ARTICLE 1

HOUSING APPROPRIATIONS

Section 1. APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agency for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2024" and "2025" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively. The first year is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025.

<table>
<thead>
<tr>
<th>APPROPRIATIONS</th>
<th>Available for the Year</th>
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<tbody>
<tr>
<td></td>
<td>Ending June 30</td>
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<td>2024</td>
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<tr>
<th>Sec. 2. HOUSING FINANCE AGENCY</th>
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| Subdivision 1. Total Appropriation | $607,998,000 | $457,298,000 |

(a) The amounts that may be spent for each purpose are specified in the following subdivisions.

(b) Unless otherwise specified, this appropriation is for transfer to the housing development fund for the programs specified in this section. Except as otherwise indicated, this transfer is part of the agency's permanent budget base.

(e) No more than ten percent of any appropriation under this section may be spent on the administrative expenses of the agency.

Subd. 2. Challenge Program | $7,925,000 | $7,925,000 |

| Subd. 2. Challenge Program | $62,925,000 | $62,925,000 |
(a) This appropriation is for the economic
development and housing challenge program
under Minnesota Statutes, sections 462A.33
and 462A.07, subdivision 14.

(b) The base for this program in
fiscal year 2026 and beyond is $12,925,000.

(b) Of this amount, $6,292,500 each year shall
be made available during the first 11 months
of the fiscal year exclusively for housing
projects for American Indians. Any funds not
committed to housing projects for American
Indians within the annual consolidated request
for funding processes may be available for
any eligible activity under Minnesota Statutes,
sections 462A.33 and 462A.07, subdivision 14.

(c) Of the amount in the first year,
$10,000,000 is for a grant to Urban
Homeworks to expand initiatives pertaining
to deeply affordable homeownership in
Minneapolis neighborhoods with over 40
percent of residents identifying as Black;
Indigenous, or People of Color and at least 40
percent of residents making less than 50
percent of the area median income. The grant
is to be used for acquisition, rehabilitation,
and construction of homes to be sold to
households with incomes of 50 to 60 percent
of the area median income. This is a onetime
appropriation, and is available until June 30,
2027. By December 15 each year until 2027,
Urban Homeworks must submit a report to
the chairs and ranking minority members of
the legislative committees having jurisdiction
over housing finance and policy. The report
must include the amount used for (1)
acquisition, (2) rehabilitation, and (3)
construction of housing units, along with the
number of housing units acquired,
rehabilitated, or constructed, and the amount
of the appropriation that has been spent. If any
home was sold or transferred within the year
covered by the report, Urban Homeworks must
include the price at which the home was sold.
as well as how much was spent to complete the project before sale.

(d) The base for this program in fiscal year 2026 and beyond is $12,925,000.

Subd. 3. Workforce Housing Development

22,000,000  22,000,000

(a) This appropriation is for the Greater Minnesota workforce housing development program under Minnesota Statutes, section 462A.39.

(b) The base for this program in fiscal year 2026 and beyond is $2,000,000.

Subd. 4. Manufactured Home Park Infrastructure Grants

1,000,000  1,000,000

This appropriation is for manufactured home park infrastructure grants under Minnesota Statutes, section 462A.2035, subdivision 1b.

(a) This appropriation is for manufactured home park infrastructure grants and loans under Minnesota Statutes, section 462A.2035, subdivision 1b.

(b) The base for this program in fiscal year 2026 and beyond is $1,000,000.

(c) By January 15 each year, the commissioner must submit a report on the use of funds in this subdivision to the chairs and ranking minority members of the legislative committees having jurisdiction over housing finance and policy. The report must include the following information:

(1) grants and loans requested and funded during the prior fiscal year; organized by ownership type of the manufactured home park, such as private, cooperative, and municipal ownership, and by county;
4.21 (2) the average amount of grants and loans awarded;
4.22 (3) loans requested and loans funded during the prior fiscal year, organized by ownership type of the manufactured home park, such as private, cooperative, and municipal ownership, and by county;
4.23 (4) the average amount of loans issued;
4.24 (5) information regarding the terms of the loans; and
4.25 (6) information about how repaid loan funds were used.

17,750,000

5.1 Subd. 5. Workforce Homeownership Program

5.2 (a) This appropriation is for the workforce homeownership program under Minnesota Statutes, section 462A.38.

5.3 (b) The base for this program in fiscal year 2026 and beyond is $250,000.

11,646,000

5.5 Subd. 6. Housing Trust Fund

5.6 (a) This appropriation is for deposit in the housing trust fund account created under Minnesota Statutes, section 462A.201, and may be used for the purposes provided in that section.

5.7 (b) $10,000,000 in the first year is for grants to low-income persons eligible under Minnesota Statutes, section 462A.201, subdivision 2, to purchase shares in limited-equity cooperative housing units. Grants are limited to $20,000 or 25 percent of the cost of a share, whichever is less. This paragraph expires on June 30, 2027, and any money remaining on June 30, 2027, shall be returned to the housing trust fund account.
This appropriation is for the childhood housing stability program under Minnesota Statutes, sections 462A.201, subdivision 2, paragraph (a), clause (4), and 462A.204, subdivision 8, to provide assistance to homeless or highly mobile families with minor children or with children eligible for enrollment in a prekindergarten through grade 12 academic program.

This appropriation is for the homework starts with home program under Minnesota Statutes, sections 462A.201, subdivision 2, paragraph (a), clause (4), and 462A.204, subdivision 8, to provide assistance to homeless families, those at risk of homelessness, or highly mobile families.

This appropriation is for the bridges housing assistance program under Minnesota Statutes, section 462A.2097.

This appropriation is for the rental housing assistance program for persons with a mental illness or families with an adult member with a mental illness under Minnesota Statutes, section 462A.2097. Among comparable proposals, the agency shall prioritize those proposals that target, in part, eligible persons who desire to move to more integrated, community-based settings.

This appropriation may be used for risk mitigation funds, landlord incentives, or other costs necessary to decrease the risk of homelessness, as determined by the agency.

The base for this program in fiscal year 2026 and beyond is $1,750,000.

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

The base for this program in fiscal year 2026 and beyond is $4,338,000.
(b) The base for this program in fiscal year 2026 and beyond is $10,269,000.

6.24 (b) Up to $5,000,000 in fiscal year 2024 is for grants to eligible applicants to create or expand risk mitigation programs to reduce landlord financial risks for renting to persons eligible under Minnesota Statutes, section 462A.204.

6.25 Eligible programs may use funds for administrative costs, outreach and coordination staff, and to reimburse landlords for costs including but not limited to nonpayment of rent, or damage costs above those costs covered by security deposits. This appropriation may be used for staffing costs necessary to implement the program. The agency may give priority to applicants that demonstrate a matching amount of money by a local unit of government, business, or nonprofit organization. Grantees must establish a procedure to review and validate claims and reimbursements under this program. This is a onetime appropriation.

6.26 (c) For fiscal year 2024 and fiscal year 2025, qualified families may receive more than 24 months of rental assistance.

6.27 (d) If the agency determines that the metropolitan area needs additional support to serve homeless households or those at risk of homelessness, the agency is authorized to grant funds to entities other than counties in the metropolitan area, including but not limited to nonprofit organizations.

6.28 (e) When a new grantee works with a current or former grantee in a given geographic area, a new grantee may work with either an advisory committee as required under Minnesota Statutes, section 462A.204, subdivision 6, or the local continuum of care and is not required to meet the requirements of Minnesota Statutes, section 462A.204, subdivision 4.

6.29 (f) Notwithstanding any law to the contrary, $10,000,000 of this appropriation is allocated.
<table>
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<tr>
<th>Subd. 10.</th>
<th>Home Ownership Assistance Fund</th>
<th>$885,000</th>
<th>$885,000</th>
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<tbody>
<tr>
<td>This appropriation is for the home ownership assistance program under Minnesota Statutes, section 462A.21, subdivision 8.</td>
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<tr>
<th>Subd. 11.</th>
<th>Affordable Rental Investment Fund</th>
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<th>4,218,000</th>
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| This appropriation is for the affordable rental investment fund program under Minnesota Statutes, section 462A.21, subdivision 8b, to finance the acquisition, rehabilitation, and debt restructuring of federally assisted rental property and for making equity take-out loans.
4.14 under Minnesota Statutes, section 462A.05, subdivision 39.

9.1 making equity take-out loans under Minnesota Statutes, section 462A.05, subdivision 39.

9.2 (b) The owner of federally assisted rental property must agree to participate in the applicable federally assisted housing program and to extend any existing low-income affordability restrictions on the housing for the maximum term permitted.

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

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

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

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April 28, 2023 07:24 PM

Senate Language UEH2335-1

House Language H2335-4
and housing challenge program under Minnesota Statutes, section 462A.33, and may provide grants or forgivable loans if approved by the agency.

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


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

(b) The base for this program in fiscal year 2026 and beyond is $857,000.

Subd. 15. Capacity-Building Grants

(a) This appropriation is for capacity-building grants under Minnesota Statutes, section 462A.21, subdivision 3b. Of this amount, up to $125,000 each year is for support of the Homeless Management Information System (HMIS), and $85,000 in fiscal year 2024 and $85,000 in fiscal year 2025 are for Open Access Connections. The appropriations for Open Access Connections are onetime.

(b) $445,000 in fiscal year 2024 is for a grant to the Community Stabilization Project to: (1) deliver services and curriculum to renters and property owners in order to preserve deeply affordable rental units in underrepresented communities; (2) help create entry-level employment opportunities for renters; and (3) construct a secure space for documents and...
identification for those experiencing homelessness. This is a onetime appropriation. (c) The base for this program in fiscal year 2026 and beyond is $645,000.

This appropriation is for the supportive housing program under Minnesota Statutes, section 462A.42. This is a onetime appropriation.

This appropriation is for the Greater Minnesota housing infrastructure grant program. This is a onetime appropriation.

This appropriation is for the affordable housing, infrastructure program for the eligible purposes under Minnesota Statutes, section 462A.37, subdivision 2. This is a onetime appropriation.

This appropriation is for the homeownership investment grants program. This is a onetime appropriation.
Subd. 20. Manufactured Home Lending Grants

This appropriation is for the manufactured home lending grants program. This is a one-time appropriation.

Subd. 21. Manufactured Home Park Cooperative Purchase Program

This appropriation is for the manufactured home park cooperative purchase program. This is a one-time appropriation.

Subd. 24. Manufactured Home Park Cooperative Purchase Program

(a) This appropriation is for loans under this subdivision.

(b) The funding under this subdivision may be used for a revolving loan fund under Minnesota Statutes, section 462A.05, subdivision 35, to provide interest-free loans for residents of manufactured home parks to purchase the manufactured home park in which they reside for the purpose of conversion of the manufactured home park to cooperative ownership. Repayments of principal from loans issued under this section must be used for the purposes of this subdivision.

(c) The agency may develop criteria for loan requests under this subdivision. Within 90 days of final enactment, the commissioner shall develop the forms, applications, and reporting requirements for use by eligible organizations. In developing these materials, the commissioner shall consult with manufactured housing cooperatives, resident-owned manufactured home communities, and nonprofit organizations working with manufactured housing cooperatives and resident-owned communities.

(d) Borrowers must use funds to assist in the creation and preservation of housing that is affordable to households with incomes at or
below 80 percent of the greater of state or area median income.

e) A deed purchased with a loan under this section must contain a covenant running with the land requiring that the land be used as a manufactured home park for 30 years from the date of purchase.

(f) For the purposes of this subdivision, the terms "manufactured home," "manufactured home park," and "resident" have the meanings given in Minnesota Statutes, section 327C.015.

(g) By January 15 each year, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over housing finance and policy detailing the use of funds under this section. The report must include the following information:

1. the number and amount of loans issued;
2. the amount of loans that have been repaid;
3. the amount of interest earned within the fund and the remaining balance of the revolving loan fund;
4. the number of residents included in each project; and
5. the location of each project.

Subd. 21.

Local Housing Trust Fund Grants

This appropriation is for local housing trust fund grants. This is a onetime appropriation.

SEE R33-R34, LINES 23.8-23.29
revenue committed to the local housing trust
fund from any source other than the state or
defederal government, up to $150,000, and in
addition, an amount equal to 50 percent of the
public revenue committed to the local housing
trust fund from any source other than the state
or federal government that is more than
$150,000 but not more than $300,000.

(c) $100,000 of the amount appropriated in
paragraph (a) is for technical assistance grants
to local and regional housing trust funds. A
housing trust fund may apply for a technical
assistance grant at the time and in the manner
and form required by the agency. The agency
shall make grants on a first-come, first-served
basis. A technical assistance grant must not
exceed $5,000.

(d) A grantee must use grant funds within
eight years of receipt for purposes (1)
authorized under Minnesota Statutes, section
462C.16, subdivision 3, and (2) benefiting
households with incomes at or below 115
percent of the state median income. A grantee
must return any grant funds not used for these
purposes within eight years of receipt to the
commissioner of the Minnesota Housing
Finance Agency for deposit into the housing
development fund.

(e) $2,000,000 in fiscal year 2024 is for a grant
to Northland Foundation. Northland
Foundation may use the funds on expenditures
authorized under Minnesota Statutes, section
462C.16, subdivision 1, and on assisting local
governments to establish local or regional
housing trust funds. Northland Foundation
may award grants and loans to other entities
to expend on authorized expenditures under
this section. This is a onetime appropriation
and is available until June 30, 2025.

SEE R17, LINES 8.27-9.3
Subd. 23. Rent Assistance

$50,000,000 $50,000,000

Subd. 28. Rent Assistance Program

$65,665,000 $65,665,000

(a) This appropriation is for the rent assistance program under Minnesota Statutes, section 462A.2095. This appropriation is available until June 30, 2027. Up to five percent of the amount may be used in the first year to set up the program.

(b) The base for this program in fiscal year 2026 and beyond is $10,000,000.

Subd. 24. First-Generation Homebuyers Down Payment Assistance Fund

$150,000,000

Subd. 20. First Generation Homebuyer

100,000,000 0

(a) This appropriation is for a grant to Build Wealth Minnesota to provide a family stabilization plan program. This is a onetime appropriation.

(b) The base for this program in fiscal year 2026 and beyond is $500,000.

Subd. 25. Build Wealth Minnesota

$500,000 $500,000

Subd. 16. Build Wealth Minnesota

$500,000 500,000

(a) $500,000 each year is for a grant to Build Wealth Minnesota to provide a family stabilization plan program.

(b) $5,000,000 the first year is for a grant to Build Wealth Minnesota for the 9,000 Equities Fund, a targeted loan pool, to provide affordable first mortgages or equivalent financing opportunities to households struggling to access mortgages in underserved communities of color. Of this amount, up to $1,000,000 may be used for a grant to Stairstep Foundation to support completion of the Family Stabilization Plan program developed by Build Wealth Minnesota. This is a onetime appropriation.
Subd. 26. **First-Time Homebuyer, Fee-Based Home Purchase Financing**

This appropriation is for the first-time homebuyer, fee-based home purchase financing program. This appropriation is onetime. Services rendered under grant contracts with the grantee may occur any time up until June 30, 2026.

Subd. 27. **Community Stabilization**

This appropriation is for the community stabilization program under Minnesota Statutes, section 462A.41. This a onetime appropriation. Of this amount, $80,000,000 is for a grant to AEON for Huntington Place in Minneapolis and its affiliated entities, including but not limited to its wholly controlled nonprofit corporation, Community Housing Resources, to rehabilitate, preserve, equip, and repair its deeply affordable family housing units. This a onetime appropriation.

Subd. 28. **High-Rise Sprinkler System Grant Program**

This appropriation is for the high-rise sprinkler system grant program. Of this amount, up to $4,000,000 must be for a grant to CommonBond Communities for installation of sprinkler systems at two buildings known as Seward Tower West located at 2515 South 9th Street in Minneapolis and Seward Tower East located at 2910 East Franklin Avenue in Minneapolis. This is a onetime appropriation.

Subd. 29. **Lead Safe Homes Grant Program**

This appropriation is for the lead safe homes grant program under Minnesota Statutes.
section 462A.2906. This appropriation is onetime.

Subd. 30. Landlord Risk Mitigation Fund

- $500,000

(a) This appropriation is for grants to eligible applicants to create or expand risk mitigation programs to reduce landlord financial risks for renting to persons eligible for services under Minnesota Statutes, sections 245.4661, subdivision 9, paragraph (a), clause (2); 462A.204; and 462A.209. This appropriation is onetime.

(b) Eligible programs may reimburse landlords for costs, including but not limited to nonpayment of rent or damage costs above those costs covered by security deposits. The agency may give higher priority to applicants that demonstrate a matching amount of money by a local unit of government, business, or nonprofit organization. Grantees must establish a procedure to review and validate claims and reimbursements under this grant program.

