

## CHAPTER 462A

## HOUSING FINANCE AGENCY LAW OF 1971

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## 462A.03 DEFINITIONS.

*[For text of subds 1 to 13, see M.S.1984]*

Subd. 14. "Federal housing assistance supplements" means all funds or certificates of tax credit or exemption, including mortgage credit certificates, made available to the state of Minnesota by the federal government or any agency or instrumentality thereof for the purpose of assisting in providing adequate and economic housing in the state of Minnesota.

*[For text of subds 15 to 19, see M.S.1984]*

History: 1Sp1985 c 13 s 333

## 462A.05 SPECIFIC POWERS OF THE AGENCY.

*[For text of subds 1 to 10, see M.S.1984]*

Subd. 11. It may receive federal housing assistance supplements; may administer and distribute said supplements in accordance with the applicable provisions of federal law or regulations governing the administration and distribution of said supplements; and may make and publish such rules and regulations as are necessary to enable it to receive, administer, and distribute said supplements in accordance with said federal laws and regulations.

Subd. 12. It may, from time to time, establish such funds as may be needed in order to receive, administer, and distribute federal housing assistance supplements. All federal housing assistance supplement funds received by the agency are hereby appropriated to the agency.

Subd. 12a. It may participate in qualified mortgage certificate programs as provided by section 25 of the Internal Revenue Code of 1954, as amended through December 31, 1984.

*[For text of subds 13 to 15, see M.S.1984]*

Subd. 15a. It may make grants or loans to persons and families of low and moderate income to improve the accessibility of existing residential housing for handicapped occupants, or to assist in paying a loan made pursuant to subdivision 14 to improve the accessibility of existing residential housing for handicapped occupants. The amount of an accessibility grant or loan must not exceed the lesser of the actual cost of the work performed or the part of the cost of rehabilitation the agency determines cannot otherwise be paid by the person or family without spending an unreasonable portion of the income of the person or family on it, based upon the cost of the improvements and other appropriate factors including extraordinary medical expenses. Grants or loans made pursuant to this section may include the payment of money for technical assistance for the design and construction of accessibility improvements. In making grants or loans under this subdivision, the agency shall determine the circumstances under which and the terms and conditions

under which all or any portion thereof will be repaid and shall determine the appropriate security should repayment be required. The agency may gather data on available accessible housing financed under this program and make the information available to interested individuals and groups.

*[For text of subds 15b to 23, see M.S.1984]*

Subd. 24. It may engage in housing programs for low and moderate income elderly persons, as defined by the agency, to provide grants or loans, with or without interest, for

- (1) accessibility improvements to residences occupied by elderly persons;
- (2) housing sponsors, as defined by the agency, of home sharing programs to match existing elderly homeowners with prospective tenants who will contribute either rent or services to the homeowner;
- (3) the construction of or conversion of existing buildings into structures for occupancy by the elderly that contain from three to twelve private sleeping rooms with shared cooking facilities and common space; and
- (4) housing sponsors, as defined by the agency, to demonstrate the potential for home equity conversion in Minnesota for the elderly, in both rural and urban areas, and to determine the need in those equity conversions for consumer safeguards.

In making the grants or loans, the agency shall determine the terms and conditions of repayment and the appropriate security, if any, should repayment be required.

**History:** 1Sp1985 c 13 s 334-338

## 462A.07 ADDITIONAL POWERS AND DUTIES OF THE AGENCY.

*[For text of subds 1 to 13, see M.S.1984]*

Subd. 14. It may engage in housing programs for low and moderate income American Indians, as that term is defined in section 254A.02, subdivision 11, developed and administered separately or in combination by the Minnesota Chippewa tribe, the Red Lake band of Chippewa Indians, and the Sioux communities as determined by such tribe, band, or communities. In developing such housing programs the tribe, band, or communities shall take into account the housing needs of all American Indians residing both on and off reservations within the state. A plan for each such program, which specifically describes the program (a) content, (b) utilization of funds, (c) administration, (d) operation, (e) implementation and other matter, as determined by the agency, must be submitted to the agency for its review and approval prior to the making of eligible loans pursuant to section 462A.21. All such programs must conform to rules promulgated by the agency concerning program administration, including but not limited to rules concerning costs of administration; the quality of housing; interest rates, fees and charges in connection with making eligible loans; and other matters determined by the agency to be necessary in order to effectuate the purposes of this subdivision and section 462A.21, subdivisions 4b and 4c. All such programs must provide for a reasonable balance in the distribution of funds appropriated for the purpose of this section between American Indians residing on and off reservations within the state. Nothing in this section shall preclude such tribe, band, or communities from requesting and receiving cooperation, advice, and assistance from the agency as regards program development, operation, delivery, financing, or administration. As a condition to the making of such eligible loans, the Minnesota Chippewa tribe, the Red Lake band of Chippewa Indians and the Sioux communities shall:

(a) enter into a loan agreement and other contractual arrangements with the agency for the purpose of transferring the allocated portion of loan funds as set forth in section 462A.26 and to insure compliance with the provisions of this section and this chapter, and

(b) shall agree that all of their official books and records related to such housing programs shall be subjected to audit by the legislative auditor in the manner prescribed for agencies of state government.

