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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 896

02/07/2019 Authored by Sauke, Lien, Kiel, Kunesh-Podein, Green and others
The bill was read for the first time and referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to manufactured home parks; clarifying the eligibility of manufactured
1.3 home parks as housing improvement areas; allowing housing infrastructure bonds
1.4 to be used for manufactured home parks; amending Minnesota Statutes 2018,
1.5 sections 428A.11, subdivisions 4, 6; 462A.37, subdivision 2.

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

1.7 Section 1. Minnesota Statutes 2018, section 428A.11, subdivision 4, is amended to read:

1.8 Subd. 4. Housing improvements. "Housing improvements" has the meaning given in
1.9 the city's enabling ordinance. Housing improvements may include improvements to common
1.10 elements of a condominium or other common interest community, or to a manufactured
1.11 home park.

1.12 Sec. 2. Minnesota Statutes 2018, section 428A.11, subdivision 6, is amended to read:

1.13 Subd. 6. Housing unit. "Housing unit" means real property and improvements thereon
1.14 consisting of a one-dwelling unit, or an apartment or unit as described in chapter 515, 515A,
1.15 or 515B, respectively, or a manufactured home in a manufactured home park that is occupied
1.16 by a person or family for use as a residence.

1.17 Sec. 3. Minnesota Statutes 2018, section 462A.37, subdivision 2, is amended to read:

1.18 Subd. 2. Authorization. (a) The agency may issue up to \$30,000,000 in aggregate
1.19 principal amount of housing infrastructure bonds in one or more series to which the payment
1.20 made under this section may be pledged. The housing infrastructure bonds authorized in
1.21 this subdivision may be issued to fund loans, or grants for the purposes of clause (4), on

2.1 terms and conditions the agency deems appropriate, made for one or more of the following
 2.2 purposes:

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

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

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

2.11 (4) to finance that portion of the improvement and infrastructure of manufactured home
 2.12 parks under section 462A.2035, subdivision 1b, that is attributable to land to be leased to
 2.13 low- and moderate-income manufactured home owners;

2.14 (5) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
 2.15 of senior housing; ~~and~~

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

2.18 ~~(6)~~ (7) to finance the costs of acquisition and rehabilitation of federally assisted rental
 2.19 housing and for the refinancing of costs of the construction, acquisition, and rehabilitation
 2.20 of federally assisted rental housing, including providing funds to refund, in whole or in part,
 2.21 outstanding bonds previously issued by the agency or another government unit to finance
 2.22 or refinance such costs.

2.23 (b) Among comparable proposals for permanent supportive housing, preference shall
 2.24 be given to permanent supportive housing for veterans and other individuals or families
 2.25 who:

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

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

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

3.1 (1) demonstrate a commitment to maintaining the housing financed as affordable to
3.2 seniors;

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

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

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

3.11 (5) include households with incomes that do not exceed 30 percent of the median
3.12 household income for the metropolitan area.

3.13 To the extent practicable, the agency shall balance the loans made between projects in the
3.14 metropolitan area and projects outside the metropolitan area. Of the loans made to projects
3.15 outside the metropolitan area, the agency shall, to the extent practicable, balance the loans
3.16 made between projects in counties or cities with a population of 20,000 or less, as established
3.17 by the most recent decennial census, and projects in counties or cities with populations in
3.18 excess of 20,000.