(c) Eligible grantees include but are not limited to nonprofit organizations under Minnesota Statutes, section 462A.03, subdivision 22, and supportive housing providers under Minnesota Statutes, section 245.4661, subdivision 9.

Subd. 31. Housing Mediation

- $1,500,000

This appropriation is for the Minnesota Housing mediation grant program. This appropriation is onetime.

This appropriation is for housing mediation grants under Minnesota Statutes, section 462A.209. This is a onetime appropriation.

Of this amount, up to $300,000 may be used for administrative costs under Minnesota Statutes, section 462A.209.
Subd. 32. Northland Foundation

This appropriation is for a grant to Northland Foundation for use on expenditures authorized under Minnesota Statutes, section 462C.16, subdivision 3 and on assisting local governments to establish local or regional housing trust funds. Northland Foundation may award grants and loans to other entities to expend on authorized expenditures under this section. This appropriation is onetime and available until June 30, 2025.

Subd. 33. Stable Housing Organization Relief

This appropriation is for the stable housing organization relief program. This appropriation is onetime.

Subd. 30. Housing Cost Reduction Incentive Program

This appropriation is for the housing cost reduction incentive program under Minnesota Statutes, section 462A.41. This is a onetime appropriation.

Sec. 3. MANAGEMENT AND BUDGET

$300,000 in fiscal year 2024 is to the commissioner of management and budget to fund a study by Management Analysis and Revisor.
Development on expediting rental assistance payment. This is a one-time appropriation.

Sec. 4. FINANCIAL REVIEW OF NONPROFIT/GRANT RECIPIENTS REQUIRED.

Subdivision 1. Financial review required. (a) Before awarding a competitive legislatively named, single source, or sole-source grant to a nonprofit organization under this act, the grantor must require the applicant to submit financial information sufficient for the grantor to document and assess the applicant’s current financial standing and management.

Items of significant concern must be addressed with the applicant and resolved to the satisfaction of the grantor before a grant is awarded. The grantor must document the material requested and reviewed; whether the applicant had a significant operating deficit, a deficit in unrestricted net assets, or insufficient internal controls; and how the applicant resolved the grantor’s concerns; and the grantor’s final decision. This documentation must be maintained in the grantor’s files.

(b) At a minimum, the grantor must require each applicant to provide the following information:

1. The applicant’s most recent Form 990, Form 990-EZ, or Form 990-N filed with the Internal Revenue Service. If the applicant has not been in existence long enough or is not required to file Form 990, Form 990-EZ, or Form 990-N, the applicant must demonstrate to the grantor that the applicant is exempt and must instead submit documentation of internal controls and the applicant’s most recent financial statement prepared in accordance with generally accepted accounting principles and approved by the applicant’s board of directors or trustees or, if there is no such board, by the applicant’s managing group.

2. Evidence of registration and good standing with the secretary of state under Minnesota Statutes, chapter 317A, or other applicable law.

3. Unless exempt under Minnesota Statutes, section 309.515, evidence of registration and good standing with the attorney general under Minnesota Statutes, chapter 309; and

4. If required under Minnesota Statutes, section 309.53, subdivision 3, the applicant’s most recent audited financial statement prepared in accordance with generally accepted accounting principles.

5. If the grantee’s most recent financial audit performed by an independent third party in accordance with generally accepted accounting principles and

Sec. 37. FINANCIAL REVIEW OF GRANT AND BUSINESS SUBSIDY RECIPIENTS.

Subdivision 1. Definitions. (a) As used in this section, the following terms have the meanings given:

(b) “Grant” means a grant or business subsidy funded by an appropriation in this act;

(c) “Grantee” means a business entity as defined in Minnesota Statutes, section 5.001;

Subd. 2. Financial information required; determination of ability to perform. Before an agency awards a competitive, legislatively named, single-source, or sole-source grant, the agency must assess the risk that a grantee cannot or would not perform the required duties. In making this assessment, the agency must review the following information:

1. The grantee’s history of performing duties similar to those required by the grant, whether the size of the grant requires the grantee to perform services at a significantly increased scale, and whether the size of the grant will require significant changes to the operation of the grantee’s organization;

2. For a grantee that is a nonprofit organization, the grantee’s Form 990 or Form 990-EZ filed with the Internal Revenue Service in each of the prior three years. If the grantee has not been in existence long enough or is not required to file Form 990 or Form 990-EZ, the grantee must demonstrate to the grantor’s satisfaction that the grantee is exempt and must instead submit the grantee’s most recent board-reviewed financial statements and documentation of internal controls.

3. For a for-profit business, three years of federal and state tax returns; current financial statements; certification that the business is not under bankruptcy proceedings; and disclosures of any liens on its assets. If a business has not been in business long enough to have three years of tax returns, the grantee must demonstrate to the grantor’s satisfaction that the grantee has appropriate internal financial controls.

4. Evidence of registration and good standing with the secretary of state under Minnesota Statutes, chapter 317A, or other applicable law.

5. If the grantee’s total annual revenue exceeds $750,000, the grantee’s most recent financial audit performed by an independent third party in accordance with generally accepted accounting principles; and
Subd. 2. Authority to postpone or forgo. Notwithstanding any contrary provision in this act, a grantor that identifies an area of significant concern regarding the financial standing or management of a legislatively named applicant may postpone or forgo awarding the grant.

Subd. 3. Authority to award subject to additional assistance and oversight. A grantor that identifies an area of significant concern regarding an applicant's financial standing or management may award a grant to the applicant if the grantor provides or the grantee otherwise obtains additional technical assistance, as needed, and the grantor imposes additional requirements in the grant agreement. Additional requirements may include but are not limited to enhanced monitoring, additional reporting, or other reasonable requirements imposed by the grantor to protect the interests of the state.

Subd. 4. Relation to other law and policy. The requirements in this section are in addition to any other requirements imposed by law, the commissioner of administration under Minnesota Statutes, sections 16B.97 and 16B.98; or agency policy.

Subd. 5. Agency authority to not award grant. If an agency determines that there is an appreciable risk that a grantee receiving a competitive, single-source, or sole-source grant cannot or would not perform the required duties under the grant agreement, the agency must notify the grantee and the commissioner of administration and give the grantee an opportunity to respond to the agency's concerns. If the grantee does not satisfy the agency's concerns within 45 days, the agency must not award the grant.

Subd. 6. Legislatively named grantees. If an agency determines that there is an appreciable risk that a grantee receiving a legislatively named grant cannot or would not perform the required duties under the grant agreement, the agency must notify the grantee, the commissioner of administration, and the chair and ranking minority members of the Ways and Means Committee in the house of representatives, the chair and ranking minority members of the Finance Committee in the senate, and the chairs and ranking minority members of the committees in the house of representatives and the senate with primary jurisdiction over the bill in which the money for the grant was appropriated. The agency must give the grantee an opportunity to respond to the agency's concerns. If the grantee does not satisfy the agency's concerns within 45 days, the agency must delay award of the grant until adjournment of the next regular or special legislative session.

Subd. 7. Subgrants. If a grantee will disburse the money received from the grant to other organizations to perform duties required under the grant agreement, the agency must be a party to agreements between the grantee and a subgrantee. Before entering agreements for subgrants, the agency must perform the financial review required under this section with respect to the subgrantees.

Subd. 8. Effect. The requirements of this section are in addition to any other requirements imposed by law, the commissioner of administration under Minnesota Statutes, sections 16B.97 and 16B.98; or agency policy.

Subd. 9. Additional measures for some grantees. The agency may require additional information and must provide enhanced oversight for grants that have not previously received state or federal grants for similar amounts or similar duties and so have not yet demonstrated the ability to perform the duties required under the grant on the scale required.

Subd. 10. Legislative named grantees. If an agency determines that there is an appreciable risk that a grantee receiving a legislatively named grant cannot or would not perform the required duties under the grant agreement, the agency must notify the grantee, the commissioner of administration, and the chair and ranking minority members of the Ways and Means Committee in the house of representatives, the chair and ranking minority members of the Finance Committee in the senate, and the chairs and ranking minority members of the committees in the house of representatives and the senate with primary jurisdiction over the bill in which the money for the grant was appropriated. The agency must give the grantee an opportunity to respond to the agency's concerns. If the grantee does not satisfy the agency's concerns within 45 days, the agency must delay award of the grant until adjournment of the next regular or special legislative session.
Sec. 5. REPORTING BY THE MINNESOTA HOUSING FINANCE AGENCY ON USE OF APPROPRIATIONS UNDER THIS ACT.

The Minnesota Housing Finance Agency shall annually, until all funds appropriated to the agency under this act are expended or lapsed to the fund from which it was originally appropriated, by January 15 each year, report to the chairs and ranking minority members of the legislative committees having jurisdiction over housing finance and policy on the use of funds awarded under this act. The agency must annually report on the efficacy of spending of appropriations under this act and on the increase of housing stock within the state.

Subd. 32. Report to Legislature

(a) By January 15, 2024; January 15, 2025; and January 15, 2026, the commissioner shall submit a report to the chairs and ranking minority members of the legislative committees having jurisdiction over housing finance and policy containing the following information about each of the programs funded in this act:

1. the amount expended and the remaining balance from each program;
2. grant awards, including the amounts and geographic distribution of the awards; and
3. the number of housing units that are affected by each grant including new and rehabilitated owner-occupied homes, new and rehabilitated rental units, and new and rehabilitated manufactured homes, as reported in paragraph (b).

(b) The commissioner shall require any entity that receives a grant for new construction or housing rehabilitation from a program funded in this act to submit the following information prior to receiving the grant award, and at the conclusion of the grant:

1. the number of newly constructed rental units;
ARTICLE 2

HOUSING

Section 1. Minnesota Statutes 2022, section 462A.05, is amended by adding a subdivision to read:

Subd. 42. Rent assistance program. The agency may administer the rent assistance program established in section 462A.2095.

Sec. 2. [462A.2095] RENT ASSISTANCE PROGRAM.

Subdivision 1. Program established. (a) The state rent assistance account is established as a separate account in the housing development fund. Money in the account is appropriated to the agency for grants to program administrators for the purposes specified in this section.

(b) Money deposited in the account under section 297A.9925 is for grants to program administrators in the metropolitan counties.

(c) Money deposited in the account through a general fund appropriation is for grants to program administrators outside the metropolitan counties, as defined by section 473.121.

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

(b) "Eligible household" means a household with an annual income of up to 50 percent of the area median income as determined by the United States Department of Housing and Urban Development, adjusted for family size, that is paying more than 30 percent of the household's annual income on rent. Eligibility is determined at the time a household first receives rent assistance under this section. Eligibility shall be recertified every year thereafter. Eligible household does not include a household receiving federal tenant-based or project-based assistance under Section 8 of the United States Housing Act of 1937, as amended.

(c) "Program administrator" means:
Subd. 4.
Tenant-based and project-based assistance, program administrators shall pay assistance
to households most in need and incentivizing landlord participation. The agency must approve
administration of the program established in this section, a nongovernmental organization
determined by the agency to have the capacity to administer the program.

Subd. 5.
Subdivision 1, paragraph (b), and to
determine the amount of administrative fees to pay to program administrators.​
(b) The program administrator may use its existing procedures to administer the rent
assistance program or may develop alternative procedures with the goals of reaching
statewide in proportion to the number of households eligible for assistance in each county
according to the most recent American Community Survey of the United States Census
Bureau.

Subd. 6.
Administrative fees. The agency shall consult with public housing authorities
to determine the amount of administrative fees to pay to program administrators.

Subd. 6. Rent assistance not income. (a) Rent assistance grant money under this section
is excluded from income as defined in sections 290.0674, subdivision 2a, and 290A.03,
subsection 2.
(b) Notwithstanding any law to the contrary, payments under this section must not be
considered income, assets, or personal property for purposes of determining eligibility or
recertifying eligibility for state public assistance, including but not limited to:
(1) child care assistance programs under chapter 119B;
(2) general assistance, Minnesota supplemental aid, and food support under chapter 22.22
(3) housing support under chapter 256D;
(4) Minnesota family investment program and diversionary work program under chapter 22.24
and
(5) economic assistance programs under chapter 256P.

Subd. 7. Oversight. The commissioner of human services must not consider rent assistance grant money under this section as income or assets under section 256B.056, subdivision 1a, paragraph (a); subdivision 3; or subdivision 3c, or for persons with eligibility determined under section 256B.057, subdivision 3, 3a, or 3b.

Subd. 8. Economic assistance. The commissioner of human services shall provide economic assistance programs under chapter 256P.

Subd. 9. Economic assistance programs. The commissioner of human services shall consider rent assistance grant money under this section as income or assets under section 256B.056, subdivision 1a, paragraph (a); subdivision 3; or subdivision 3c, or for persons with eligibility determined under section 256B.057, subdivision 3, 3a, or 3b.

Subd. 10. Economic assistance programs. The commissioner of human services shall provide economic assistance programs under chapter 256P.
(b) The commissioner must give priority to funding projects that serve areas where there are high concentrations of lead poisoning in children based on information provided by the commissioner of health.

c) The commissioner must not award a grant unless all other available state and federal funding sources related to lead testing and hazard reduction for which an applicant is eligible are used.

d) The commissioner must balance grant awards so that projects occur within and outside metropolitan counties as defined in section 473.121, subdivision 4.

e) Up to ten percent of a grant award may be used to administer the grant and provide education and outreach about lead health hazards.

Subd. 3. Short title. This section shall be known as the "Dustin Luke Shields Act."

Sec. 4. [462A.2098] MINNESOTA HOUSING MEDIATION GRANT PROGRAM.

Subdivision 1. Establishment; purpose. The agency shall establish a housing mediation program to reduce negative consequences to renters, rental property owners, families, schools, employers, neighborhoods, and communities by providing support to renters and residential rental property owners.

Subd. 2. Selection criteria. The agency shall award grants to community dispute resolution programs certified under section 494.015. The agency shall develop forms and procedures for soliciting and reviewing applications for grants under this section.

Subd. 3. Administration. The agency shall award a grant to Community Mediation Minnesota to administrate the housing mediation program to ensure effective statewide management, program design, and outreach among the grantees.

Subd. 4. Authorized uses of grant. The grant funding must be used to:

1. provide housing dispute resolution services;
2. increase awareness of and access to housing dispute resolution services statewide;
3. provide alternative dispute resolution services, including but not limited to eviction prevention, mediation, and navigation services;
4. partner with culturally specific dispute resolution programs to provide training and assistance with virtual and in-person mediation services;
5. increase mediation services for seniors and renters with disabilities and illnesses that face housing instability;
(6) increase the diversity and cultural competency of the housing mediator roster;  
(7) integrate housing mediation services with navigation and resource connection services,  
legal assistance, and court services programs; and  
(8) develop and administer evaluation tools to design, modify, and replicate effective  
program outcomes.

Sec. 28. [462A.43] COMMUNITY STABILIZATION PROGRAM.

Subd. 1. Establishment. The agency shall establish a community stabilization  
program for the purpose of providing grants or loans to preserve naturally occurring affordable housing through acquisition or rehabilitation.

Subd. 2. Definitions. For the purposes of this section, "naturally occurring affordable housing" means:  
(1) multiunit rental housing that:  
(i) is at least 20 years old; and  
(ii) has rents in a majority of units that are affordable to households at or below 60 percent of the greater of state or area median income as determined by the United States Department of Housing and Urban Development; or  
(2) owner-occupied housing located in communities where market pressures or significant deferred rehabilitation needs, as defined by the agency, create opportunities for displacement or the loss of owner-occupied housing affordable to households at or below 115 percent of the greater of state or area median income as determined by the United States Department of Housing and Urban Development.

Subd. 3. Eligible recipients. (a) Grants or loans may be made to:  
(1) a local unit of government;  
(2) a federally recognized American Indian Tribe located in Minnesota or its Tribally Designated Housing Entity;  
(3) a private developer;  
(4) limited equity cooperatives;  
(5) cooperatives created under chapter 308A or 308B;  
(6) community land trusts created for the purposes outlined in section 462A.31, subdivision 1; or  
(7) a nonprofit organization.
The agency shall make a grant to a statewide intermediary to facilitate the acquisition and associated rehabilitation of existing multiunit rental housing and may use an intermediary or intermediaries for the acquisition and associated rehabilitation of owner-occupied housing.

Subd. 4. Eligible uses. The program shall provide grants or loans for the purpose of acquisition, rehabilitation, interest rate reduction, or gap financing of housing to support the preservation of naturally occurring affordable housing. Priority in funding shall be given to proposals that serve lower incomes and maintain longer periods of affordability.

Subd. 5. Owner-occupied housing income limits. Households served through grants or loans related to owner-occupied housing must have, at initial occupancy, income that is at or below 115 percent of the greater of state or area median income as determined by the United States Department of Housing and Urban Development.

