

1.32 **ARTICLE 1**  
1.33 **APPROPRIATIONS**

1.34 Section 1. APPROPRIATIONS.

2.1 The sums shown in the columns marked "Appropriations" are appropriated to the agency  
2.2 for the purposes specified in this article. The appropriations are from the general fund, or  
2.3 another named fund, and are available for the fiscal years indicated for each purpose. The  
2.4 figures "2022" and "2023" used in this article mean that the appropriations listed under them  
2.5 are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The  
2.6 first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is  
2.7 fiscal years 2022 and 2023.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2022</u>	<u>2023</u>

2.12 Sec. 2. HOUSING FINANCE AGENCY

2.13 Subdivision 1. Total Appropriation                   \$    83,798,000 \$    61,798,000

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

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

2.23 Subd. 2. Challenge Program                           18,925,000       12,925,000

2.24 (a) This appropriation is for the economic  
2.25 development and housing challenge program

1.14 **ARTICLE 1**  
1.15 **HOUSING APPROPRIATIONS**

1.16 Section 1. APPROPRIATIONS.

1.17 The sums shown in the columns marked "Appropriations" are appropriated to the agency  
1.18 for the purposes specified in this article. The appropriations are from the general fund, or  
1.19 another named fund, and are available for the fiscal years indicated for each purpose. The  
1.20 figures "2022" and "2023" used in this article mean that the appropriations listed under them  
1.21 are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The  
1.22 first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is  
1.23 fiscal years 2022 and 2023.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2022</u>	<u>2023</u>

2.1 Sec. 2. HOUSING FINANCE AGENCY

2.2 Subdivision 1. Total Appropriation                   \$    57,798,000 \$    57,798,000

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

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

2.12 Subd. 2. Challenge Program                           11,925,000       11,925,000

2.13 (a) This appropriation is for the economic  
2.14 development and housing challenge program  
2.15 under Minnesota Statutes, section 462A.33.

2.26 under Minnesota Statutes, section 462A.33  
 2.27 and 462A.07, subdivision 14.  
 2.28 (b) Of this amount, \$1,208,000 each year shall  
 2.29 be made available during the first 11 months  
 2.30 of the fiscal year exclusively for housing  
 2.31 projects for American Indians. Any funds not  
 2.32 committed to housing projects for American  
 2.33 Indians in the first 11 months of the fiscal year  
 2.34 shall be available for any eligible activity  
 3.1 under Minnesota Statutes, sections 462A.33  
 3.2 and 462A.07, subdivision 14.

3.3 **Subd. 3. Workforce Housing Development** 2,000,000 2,000,000

3.4 This appropriation is for the Greater  
 3.5 Minnesota workforce housing development  
 3.6 program under Minnesota Statutes, section  
 3.7 462A.39. If requested by the applicant and  
 3.8 approved by the agency, funded properties  
 3.9 may include a portion of income and rent  
 3.10 restricted units. Funded properties may include  
 3.11 owner-occupied homes.

3.12 **Subd. 4. Manufactured Home Park**  
 3.13 **Infrastructure Grants** 3,000,000 1,000,000

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

3.17 **Subd. 5. Workforce Homeownership Program** 2,000,000 2,000,000

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

3.21 (b) The base for this program in fiscal year  
 3.22 2024 and beyond is \$750,000.

2.16 (b) Of this amount, up to \$1,208,000 each year  
 2.17 shall be made available during the first 11  
 2.18 months of the fiscal year exclusively for  
 2.19 housing projects for American Indians. Any  
 2.20 funds not committed to housing projects for  
 2.21 American Indians in the first 11 months of the  
 2.22 fiscal year shall be available for any eligible  
 2.23 activity under Minnesota Statutes, sections  
 2.24 462A.33 and 462A.07, subdivision 14. The  
 2.25 amount under this paragraph shall not be  
 2.26 included in the statewide distribution of grants  
 2.27 under Minnesota Statutes, section 462A.33,  
 2.28 subdivision 2.

