;
- (4) a written statement from the county auditor or county treasurer of the county where the manufactured home is located stating that all property taxes payable in the current year, as provided under section 273.125, subdivision 8, paragraph (b), have been paid, or are not applicable;
- (5) the name and address of the person designated by the applicant to record the original affidavit of affixation with the county recorder or registrar of titles for the county where the real property is located; and
- (6) the signature of the person who executes the affidavit, properly executed before a person authorized to authenticate an affidavit in this state.

(b) The person designated in paragraph (a), clause (5), must record, or arrange for the recording of, the affidavit of affixation, accompanied by the fees for recording and for issuing a certified copy of the notice, including all attachments, showing the recording date. Upon obtaining the certified copy of the notice under this paragraph, the person designated in the affidavit must deliver the certified copy to the county auditor of the county in which the real property to which the manufactured home was affixed is located.

(c) The department is not liable for any errors, omissions, misstatements, or other deficiencies or inaccuracies in documents presented to the department under this section, if the documents presented appear to satisfy the requirements of this section. The department has no obligation to investigate the accuracy of statements contained in the documents.

Subd. 1a. **Affidavit form.** An affidavit of affixation must be in substantially the following form and must contain the following information.

MANUFACTURED HOME AFFIDAVIT OF AFFIXATION

PURSUANT TO MINNESOTA STATUTES, SECTION 168A.141

Homeowner, being duly sworn, on his or her oath, states as follows:

1. Homeowner owns the manufactured home ("home") described as follows:

.....

New/Used	Year	Manufacturer's Name	Model Name or Model No.	Manufacturer's Serial No.	Length/Width
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- 2. A copy of the surrendered manufacturer's certificate of origin or certificate of title is attached.
- 3. A copy of the notice of surrender issued from the Minnesota Department of Public Safety Driver and Vehicle Services is attached.
- 4. The home is or will be located at the following "Property Address":

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.....
Signature of Notary Public or Other Official

Notary Stamp or Seal
(optional)

Lender's Statement of Intent:

The undersigned ("lender") intends that the home be immovable and a permanent improvement to the land free of any personal property security interest.

.....
Lender

By:

Authorized Signature

STATE OF)

.....) ss:

COUNTY OF)

On the day of in the year before me, the undersigned, a Notary Public in and for said state, personally appeared

.....
personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

.....
Notary Signature

.....

Notary Printed Name

Notary Public, State of

Qualified in the County of

My commission expires

Official seal:

Subd. 2. Perfected security interest prevents surrender. The department may not cancel a certificate of title if, under this chapter, a security interest has been perfected on the manufactured home. If a security interest has been perfected, the department must notify the owner that each secured party must release or satisfy the security interest prior to proceeding with surrender of the manufacturer's certificate of origin or certificate of title to the department for cancellation. Permanent attachment to real property or the recording of an affidavit of affixation does not extinguish an otherwise valid security interest in or tax lien on the manufactured home, unless the requirements of section 168A.141, subdivisions 1, 1a, and 2, including the release of any security interest, have been satisfied.

Subd. 3. Notice of security interest. When a perfected security interest exists, or will exist, on the manufactured home at the time the manufactured home is affixed to real property, and the owner has not satisfied the requirements of section 168A.141, subdivision 1, the owner of the manufactured home, or its secured party, may record a notice with the county recorder, or with the registrar of titles, if the land is registered, stating that the manufactured home located on the property is encumbered by a perfected security interest and is not an improvement to real property. The notice must state the name and address of the secured party as set forth on the certificate of title, the legal

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description of the real property, and the name and address of the record fee owner of the real property on which the manufactured home is affixed. When the security interest is released or satisfied, the secured party must attach a copy of the release or satisfaction to a notice executed by the secured party containing the county recorder or registrar of titles document number of the notice of security interest. The notice of release or satisfaction must be recorded with the county recorder, or registrar of titles, if the land is registered. Neither the notice described in this subdivision nor the security interest on the certificate of title is deemed to be an encumbrance on the real property. The notices provided for in this subdivision need not be acknowledged.

471.9996 RENT CONTROL PROHIBITED.

Subd. 2. **Exception.** Subdivision 1 does not preclude a statutory or home rule charter city, county, or town from controlling rents on private residential property to the extent that the city, county, or town has the power to adopt an ordinance, charter amendment, or law to control these rents if the ordinance, charter amendment, or law that controls rents is approved in a general election. Subdivision 1 does not limit any power or authority of the voters of a statutory or home rule charter city, county, or town to petition for an ordinance or charter amendment to control rents on private residential property to the extent that the power or authority is otherwise provided for by law, and if the ordinance or charter amendment is approved in a general election. This subdivision does not grant any additional power or authority to the citizens of a statutory or home rule charter city, county, or town to vote on any question beyond that contained in other law.

Subdivision 1 does not apply to any statutory city unless the citizens of the statutory city have the authority to vote on the issue of rent control granted by other law.