The agency shall submit a biennial report concerning the various housing programs for American Indians, and related receipts and expenditures as provided in section 462A.22, subdivision 9, and such tribe, band, or communities to the extent that they administer such programs, shall be responsible for any costs and expenses related to such administration provided, however, they shall be eligible for payment for costs, expenses and services pursuant to subdivision 12, and section 462A.21. The agency may provide or cause to be provided essential general technical services as set forth in subdivision 2, and general consultative project assistance services, including, but not limited to, management training, and home ownership counseling as set forth in subdivision 3. Members of boards, committees, or other governing bodies of the tribe, band, and communities administering the programs authorized by this subdivision must be compensated for those services as provided in section 15.0575. Rules promulgated under this subdivision may be promulgated as emergency rules under chapter 14.

Subd. 15. It may engage in housing programs for low and moderate income American Indians as that term is defined in section 254A.02, subdivision 11, residing in the metropolitan area defined in section 473.121, subdivision 2, and cities with a population greater than 50,000 persons. The programs shall demonstrate innovative methods of providing housing for urban Indians, may involve the construction, purchase, and rehabilitation of residential housing, and may be administered through any other provision of this chapter. To the extent possible, the programs shall combine appropriated money with other money from both public and private sources, except that interest earned on the portion of an appropriation to be expended for Indian housing programs in the city of Duluth does not have to be combined with money from other sources. Effective June 30, 1985, all money allocated by the agency under this subdivision to programs for urban Indian housing that are not subject to active contracts shall be reallocated by the agency to programs to fulfill the purposes of this subdivision. Members of boards, committees, or other governing bodies of organizations administering the urban Indian programs authorized by this subdivision must be compensated for those services as provided in section 15.0575. The agency shall consult with the advisory council on urban Indians created pursuant to section 3.922, subdivision 8, in the development of programs pursuant to this subdivision.

*[For text of subd 16, see M.S.1984]*

**History:** *ISp1985 c 13 s 339,340*

## **462A.08 BONDS AND NOTES; PURPOSES, TERMS, APPROVAL.**

*[For text of subds 1 and 2, see M.S.1984]*

Subd. 3. All notes or bonds issued hereunder shall be negotiable investment securities within the meaning and for all purposes of the uniform commercial code, subject only to any provisions of the bonds and notes for registration. All notes and bonds so issued may be either general obligations of the agency, secured by its full faith and credit, and payable out of any money, assets, or revenues of the agency,

subject to the provisions of resolutions or indentures pledging and appropriating particular money, assets, or revenues to particular notes or bonds, or limited obligations of the agency not secured by its full faith and credit, and payable solely from those money, assets, or revenues of the agency as may be authorized by resolution or indenture.

**History:** *1Sp1985 c 13 s 341*

**462A.20 HOUSING DEVELOPMENT FUND; CREATION, SOURCES.**

*[For text of subds 1 and 2, see M.S.1984]*

Subd. 3. Whenever any money are appropriated by the state to the agency solely for a specified purpose or purposes, the agency shall establish a separate bookkeeping account or accounts in the housing development fund to record the receipt and disbursement of such money and of the income, gain, and loss from the investment and reinvestment thereof. The agency may transfer unencumbered balances from one appropriated account to another, provided that no money appropriated for the purpose of agency loan programs may be transferred to an account to be used for making grants, except that money appropriated for the purpose of section 462A.05, subdivision 14a, may be transferred for the purpose of section 462A.05, subdivision 15a.

**History:** *1Sp1985 c 13 s 342*

**462A.21 HOUSING DEVELOPMENT FUND; ADVANCES, USE REPAYMENT.**

*[For text of subds 1 to 5, see M.S.1984]*

Subd. 6. Notwithstanding the provisions of subdivision 5, the agency shall not expend money in the fund for the purpose of making rehabilitation or accessibility grants except by specific appropriation by the legislature or by transfer of unencumbered account balances as provided by section 462A.20, subdivision 3.

*[For text of subds 7 to 12, see M.S.1984]*

Subd. 13. It may spend money for the purpose of section 462A.05, subdivision 24, and may pay the costs and expenses necessary and incidental to the development and operation of the programs authorized in that subdivision.

**History:** *1Sp1985 c 13 s 343,344*

**462A.22 BOND FUND.**

Subdivision 1. The aggregate principal amount of 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 \$1,990,000,000.

*[For text of subds 2 to 10, see M.S.1984]*

**History:** *1985 c 6 s 1; 1Sp1985 c 14 art 8 s 20*