2.29 **Subd. 3. Workforce Housing Development** 2,000,000 2,000,000

2.30 This appropriation is for the Greater  
 2.31 Minnesota workforce housing development  
 2.32 program under Minnesota Statutes, section  
 2.33 462A.39. If requested by the applicant and  
 2.34 approved by the agency, funded properties  
 3.1 may include a portion of income and rent  
 3.2 restricted units. Funded properties may include  
 3.3 owner-occupied homes.

3.4 **Subd. 4. Manufactured Home Park**  
 3.5 **Infrastructure Grants** 1,750,000 1,750,000

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

3.9 **Subd. 5. Workforce Homeownership Program** 1,850,000 1,850,000

3.10 This appropriation is for the workforce  
 3.11 homeownership program under Minnesota  
 3.12 Statutes, section 462A.38.

3.23	<b>Subd. 6. <u>Housing Trust Fund</u></b>	<u>11,646,000</u>	<u>11,646,000</u>
3.24	<u>This appropriation is for deposit in the housing</u>		
3.25	<u>trust fund account created under Minnesota</u>		
3.26	<u>Statutes, section 462A.201, and may be used</u>		
3.27	<u>for the purposes provided in that section.</u>		
3.28	<b>Subd. 7. <u>Homework Starts with Home</u></b>	<u>2,250,000</u>	<u>2,250,000</u>
3.29	<u>This appropriation is for the homework starts</u>		
3.30	<u>with home program under Minnesota Statutes,</u>		
3.31	<u>sections 462A.201, subdivision 2, paragraph</u>		
3.32	<u>(a), clause (4), and 462A.204, subdivision 8,</u>		
3.33	<u>to provide assistance to homeless or highly</u>		
4.1	<u>mobile families with children eligible for</u>		
4.2	<u>enrollment in a prekindergarten through grade</u>		
4.3	<u>12 academic program.</u>		
4.4	<b>Subd. 8. <u>Rental Assistance for Mentally Ill</u></b>	<u>5,088,000</u>	<u>5,088,000</u>
4.5	<u>This appropriation is for the rental housing</u>		
4.6	<u>assistance program for persons with a mental</u>		
4.7	<u>illness or families with an adult member with</u>		
4.8	<u>a mental illness under Minnesota Statutes,</u>		
4.9	<u>section 462A.2097. Among comparable</u>		
4.10	<u>proposals, the agency shall prioritize those</u>		
4.11	<u>proposals that target, in part, eligible persons</u>		
4.12	<u>who desire to move to more integrated,</u>		
4.13	<u>community-based settings.</u>		
4.14	<b>Subd. 9. <u>Family Homeless Prevention</u></b>	<u>10,269,000</u>	<u>10,269,000</u>
4.15	<u>This appropriation is for the family homeless</u>		
4.16	<u>prevention and assistance programs under</u>		
4.17	<u>Minnesota Statutes, section 462A.204.</u>		
4.18	<b>Subd. 10. <u>Home Ownership Assistance Fund</u></b>	<u>4,385,000</u>	<u>885,000</u>
4.19	<u>This appropriation is for the home ownership</u>		
4.20	<u>assistance program under Minnesota Statutes,</u>		
4.21	<u>section 462A.21, subdivision 8. The agency</u>		
4.22	<u>shall continue to strengthen its efforts to</u>		
4.23	<u>address the disparity gap in the</u>		

