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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 3210

04/12/2023 Authored by Pursell, Norris, Howard, Myers, Burkel and others
The bill was read for the first time and referred to the Committee on Housing Finance and Policy

1.1 A bill for an act
1.2 relating to capital investment; appropriating money for a cooperative manufactured
1.3 housing infrastructure grant program; authorizing the sale and issuance of state
1.4 bonds; proposing coding for new law in Minnesota Statutes, chapter 462A.

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

1.6 Section 1. 462A.2036 COOPERATIVE MANUFACTURED HOUSING
1.7 INFRASTRUCTURE GRANT PROGRAM.

1.8 Subdivision 1. Grant program established. The agency may make grants to counties
1.9 and cities to provide up to 50 percent of the capital costs of public infrastructure necessary
1.10 for an eligible cooperative manufactured housing development project. The agency shall
1.11 prioritize a grant award after determining that nonstate resources are committed to complete
1.12 the project. The nonstate contribution may be either cash or in kind. In-kind contributions
1.13 may include the value of the site, whether the site is prepared before or after the law
1.14 appropriating money for the grant is enacted.

1.15 Subd. 2. Definition. For purposes of this section, "housing infrastructure" means publicly
1.16 owned physical infrastructure necessary to support cooperative manufactured housing
1.17 development projects, including but not limited to sewers, water supply systems, utility
1.18 extensions, streets, wastewater treatment systems, storm water management systems, and
1.19 facilities for pretreatment of wastewater to remove phosphorus.

1.20 Subd. 3. Eligible projects. Housing projects eligible for a grant under this section shall
1.21 be manufactured housing cooperatives as defined in section 273.124, subdivision 3a.

1.22 Subd. 4. Application. (a) The agency must develop forms and procedures for soliciting
1.23 and reviewing applications for grants under this section. At a minimum, a county or city

2.1 may include in its application a resolution of the county or city council certifying that the
 2.2 required nonstate match is available. The agency must evaluate complete applications for
 2.3 funding for eligible projects to determine that:

2.4 (1) the project is necessary to increase sites available for housing development that will
 2.5 provide adequate housing stock for the current or future workforce; and

2.6 (2) the increase in workforce housing will result in substantial public and private capital
 2.7 investment in the county or city in which the project would be located.

2.8 (b) The determination of whether to make a grant for a site is within the discretion of
 2.9 the agency, subject to this section. The agency's decisions and application of the criteria are
 2.10 not subject to judicial review, except for abuse of discretion.

2.11 Subd. 5. **Maximum grant amount.** A county or city may receive no more than \$60,000
 2.12 per manufactured housing lot.

2.13 Subd. 6. **Cancellation of grant; return of grant money.** If after five years, the agency
 2.14 determines that a project has not proceeded in a timely manner and is unlikely to be
 2.15 completed, the agency must cancel the grant and require the grantee to return all grant money
 2.16 awarded for that project.

2.17 Subd. 7. **Appropriation.** Grant money returned to the agency is appropriated to the
 2.18 agency to make additional grants under this section.

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

2.20 Sec. 2. **HOUSING INFRASTRUCTURE GRANT PROGRAM.**

2.21 Subdivision 1. **Appropriation.** \$10,000,000 is appropriated from the bond proceeds
 2.22 fund to the Minnesota Housing Finance Agency for grants under the cooperative
 2.23 manufactured housing infrastructure grant program under Minnesota Statutes, section
 2.24 462A.2036.

2.25 Subd. 2. **Bond sale.** To provide the money appropriated in this section from the bond
 2.26 proceeds fund, the commissioner of management and budget shall sell and issue bonds of
 2.27 the state in an amount up to \$10,000,000 in the manner, upon the terms, and with the effect
 2.28 prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota
 2.29 Constitution, article XI, sections 4 to 7.

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