Subd. 6. Multifamily housing rent limits. Multifamily housing financed through grants or loans under this section must remain affordable to low-income or moderate-income households as defined by the agency.

Subd. 7. Application. (a) The agency shall develop forms and procedures for soliciting and reviewing applications for grants or loans under this section. The agency shall consult with interested stakeholders when developing the guidelines and procedures for the program.

(b) Notwithstanding any other applicable law, the agency may accept applications on a noncompetitive, rolling basis in order to provide funds for eligible properties as they become available.

Subd. 8. Voucher requirement for multifamily properties. Rental properties that receive funds must accept rental subsidies, including but not limited to vouchers under Section 8 of the United States Housing Act of 1937, as amended.

Subd. 9. Voucher requirement for single-family properties. Rental properties that receive funds must accept rental subsidies, including but not limited to vouchers under Section 8 of the United States Housing Act of 1937, as amended.

(b) The agency may make a grant to a statewide intermediary to facilitate the acquisition and associated rehabilitation of existing multiunit rental housing and may use an intermediary or intermediaries for the acquisition and associated rehabilitation of owner-occupied housing.

Subd. 4. Eligible uses. The program shall provide grants or loans for the purpose of acquisition, rehabilitation, interest rate reduction, or gap financing of housing to support the preservation of naturally occurring affordable housing. Priority in funding shall be given to proposals that serve lower incomes and maintain longer periods of affordability.

Subd. 5. Owner-occupied housing income limits. Households served through grants or loans related to owner-occupied housing must have, at initial occupancy, income that is at or below 115 percent of the greater of state or area median income as determined by the United States Department of Housing and Urban Development.

Subd. 6. Multifamily housing rent limits. Multifamily housing financed through grants or loans under this section must remain affordable to low-income or moderate-income households as defined by the agency.

Subd. 7. Application. (a) The agency shall develop forms and procedures for soliciting and reviewing applications for loans or grants under this section. The agency shall consult with interested stakeholders when developing the guidelines and procedures for the program.

(b) Notwithstanding any other applicable law, the agency may accept applications on a noncompetitive, rolling basis in order to provide funds for eligible properties as they become available.

Subd. 8. Voucher requirement for multifamily properties. Rental properties that receive funds must accept rental subsidies, including but not limited to vouchers under Section 8 of the United States Housing Act of 1937, as amended.

Subdivision 1. Grant program established. The agency must establish and administer the housing cost reduction incentive program for the purpose of reimbursing cities for fee waivers or reductions provided to qualified multifamily housing developments and single-family, owner-occupied housing developments through local fee waiver and inclusionary housing programs.

Subd. 2. Definitions. (a) For the purposes of this section, the following terms have the meanings given: (b) "Applicant" means any statutory or home rule charter city or county. (c) "Inclusionary housing program" means a program that requires at least 25 percent of new construction to be affordable to households with incomes at or below 80 percent of the area median income for multifamily housing developments or 115 percent of the area median income for single-family, owner-occupied housing developments.
(d) "Local fee waiver program" means a program established by a statutory or home rule charter city that waives or reduces fees for developers of qualified multifamily housing developments and single-family, owner-occupied housing developments.

(e) "Multifamily housing development" has the meaning given in section 462C.02, subdivision 5, except that only new construction qualifies.

(f) "Program" means the housing cost reduction incentive program established in this section.

(g) "Single-family housing" has the meaning given in section 462C.02, subdivision 4, except that only manufactured or modular homes and new construction qualify.

Subd. 3. Application.

(a) The agency must develop forms and procedures for soliciting and reviewing applications for grants under this section. An application of a city must include, at a minimum, information about the local fee waiver and inclusionary housing programs under which the city issued fee waivers or reductions:

(b) The agency must evaluate complete applications for funding for reimbursement for eligible fee waivers or reductions to determine whether the fee waiver or reduction is necessary to increase the number of multifamily housing developments and single-family, owner-occupied housing developments within the applicant's boundaries.

(c) The determination of whether to award a grant for reimbursement of fee waivers or reductions is within the discretion of the agency, subject to this section. The agency's decision and application of the criteria are not subject to judicial review, except for abuse of discretion.

Subd. 4. Grant amount.

The commissioner may award grants to applicants in an amount up to 50 percent of the amount of the development impact fee waived or reduced by a city for a qualified rental housing development. A city may receive no more than $250,000 per multifamily housing development or single-family housing project.

Sec. 27. [462A.42] SUPPORTIVE HOUSING PROGRAM.

Subdivision 1. Establishment. The agency shall establish a supportive housing program to provide funding to increase alignment with housing development financing and strengthen supportive housing for individuals and families who have experienced homelessness.

Subd. 2. Definition. For the purposes of this section, "supportive housing" means housing that is not time-limited and provides or coordinates with services necessary for residents to maintain housing stability and maximize opportunities for education and employment.

Subd. 3. Eligible recipients. Funding may be made to a local unit of government, a federally recognized American Indian Tribe or its Tribally Designated Housing Entity located in Minnesota, a private developer, or a nonprofit organization.

Subd. 4. Eligible uses. (a) Funds shall be used to cover costs needed for supportive housing to operate effectively. Costs may include but are not limited to building operating costs.
expenses such as front desk, tenant service coordination, revenue shortfall, and security costs.

(b) Funds may be used to create partnerships with the health care sector and other sectors to demonstrate sustainable ways to provide services for supportive housing residents, improve access to health care, and reduce the use of expensive emergency and institutional care.

This may be done in partnership with other state agencies, including the Department of Health and the Department of Human Services.

Subd. 4. Soliciting and reviewing applications for grants under this section. The commissioner shall consult with interested stakeholders when developing the guidelines and procedures for the program.

Sec. 31. GREATER MINNESOTA HOUSING INFRASTRUCTURE GRANT PROGRAM.

Subdivision 1. Grant program established. The commissioner may make grants to cities to provide up to 50 percent of the capital costs of public infrastructure necessary for an eligible workforce housing development project. The commissioner may make a grant award only after determining that nonstate resources are committed to complete the project.

The nonstate contribution may be cash, other committed grant funds, or in kind. In-kind contributions may include the value of the site, whether the site is prepared before or after the law appropriating money for the grant is enacted.

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

(b) "City" means a statutory or home rule charter city that includes undeveloped parcels that are located outside the metropolitan area, as defined in section 473.121, subdivision 2.

(c) "Housing infrastructure" means publicly owned physical infrastructure necessary to support housing development projects, including but not limited to sewers, water supply systems, utility extensions, streets, wastewater treatment systems, and facilities for pretreatment of wastewater to remove phosphorus.

Subd. 3. Eligible projects. Housing infrastructure projects eligible for a grant under this section may be for the development of single-family housing, manufactured home parks, or multifamily housing, either owner-occupied or rental.

Subd. 4. Application. (a) The commissioner must develop forms and procedures for soliciting and reviewing applications for grants under this section. At a minimum, a city must include in its application a resolution of the city council certifying that the required nonstate match is available. The commissioner must evaluate complete applications for funding for eligible projects to determine that:

(b) Funds may be used to create partnerships with the health care sector and other sectors to demonstrate sustainable ways to provide services for supportive housing residents, improve access to health care, and reduce the use of expensive emergency and institutional care.

This may be done in partnership with other state agencies, including the Department of Health and the Department of Human Services.
(1) the project is necessary to increase sites available for housing development that will provide adequate housing stock for the current or future workforce; and

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

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

Subd. 5. Maximum grant amount. A city may receive no more than $30,000 per lot for single-family, duplex, triplex, or fourplex housing developed and no more than $60,000 per lot for manufactured home parks or multifamily housing with more than four units per building. A city may receive no more than $500,000 in two years for one or more housing developments.

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

Subd. 7. Appropriation. Grant money returned to the commissioner is appropriated to the commissioner to make additional grants under this section.

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

Sec. 8. STABLE HOUSING ORGANIZATION RELIEF PROGRAM.

Subdivision 1. Establishment. The commissioner of the Minnesota Housing Finance Agency must establish and administer a grant program in accordance with this section to support nonprofits that are experiencing significant detrimental financial impacts due to recent economic and social conditions.

Subd. 2. Eligible organizations. To be eligible for a grant under this section an organization must:

(1) be a nonprofit organization that is tax exempt under section 501(c)(3) of the Internal Revenue Code that has been doing business in the state for at least ten years as demonstrated by registration or filing of organizational documents with the secretary of state;

(2) have its primary operations located in the state;

(3) be experiencing significant detrimental financial impact due to recent economic and social conditions, including but not limited to decreased operating revenue due to loss of rental income or increased operating expenses due to inflation in utility expenses, insurance, or other expenses;
(4) have supportive services options available for the individuals and families residing in the rental housing it provides to low-income populations; and

(5) provide, as of December 31, 2022, housing units in the state that it owns or controls consisting of any of the following:

(i) at least 1,000 units of naturally occurring affordable housing. For purposes of this item, "naturally occurring affordable housing" means multifamily rental housing developments that have not received financing from the federal low-income housing tax credit program for which the majority of the units have agreements in place to be affordable to individuals or families with incomes at or below 60 percent of the area median income as determined by the United States Department of Housing and Urban Development, adjusted for family size, and that do not receive project- or other place-based rental subsidies from the federal government;

(ii) rental housing units, not including naturally occurring affordable housing, of which 50 percent of the total number of units are rented to individuals or families whose annual incomes, according to the most recent income certification as of December 31, 2022, are at or below 30 percent of the area median income as determined by the United States Department of Housing and Urban Development, adjusted for family size; or

(iii) at least 250 units of permanent supportive housing, as defined in Minnesota Statutes, section 462A.36, subdivision 1, paragraph (e).

Subd. 3. Grant program. (a) The commissioner must provide grants to eligible organizations as provided in this subdivision.

(b) An organization that seeks to obtain a grant must apply to the commissioner by July 28, 2023, and certify:

(1) that it is eligible for a grant under subdivision 2;

(2) the total number of rental housing units it owns or controls in the state, including but not limited to the rental housing units it provides under subdivision 2, clause (5); and

(3) information on significant detrimental financial impacts due to recent economic and social conditions.

(c) The commissioner must disburse grants to eligible organizations no later than September 30, 2023.

(d) The amount of a grant to an eligible organization equals:

(1) the number of units an eligible organization certifies that it owns or controls in the state divided by the total number of units certified by all eligible organizations, multiplied by

(2) the total amount of the appropriation for this grant program;
(e) No grant to an eligible organization may exceed $4,000 per certified unit. The per-unit amount of the grant for each eligible organization must be calculated based on the total number of units each eligible organization owns or controls in the state and is not limited to the number of units that qualify it as an eligible organization under subdivision 2, clause (5).

(f) Grantees must use grant funds to maintain or improve the housing stability of tenants by expending funds on:

1. property maintenance, improvements, and security;
2. providing services, including services and programs that promote economic and social mobility;
3. efforts to attract and retain employees that will assist in providing services and support to tenants; or
4. forgiveness of all or a portion of rent balances owed by former or current tenants.

The commissioner may approve additional uses of this fund that would have a beneficial impact on the housing stability of tenants.

Subd. 4. Reporting and financial audit. Each grantee must submit a report to the commissioner by September 30, 2024, on the use of those funds in a form determined by the commissioner. By January 15, 2024, each grantee must report to the chair and ranking minority members of the legislative committees having jurisdiction over housing on the use of funds awarded under this section.

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

Sec. 30. FIRST-GENERATION HOMEBUYERS DOWN PAYMENT ASSISTANCE FUND.

Subdivision 1. Establishment. A first-generation homebuyers down payment assistance fund is established as a pilot project under the administration of the Midwest Minnesota Community Development Corporation (MMCDC), a community development financial institution (CDFI) as defined under the Riegle Community Development and Regulatory Improvement Act of 1994, to provide targeted assistance to eligible first-generation homebuyers. The Housing Finance Agency must release grant funds to MMCDC as needed, and may do so in tranches for administrative efficiency.

Subd. 2. Eligible household. For purposes of this section, "eligible household" means:

1. a household: and
2. that includes at least one adult member:

   (1) whose income is at or below 100 percent of the area median income at the time of purchase; and
   (2) that includes at least one adult member:
(j) who is preapproved for a first mortgage loan;

(ii) who either never owned a home or who owned a home but lost it due to foreclosure;

and

(iii) whose parent or prior legal guardian either never owned a home or owned a home but lost it due to foreclosure;

At least one adult household member meeting the criteria under clause (2) must complete an approved homebuyer education course prior to signing a purchase agreement and, following the purchase of the home, must occupy it as their primary residence.

Subd. 3. Use of funds. Assistance under this section is limited to ten percent of the purchase price of a one or two unit home, not to exceed $32,000. Funds shall be reserved for eligible households. Fund reservation is not contingent on having an executed purchase agreement. The assistance must be provided in the form of a loan that is forgivable at a rate of 20 percent per year on the day after the anniversary date of the note. The prorated balance due is repayable if the property converts to nonowner occupancy, is sold, is subjected to an ineligible refinancing, or is subjected to a completed foreclosure action within the five-year loan term. Recapture can be waived in the event of financial or personal hardship. Funds may be used for closing costs, down payment, or principal reduction. The eligible household may select any first mortgage lender or broker of their choice, provided that the funds are used in conjunction with a conforming first mortgage loan that is fully amortizing and meets the standards of a qualified mortgage or meets the minimum standards for exemption under Code of Federal Regulations, title 12, section 1026.43. Funds may be used in conjunction with other programs the eligible household may qualify for and the loan placed in any priority position.

Subd. 4. Administration. The first-generation homebuyers down payment assistance fund is available statewide and shall be administered by MMCDC, the designated central CDFI. MMCDC may originate and service funds and authorize other CDFIs. Tribal entities, and nonprofit organizations administering down payment assistance to reserve, originate, fund, and service funds for eligible households. Administrative costs must not exceed $3,200 per loan. Any funds recaptured prior to June 30, 2026, are returned to MMCDC for redistribution to eligible households. Any unused funds, or funds recaptured on or after June 30, 2026, shall be remitted to the agency to be returned to the general fund.

Subd. 5. Report to legislature. By January 15 each year, the fund administrator, MMCDC, must report to the chairs and ranking minority members of the legislative committees with jurisdiction over housing finance and policy the following information:

(iii) whose parent or prior legal guardian either never owned a home or owned a home but lost it due to foreclosure;

At least one adult household member meeting the criteria under clause (2) must complete an approved homebuyer education course prior to signing a purchase agreement and, following the purchase of the home, must occupy it as their primary residence.

Subd. 3. Use of funds. Assistance under this section is limited to ten percent of the purchase price of a one or two unit home, not to exceed $32,000. Funds shall be reserved for eligible households. Fund reservation is not contingent on having an executed purchase agreement. The assistance must be provided in the form of a loan that is forgivable at a rate of 20 percent per year on the day after the anniversary date of the note. The prorated balance due is repayable if the property converts to nonowner occupancy, is sold, is subjected to an ineligible refinancing, or is subjected to a completed foreclosure action within the five-year loan term. Recapture can be waived in the event of financial or personal hardship. Funds may be used for closing costs, down payment, or principal reduction. The eligible household may select any first mortgage lender or broker of their choice, provided that the funds are used in conjunction with a conforming first mortgage loan that is fully amortizing and meets the standards of a qualified mortgage or meets the minimum standards for exemption under Code of Federal Regulations, title 12, section 1026.43. Funds may be used in conjunction with other programs the eligible household may qualify for and the loan placed in any priority position.

Subd. 4. Administration. The first-generation homebuyers down payment assistance fund is available statewide and shall be administered by MMCDC, the designated central CDFI. MMCDC may originate and service funds and authorize other CDFIs. Tribal entities, and nonprofit organizations administering down payment assistance to reserve, originate, fund, and service funds for eligible households. Administrative costs must not exceed $3,200 per loan. Any funds recaptured prior to June 30, 2026, are returned to MMCDC for redistribution to eligible households. Any unused funds, or funds recaptured on or after June 30, 2026, shall be remitted to the agency to be returned to the general fund.

Subd. 5. Report to legislature. By January 15 each year, the fund administrator, MMCDC, must report to the chairs and ranking minority members of the legislative committees with jurisdiction over housing finance and policy the following information:
(1) the number and amount of loans closed;
(2) the median loan amount;
(3) the number and amount of loans issued by race or ethnic categories;
(4) the median home purchase price;
(5) the type of mortgage;
(6) the total amount returned to the fund; and
(7) the number and amount of loans issued by county.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 10. **HIGH-RISE SPRINKLER SYSTEM GRANT PROGRAM.**

**Subdivision 1. Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Eligible building" means an existing residential building in which:

1. at least one story used for human occupancy is 75 feet or more above the lowest level of fire department vehicle access; and

2. at least two-thirds of its units are rented to an individual or family with an annual income of up to 50 percent of the area median income as determined by the United States Department of Housing and Urban Development, adjusted for family size, that is paying no more than 30 percent of annual income on rent.