3.13	<b>Subd. 6. <u>Housing Trust Fund</u></b>	<u>11,646,000</u>	<u>11,646,000</u>
3.14	<u>This appropriation is for deposit in the housing</u>		
3.15	<u>trust fund account created under Minnesota</u>		
3.16	<u>Statutes, section 462A.201, and may be used</u>		
3.17	<u>for the purposes provided in that section.</u>		
3.18	<b>Subd. 7. <u>Homework Starts with Home</u></b>	<u>1,750,000</u>	<u>1,750,000</u>
3.19	<u>This appropriation is for the homework starts</u>		
3.20	<u>with home program under Minnesota Statutes,</u>		
3.21	<u>sections 462A.201, subdivision 2, paragraph</u>		
3.22	<u>(a), clause (4), and 462A.204, subdivision 8,</u>		
3.23	<u>to provide assistance to homeless or highly</u>		
3.24	<u>mobile families with children eligible for</u>		
3.25	<u>enrollment in a prekindergarten through grade</u>		
3.26	<u>12 academic program.</u>		
3.27	<b>Subd. 8. <u>Rental Assistance for Mentally Ill</u></b>	<u>4,338,000</u>	<u>4,338,000</u>
3.28	<u>This appropriation is for the rental housing</u>		
3.29	<u>assistance program for persons with a mental</u>		
3.30	<u>illness or families with an adult member with</u>		
3.31	<u>a mental illness under Minnesota Statutes,</u>		
3.32	<u>section 462A.2097. Among comparable</u>		
3.33	<u>proposals, the agency shall prioritize those</u>		
4.1	<u>proposals that target, in part, eligible persons</u>		
4.2	<u>who desire to move to more integrated,</u>		
4.3	<u>community-based settings.</u>		
4.4	<b>Subd. 9. <u>Family Homeless Prevention</u></b>	<u>10,269,000</u>	<u>10,269,000</u>
4.5	<u>This appropriation is for the family homeless</u>		
4.6	<u>prevention and assistance programs under</u>		
4.7	<u>Minnesota Statutes, section 462A.204.</u>		
4.8	<b>Subd. 10. <u>Home Ownership Assistance Fund</u></b>	<u>885,000</u>	<u>885,000</u>
4.9	<u>This appropriation is for the home ownership</u>		
4.10	<u>assistance program under Minnesota Statutes,</u>		
4.11	<u>section 462A.21, subdivision 8. The agency</u>		
4.12	<u>shall continue to strengthen its efforts to</u>		
4.13	<u>address the disparity gap in the</u>		

4.24 homeownership rate between white  
 4.25 households and Indigenous American Indians  
 4.26 and communities of color. To better  
 4.27 understand and address the disparity gap, the  
 4.28 agency is required to collect, on a voluntary  
 4.29 basis, demographic information regarding  
 4.30 race, color, national origin, and sex of  
 4.31 applicants for agency programs intended to  
 4.32 benefit homeowners and homebuyers.

4.33 **Subd. 11. Affordable Rental Investment Fund** 4,218,000 4,218,000

5.1 (a) This appropriation is for the affordable  
 5.2 rental investment fund program under  
 5.3 Minnesota Statutes, section 462A.21,  
 5.4 subdivision 8b, to finance the acquisition,  
 5.5 rehabilitation, and debt restructuring of  
 5.6 federally assisted rental property and for  
 5.7 making equity take-out loans under Minnesota  
 5.8 Statutes, section 462A.05, subdivision 39.

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

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

5.25 **Subd. 12. Owner-Occupied Housing**  
 5.26 **Rehabilitation** 2,772,000 2,772,000

5.27 (a) This appropriation is for the rehabilitation  
 5.28 of owner-occupied housing under Minnesota

4.14 homeownership rate between white  
 4.15 households and Indigenous American Indians  
 4.16 and communities of color. To better  
 4.17 understand and address the disparity gap, the  
 4.18 agency is required to collect, on a voluntary  
 4.19 basis, demographic information regarding  
 4.20 race, color, national origin, and sex of  
 4.21 applicants for agency programs intended to  
 4.22 benefit homeowners and homebuyers.

4.23 **Subd. 11. Affordable Rental Investment Fund** 4,218,000 4,218,000

4.24 (a) This appropriation is for the affordable  
 4.25 rental investment fund program under  
 4.26 Minnesota Statutes, section 462A.21,  
 4.27 subdivision 8b, to finance the acquisition,  
 4.28 rehabilitation, and debt restructuring of  
 4.29 federally assisted rental property and for  
 4.30 making equity take-out loans under Minnesota  
 4.31 Statutes, section 462A.05, subdivision 39.

