

CHAPTER 462C

MUNICIPAL HOUSING PROGRAMS

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462C.03 CITY HOUSING PLAN.

[For text of subs 1 to 9, see M.S.1980]

Subd. 10. Notwithstanding any provision of this chapter, not more than 20 percent of the aggregate dollar amount of bond proceeds and any other funds appropriated by any city within any calendar year to make or purchase loans providing single family housing or dwelling units for sale within multifamily housing developments described in section 462C.05, subdivision 3, shall be appropriated to provide single family housing for persons or families whose gross income exceeds the limit in section 462C.03, subdivision 2. If 20 percent of the total amount of funds so appropriated by the city in any calendar year is expended for housing not within the limit, no additional funds may be expended pursuant to any other similar appropriation until the remaining 80 percent is expended for housing within the limit.

History: 1981 c 306 s 14

462C.05 MULTIFAMILY HOUSING DEVELOPMENTS AND HEALTH CARE FACILITIES.

Subdivision 1. A city may also plan, administer, and make or purchase a loan or loans to finance one or more multifamily housing developments within its boundaries, of the kind described in subdivision 2, 3, 4 or 7, and upon the conditions set forth in this section. A loan may be made or purchased for the acquisition and preparation of a site and the construction of a new development, or for the acquisition of an existing building and site and the rehabilitation thereof, or for the acquisition of an existing building and site for purposes of conversion to limited equity cooperative ownership by low or moderate income families, provided that:

(a) Except in the case of acquisition for purposes of conversion to limited equity cooperative ownership, the cost of rehabilitation of an existing building is estimated to equal at least \$5,000 per dwelling unit or 50 percent of the appraised value of the original building and site, whichever is less or if the rehabilitation is financed in part by proceeds from a program provided by the federal government pursuant to 24 C.F.R. Sections 882.401 to 882.519 or pursuant to section 312 of the Housing Act of 1964 (42 U.S.C. Section 1452b), the cost of rehabilitation of an existing building is estimated to equal at least \$2,000 per dwelling unit or 20 percent of the appraised value of the original building and site whichever is less;

(b) At least a substantial portion of such rehabilitation cost is estimated to be incurred for compliance with building codes or conservation of energy;

(c) Each development upon completion shall comply with all applicable code requirements;

(d) A loan or loans may be made or purchased for either the construction or the long term financing of a development, or both, including the financing of the acquisition of dwelling units and interests in common facilities provided therein,

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by persons to whom such units and facilities may be sold as contemplated in chapter 515 or any supplemental or amendatory law thereof; and

(e) Substantially all of the proceeds of each loan shall be used to pay the cost of a multifamily housing development, including property functionally related and subordinate to it; but nothing herein prevents the construction of the development over, under, or adjacent to, and in conjunction with facilities to be used for purposes other than housing.

[For text of subd 2, see M.S.1980]

Subd. 3. A development may be located within a redevelopment project area established pursuant to chapter 462 or within a development district established pursuant to chapter 472A or within an industrial development district established pursuant to section 458.191 without regard to the limitations and conditions set forth in subdivision 2, and without regard to those set forth in section 462C.03 except section 462C.03, subdivision 10, except that in no case shall the maximum purchase price or appraised value for a dwelling unit in the multifamily housing development exceed four times the income limit established by section 462C.03, subdivision 2, unless the development is in a building officially built before 1900, designated as an historical structure under state, local, or national procedures.

[For text of subs 4 to 6, see M.S.1980]

Subd. 7. A development may consist of a combination of a multifamily housing development and a new or existing health care facility, as defined by section 474.02, if the following conditions are satisfied:

(a) The multifamily housing development is designed and intended to be used for rental occupancy;

(b) The multifamily housing development is designed and intended to be used primarily by elderly or physically handicapped persons; and

(c) Nursing, medical, personal care, and other health related assisted living services are available on a 24 hour basis in the development to the residents.

The limitations of section 462C.04, subdivision 2, clause (c), shall not apply to projects defined in this subdivision and approved by the Minnesota housing finance agency before July 1, 1983. The limitations of section 462C.07, subdivision 2, shall not apply to bonds issued for projects defined in this subdivision.

The Minnesota housing finance agency shall provide, in the annual report required by section 462C.04, subdivision 2, information on the costs incurred for the issuance of bonds for projects defined in this subdivision. The report shall also include the Minnesota housing finance agency's recommendations for the regulation of costs of issuance for future issues.

History: 1981 c 306 s 15; 1981 c 327 s 1,2; 1Sp1981 c 4 art 3 s 11

462C.07 HOUSING REVENUE BONDS.

[For text of subd 1, see M.S.1980]

Subd. 2. The aggregate principal amount of revenue bonds or other obligations issued by a city pursuant to this section shall not exceed an amount equal to \$1,000 times its population for the first 50,000 persons, plus \$500 times its population in excess of 50,000, until otherwise provided by law, except that the aggregate amount of revenue bonds or other obligations issued by a city for rental projects shall be excluded from the maximum amount provided for in this

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subdivision. Its population shall be determined by the last federal census, or by the last official estimate of the metropolitan council, for a city in the metropolitan area, whichever is greater.

[For text of subd 3, see M.S.1980]

History: 1981 c 306 s 16

462C.09 ALLOCATION OF QUALIFIED MORTGAGE BONDS.

The applicable limit for the Minnesota housing finance agency, pursuant to section 103A (g) of the Internal Revenue Code of 1954 as amended through December 31, 1980, for any calendar year commencing with calendar year 1981, shall be 100 percent of the state ceiling for that year, reduced only by any amounts of bonds which have been or may be allocated by law to specified cities.

By July 1 of each year, any city which has received by law an allocation of the state ceiling shall certify to the agency the amount of bonds subject to the state ceiling which the city intends to issue during the calendar year. If the amount certified is less than the amount allocated by law to the city, the applicable limit for the agency shall be increased by the difference between the amount allocated by law to the city, and the amount certified by the city, to the agency.

History: 1981 c 306 s 17

462C.10 OFFICIAL ACTION EXCEPTION.

Bonds or other obligations which were approved by official action of a city before April 25, 1979, and exempted from the provisions of the Mortgage Subsidy Bond Tax Act of 1980, P.L. 96-499, pursuant to section 1104(b) may be issued without regard to the restrictions of section 462C.07, subdivision 2, except that for the purpose of subsequent bond issues, the exempted issues shall count against the cap provided in section 462C.07, subdivision 2.

History: 1981 c 306 s 18