(c) "Sprinkler system" means the same as the term "fire protection system" as defined in Minnesota Statutes, section 299M.01.

**Subd. 2. Grant program.** The commissioner of the Housing Finance Agency must make grants to owners of eligible buildings for installation of sprinkler systems and for relocation of residents during the installation of sprinkler systems. Priority shall be given to nonprofit applicants. The maximum grant per eligible building shall be $2,000,000. Each grant to a nonprofit organization shall require a 25 percent match. Each grant to a for-profit organization shall require a 50 percent match.

**Subd. 3. Expiration.** This section expires June 30, 2026.

Sec. 11. **LOCAL HOUSING TRUST FUND GRANTS.**

(a) The commissioner of the Minnesota Housing Finance Agency shall award grants for existing local housing trust funds established under Minnesota Statutes, section 462C.16 and for local governments seeking to establish local housing trust funds.

(b) A local government with an existing local housing trust fund may receive a grant amount equal to 100 percent of the public revenue committed to the local housing trust fund from any source other than the state or federal government, up to $150,000, and in addition, the total amount returned to the fund; and

The number and amount of loans issued by county.
an amount equal to 50 percent of the public revenue committed to the local housing trust fund from any source other than the state or federal government that is more than $150,000 but not more than $300,000.

c) The agency may award grants of up to $5,000 to a local government, or two or more local governments operating under a joint powers agreement, which does not have a local housing trust fund or a regional housing trust fund. Grants must be used to establish a local or regional housing trust fund. The agency shall make grants on a first-come, first-served basis.

d) Except as provided in paragraph (c), a grantee must use grant funds within eight years of receipt for purposes: (1) authorized under Minnesota Statutes, section 462C.16, subdivision 3; and (2) benefiting households with incomes at or below 115 percent of the state median income. A grantee must return any grant funds not used for these purposes within eight years of receipt to the commissioner of the Minnesota Housing Finance Agency for deposit into the housing development fund.

EFFECTIVE DATE. This section is effective July 1, 2023.

Sec. 35. HOMEOWNERSHIP INVESTMENT GRANTS PROGRAM.

Subdivision 1. Grant program established. The commissioner of the Minnesota Housing Finance Agency must establish and administer a program to support projects that encourage affordable homeownership in accordance with this section.

Subdivision 2. Eligible organization.

To be eligible for a grant under this subdivision, a nonprofit organization must:

1) qualify for tax exempt status under United States Code, title 26, section 501(c)(3); and
2) have primary operations located in Minnesota;
3) be certified as a community development financial institution by the United States Department of the Treasury and must provide affordable housing lending or financing programs.

Subd. 3. Eligible services. Eligible organizations may apply for housing investment grants for affordable owner-occupied housing projects for:

1) quality for tax exempt status under United States Code, title 26, section 501(c)(3); and
2) have primary operations located in Minnesota;
3) be certified as a community development financial institution by the United States Department of the Treasury; and
4) provide affordable housing lending or financing programs.

The commissioner may award a grant under this section for a project that invests in the following:

- an amount equal to 50 percent of the public revenue committed to the local housing trust fund from any source other than the state or federal government that is more than $150,000 but not more than $300,000;
- up to $5,000 to a local government, or two or more local governments operating under a joint powers agreement, which does not have a local housing trust fund or a regional housing trust fund. Grants must be used to establish a local or regional housing trust fund. The agency shall make grants on a first-come, first-served basis.
- except as provided in paragraph (c), a grantee must use grant funds within eight years of receipt for purposes: (1) authorized under Minnesota Statutes, section 462C.16, subdivision 3; and (2) benefiting households with incomes at or below 115 percent of the state median income. A grantee must return any grant funds not used for these purposes within eight years of receipt to the commissioner of the Minnesota Housing Finance Agency for deposit into the housing development fund.
Subd. 4. Commissioner duties. (a) The commissioner shall consult with eligible organizations and develop forms, applications, and reporting requirements for use by eligible organizations. All organizations applying for a grant must include as part of their application a plan to create new affordable home ownership and home preservation opportunities for targeted areas. The commissioner shall develop a grant award scoring system that ensures a distribution of awards throughout the state based on population and eligible households and communities.

(b) The commissioner shall complete the requirements under paragraph (a) within 90 days of enactment of this section.

(c) By January 15, 2024, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over housing finance and policy detailing the use of funds under this section.

Subd. 5. Report. By January 15, 2024, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over housing finance and policy detailing the use of funds under this section.

EFFECTIVE DATE. This section is effective the day following final enactment.
(3) who is financing the purchase of an eligible property with an interest-free, fee-based mortgage; and

(4) who is a first-time homebuyer as defined by Code of Federal Regulations, title 24, section 92.2.

Subd. 3. Eligible property. (a) For the purposes of this section, an "eligible property" means residential real property that is a condominium, a townhouse, a single-family home, a manufactured home titled as real property, or another building containing up to four dwelling units.

(b) An eligible property may include property subject to a ground lease with a community land trust, property on Indian Trust Land, or property participating in a shared equity homeownership program.

Subd. 4. Use of funds. NeighborWorks Home Partners shall use the money appropriated to this program to provide forgivable grants of down payment assistance not to exceed 30 percent of the price of the eligible property that an eligible homebuyer seeks to purchase. NeighborWorks Home Partners shall provide grants to eligible homebuyers using no-interest, fee-based loans to finance the purchase of eligible properties. In making grants, NeighborWorks Home Partners shall determine the circumstances, terms, and conditions under which all or any portion of the grant will be repaid and shall determine the appropriate security required for a repayment. The administrative fees for operating the program shall not exceed five percent of the appropriation. An eligible homebuyer may use the funds in conjunction with any other funding programs.

Subd. 5. Conditions of receiving a grant. (a) To qualify for assistance under this section, an eligible homebuyer must:

(1) complete an approved homebuyer education course prior to signing a purchase agreement;

(2) complete an approved landlord education course prior to signing a purchase agreement if the property being purchased contains more than one dwelling unit;

(3) contribute a minimum of $1,000 to down payment or closing costs; and

(4) occupy the purchased property as the homebuyer's primary residence.

(b) NeighborWorks Home Partners may establish additional requirements to ensure that program participants comply with this subdivision.

Subd. 6. Report. By January 15 and July 15 each year, NeighborWorks Home Partners must report to the chairs and ranking minority members of the legislative committees with jurisdiction over housing finance and policy the following information:

(1) the number and amount of grants issued;
(2) the median grant amount;
(3) the number and amount of grants issued by race or ethnic categories;
(4) the median home purchase price;
(5) the total amount returned to the fund; and
(6) the number and amount of grants issued by county.

Sec. 14. MANUFACTURED HOME LENDING GRANTS PROGRAM.

Subd. 1. Program established. The commissioner of the Minnesota Housing Finance Agency must award a grant to an organization for manufactured home lending services under subdivision 2.

Subd. 2. Definitions. For the purposes of this section, the following terms have the meanings given:

(1) "commissioner" means the commissioner of the Minnesota Housing Finance Agency; and
(2) "eligible organization" means a nonprofit organization the commissioner determines to be eligible under subdivision 2.

Subd. 3. Eligible organization. To be eligible for a grant under this section, a nonprofit organization must:

(1) be an organization defined under section 501(c)(3) of the Internal Revenue Code, or an equivalent organization;

(2) have primary operations located in Minnesota;

(3) be a qualified nonprofit lender or certified as a community development financial institution by the United States Department of the Treasury;

(4) serve low-income populations in manufactured home communities owned by residents, cooperatives, nonprofits, or municipalities.

Subd. 4. Eligible services. Eligible organizations may apply for manufactured home lending funds for the following services:

(1) new manufactured home financing programs;

(2) manufactured home down payment assistance; and

(3) manufactured home repair, renovation, removal, and site preparation financing programs.

Subd. 4. Commissioner duties. Within 90 days of final enactment, the commissioner shall develop the forms, applications, and reporting requirements for use by eligible organizations. In developing these materials, the commissioner shall consult with organization providing lending funds for the following services:

(1) new manufactured home financing programs;

(2) manufactured home down payment assistance; or

(3) manufactured home repair, renovation, removal, and site preparation financing programs.

Subd. 4. Application. Within 90 days of final enactment, the commissioner shall develop the forms, applications, and reporting requirements for use by eligible organizations. In developing these materials, the commissioner shall consult with manufacturing services.
manufactured housing cooperatives, resident-owned manufactured home communities, and nonprofit organizations working with manufactured housing cooperatives and resident-owned communities.

Subd. 5. Loan payments and interest. Interest earned and repayments of principal from loans issued under this section must be used for the purposes of this section.

Sec. 15. MANUFACTURED HOME PARK COOPERATIVE PURCHASE PROGRAM.

(a) The funding under this section shall be used for a revolving loan fund under Minnesota Statutes, section 462A.05, subdivision 35, to provide interest-free loans for residents of manufactured home parks to purchase the manufactured home park in which they reside for the purpose of conversion of the manufactured home park to cooperative ownership. Repayments of principal from loans issued under this section must be used for the purposes of this section.

(b) The agency shall develop criteria for loan requests under this section. Within 90 days of final enactment, the commissioner shall develop the forms, applications, and reporting requirements for use by eligible organizations. In developing these materials, the commissioner shall consult with manufactured housing cooperatives, resident-owned manufactured home communities, and nonprofit organizations working with manufactured housing cooperatives and resident-owned communities.

(c) Borrowers must use funds to assist in the creation and preservation of housing that is affordable to households with incomes at or below 80 percent of the greater of state or area median income.

(d) A deed purchased with a loan under this section must contain a covenant running with the land requiring that the land be used as a manufactured home park for 30 years from the date of purchase.

(e) For the purposes of this section, the terms "manufactured home," "manufactured home park," and "resident" have the meanings given in Minnesota Statutes, section 327C.015.

ARTICLE 3

BONDING AUTHORITY AND AUTHORIZATION

Section 1. Minnesota Statutes 2022, section 462A.22, subdivision 1, is amended to read: Subdivision 1. Debt ceiling. The aggregate principal amount of general obligation bonds and notes which are outstanding at any time, excluding the principal amount of any bonds and notes refunded by the issuance of new bonds or notes, shall not exceed the sum of $5,000,000,000.
Sec. 15. Minnesota Statutes 2022, section 462A.36, is amended by adding a subdivision to read:

Subd. 2a. Refunding bonds. (a) The agency may issue nonprofit housing bonds in one or more series to refund bonds authorized in subdivision 2. The amount of refunding nonprofit housing bonds that may be issued from time to time will not be subject to the dollar limitation contained in subdivision 2 nor will those bonds be included in computing the amount of bonds that may be issued within that dollar limitation.

(b) In the refunding of nonprofit housing bonds, each bond must be called for redemption prior to its maturity in accordance with its terms no later than the earliest date on which it may be redeemed. No refunding bonds may be issued unless as of the date of the refunding bonds the present value of the dollar amount of the debt service on the refunding bonds, computed to their stated maturity dates, is lower than the present value of the dollar amount of debt service on all nonprofit housing bonds refunded computed to their stated maturity dates. For purposes of this subdivision, "present value of the dollar amount of debt service" means the dollar amount of debt service to be paid, discounted to the nominal date of the refunding bonds at a rate equal to the yield on the refunding bonds.

(c) If as a result of the issuance of refunding bonds the amount of debt service for an annual period is less than the amount transferred by the commissioner of management and budget to pay debt service for that annual period, the agency must deduct the excess amount from the actual amount of debt service on those bonds certified for the next subsequent annual period.

Sec. 3. Minnesota Statutes 2022, section 462A.36, subdivision 4, is amended to read:

Subd. 4. Appropriation; payment to agency or trustee. (a) The agency must certify annually to the commissioner of management and budget the actual amount of annual debt service on each series of bonds issued under subdivision 2.

(b) Each July 15, beginning in 2009 and through 2031, if any nonprofit housing bonds issued under subdivision 2, or nonprofit housing bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the nonprofit housing bond account established under section 462A.21, subdivision 32, the amount certified under paragraph (a), not to exceed $2,400,000 annually. The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(c) The agency may pledge to the payment of the nonprofit housing bonds the payments to be made by the state under this section.
Sec. 19. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision to read:

Subd. 2i. Additional authorization. In addition to the amounts authorized in subdivisions 2 to 2h, the agency may issue up to $250,000,000 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

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

Sec. 4. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision to read:

Subd. 2j. Refunding bonds. (a) The agency may issue housing infrastructure bonds in one or more series to refund bonds authorized in this section. The amount of refunding housing infrastructure bonds that may be issued is less than the amount transferred by the commissioner of management and budget to pay debt service for that annual period, the agency must deduct the excess amount from the actual amount of debt service on those bonds certified for the next subsequent annual period.

(b) In the refunding of housing infrastructure bonds, each bond must be called for redemption prior to its maturity in accordance with its terms no later than the earliest date on which it may be redeemed. No refunding bonds may be issued unless as of the date of the refunding bonds the present value of the dollar amount of the debt service on the refunding bonds, computed to their stated maturity dates, is lower than the present value of the dollar amount of debt service on all housing infrastructure bonds refunded computed to their stated maturity dates. For purposes of this subdivision, "present value of the dollar amount of debt service" means the dollar amount of debt service to be paid, discounted to the nominal date of the refunding bonds at a rate equal to the yield on the refunding bonds.

(c) If as a result of the issuance of refunding bonds the amount of debt service for an annual period is less than the amount transferred by the commissioner of management and budget to pay debt service for that annual period, the agency must deduct the excess amount from the actual amount of debt service on those bonds certified for the next subsequent annual period.

Sec. 5. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision to read:

Subd. 2k. Additional authorization. In addition to the amounts authorized in subdivisions 2 to 2i, the agency may issue up to $33,333,500 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 6. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision to read:

Subd. 2l. Additional authorization. In addition to the amounts authorized in subdivisions 2 to 2i, the agency may issue up to $33,333,500 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 20. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision to read:

Subd. 2m. Additional authorization. In addition to the amounts authorized in subdivisions 2 to 2i, the agency may issue up to $33,333,500 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 21. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision to read:

Subd. 2n. Additional authorization. In addition to the amounts authorized in subdivisions 2 to 2i, the agency may issue up to $33,333,500 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 22. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision to read:

Subd. 2o. Additional authorization. In addition to the amounts authorized in subdivisions 2 to 2i, the agency may issue up to $33,333,500 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 23. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision to read:

Subd. 2p. Additional authorization. In addition to the amounts authorized in subdivisions 2 to 2i, the agency may issue up to $33,333,500 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 24. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision to read:

Subd. 2q. Additional authorization. In addition to the amounts authorized in subdivisions 2 to 2i, the agency may issue up to $33,333,500 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 25. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision to read:

Subd. 2r. Additional authorization. In addition to the amounts authorized in subdivisions 2 to 2i, the agency may issue up to $33,333,500 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 26. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision to read:

Subd. 2s. Additional authorization. In addition to the amounts authorized in subdivisions 2 to 2i, the agency may issue up to $33,333,500 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 27. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision to read:

Subd. 2t. Additional authorization. In addition to the amounts authorized in subdivisions 2 to 2i, the agency may issue up to $33,333,500 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 28. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision to read:

Subd. 2u. Additional authorization. In addition to the amounts authorized in subdivisions 2 to 2i, the agency may issue up to $33,333,500 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 29. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision to read:

Subd. 2v. Additional authorization. In addition to the amounts authorized in subdivisions 2 to 2i, the agency may issue up to $33,333,500 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 30. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision to read:

Subd. 2w. Additional authorization. In addition to the amounts authorized in subdivisions 2 to 2i, the agency may issue up to $33,333,500 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

EFFECTIVE DATE. This section is effective July 1, 2024.
Sec. 21. Minnesota Statutes 2022, section 462A.37, subdivision 4, is amended to read:

(a) The agency must certify annually to the commissioner of management and budget the actual amount of annual debt service on each series of bonds issued under subdivision 2.

(b) Each July 15, beginning in 2013 and through 2035, if any housing infrastructure bonds issued under subdivision 2, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the affordable housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed $2,200,000 annually.

(c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure bonds issued under subdivision 2c remainder outstanding, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the affordable housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed $2,800,000 annually. The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(d) Each July 15, beginning in 2019 and through 2040, if any housing infrastructure bonds issued under subdivision 2c remainder outstanding, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the affordable housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed $3,400,000 annually. The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

Sec. 7. Minnesota Statutes 2022, section 462A.37, subdivision 4, is amended to read:

(a) The agency must certify annually to the commissioner of management and budget the actual amount of annual debt service on each series of bonds issued under subdivision 2.