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

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

5.14 **Subd. 12. Owner-Occupied Housing**  
 5.15 **Rehabilitation** 2,772,000 2,772,000

5.16 (a) This appropriation is for the rehabilitation  
 5.17 of owner-occupied housing under Minnesota

5.29 Statutes, section 462A.05, subdivisions 14 and  
5.30 14a.

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

6.3 **Subd. 13. Rental Housing Rehabilitation** 3,743,000 3,743,000

6.4 (a) This appropriation is for the rehabilitation  
6.5 of eligible rental housing under Minnesota  
6.6 Statutes, section 462A.05, subdivision 14. In  
6.7 administering a rehabilitation program for  
6.8 rental housing, the agency may apply the  
6.9 processes and priorities adopted for  
6.10 administration of the economic development  
6.11 and housing challenge program under  
6.12 Minnesota Statutes, section 462A.33, and may  
6.13 provide grants or forgivable loans if approved  
6.14 by the agency.

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

6.21 **Subd. 14. Homeownership Education,**  
6.22 **Counseling, and Training** 1,357,000 857,000

6.23 This appropriation is for the homeownership  
6.24 education, counseling, and training program  
6.25 under Minnesota Statutes, section 462A.209.

5.18 Statutes, section 462A.05, subdivisions 14 and  
5.19 14a.

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

5.26 **Subd. 13. Rental Housing Rehabilitation** 2,743,000 2,743,000

5.27 (a) This appropriation is for the rehabilitation  
5.28 of eligible rental housing under Minnesota  
5.29 Statutes, section 462A.05, subdivision 14. In  
5.30 administering a rehabilitation program for  
5.31 rental housing, the agency may apply the  
5.32 processes and priorities adopted for  
5.33 administration of the economic development  
5.34 and housing challenge program under  
5.35 Minnesota Statutes, section 462A.33, and may  
6.1 provide grants or forgivable loans if approved  
6.2 by the agency.

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

6.9 **Subd. 14. Homeownership Education,**  
6.10 **Counseling, and Training** 1,007,000 1,007,000

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

6.15 (b) Of this amount, at least \$500,000 each year  
6.16 is for grant awards for applicants that will  
6.17 prioritize reducing the housing disparity gap  
6.18 in the homeownership rate between white  
6.19 households and Indigenous American Indians  
6.20 and communities of color. The commissioner

6.26 **Subd. 15. Lead Safe Homes Grant Program** 1,000,000 1,000,000

6.27 (a) This appropriation is for grants under the  
6.28 lead safe homes grant program under  
6.29 Minnesota Statutes, section 462A.2095.

6.30 (b) The base for this program in fiscal year  
6.31 2024 and beyond is \$750,000.

6.32 **Subd. 16. Capacity-Building Grants** 645,000 645,000

7.1 This appropriation is for capacity-building  
7.2 grants under Minnesota Statutes, section  
7.3 462A.21, subdivision 3b. Of this amount,  
7.4 \$125,000 each year is for support of the  
7.5 Homeless Management Information System  
7.6 (HMIS).

7.7 **Subd. 17. Build Wealth MN** 500,000 500,000

7.8 This appropriation is for a grant to Build  
7.9 Wealth Minnesota to provide a family  
7.10 stabilization plan program including program  
7.11 outreach, financial literacy education, and  
7.12 budget and debt counseling.

7.13 **Subd. 18. Local Housing Trust Fund Grants** 3,000,000 -0-

7.14 (a) This appropriation is for grants to local  
7.15 housing trust funds established under  
7.16 Minnesota Statutes, section 462C.16, to  
7.17 incentivize local funding.

7.18 (b) A grantee is eligible to receive a grant  
7.19 amount equal to 100 percent of the public  
7.20 revenue committed to the local housing trust  
7.21 fund from any source other than the state or  
7.22 federal government, up to \$150,000, and in

6.21 may waive the statewide selection criteria  
6.22 under Minnesota Statutes, section 462A.209,  
6.23 subdivision 5, clause (1), in awarding grants  
6.24 under this paragraph.

6.25 **Subd. 15. Capacity-Building Grants** 645,000 645,000

6.26 This appropriation is for **nonprofit**  
6.27 capacity-building grants under Minnesota  
6.28 Statutes, section 462A.21, subdivision 3b. Of  
6.29 this amount, \$125,000 each year is for support  
6.30 of the Homeless Management Information  
6.31 System (HMIS), and \$85,000 in fiscal year  
6.32 2022 and \$85,000 in fiscal year 2023 are for  
6.33 Open Access Connections.

