

1 Housing Finance Agency

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3 Adopted Rules Governing the Market Rate Elderly Shallow Subsidy
4 Rental Program

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6 Rules as Adopted

7 4900.0351 SCOPE.

8 Parts 4900.0351 to 4900.0355 govern the implementation of
9 the market rate elderly shallow subsidy rental program and the
10 disbursement of the subsidy.

11 4900.0352 DEFINITIONS.

12 Subpart 1. Scope. For the purposes of parts 4900.0351 to
13 4900.0355, the following terms have the meanings given them.

14 Subp. 2. Agency. "Agency" means the Minnesota Housing
15 Finance Agency.

16 Subp. 3. Market rate elderly shallow subsidy rental
17 program, or program. "Market rate elderly shallow subsidy rental
18 program" or "program" means the agency's plan and procedures
19 designed to distribute funds to assist eligible recipients in
20 the making of tenant rental payments in eligible developments.

21 Subp. 4. Eligible recipients. "Eligible recipients" means
22 the persons and families entitled to receive rental subsidy
23 payments as provided in parts 4900.0351 to 4900.0355.

24 Subp. 5. Eligible developments. "Eligible developments"
25 means those rental developments qualified to receive the
26 benefits of the rental subsidies as provided in parts 4900.0351
27 to 4900.0355.

28 4900.0353 ELIGIBLE RECIPIENTS.

29 An eligible recipient of the market rate elderly shallow
30 subsidy rental program shall:

31 A. be a tenant household of which at least one member
32 is 62 years of age or older;

33 B. have an annual income that does not exceed 50
34 percent of the median income for the county in which they are to
35 receive the subsidy, as determined by the United States

1 Department of Housing and Urban Development;

2 C. occupy a one-bedroom rental unit;

3 D. furnish to the agency all information reasonably
4 required to demonstrate the recipient's eligibility; and

5 E. reside in an eligible development.

6 4900.0354 ELIGIBLE DEVELOPMENTS.

7 A development that is eligible to receive market rate
8 elderly shallow rental subsidies for its tenants must:

9 A. receive permanent financing from the agency after
10 August 1, 1984;

11 B. be designed to serve low and moderate income
12 elderly households;

13 C. be either newly constructed or substantially
14 rehabilitated; and

15 D. be owned by either a limited dividend or nonprofit
16 entity as defined in part 4900.0010.

17 4900.0355 SUBSIDY PROGRAM.

18 Subpart 1. Monthly subsidy. The agency shall determine
19 the amount of tenant subsidy. It must be a fixed constant
20 amount per month per tenant household, must be the same for all
21 tenant households selected to receive the subsidy during a
22 fiscal year, and must be based upon the amount of funds
23 available to the agency for the program.

24 Subp. 2. Term of subsidy. A recipient of a tenant subsidy
25 under the market rate elderly shallow subsidy rental program may
26 receive the subsidy for as long as the recipient occupies the
27 eligible development in which he or she initially received the
28 subsidy.

29 Subp. 3. Selection of eligible recipients. The agency
30 shall select recipients of the market rate elderly shallow
31 subsidy rental program and shall give priority to the following:

32 A. a household displaced by government action or
33 private action for which it is not responsible;

34 B. a household that presently occupies substandard or
35 overcrowded housing or housing with serious health or housing

1 code violations;

2 C. a household that is not receiving housing
3 assistance under another state, county, city, or federal program;

4 D. a household that is in need of the assistance of
5 family members in order to live independently, where such family
6 members live in the immediate vicinity of the eligible
7 development.

8 If more than one applicant meets these criteria for
9 selection equally, the agency shall prefer the applicant that
10 applied first in time.

11 Subp. 4. Distribution of subsidy. The owner or owner's
12 agent of the eligible development in which the recipient resides
13 shall collect from the recipient and place in the development's
14 management accounts an amount equal to the monthly market rent
15 for the unit in which the recipient resides, less the specified
16 subsidy amount. The agency shall apply the subsidy amount as
17 provided in a regulatory agreement with the owner of the
18 eligible development.