(b) Each July 15, beginning in 2013 and through 2035, if any housing infrastructure bonds issued under subdivision 2, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the affordable housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed $2,200,000 annually.

(c) The agency may pledge to the payment of the housing infrastructure bonds the payments to be made by the state under this section.

Sec. 8. Minnesota Statutes 2022, section 462A.37, subdivision 5, is amended to read:

(a) The agency must certify annually to the commissioner of management and budget the actual amount of annual debt service on each series of bonds issued under this section.

(b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure bonds issued under subdivision 2a remainder outstanding, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the affordable housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed $6,400,000 annually. The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure bonds issued under subdivision 2b remainder outstanding, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the affordable housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed $800,000 annually. The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(d) Each July 15, beginning in 2019 and through 2040, if any housing infrastructure bonds issued under subdivision 2c remainder outstanding, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the affordable housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed $2,800,000 annually. The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.
Each July 15, beginning in 2020 and through 2041, if any housing infrastructure bonds issued under subdivision 2d remain outstanding, or housing infrastructure bonds issued to refund those bonds, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

Each July 15, beginning in 2022 and through 2043, if any housing infrastructure bonds issued under subdivision 2e remain outstanding, or housing infrastructure bonds issued to refund those bonds, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

Each July 15, beginning in 2022 and through 2043, if any housing infrastructure bonds issued under subdivision 2f remain outstanding, or housing infrastructure bonds issued to refund those bonds, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

Each July 15, beginning in 2023 and through 2044, if any housing infrastructure bonds issued under subdivision 2g remain outstanding, or housing infrastructure bonds issued to refund those bonds, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

Each July 15, beginning in 2024 and through 2045, if any housing infrastructure bonds issued under subdivision 2h remain outstanding, or housing infrastructure bonds issued to refund those bonds, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

Each July 15, beginning in 2025 and through 2046, if any housing infrastructure bonds issued under subdivision 2i remain outstanding, or housing infrastructure bonds issued to refund those bonds, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

Each July 15, beginning in 2026 and through 2047, if any housing infrastructure bonds issued under subdivision 2j remain outstanding, or housing infrastructure bonds issued to refund those bonds, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.
the housing infrastructure bond account established under section 462A.21, subdivision 33,

made only when the agency determines that financing is not otherwise available, in whole

in compliance with all state, county, or municipal building, housing maintenance, fire,

of management and budget;

necessary to make the transfers are appropriated from the general fund to the commissioner

of the amount certified under paragraph (a), not to exceed $6,400,000 annually. The amounts

needed to make the transfers are appropriated from the general fund to the commissioner

ARTICLE 4

ELIGIBILITY AND USES

Section 1. Minnesota Statutes 2022, section 462A.05, subdivision 14, is amended to read:

Subd. 14. Rehabilitation loans. It may agree to purchase, make, or otherwise participate

in the making, and may enter into commitments for the purchase, making, or participation

in the making of eligible loans for rehabilitation, with terms and conditions as the agency

determines advisable, to persons and families of low and moderate income, and to owners of

existing residential housing for occupancy by such persons and families, for the rehabilitation

of existing residential housing owned by them. Rehabilitation may include the addition or

rehabilitation of a detached accessory dwelling unit. The loans may be insured or uninsured

and may be made with security, or may be unsecured, as the agency deems advisable. The

loans may be in addition to or in combination with long-term eligible mortgage loans under

subdivision 3. They may be made in amounts sufficient to refinance existing indebtedness

secured by the property, if refinancing is determined by the agency to be necessary to permit

the owner to meet the owner's housing cost without expending an unreasonable portion of

the owner's income thereon. No loan for rehabilitation shall be made unless the agency

determines that the loan will be used primarily to make the housing more desirable to live

in, to increase the market value of the housing, for compliance with state, county or municipal

building, housing maintenance, fire, health or similar codes and standards applicable to

housing, or to accomplish energy conservation related improvements. In unincorporated

areas and municipalities not having codes and standards, the agency may, solely for the

purpose of administering the provisions of this chapter, establish codes and standards. No

loan under this subdivision for the rehabilitation of owner-occupied housing shall be denied

solely because the loan will not be used for placing the owner-occupied residential housing

in full compliance with all state, county, or municipal building, housing maintenance, fire,

health, or similar codes and standards applicable to housing. Rehabilitation loans shall be

made only when the agency determines that financing is not otherwise available, in whole

or in part, from private lenders upon equivalent terms and conditions. Accessibility

rehabilitation loans authorized under this subdivision may be made to eligible persons and

families without limitations relating to the maximum incomes of the borrowers if:

the borrower or a member of the borrower's family requires a level of care provided

in a hospital, skilled nursing facility, or intermediate care facility for persons with

developmental disabilities;

The agency may pledge to the payment of the housing infrastructure bonds the

payments to be made by the state under this section.

(1) The agency may pledge to the payment of the housing infrastructure bonds the

payments to be made by the state under this section.
Sec. 5. Minnesota Statutes 2022, section 462A.05, is amended by adding a subdivision to read:

Subd. 43. Housing disparities. The agency must prioritize its use of appropriations for any program under this chapter to serve households most affected by housing disparities.

Subd. 44. Special purpose credit program. The agency may establish special purpose credit programs to assist one or more economically disadvantaged classes of persons in order to address the effects of historic and current discrimination which resulted in limiting access to housing credit by persons on the basis of race, color, ethnicity, or national origin.

A special purpose credit program may include a wide variety of remedies, including but not limited to loans or other financial assistance, based on current, documented need as determined by the agency.

Sec. 4. Minnesota Statutes 2022, section 462A.05, is amended by adding a subdivision to read:

Subd. 45. Indian Tribes. Notwithstanding any other provision in this chapter, at its discretion the agency may make any federally recognized Indian Tribe in Minnesota, or their associated Tribally Designated Housing Entity (TDHE) as defined by United States Code, title 25, section 4103(22), eligible for funding authorized under this chapter.

Sec. 5. Minnesota Statutes 2022, section 462A.05, is amended by adding a subdivision to read:

Subd. 46. Translation services. The agency shall provide to all applicants for funding authorized under this chapter interpreter or translation services to ensure that any communications to the applicant are made in the applicant's primary language. The agency shall require grantees, borrowers, or any other recipients of funding under this chapter to provide interpreter or translation services to any member of the public seeking access to services funded under this chapter.

Sec. 6. Minnesota Statutes 2022, section 462A.201, subdivision 2, is amended to read:

Subd. 2. Low-income housing. (a) The agency may use money from the housing trust fund account to provide loans or grants for:
of Housing and Urban Development, if no local housing maintenance code has been adopted. and transitional housing; rental assistance, either project-based or tenant-based; and programs to secure stable housing for families with minor children or with children eligible for enrollment in a prekindergarten through grade 12 academic program. Projects for the development, construction, acquisition, preservation, and rehabilitation of low-income rental and limited equity cooperative housing units, including temporary and transitional housing; the costs of operating rental housing, as determined by the agency, that are unique to the operation of low-income rental housing or supportive housing; (3) rental assistance, either project-based or tenant-based; and (4) programs to secure stable housing for families with minor children or with children eligible for enrollment in a prekindergarten through grade 12 academic program.

For purposes of this section, “transitional housing” has the meaning given by the United States Department of Housing and Urban Development. Loans or grants for residential housing for migrant farmworkers may be made under this section.

(b) The housing trust fund account must be used for the benefit of persons and families whose income, at the time of initial occupancy, does not exceed 60 percent of median income as determined by the United States Department of Housing and Urban Development for the metropolitan area. At least 75 percent of the funds in the housing trust fund account must be used for the benefit of persons and families whose income, at the time of initial occupancy, does not exceed 30 percent of the median family income for the metropolitan area as defined in section 473.121, subdivision 2. For purposes of this section, a household with a housing assistance voucher under Section 8 of the United States Housing Act of 1937, as amended, is deemed to meet the income requirements of this section. The median family income may be adjusted for families of five or more. (c) Rental assistance under this section must be provided by governmental units which administer housing assistance supplements or by for-profit or nonprofit organizations experienced in housing management. Rental assistance shall be limited to households whose income at the time of initial receipt of rental assistance does not exceed 60 percent of median income, as determined by the United States Department of Housing and Urban Development for the metropolitan area. Priority among comparable applications for tenant-based rental assistance will be given to proposals that will serve households whose income at the time of initial application for rental assistance does not exceed 30 percent of median income, as determined by the United States Department of Housing and Urban Development for the metropolitan area. Rental assistance must be terminated when it is determined that 30 percent of a household’s monthly income for four consecutive months equals or exceeds the market rent for the unit in which the household resides plus utilities for which the tenant is responsible. Rental assistance may only be used for rental housing units that meet the housing maintenance code of the local unit of government in which the unit is located, if such a code has been adopted, or the housing quality standards adopted by the United States Department of Housing and Urban Development, if no local housing maintenance code has been adopted. (d) In making the loans or grants, the agency shall determine the terms and conditions of repayment and the appropriate security, if any, should repayment be required. To promote
the geographic distribution of grants and loans, the agency may designate a portion of the
grant or loan awards to be set aside for projects located in specified congressional districts
or other geographical regions specified by the agency. The agency may adopt rules for
awarding grants and loans under this subdivision.

Sec. 7. Minnesota Statutes 2022, section 462A.2035, subdivision 1b, is amended to read:

Subd. 1b. Manufactured home park infrastructure grants and loans. Eligible
recipients may use manufactured home park infrastructure grants and loans under this
program for:

1) acquisition of and improvements in manufactured home parks; and
2) infrastructure, including storm shelters and community facilities.

Sec. 8. Minnesota Statutes 2022, section 462A.204, subdivision 3, is amended to read:

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

Sec. 9. Minnesota Statutes 2022, section 462A.204, subdivision 8, is amended to read:

Subd. 8. School Childhood housing stability. (a) The agency in consultation with the
Interagency Council on Homelessness may establish a school childhood housing stability
project under the family homeless prevention and assistance program. The purpose of the
project is to secure stable housing for families with school-age minor children or with
children eligible for enrollment in a prekindergarten through grade T2 academic program
who have moved frequently and for unaccompanied youth. For purposes of this subdivision,
"unaccompanied youth" are minors who are leaving foster care or juvenile correctional
facilities, or minors who meet the definition of a child in need of services or protection
under section 260C.007, subdivision 6, but for whom no court finding has been made
pursuant to that statute.

(b) The agency shall make grants to family homeless prevention and assistance projects
in communities with: (1) a school or schools that have a significant degree of student
mobility; (2) a significant degree of homelessness among families with minor children; or
3) children eligible for enrollment in a prekindergarten through grade T2 academic program.

(c) Each project must be designed to reduce school absenteeism; stabilize children in
one home setting or, at a minimum, in one school setting; and reduce shelter usage. Each
project must include plans for the following:

1) targeting of families with minor children or with children eligible for
enrollment in a prekindergarten through grade T2 academic program and who are living in

Sec. 10. Minnesota Statutes 2022, section 462A.204, subdivision 9, is amended to read:

Subd. 9. School Childhood housing stability. (a) The agency in consultation with the
Interagency Council on Homelessness may establish a school childhood housing stability
project under the family homeless prevention and assistance program. The purpose of the
project is to secure stable housing for families with school-age minor children or with
children eligible for enrollment in a prekindergarten through grade T2 academic program
who have moved frequently and for unaccompanied youth. For purposes of this subdivision,
"unaccompanied youth" are minors who are leaving foster care or juvenile correctional
facilities, or minors who meet the definition of a child in need of services or protection
under section 260C.007, subdivision 6, but for whom no court finding has been made
pursuant to that statute.

(b) The agency shall make grants to family homeless prevention and assistance projects
in communities with: (1) a school or schools that have a significant degree of student
mobility; (2) a significant degree of homelessness among families with minor children; or
3) children eligible for enrollment in a prekindergarten through grade T2 academic program.

(c) Each project must be designed to reduce school absenteeism; stabilize children in
one home setting or, at a minimum, in one school setting; and reduce shelter usage. Each
project must include plans for the following:

1) targeting of families with minor children or with children eligible for
enrollment in a prekindergarten through grade T2 academic program and who are living in

Sec. 11. Minnesota Statutes 2022, section 462A.204, subdivision 10, is amended to read:

Subd. 10. School Childhood housing stability. (a) The agency in consultation with the
Interagency Council on Homelessness may establish a school childhood housing stability
project under the family homeless prevention and assistance program. The purpose of the
project is to secure stable housing for families with school-age minor children or with
children eligible for enrollment in a prekindergarten through grade T2 academic program
who have moved frequently and for unaccompanied youth. For purposes of this subdivision,
"unaccompanied youth" are minors who are leaving foster care or juvenile correctional
facilities, or minors who meet the definition of a child in need of services or protection
under section 260C.007, subdivision 6, but for whom no court finding has been made
pursuant to that statute.

(b) The agency shall make grants to family homeless prevention and assistance projects
in communities with: (1) a school or schools that have a significant degree of student
mobility; (2) a significant degree of homelessness among families with minor children; or
3) children eligible for enrollment in a prekindergarten through grade T2 academic program.

(c) Each project must be designed to reduce school absenteeism; stabilize children in
one home setting or, at a minimum, in one school setting; and reduce shelter usage. Each
project must include plans for the following:

1) targeting of families with minor children or with children eligible for
enrollment in a prekindergarten through grade T2 academic program and who are living in

Sec. 12. Minnesota Statutes 2022, section 462A.204, subdivision 11, is amended to read:

Subd. 11. School Childhood housing stability. (a) The agency in consultation with the
Interagency Council on Homelessness may establish a school childhood housing stability
project under the family homeless prevention and assistance program. The purpose of the
project is to secure stable housing for families with school-age minor children or with
children eligible for enrollment in a prekindergarten through grade T2 academic program
who have moved frequently and for unaccompanied youth. For purposes of this subdivision,
"unaccompanied youth" are minors who are leaving foster care or juvenile correctional
facilities, or minors who meet the definition of a child in need of services or protection
under section 260C.007, subdivision 6, but for whom no court finding has been made
pursuant to that statute.

(b) The agency shall make grants to family homeless prevention and assistance projects
in communities with: (1) a school or schools that have a significant degree of student
mobility; (2) a significant degree of homelessness among families with minor children; or
3) children eligible for enrollment in a prekindergarten through grade T2 academic program.

(c) Each project must be designed to reduce school absenteeism; stabilize children in
one home setting or, at a minimum, in one school setting; and reduce shelter usage. Each
project must include plans for the following:

1) targeting of families with minor children or with children eligible for
enrollment in a prekindergarten through grade T2 academic program and who are living in

Sec. 13. Minnesota Statutes 2022, section 462A.204, subdivision 12, is amended to read:

Subd. 12. School Childhood housing stability. (a) The agency in consultation with the
Interagency Council on Homelessness may establish a school childhood housing stability
project under the family homeless prevention and assistance program. The purpose of the
project is to secure stable housing for families with school-age minor children or with
children eligible for enrollment in a prekindergarten through grade T2 academic program
who have moved frequently and for unaccompanied youth. For purposes of this subdivision,
"unaccompanied youth" are minors who are leaving foster care or juvenile correctional
facilities, or minors who meet the definition of a child in need of services or protection
under section 260C.007, subdivision 6, but for whom no court finding has been made
pursuant to that statute.

(b) The agency shall make grants to family homeless prevention and assistance projects
in communities with: (1) a school or schools that have a significant degree of student
mobility; (2) a significant degree of homelessness among families with minor children; or
3) children eligible for enrollment in a prekindergarten through grade T2 academic program.

(c) Each project must be designed to reduce school absenteeism; stabilize children in
one home setting or, at a minimum, in one school setting; and reduce shelter usage. Each
project must include plans for the following:

1) targeting of families with minor children or with children eligible for
enrollment in a prekindergarten through grade T2 academic program and who are living in

Sec. 14. Minnesota Statutes 2022, section 462A.204, subdivision 13, is amended to read:

Subd. 13. School Childhood housing stability. (a) The agency in consultation with the
Interagency Council on Homelessness may establish a school childhood housing stability
project under the family homeless prevention and assistance program. The purpose of the
project is to secure stable housing for families with school-age minor children or with
children eligible for enrollment in a prekindergarten through grade T2 academic program
who have moved frequently and for unaccompanied youth. For purposes of this subdivision,
"unaccompanied youth" are minors who are leaving foster care or juvenile correctional
facilities, or minors who meet the definition of a child in need of services or protection
under section 260C.007, subdivision 6, but for whom no court finding has been made
pursuant to that statute.

(b) The agency shall make grants to family homeless prevention and assistance projects
in communities with: (1) a school or schools that have a significant degree of student
mobility; (2) a significant degree of homelessness among families with minor children; or
3) children eligible for enrollment in a prekindergarten through grade T2 academic program.