7.23	<u>addition, an amount equal to 50 percent of the</u>		
7.24	<u>public revenue committed to the local housing</u>		
7.25	<u>trust fund from any source other than the state</u>		
7.26	<u>or federal government that is more than</u>		
7.27	<u>\$150,000 but not more than \$300,000.</u>		
7.28	<u>(c) \$100,000 of this appropriation is for</u>		
7.29	<u>technical assistance grants to local and</u>		
7.30	<u>regional housing trust funds. A housing trust</u>		
7.31	<u>fund may apply for a technical assistance grant</u>		
7.32	<u>at the time and in the manner and form</u>		
7.33	<u>required by the agency. The agency shall make</u>		
7.34	<u>grants on a first-come, first-served basis. A</u>		
8.1	<u>technical assistance grant must not exceed</u>		
8.2	<u>\$5,000.</u>		
8.3	<u>(d) A grantee must use grant funds within five</u>		
8.4	<u>years of receipt for purposes: (1) authorized</u>		
8.5	<u>under Minnesota Statutes, section 462C.16,</u>		
8.6	<u>subdivision 3; and (2) benefiting households</u>		
8.7	<u>with incomes at or below 115 percent of the</u>		
8.8	<u>state median income. A grantee must return</u>		
8.9	<u>any grant funds not used for these purposes</u>		
8.10	<u>within eight years of receipt to the</u>		
8.11	<u>commissioner of the Minnesota Housing</u>		
8.12	<u>Finance Agency for deposit into the housing</u>		
8.13	<u>development fund.</u>		
8.14	<b>Subd. 19. <u>Naturally Occurring Affordable</u></b>		
8.15	<b><u>Housing Program</u></b>	<u>6,501,000</u>	<u>-0-</u>
8.16	<u>This appropriation is for loans or grants under</u>		
8.17	<u>the naturally occurring affordable housing</u>		
8.18	<u>program under Minnesota Statutes, section</u>		
8.19	<u>462A.40.</u>		
8.20	<b>Subd. 20. <u>Task Force on Shelter Resident Rights</u></b>		
8.21	<b><u>and Shelter Provider Practices</u></b>	<u>455,000</u>	<u>-0-</u>
8.22	<u>This appropriation is to implement the task</u>		
8.23	<u>force on shelter resident rights and shelter</u>		
8.24	<u>provider practices under article 2, section 10.</u>		

8.25 Subd. 21. Minnesota Supreme Court 44,000 -0-

8.26 This appropriation is for transfer to the  
 8.27 Minnesota Supreme Court for the temporary  
 8.28 eviction, expungement, and foreclosure  
 8.29 moratorium and remedies due to the  
 8.30 COVID-19 peacetime emergency.

8.31 Subd. 22. Availability and Transfer of Funds

8.32 Money appropriated in the first year in this  
 8.33 article is available the second year. The  
 8.34 commissioner may shift or transfer money in  
 9.1 the second year in subdivisions 2, 3, 4, 5, 12,  
 9.2 and 13 to address high-priority housing needs.

7.1 Subd. 16. Availability and Transfer of Funds

7.2 (a) When allowed under federal law, the  
 7.3 commissioner shall first use federal  
 7.4 COVID-19-related relief funds for  
 7.5 homelessness and support services before  
 7.6 using state-appropriated money under  
 7.7 subdivisions 6, 7, and 9 for similar services  
 7.8 and expenses.

7.9 (b) When allowed under federal law, the  
 7.10 commissioner shall first use federal  
 7.11 COVID-19-related relief funds for housing  
 7.12 counseling before using state-appropriated  
 7.13 money under subdivision 14 for similar  
 7.14 services and expenses.

7.15 (c) When allowed under federal law, the  
 7.16 commissioner shall first use federal emergency  
 7.17 rental assistance funds for persons or grant  
 7.18 recipients that would otherwise qualify for  
 7.19 rental assistance under subdivisions 6 to 9.