(c) Each project must be designed to reduce school absenteeism; stabilize children in
one home setting or, at a minimum, in one school setting; and reduce shelter usage. Each
project must include plans for the following:

1) targeting of families with minor children or with children eligible for
enrollment in a prekindergarten through grade T2 academic program and who are living in
overcrowded conditions in their current housing; are paying more than 50 percent of their income for rent; or who lack a fixed, regular, and adequate nighttime residence; (2) targeting of unaccompanied youth in need of an alternative residential setting; (3) connecting families with the social services necessary to maintain the families’ stability in their home, including but not limited to housing navigation, legal representation, and family outreach; and (4) one or more of the following: (i) provision of rental assistance for a specified period of time, which may exceed 24 months; or (ii) provision of support and case management services to improve housing stability, including but not limited to housing navigation and family outreach. (d) In selecting projects for funding under this subdivision, preference shall be given to organizations granted funding under section 462A.201, subdivision 2, paragraph (a), clause (4). (e) No grantee under this subdivision is required to have an advisory committee as described in subdivision 6.

Subd. 3b. Capacity building grants. It may make capacity building grants to nonprofit organizations, local government units, Indian tribes, and Indian tribal organizations to expand their capacity to provide affordable housing and housing-related services. The grants may be used to assess housing needs and to develop and implement strategies to meet those needs, including but not limited to the creation or preservation of affordable housing, pre-purchase and post-purchase counseling and associated administrative costs, and the linking of supportive services to the housing. The agency shall adopt rules, policies, and procedures specifying the eligible uses of grant money. Funding priority may be given to those applicants that include low-income persons in their membership, have provided housing-related services to low-income people, and demonstrate a local commitment of local resources, which may include in-kind contributions. Grants under this subdivision may be made only with specific appropriations by the legislature.

Subd. 2. Eligible recipients. Challenge grants or loans may be made to a city, a federally recognized American Indian Tribe or subdivision located in Minnesota, a Tribal housing corporation, a private developer, a nonprofit organization, a school district, a cooperative unit, as defined in section 123A.24, subdivision 2, or the owner of the housing, including individuals. For the purpose of this section, “city” has the meaning given it in section 462A.03, subdivision 21: To the extent practicable, grants and loans shall be made so that...
an approximately equal number of housing units are financed in the metropolitan area and
in the nonmetropolitan area.

Sec. 12. Minnesota Statutes 2022, section 462A.33, is amended by adding a subdivision
to read:

Subd. 9. Grant funding to schools. A school district; a cooperative unit, as defined in
section 123A.24, subdivision 2; or a charter school may receive funding under this section
in the form of a grant less than $100,000. A school district, intermediate district, or charter
school that uses a grant under this section to construct a home for owner occupancy must
require the future occupant to participate in the homeownership education counseling and
training program under section 462A.209.

Sec. 13. Minnesota Statutes 2022, section 462A.37, subdivision 1, is amended to read:

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

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

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

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

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

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

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

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

(3) finance the construction or rehabilitation of single-family houses that qualify for
mortgage financing within the meaning of section 141 of the Internal Revenue Code;

(g) "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.
(h) "Senior" means a person 55 years of age or older with an annual income not greater than 50 percent of:

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

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

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

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

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

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

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

Sec. 14. Minnesota Statutes 2022, section 462A.37, subdivision 2, is amended to read:

Subd. 2. Authorization. (a) The agency may issue up to $30,000,000 in aggregate principal amount of housing infrastructure bonds in one or more series to which the payment made under this section may be pledged. The housing infrastructure bonds authorized in this subdivision may be issued to fund loans, or grants for the purposes of clause (4) and (7), on terms and conditions the agency deems appropriate, made for one or more of the following purposes:

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

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

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

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

(5) to finance the costs of the acquisition and rehabilitation of foreclosed or abandoned or removed;​

(6) to finance the costs of the acquisition and rehabilitation of foreclosed or abandoned or removed;​

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

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

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

(10) to finance the acquisition, improvement, and infrastructure of manufactured home parks under section 462A.2035, subdivision 1b;
(5) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction of senior housing;

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

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

(8) to finance the costs of construction, acquisition, and rehabilitation of permanent housing that is affordable to households with incomes at or below 50 percent of the area median income for the applicable county or metropolitan area as published by the Department of Housing and Urban Development, as adjusted for household size. Among comparable proposals for permanent supportive housing, preference shall be given to permanent supportive housing for veterans and other individuals or families who:

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

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

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

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

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

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

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

(5) include households with incomes that do not exceed 30 percent of the median household income for the metropolitan area.
(d) To the extent practicable, the agency shall balance the loans made between projects in the metropolitan area and projects outside the metropolitan area. Of the loans made to projects outside the metropolitan area, the agency shall, to the extent practicable, balance the loans made between projects in counties or cities with a population of 20,000 or less, as established by the most recent decennial census, and projects in counties or cities with populations in excess of 20,000.

(e) Among comparable proposals for permanent housing, the agency must give preference to projects that will provide housing that is affordable to households at or below 30 percent of the area median income.

(f) If a loan recipient uses the loan for any of the purposes in paragraph (a) on a building containing more than four units, the loan recipient must construct, convert, or otherwise adapt the building to include:

1. the greater of: (i) at least one unit; or (ii) at least five percent of units that are accessible units, as defined by section 1002 of the current State Building Code Accessibility Provisions for Dwelling Units in Minnesota, and include at least one roll-in shower; and

2. the greater of: (i) at least one unit; or (ii) at least five percent of units that are sensory-accessible units that include:

   A. soundproofing between shared walls for first and second floor units;

   B. no florescent lighting in units and common areas;

   C. low-fume paint;

   D. low-chemical carpet; and

   E. low-chemical carpet glue in units and common areas. Nothing in this paragraph will relieve a project funded by the agency from meeting other applicable accessibility requirements.

3. nothing in this paragraph will relieve a project funded by the agency from meeting other applicable accessibility requirements.

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

   Sec. 15. Minnesota Statutes 2022, section 462A.38, subdivision 1, is amended to read:

   Subdivision 1. Establishment. A workforce and affordable homeownership development program is established to award homeownership development grants to cities, counties, Tribal governments, nonprofit organizations, cooperatives created under chapter 308A or 308B, and community land trusts created for the purposes outlined in section 462A.31, subdivision 1, for development of workforce and affordable homeownership projects. The purpose of the program is to increase the supply of workforce and affordable, owner-occupied multifamily or single-family housing throughout Minnesota.
Sec. 24. Minnesota Statutes 2022, section 462A.39, subdivision 2, is amended to read:

(a) For purposes of this section, the following terms have the meanings given.

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

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

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

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

Sec. 25. Minnesota Statutes 2022, section 462A.39, subdivision 5, is amended to read:

(a) For purposes of this section, the following terms have the meanings given.

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

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

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

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

Sec. 26. Minnesota Statutes 2022, section 462A.39, subdivision 6, is amended to read:

(a) This appropriation is for the affordable rental investment fund program under Minnesota Statutes, section 462A.21, subdivision 8b, to finance the acquisition, rehabilitation, replacement, and debt restructuring of federally assisted rental property and for making equity take-out loans.

(b) The amount of a grant or deferred loans may not exceed $1 for every $2 provided in grant or deferred loans funds.

Sec. 27. Minnesota Statutes 2022, section 462A.39, subdivision 7, is amended to read:

(a) This appropriation is for the affordable rental investment fund program under Minnesota Statutes, section 462A.21, subdivision 8b, to finance the acquisition, rehabilitation, replacement, and debt restructuring of federally assisted rental property and for making equity take-out loans.

(b) The amount of a grant or deferred loans may not exceed $1 for every $2 provided in grant or deferred loans funds.

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

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

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

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

(e) "Qualified expenditure" means expenditures for market rate residential rental properties including acquisition of property; construction of improvements; and provisions of loans or subsidies, grants, interest rate subsidies, public infrastructure, and related financing costs.
under Minnesota Statutes, section 462A.05, subdivision 39.

(b) The owner of federally assisted rental property must agree to participate in the applicable federally assisted housing program and to extend any existing low-income affordability restrictions on the housing for the maximum term permitted.

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

ARTICLE 5
METROPOLITAN SALES TAX AND HOUSING AID

Section 1. Minnesota Statutes 2022, section 297A.99, subdivision 1, is amended to read:

Subdivision 1. Authorization; scope. (a) A political subdivision of this state may impose a general sales tax (1) under section 297A.992, (2) under section 297A.993, (3) under section 297A.993, (4) if permitted by special law, or (5) if the political subdivision enacted and imposed the tax before January 1, 1982, and its predecessor provision.

(b) This section governs the imposition of a general sales tax by the political subdivision.

The provisions of this section preempt the provisions of any special law:

(1) enacted before June 2, 1997, or
(2) enacted on or after June 2, 1997, that does not explicitly exempt the special law provision from this section's rules by reference.

(c) This section does not apply to or preempt a sales tax on motor vehicles. Beginning July 1, 2019, no political subdivision may impose a special excise tax on motor vehicles unless it is imposed under section 297A.993.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2021.
(d) A political subdivision may not advertise or expend funds for the promotion of a referendum to support imposing a local sales tax and may only spend funds related to imposing a local sales tax to:

(1) conduct the referendum;

(2) disseminate information included in the resolution adopted under subdivision 2, but only if the disseminated information includes a list of specific projects and the cost of each individual project;

(3) provide notice of, and conduct public forums at which proponents and opponents on the merits of the referendum are given equal time to express their opinions on the merits of the referendum;

(4) provide facts and data on the impact of the proposed local sales tax on consumer purchases; and

(5) provide facts and data related to the individual programs and projects to be funded with the local sales tax.

Sec. 2. [297A.9925] METROPOLITAN REGION SALES AND USE TAX.

Subd. 1. Definitions. (a) For purposes of this section, the following terms have the meanings given:

(b) "Metropolitan Council" or "council" means the Metropolitan Council established by section 473.123.

(c) "Metropolitan county" has the meaning given in section 473.121, subdivision 4.

(d) "Metropolitan sales tax" means the metropolitan region sales and use tax imposed under this section.

Subd. 2. Sales tax imposition; rate. Notwithstanding section 473.123, subdivision 1, the Metropolitan Council must impose a metropolitan region sales and use tax at a rate of 0.25 percent on retail sales made in the metropolitan counties or to a destination in the metropolitan counties.

Subd. 3. Administration; collection; enforcement. Except as otherwise provided in this section, the provisions of section 297A.99, subdivisions 4, and 6 to 12a, govern the administration, collection, and enforcement of the metropolitan sales tax.

Subd. 4. Distribution. Proceeds of the metropolitan sales tax are distributed:

(1) 25 percent to the state rent assistance account under section 462A.2095;

(2) 15 percent to the metropolitan city aid account in the housing assistance fund under section 477A.37; and
(3) 60 percent to the metropolitan county aid account in the housing assistance fund under section 477A.37.

EFFECTIVE DATE; APPLICATION. This section is effective for sales and purchases made after June 30, 2023, and applies in the metropolitan counties, as defined by Minnesota Statutes, section 473.121, subdivision 4.

Sec. 3. [477A.35] LOCAL AFFORDABLE HOUSING AID.

Subdivision 1. Purpose. The purpose of this section is to help metropolitan local governments to develop and preserve affordable housing within their jurisdictions in order to keep families from losing housing and to help those experiencing homelessness find housing.

Subd. 2. Definitions. For the purposes of this section, the following terms have the meanings given:

(1) "city distribution factor" means the number of households in a tier I city that are cost-burdened divided by the total number of households that are cost-burdened in tier I cities. The number of cost-burdened households shall be determined using the most recent estimates or experimental estimates provided by the American Community Survey of the United States Census Bureau as of May 1 of the aid calculation year;

(2) "cost-burdened household" means a household in which gross rent is 30 percent or more of household income or in which homeownership costs are 30 percent or more of household income;

(3) "county distribution factor" means the number of households in a county that are cost-burdened divided by the total number of households in metropolitan counties that are cost-burdened. The number of cost-burdened households shall be determined using the most recent estimates or experimental estimates provided by the American Community Survey of the United States Census Bureau as of May 1 of the aid calculation year;

(4) "metropolitan area" has the meaning given in section 473.121, subdivision 2;

(5) "metropolitan county" has the meaning given in section 473.121, subdivision 4;

(6) "population" has the meaning given in section 477A.011, subdivision 3;

(7) "tier I city" means a statutory or home rule charter city that is a city of the first, second, or third class and is located in the metropolitan area; and

(8) "tier II city" means a statutory or home rule charter city that is a city of the fourth class and is located in the metropolitan area.

Subd. 3. Distribution. (a) The commissioner of revenue shall calculate the amount of aid to distribute to each county under this section as the sum of:
(1) three percent of the total amount available to counties under this section; plus
(2) 79 percent of the total amount available to counties under this section, multiplied by
the county distribution factor.

(b) The commissioner of revenue shall calculate the amount of aid to distribute to each
tier I city under this section as:

(1) the tier I city's city distribution factor; multiplied by
(2) the total amount available to cities under this section.

Subd. 4. Grants to tier II cities. (a) The commissioner of the Minnesota Housing Finance
Agency shall establish a program to award grants of at least $25,000 to tier II cities. The
agency shall develop program guidelines and criteria in consultation with the League of
Minnesota Cities:

(b) Among comparable proposals, the agency shall prioritize grants to local governments
that have a higher proportion of cost-burdened households.

(c) A grantee must use its grant on a qualifying project.

(d) In making grants, the agency shall determine the circumstances, terms, and conditions
under which all or any portion thereof will be repaid and shall determine the appropriate
security should repayment be required. Any repaid funds shall be returned to the account
or accounts established pursuant to paragraph (e).

(e) The agency shall establish a bookkeeping account or accounts in the housing
development fund for money distributed to the agency for grants under this subdivision. By
May 1 of each year, the Minnesota Housing Finance Agency shall report to the Department
of Revenue on the amount in the account or accounts.

Subd. 5. Qualifying projects. (a) Qualifying projects shall include emergency rental
assistance for households earning less than 80 percent of area median income as determined
by the United States Department of Housing and Urban Development and projects designed
for the purpose of construction, acquisition, rehabilitation, demolition or removal of existing
structures, construction financing, permanent financing, interest rate reduction, refinancing,
and gap financing of housing to provide affordable housing to households that have incomes
which do not exceed, for homeownership projects, 115 percent of the greater of state or
area median income as determined by the United States Department of Housing and Urban
Development, and for rental housing projects, 80 percent of the greater of state or area
median income as determined by the United States Department of Housing and Urban
Development; except that the housing developed or rehabilitated with funds under this
section must be affordable to the local work force. Projects shall be prioritized that provide
affordable housing to households that have incomes which do not exceed, for homeownership
projects, 80 percent of the greater of state or area median income as determined by the
United States Department of Housing and Urban Development, and for rental housing
projects, 50 percent of the greater of state or area median income as determined by the
United States Department of Housing and Urban Development, except that the housing
developed or rehabilitated with funds under this section must be affordable to the local work
force.

(b) Gap financing is either:

(1) the difference between the costs of the property, including acquisition, demolition,
rehabilitation, and construction, and the market value of the property upon sale; or

(2) the difference between the cost of the property and the amount the targeted household
can afford for housing, based on industry standards and practices.

c) If a grant under this section is used for demolition or removal of existing structures,
the cleared land must be used for the construction of housing to be owned or rented by
persons who meet the income limits of paragraph (a).

d) If an aid recipient uses the aid on a building containing more than four units, the loan
recipient must construct, convert, or otherwise adapt the building to include:

(1) the greater of: (i) at least one unit; or (ii) at least five percent of units that are
accessible units, as defined by section 1002 of the current State Building Code Accessibility
Provisions for Dwelling Units in Minnesota, and include at least one roll-in shower; and

(2) the greater of: (i) at least one unit; or (ii) at least five percent of units that are
sensory-accessible units that include:

(A) soundproofing between shared walls for first and second floor units;

(B) no florescent lighting in units and common areas;

(C) low-fume paint;

(D) low-chemical carpet; and

(E) low-chemical carpet glue in units and common areas.

Nothing in this paragraph will relieve a project funded by the agency from meeting other
applicable accessibility requirements.

Subd. 6. Use of proceeds. (a) Any funds distributed under this section must be spent on
a qualifying project. Funds are considered spent on a qualifying project if:

(1) a tier 1 city or county demonstrates to the Minnesota Housing Finance Agency that
the city or county cannot expend funds on a qualifying project by the deadline imposed by
paragraph (b) due to factors outside the control of the city or county; and

(2) the funds are transferred to a local housing trust fund.
Funds transferred to a local housing trust fund under this paragraph must be spent on a project or household that meets the affordability requirements of subdivision 5, paragraph (a).