7.20 (d) By August 1, 2022, the commissioner shall  
 7.21 transfer any unused amount from the fiscal  
 7.22 year 2022 appropriations in subdivisions 6 to  
 7.23 9, and 14 due to the first use of federal funds



7.24 under paragraphs (a) to (c) to the workforce  
 7.25 homeownership program under subdivision  
 7.26 5. By September 30, 2022, the commissioner  
 7.27 shall report the transfers under this paragraph  
 7.28 to the legislature.

7.29 **Subd. 17. Prohibition of Grant Funds for Hiring**  
 7.30 **a Lobbyist**

7.31 No grant funds awarded by the agency may  
 7.32 be used to hire a lobbyist as defined in  
 7.33 Minnesota Statutes, section 10A.01,  
 7.34 subdivision 21.

8.1 **Subd. 18. Federal Funds for Rental Assistance**  
 8.2 **for Persons with a Mental Illness**

8.3 When allowed under federal law, and if federal  
 8.4 funds are available for a similar purpose, the  
 8.5 commissioner shall use federal  
 8.6 COVID-19-related relief funds of at least  
 8.7 \$250,000 the first year and at least \$250,000  
 8.8 the second year for rental housing assistance  
 8.9 for persons with a mental illness in addition  
 8.10 to using state-appropriated money under  
 8.11 subdivision 8, except that the commissioner  
 8.12 must not use Coronavirus State and Local  
 8.13 Fiscal Recovery Funds from Public Law  
 8.14 117-2, title IX, subtitle M, section 9901, to  
 8.15 satisfy the requirement under this subdivision.

8.16 **Sec. 3. USE OF FEDERAL FUNDS FOR HOMEOWNER ASSISTANCE.**

8.17 The commissioner of management and budget shall not use any money received by the  
 8.18 state from the Homeowner Assistance Fund under Public Law 117-2, the American Rescue  
 8.19 Plan, to reimburse the federal coronavirus relief fund for money allocated to the Housing  
 8.20 Finance Agency according to the federal coronavirus relief fund action order number 44  
 8.21 that was approved by the commissioner on July 27, 2020.

8.22 **Sec. 4. HOUSING AFFORDABILITY FUND; FISCAL YEARS 2022 AND 2023**  
 8.23 **ALLOCATIONS.**

8.24 (a) At least 25 percent of the allocations from the Housing Finance Agency's housing  
 8.25 affordability fund, or Pool 3, in fiscal years 2022 and 2023 shall be for distribution to the  
 8.26 workforce homeownership program under Minnesota Statutes, section 462A.38, and the

8.27 manufactured home park infrastructure grants under Minnesota Statutes, section 462A.2035,  
 8.28 subdivision 1b, as determined by the agency. This amount shall not be used for loans or  
 8.29 other financing programs. The agency shall prioritize allocations under this paragraph to  
 8.30 programs that will address the disparity gap in the homeownership rate between white  
 8.31 households and Indigenous American Indians and communities of color. This allocation  
 8.32 shall remain until June 1, 2023, after which any money remaining in the set-aside shall be  
 8.33 available to all eligible projects as determined by the agency. No money from the allocation  
 8.34 under this paragraph may be used to administer this program.

9.1 (b) By June 30, 2022, and June 30, 2023, the commissioner of the Housing Finance  
 9.2 Agency shall report to the legislature the following for the allocation of housing affordability  
 9.3 funds under paragraph (a) for:

9.4 (1) the number and amount of grants issued for single-family homes, townhomes, and  
 9.5 manufactured homes;

9.6 (2) the number and amount of grants issued by income categories;

9.7 (3) the number and amount of grants issued by race or ethnic categories; and

9.8 (4) the number and amount of grants issued by county.

9.9 (c) Nothing in this section shall impair the obligation of the agency to use funds in Pool  
 9.10 3 to satisfy its obligations to holders of bonds secured by the general obligation pledge of  
 9.11 the agency to suggested use of agency resources.