(b) Any unspent funds must be remitted to the Housing Finance Agency by December 31 in the third year following the year after the aid was received. The commissioner of the Housing Finance Agency shall deposit any remitted funds under this paragraph into the housing development fund. Funds deposited under this paragraph are appropriated to the commissioner for use on the family homeless prevention and assistance program under section 462A.204, the economic development and housing challenge program under section 462A.33, and the workforce and affordable homeownership development program under section 462A.38.

Subd. 7. Administration. (a) The commissioner of revenue must compute the amount of aid payable to each tier I city and county under this section. Before computing the amount of aid for counties and after receiving the report required by subdivision 4, paragraph (e), the commissioner shall transfer from the funds available to counties to the Minnesota Housing Finance Agency a sum such that the amount in the account or accounts established under that paragraph equals ten percent of the total aid paid to tier I cities and counties under this section in the previous year. By August 1 of each year, the commissioner must certify the amount to be paid to each tier I city and county in the following year. The commissioner must pay local affordable housing aid annually at the times provided in section 477A.015.

(b) Beginning in 2025, tier I cities and counties shall submit a report annually, no later than December 1 of each year, to the Minnesota Housing Finance Agency. The report must include documentation of the location of any unspent funds distributed under this section and of qualifying projects completed or planned with funds under this section. If a tier I city or county fails to submit a report, if a tier I city or county fails to spend funds within the timeline imposed under subdivision 6, paragraph (b), or if a tier I city or county uses funds for a project that does not qualify under this section, the Minnesota Housing Finance Agency shall notify the Department of Revenue and the cities and counties that must repay funds under paragraph (c) by February 15 of the following year.

(c) By May 15, after receiving notice from the Minnesota Housing Finance Agency, a tier I city or county must repay to the commissioner of revenue funds the city or county received under this section if the city or county:

(1) fails to spend the funds within the time allowed under subdivision 6, paragraph (b);
(2) spends the funds on anything other than a qualifying project; or
(3) fails to submit a report documenting use of the funds;

(d) The commissioner of revenue must stop distributing funds to a tier I city or county that the Minnesota Housing Finance Agency reports to have, in three consecutive years, failed to use funds, misused funds, or failed to report on its use of funds;
(f) The commissioner may resume distributing funds to a tier I city or county to which
the commissioner has stopped payments once the Minnesota Housing Finance Agency
certifies that the city or county has submitted documentation of plans for a qualifying project.

(f) By May 1, any funds repaid to the commissioner of revenue by cities under paragraph
(c) must be added to the overall distribution of aids certified under this section for tier I
cities in the following year. By May 1, any funds repaid to the commissioner of revenue by
counties under paragraph (c) must be added to the overall distribution of aids certified under
this section for counties in the following year.

Subd. 8. County consultation with local governments. A county that receives funding
under this section shall regularly consult with the local governments in the jurisdictions of
which its qualifying projects are planned or located.

EFFECTIVE DATE. This section is effective July 1, 2023.

Sec. 4. [477A.37] HOUSING ASSISTANCE FUND.

Subdivision 1. Fund established. A housing assistance fund is established in the state
treasury. The fund consists of money as provided under section 297A.9925, and any other
money donated, allotted, transferred, or otherwise provided to the fund.

Subd. 2. Metropolitan county aid account; appropriation. (a) A metropolitan county
aid account is established in the housing assistance fund. The account consists of money as
provided under section 297A.9925, and any other money donated, allotted, transferred, or
otherwise provided to the account.

(b) Money in the metropolitan county aid account is annually appropriated to the
commissioner of revenue for payments to counties as provided under Minnesota Statutes,
section 477A.35.

Subd. 3. Metropolitan city aid account; appropriation. (a) A metropolitan city aid
account is established in the housing assistance fund. The account consists of money as
provided under section 297A.9925, and any other money donated, allotted, transferred, or
otherwise provided to the account.

(b) Money in the metropolitan city aid account is annually appropriated to the
commissioner of revenue for payments to cities as provided under Minnesota Statutes,
section 477A.35.

EFFECTIVE DATE. This section is effective July 1, 2023.
ARTICLE 6
MISCELLANEOUS

Section 1. Minnesota Statutes 2022, section 82.75, subdivision 8, is amended to read:

Subd. 8. Accrued interest. (a) Each broker shall maintain a pooled interest-bearing trust account for deposit of client funds. The interest accruing on the trust account, less reasonable transaction costs, must be paid to the commissioner of management and budget Minnesota Housing Finance Agency for deposit in the housing trust fund account created under section 462A.201 unless otherwise specified pursuant to an expressed written agreement between the parties to a transaction.

(b) For an account created under paragraph (a), each broker shall direct the financial institution to:

(1) pay the interest, less reasonable transaction costs, computed in accordance with the financial institution's standard accounting practice, at least quarterly, to the commissioner of management and budget Minnesota Housing Finance Agency; and

(2) send a statement to the commissioner of management and budget Minnesota Housing Finance Agency showing the name of the broker for whom the payment is made, the rate of interest applied, the amount of service charges deducted, and the account balance for the period in which the report is made.

The commissioner of management and budget Minnesota Housing Finance Agency shall credit the amount collected under this subdivision to the housing trust fund account established in section 462A.201.

(c) The financial institution must promptly notify the commissioner agency if a draft drawn on the account is dishonored. A draft is not dishonored if a stop payment order is requested by an issuer who has a good faith defense to payment on the draft.

(d) By January 15 of each year, the Minnesota Housing Finance Agency must report to the chairs and ranking minority members of the legislative committees with jurisdiction over housing finance and policy. The report must specify the amount of funds deposited under this subdivision in the housing trust fund account established under section 462A.201 during the most recently concluded fiscal year. The report must also include a history of deposits made under this section, in nominal dollar amounts and in the present value of those amounts, calculated using the Consumer Price Index-All Items (United States city average).

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 2. Minnesota Statutes 2022, section 327C.095, subdivision 12, is amended to read:

Subd. 12. Payment to the Minnesota manufactured home relocation trust fund. (a) If a manufactured home owner is required to move due to the conversion of all or a portion...
of a manufactured home park to another use; the closure of a park; or cessation of use of
the land as a manufactured home park; the manufactured park owner shall, upon the change
in use, pay to the commissioner of management and budget Minnesota Housing Finance
Agency for deposit in the Minnesota manufactured home relocation trust fund under section
462A.35, the lesser amount of the actual costs of moving or purchasing the manufactured
home approved by the neutral third party and paid by the Minnesota Housing Finance
Agency under subdivision 13, paragraph (a) or (e), or $3,250 for each single section
manufactured home; and $6,000 for each multisection manufactured home, for which a
manufactured home owner has made application for payment of relocation costs under
subdivision 13, paragraph (c). The manufactured home park owner shall make payments
required under this section to the Minnesota manufactured home relocation trust fund within
60 days of receipt of invoice from the neutral third party.

(b) A manufactured home park owner is not required to make the payment prescribed
under paragraph (a), nor is a manufactured home owner entitled to compensation under
subdivision 13, paragraph (a) or (e), if:

1. the manufactured home park owner relocates the manufactured home owner to
another space in the manufactured home park or to another manufactured home park at the
park owner's expense;

2. the manufactured home owner is vacating the premises and has informed the
manufactured home park owner or manager of this prior to the mailing date of the closure
statement under subdivision 1;

3. a manufactured home owner has abandoned the manufactured home, or the
manufactured home owner is not current on the monthly lot rental, personal property taxes;

4. the manufactured home owner has a pending eviction action for nonpayment of lot
rental amount under section 327C.09, which was filed against the manufactured home owner
prior to the mailing date of the closure statement under subdivision 1, and the writ of recovery
has been ordered by the district court;

5. the conversion of all or a portion of a manufactured home park to another use; the
closure of a park; or cessation of use of the land as a manufactured home park is the result
of a taking or exercise of the power of eminent domain by a governmental entity or public
utility; or

6. the owner of the manufactured home is not a resident of the manufactured home
park; as defined in section 327C.015; subdivision 14; the owner of the manufactured home
is a resident, but came to reside in the manufactured home park after the mailing date of
the closure statement under subdivision 1; or the owner of the manufactured home has not
paid the $15 assessment when due under paragraph (c).

(c) If the unencumbered fund balance in the manufactured home relocation trust fund
is less than $2,000,000 as of June 30 of each year; the commissioner of management and
budget Minnesota Housing Finance Agency shall assess each manufactured home park
owner by mail the total amount of $15 for each licensed lot in their park, payable on or before December 15 of that year. Failure to notify and timely assess the manufactured home park owner for that year. Together with said assessment notice, each year the commissioner of management and budget, Minnesota Housing Finance Agency, shall prepare and distribute to park owners a letter explaining whether funds are being collected for that year; information about the collection, an invoice for all licensed lots, a notice for distribution to the residents, and a sample form for the park owners to collect information on which park residents and lots have been accounted for. In a font no smaller than 14-point, the notice provided by management and budget, Minnesota Housing Finance Agency, for distribution to residents by the park owner will include the payment deadline of October 31 and the following language: "THIS IS NOT AN OPTIONAL FEE. IF YOU OWN A MANUFACTURED HOME ON A LOT YOU RENT IN A MANUFACTURED HOME PARK, AND YOU RESIDE IN THAT HOME, YOU MUST PAY WHEN PROVIDED NOTICE." If assessed under this paragraph, the park owner may recoup the cost of the $15 assessment as a lump sum or as a monthly fee of no more than $1.25 collected from park residents together with monthly lot rent as provided in section 327C.03, subdivision 6. If, by September 15, a park owner provides the notice to residents for the $15 lump sum, a park owner may adjust payment for lots in their park that are vacant or otherwise not eligible for contribution to the trust fund under section 327C.095, subdivision 12; paragraph (b), and for park residents who have not paid the $15 assessment when due to the park owner by October 31; and deduct from the assessment accordingly. The commissioner of management and budget, Minnesota Housing Finance Agency, shall deposit any payments in the Minnesota manufactured home relocation trust fund and provide to the Minnesota Housing Finance Agency, by December 31, a maintain an annual record for each manufactured home park of the amount received for that park and the number of deductions made for each of the following reasons: vacant lots, ineligible lots, and uncollected fees.

(d) This subdivision and subdivision 13, paragraph (c), clause (5), are enforceable by the neutral third party, on behalf of the Minnesota Housing Finance Agency, or by action in a court of appropriate jurisdiction. The court may award a prevailing party reasonable attorney fees, court costs, and disbursements.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 3. Minnesota Statutes 2022, section 327C.095, subdivision 13, is amended to read:

Subd. 13. Change in use, relocation expenses; payments by park owner. (a) If a manufactured home owner is required to relocate due to the conversion of all or a portion of a manufactured home park to another use, the closure of a manufactured home park, or cessation of use of the land as a manufactured home park under subdivision 1, and the manufactured home owner complies with the requirements of this section, the manufactured home owner is entitled to payment from the Minnesota manufactured home relocation trust fund equal to the manufactured home owner's actual relocation costs for relocating the manufactured home to a new location within a 50-mile radius of the park that is being closed,
up to a maximum of $7,000 for a single-section and $12,500 for a multi-section manufactured home. The actual relocation costs must include the reasonable cost of taking down, moving, and setting up the manufactured home, including equipment rental, utility connection and disconnection charges, minor repairs, modifications necessary for transportation of the home, necessary moving permits and insurance, moving costs for any appurtenances, which meet applicable local, state, and federal building and construction codes.

(b) A manufactured home owner is not entitled to compensation under paragraph (a) if the manufactured home park owner is not required to make a payment to the Minnesota manufactured home relocation trust fund under subdivision 12, paragraph (b).

(c) Except as provided in paragraph (e), in order to obtain payment from the Minnesota manufactured home relocation trust fund, the manufactured home owner shall submit to the neutral third party and the Minnesota Housing Finance Agency, with a copy to the park owner, an application for payment, which includes:

1. a copy of the closure statement under subdivision 1;
2. a copy of the contract with a moving or towing contractor, which includes the relocation costs for relocating the manufactured home;
3. a statement with supporting materials of any additional relocation costs as outlined in subdivision 1;
4. a statement certifying that none of the exceptions to receipt of compensation under subdivision 12, paragraph (b), apply to the manufactured home owner;
5. a statement from the manufactured park owner that the lot rental is current and that the annual $15 payment to the Minnesota manufactured home relocation trust fund has been paid when due; and
6. a statement from the county where the manufactured home is located certifying that personal property taxes for the manufactured home are paid through the end of that year.

(d) The neutral third party shall promptly process all payments for completed applications within 14 days. If the neutral third party has acted reasonably and does not approve or deny payment within 45 days after receipt of the information set forth in paragraph (c), the payment is deemed approved. Upon approval and request by the neutral third party, the Minnesota Housing Finance Agency shall issue two checks in equal amount for 50 percent of the contract price payable to the mover and towing contractor for relocating the manufactured home in the amount of the actual relocation cost, plus a check to the home owner for additional certified costs associated with third-party vendors, that were necessary in relocating the manufactured home. The moving or towing contractor shall receive 50 percent upon execution of the contract and 50 percent upon completion of the relocation and approval by the manufactured home owner. The moving or towing contractor may not apply the funds to any other purpose other than relocation of the manufactured home as provided in the contract. A copy of the approval must be forwarded by the neutral third party.
party to the park owner with an invoice for payment of the amount specified in subdivision
12, paragraph (a).

(e) In lieu of collecting a relocation payment from the Minnesota manufactured home
relocation trust fund under paragraph (a), the manufactured home owner may collect an
amount from the fund after reasonable efforts to relocate the manufactured home have failed
due to the age or condition of the manufactured home, or because there are no manufactured
home parks willing or able to accept the manufactured home within a 25-mile radius. A
manufactured home owner may tender title of the manufactured home in the manufactured
home park to the manufactured home park owner, and collect an amount to be determined
by an independent appraisal. The appraiser must be agreed to by both the manufactured
home park owner and the manufactured home owner. If the appraised market value cannot
be determined, the tax market value, averaged over a period of five years, can be used as a
substitute. The maximum amount that may be reimbursed under the fund is $8,000 for a
single-section and $14,500 for a multisection manufactured home. The minimum amount
that may be reimbursed under the fund is $2,000 for a single section and $4,000 for a
multisection manufactured home. The manufactured home owner shall deliver to the
manufactured home park owner the current certificate of title to the manufactured home
duly endorsed by the owner of record, and valid releases of all liens shown on the certificate
of title; and a statement from the county where the manufactured home is located evidencing
that the personal property taxes have been paid. The manufactured home owner's application
for funds under this paragraph must include a certificate stating that the manufactured
home cannot be relocated; that the lot rental is current; that the annual $15 payments to the
Minnesota manufactured home relocation trust fund have been paid when due; that the
manufactured home owner has chosen to tender title under this section; and that the park
owner agrees to make a payment to the commissioner of management and budget Minnesota
Housing Finance Agency in the amount established in subdivision 12, paragraph (a), less
any documented costs submitted to the neutral third party, required for demolition and
removal of the home, and any debris or refuse left on the lot, not to exceed $1,500. The
manufactured home owner must also provide a copy of the certificate of title endorsed by
the owner of record, and certify to the neutral third party, with a copy to the park owner,
that none of the exceptions to receipt of compensation under subdivision 12, paragraph (b),
clauses (1) to (6), apply to the manufactured home owner, and that the home owner will
vacate the home within 60 days after receipt of payment or the date of park closure,
whichever is earlier, provided that the monthly lot rent is kept current.

(f) Notwithstanding paragraph (a), the manufactured home owner's compensation for
relocation costs from the fund under section 462A.35, is the greater of the amount provided
under this subdivision, or the amount under the local ordinance in effect on May 26, 2007,
that is applicable to the manufactured home owner. Nothing in this paragraph is intended
to increase the liability of the park owner.

(g) Neither the neutral third party nor the Minnesota Housing Finance Agency shall be
liable to any person for recovery if the funds in the Minnesota manufactured home relocation
trust fund are insufficient to pay the amounts claimed. The Minnesota Housing Finance
Agency shall keep a record of the time and date of its approval of payment to a claimant.

(h) (1) By October 15, 2019, the Minnesota Housing Finance Agency shall post on its
website and report to the chairs of the Senate Finance Committee and House of Represen-
tatives Ways and Means Committee on the Minnesota manufactured home relocation trust
fund, including the account balance; payments to claimants; the amount of any advances to
the fund; the amount of any insufficiencies encountered during the previous calendar year; and
any itemized administrative charges or expenses deducted from the trust fund balance; if
sufficient funds become available, the Minnesota Housing Finance Agency shall pay the
manufactured home owner whose unpaid claim is the earliest by time and date of approval.

(2) Beginning in 2019, the Minnesota Housing Finance Agency shall post on its website
and report to the chairs of the Senate Finance Committee and House of Represen-
tatives Ways and Means Committee by October 15 of each year on the Minnesota manu-
factured home relocation trust fund, including the aggregate account balance, the aggregate assessment
payments received, summary information regarding each closed park including the total
payments to claimants and payments received from each closed park; the amount of any
advances to the fund; the amount of any insufficiencies encountered during the previous
fiscal year; reports of neutral third parties provided pursuant to subdivision 4; and any
itemized administrative charges or expenses deducted from the trust fund balance; all of
which should be reconciled to the previous year's trust fund balance. If sufficient funds
become available, the Minnesota Housing Finance Agency shall pay the manufactured home
owner whose unpaid claim is the earliest by time and date of approval.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 4. Minnesota Statutes 2022, section 327C.095, subdivision 16, is amended to read:

Subd. 16. Reporting of licensed manufactured home parks. The Department of Health
or, if applicable, local units of government that have entered into a delegation of authority
agreement with the Department of Health as provided in section 145A.07 shall provide, by
March 31 of each year, a list of names and addresses of the manufactured home parks
licensed in the previous year, and for each manufactured home park, the current licensed
owner, the owner's address, the number of licensed manufactured home lots, and other data
as they may request for the Department of Management and Budget, the Minnesota Housing
Finance Agency to invoice each licensed manufactured home park in Minnesota.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 5. Minnesota Statutes 2022, section 462.357, subdivision 1, is amended to read:

Subdivision 1. Authority for zoning. For the purpose of promoting the public health,
safety, morals, and general welfare; a municipality may by ordinance regulate on the earth's
surface; in the air space above the surface; and in subsurface areas, the location; height;
width; bulk; type of foundation; number of stories; size of buildings and other structures;
the percentage of lot which may be occupied; the size of yards and other open spaces; the
density and distribution of population, the uses of buildings and structures for trade, industry, 
residence, recreation, public activities, or other purposes, and the uses of land for trade, 
industry, residence, recreation, agriculture, forestry, soil conservation, water supply 
conservation, conservation of shorelands, as defined in sections 103F.201 to 103F.221; 
access to direct sunlight for solar energy systems as defined in section 216C.06; flood control 
or other purposes, and may establish standards and procedures regulating such uses. To 
accomplish these purposes, official controls may include provision for purchase of 
development rights by the governing body in the form of conservation easements under 
chapter 84C in areas where the governing body considers preservation desirable and the 
transfer of development rights from those areas to areas the governing body considers more 
appropriate for development. No regulation may prohibit earth sheltered construction as 
defined in section 216C.06, subdivision 14, relocated residential buildings, or manufactured 
homes built in conformance with sections 327.31 to 327.35, or industrialized or modular 
buildings for residential use built in conformance with Minnesota Rules, chapter 1361, that 
comply with all other zoning ordinances promulgated pursuant to this section. The regulations 
may divide the surface, above surface, and subsurface areas of the municipality into districts 
or zones of suitable numbers, shape, and area. The regulations shall be uniform for each 
class or kind of buildings, structures, or land and for each class or kind of use throughout 
such district, but the regulations in one district may differ from those in other districts. The 
ordinance embodying these regulations shall be known as the zoning ordinance and shall 
consist of text and maps. A city may by ordinance extend the application of its zoning 
regulations to unincorporated territory located within two miles of its limits in any direction; 
but not in a county or town which has adopted zoning regulations; provided that where two 
or more noncontiguous municipalities have boundaries less than four miles apart; each is 
authorized to control the zoning of land on its side of a line equidistant between the two 
noncontiguous municipalities unless a town or county in the affected area has adopted 
zoning regulations. Any city may thereafter enforce such regulations in the area to the same 
extent as if such property were situated within its corporate limits, until the county or town 
board adopts a comprehensive zoning regulation which includes the area.

Sec. 6. Minnesota Statutes 2022, section 469.002, subdivision 12, is amended to read:

Subd. 12. Project. "Project" means a housing project, a housing development project, 
a workforce housing project, or a redevelopment project, or any combination of those 
projects. The term "project" also may be applied to all real and personal property, assets, 
cash, or other funds, held or used in connection with the development or operation of the 
project. The term "project" also includes an interest reduction program authorized by section 
469.012, subdivision 7.

Sec. 7. Minnesota Statutes 2022, section 469.002, is amended by adding a subdivision to 
read:

Subd. 25. Workforce housing project. (a) "Workforce housing project" means any 
work or undertaking by an authority located in an eligible project area to develop market
rate residential rental properties, as defined in section 462A.39, subdivision 2, paragraph (d), or single-family housing, as defined under section 462C.02, subdivision 4.

(b) For the purposes of this paragraph, "eligible project area" means an area that meets the criteria under section 462A.39, subdivisions 2, paragraph (b), and 4, paragraph (a).

Sec. 8. Minnesota Statutes 2022, section 473.145, is amended to read:

473.145 DEVELOPMENT GUIDE.

(a) The Metropolitan Council shall prepare and adopt, after appropriate study and such public hearings as may be necessary, a comprehensive development guide for the metropolitan area. It shall consist of a compilation of policy statements, goals, standards, programs, and maps prescribing guides for the orderly and economical development, public and private, of the metropolitan area. The comprehensive development guide shall recognize and encompass physical, social, or economic needs of the metropolitan area and those future developments which will have an impact on the entire area including but not limited to such matters as land use, parks and open space land needs, the necessity for and location of airports, highways, transit facilities, public hospitals, libraries, schools, and other public buildings.

(b) The council's adoption and amendment of the comprehensive development guide and its adoption and amendment of metropolitan system plans as defined in section 473.852, subdivision 8, other policy plans, and metropolitan system statements under this chapter shall not constitute conduct that causes or is likely to cause pollution, impairment, or destruction as defined under section 116B.02, subdivision 5, or governmental action as defined under section 116D.04, subdivision 1a, paragraph (d).

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

Sec. 9. Minnesota Statutes 2022, section 500.20, subdivision 2a, is amended to read:

Subd. 2a. Restriction of duration of condition. Except for any right to reenter or to repossess as provided in subdivision 3, all private covenants, conditions, or restrictions created by which the title or use of real property is affected, cease to be valid and operative 30 years after the date of the deed, or other instrument, or the date of the probate of the will, creating them, and may be disregarded.

This subdivision does not apply to covenants, conditions, or restrictions:

(1) that were created before August 1, 1959, under which a person who owns or has an interest in real property against which the covenants, conditions, or restrictions have been filed claims a benefit of the covenant, condition, or restriction if the person records in the office of the county recorder or files in the office of the registrar of titles in the county in which the real estate affected is located, on or before March 30, 1989, a notice sworn to by the claimant or the claimant's agent or attorney: setting forth the name of the claimant; describing the real estate affected; describing the deed, instrument, or will creating the...
covenant, condition, or restriction; and stating that the covenant, condition, or restriction is
not nominal and may not be disregarded under subdivision 1;

(2) that are created by the declaration, bylaws, floor plans, or condominium plat of a
condominium created before August 1, 1980, under chapter 515, or created on or after
August 1, 1980, under chapter 515A or 515B, or by any amendments of the declaration,
bylaws, floor plans, or condominium plat;

(3) that are created by the articles of incorporation, bylaws, or proprietary leases of a
cooperative association formed under chapter 308A;

(4) that are created by a declaration or other instrument that authorizes and empowers
a corporation of which the qualification for being a stockholder or member is ownership of
certain parcels of real estate, to hold title to common real estate for the benefit of the parcels;

(5) that are created by a deed, declaration, reservation, or other instrument by which one
or more portions of a building, set of connecting or adjacent buildings, or complex or project
of related buildings and structures share support, structural components, ingress and egress,
or utility access with another portion or portions;

(6) that were created after July 31, 1959, under which a person who owns or has an
interest in real estate against which covenants, conditions, or restrictions have been filed
claims a benefit of the covenants, conditions, or restrictions if the person records in the
office of the county recorder or files in the office of the registrar of titles in the county in
which the real estate affected is located during the period commencing on the 28th
anniversary of the date of the deed or instrument; or the date of the probate of the will;
creating them and ending on the 30th anniversary, a notice as described in clause (1); or

(7) that are created by a declaration or bylaws of a common interest community created
under or governed by chapter 515B, or by any amendments thereto; or

(8) that are created by a declaration or other instrument required by a government entity
related to affordable housing;

A notice filed in accordance with clause (1) or (6) delays application of this subdivision
to the covenants, conditions, or restrictions for a period ending on the later of seven years
after the date of filing of the notice, or until final judgment is entered in an action to determine
the validity of the covenants, conditions, or restrictions, provided in the case of an action
the summons and complaint must be served and a notice of lis pendens must be recorded
in the office of the county recorder or filed in the office of the registrar of titles in each
county in which the real estate affected is located within seven years after the date of
recording or filing of the notice under clause (1) or (6).

County recorders and registrars of titles shall accept for recording or filing a notice
conforming with this subdivision and charge a fee corresponding with the fee charged for
filing a notice of lis pendens of similar length. The notice may be discharged in the same
manner as a notice of lis pendens and when discharged, together with the information
included with it, ceases to constitute either actual or constructive notice.

Sec. 10. Laws 2023, chapter 20, section 1, is amended to read:

Section 1. APPROPRIATION.

(a) $50,000,000 in fiscal year 2023 is appropriated from the general fund to the Housing
Finance Agency for transfer to the housing development fund for the family homeless
prevention and assistance program under Minnesota Statutes, section 462A.204. This
appropriation is onetime. Notwithstanding procurement provisions outlined in Minnesota
Statutes, section 16C.06; subdivisions 1, 2, and 6, the agency may award grants to existing
program grantees. The agency shall make best efforts to spend the appropriation by June
30, 2024.

(b) Notwithstanding Minnesota Statutes, section 462A.204; subdivision 5; qualified
families may receive more than 24 months of rental assistance.

(c) By January 15, 2024, and 60 days after the appropriation in paragraph (a) has been
expended, the commissioner shall report to the chairs and ranking minority members of the
legislative committees of housing finance the following:

(1) the number of applicants and the total amount receiving rental assistance under this
section;

(2) the geographic distribution of the rental assistance; and

(3) for the January 15, 2024, report, the remaining balance of the appropriation in this
section.

(d) Notwithstanding Minnesota Statutes, section 462A.204; subdivision 3; a
community-based nonprofit organization without a sponsoring resolution may apply for
and receive grants outside the metropolitan area.

(e) If the agency determines that the metropolitan area is in need of additional support
to serve households that are homeless or at risk of homelessness, the agency may grant
funds to entities other than counties in the metropolitan area, including but not limited to
nonprofit organizations.

(f) In circumstances where more than one grantee operates in a given geographic area,
grantees may work with either an advisory committee as required under Minnesota Statutes,
section 462A.204; subdivision 6, or the local Continuum of Care and are not required to
meet the requirements of Minnesota Statutes, section 462A.204; subdivision 4.

Sec. 11. TRANSITION OF RESPONSIBILITIES TO THE MINNESOTA HOUSING
FINANCE AGENCY.

A payment submitted to the commissioner of management and budget on or before July
1, 2025, for deposit into the housing trust fund account created under Minnesota Statutes,
section 462A.201, or into the Minnesota manufactured home relocation trust fund established under Minnesota Statutes, section 462A.35, must be deposited by the commissioner of management and budget in the housing trust fund account created under Minnesota Statutes, section 462A.201, or in the Minnesota manufactured home relocation trust fund. The commissioner of management and budget must notify the person who submitted the payment to the commissioner of management and budget that the payment was received, documented, and has been or will be deposited into the trust fund; that future payments must be submitted to the Minnesota Housing Finance Agency rather than the commissioner of management and budget; and that payments submitted to the commissioner of management and budget after July 1, 2025, will not be accepted.

**EFFECTIVE DATE.** This section is effective July 1, 2024.

### Sec. 12. REQUIRING CITIES TO REPORT BUILDINGS THAT DO NOT HAVE SPRINKLER SYSTEMS.

(a) A city of the first or second class shall provide to the state fire marshal a list by June 20, 2024, and an updated list by June 30, 2027, and June 30, 2032, of each residential building in the city that:

1. has at least one story used for human occupancy that is 75 feet or more above the lowest level of fire department vehicle access;
2. was not subject to a requirement to include a sprinkler system at the time the building was constructed; and
3. has not been retrofitted with a sprinkler system.

(b) The state fire marshal shall submit the lists within 60 days of the due dates under paragraph (a) to the chairs and ranking minority members of the legislative committees with jurisdiction over the State Building Code and the State Fire Code.

### Sec. 13. LEGISLATIVE TASK FORCE; EXPEDITING RENTAL ASSISTANCE.

Subdivision 1. Creation; duties. (a) A legislative task force is created to study how to expedite both the processing of applications for rental assistance and for emergency rental assistance and the distribution of rental assistance funds to landlords, in order to identify what processes, procedures, and technological or personnel resources would be necessary to enable the state or county agency responsible for administering rental assistance funds to meet the following goals:

1. within two weeks of receiving a completed application for rental assistance, make and issue a determination of the application; and
2. within 30 days of receiving a completed application for rental assistance, issue payment on an approved rental application to the landlord.

The commissioner shall convene stakeholders to evaluate methods of processing applications for rental assistance and emergency rental assistance, methods of distributing rental assistance funds, and ways to expedite these processes. The advisory group shall have a range of stakeholder representation as determined by the commissioner. By January 31, 2024, the commissioner must report to the legislative committees with jurisdiction over housing finance and policy with the findings of the advisory group, including recommendations to improve rental assistance procedures.
(b) The task force shall identify and consult with renters facing eviction who have experienced or been harmed by the delays in processing applications and delivering rent payments to landlords.

Subd. 2. Membership. (a) The task force shall consist of 12 members, appointed as follows:

(1) the commissioner of the Housing Finance Agency or a designee;
(2) one member appointed by the Minnesota Multi Housing Association;
(3) one member appointed by Mid-Minnesota Legal Aid;
(4) one member appointed by HOME Line;
(5) one member appointed by United Way;
(6) one member appointed by The Salvation Army;
(7) four county administrators of emergency rental assistance, including two working for metropolitan counties, as defined by Minnesota Statutes, section 473.121, subdivision 4, and two working for nonmetropolitan counties, with one member from each category appointed by the speaker of the house of representatives, and one from each category appointed by the senate majority leader;
(8) one member from the house of representatives appointed by the speaker of the house; and
(9) one member from the senate, appointed by the senate majority leader.

(b) Appointments to the task force must be made by August 15, 2023.

Subd. 3. Compensation. Public members of the task force may be compensated as provided by Minnesota Statutes, section 15.059, subdivision 3.

Subd. 4. Officers; meetings. (a) The first meetings of the task force shall be cochaired by the task force member from the house of representatives and the task force member from the senate. The task force shall elect a chair and vice-chair at the first meeting who shall preside at the remainder of the task force meetings. The task force may elect other officers as necessary.
(b) The task force shall meet at least monthly. The Legislative Coordinating Commission shall convene the first meeting by September 1, 2023.
(c) Meetings of the task force are subject to the Minnesota Open Meeting Law under Minnesota Statutes, chapter 13D.
Subd. 5. Report required. The task force shall submit a final report by February 15, 2024, to the chairs and ranking minority members of the legislative committees with jurisdiction over housing finance and policy.

Subd. 6. Expiration. The task force expires upon submission of the final report in subdivision 5 or February 28, 2024, whichever is later.

EFFECTIVE DATE. This section is effective the day following final enactment and expires March 1, 2024.

Sec. 14. STUDY ON EXPEDITING RENTAL ASSISTANCE PAYMENTS.

(a) Management Analysis and Development (MAD) in Minnesota Management and Budget shall conduct an analytical study to determine how to expedite both the processing of applications for rental assistance and for emergency rental assistance and the distribution of rental assistance funds to landlords, in order to identify what processes, procedures, and technological or personnel resources would be necessary to enable the state or county agency responsible for administering rental assistance funds to meet the following goals:

(1) within two weeks of receiving a completed application for rental assistance, make and issue a determination of the application; and

(2) within 30 days of receiving a completed application for rental assistance, issue payment on an approved rental application to the landlord.

(b) By December 1, 2023, MAD shall conduct the study and prepare an informal report to be delivered to the legislative task force on expediting rental assistance payments. By February 15, 2024, MAD shall submit a formal report to the chairs and ranking minority members of the legislative committees with jurisdiction over housing finance and policy.

Sec. 15. REPORTING ON STAFFING CHANGES REQUIRED AT THE MINNESOTA HOUSING FINANCE AGENCY.

The Minnesota Housing Finance Agency shall by January 15, 2024, report to the chairs and ranking minority members of the legislative committees having jurisdiction over housing finance and policy on the number of new full-time equivalent employees required to administer the appropriations and programs authorized under this act.