9.12 **ARTICLE 2**

9.13 **HOUSING POLICY**

22.15 Sec. 9. Minnesota Statutes 2020, section 462A.05, subdivision 14, is amended to read:

22.16 Subd. 14. **Rehabilitation loans.** It may agree to purchase, make, or otherwise participate  
 22.17 in the making, and may enter into commitments for the purchase, making, or participation  
 22.18 in the making, of eligible loans for rehabilitation, with terms and conditions as the agency  
 22.19 deems advisable, to persons and families of low and moderate income, and to owners of  
 22.20 existing residential housing for occupancy by such persons and families, for the rehabilitation  
 22.21 of existing residential housing owned by them. The loans may be insured or uninsured and  
 22.22 may be made with security, or may be unsecured, as the agency deems advisable. The loans  
 22.23 may be in addition to or in combination with long-term eligible mortgage loans under  
 22.24 subdivision 3. They may be made in amounts sufficient to refinance existing indebtedness  
 22.25 secured by the property, if refinancing is determined by the agency to be necessary to permit  
 22.26 the owner to meet the owner's housing cost without expending an unreasonable portion of  
 22.27 the owner's income thereon. No loan for rehabilitation shall be made unless the agency  
 22.28 determines that the loan will be used primarily to make the housing more desirable to live  
 22.29 in, to increase the market value of the housing, for compliance with state, county or municipal  
 22.30 building, housing maintenance, fire, health or similar codes and standards applicable to

9.3

**ARTICLE 2**

9.4

**HOUSING GRANT PROGRAMS**

9.5 Section 1. Minnesota Statutes 2020, section 462A.05, subdivision 14, is amended to read:

9.6 Subd. 14. **Rehabilitation loans.** It may agree to purchase, make, or otherwise participate  
 9.7 in the making, and may enter into commitments for the purchase, making, or participation  
 9.8 in the making, of eligible loans for rehabilitation, with terms and conditions as the agency  
 9.9 deems advisable, to persons and families of low and moderate income, and to owners of  
 9.10 existing residential housing for occupancy by such persons and families, for the rehabilitation  
 9.11 of existing residential housing owned by them. The loans may be insured or uninsured and  
 9.12 may be made with security, or may be unsecured, as the agency deems advisable. The loans  
 9.13 may be in addition to or in combination with long-term eligible mortgage loans under  
 9.14 subdivision 3. They may be made in amounts sufficient to refinance existing indebtedness  
 9.15 secured by the property, if refinancing is determined by the agency to be necessary to permit  
 9.16 the owner to meet the owner's housing cost without expending an unreasonable portion of  
 9.17 the owner's income thereon. No loan for rehabilitation shall be made unless the agency  
 9.18 determines that the loan will be used primarily to make the housing more desirable to live  
 9.19 in, to increase the market value of the housing, for compliance with state, county or municipal  
 9.20 building, housing maintenance, fire, health or similar codes and standards applicable to

9.21 housing, or to accomplish energy conservation related improvements. In unincorporated  
9.22 areas and municipalities not having codes and standards, the agency may, solely for the  
9.23 purpose of administering the provisions of this chapter, establish codes and standards. ~~Except~~  
9.24 ~~for accessibility improvements under this subdivision and subdivisions 14a and 24, clause~~  
9.25 ~~(1), no secured loan for rehabilitation of any owner-occupied property shall be made in an~~  
9.26 ~~amount which, with all other existing indebtedness secured by the property, would exceed~~  
9.27 ~~110 percent of its market value, as determined by the agency. No loan under this subdivision~~  
9.28 ~~for the rehabilitation of owner-occupied housing shall be denied solely because the loan~~  
9.29 ~~will not be used for placing the owner-occupied residential housing in full compliance with~~  
9.30 ~~all state, county, or municipal building, housing maintenance, fire, health, or similar codes~~  
9.31 ~~and standards applicable to housing. Rehabilitation loans shall be made only when the~~  
9.32 ~~agency determines that financing is not otherwise available, in whole or in part, from private~~  
9.33 ~~lenders upon equivalent terms and conditions. Accessibility rehabilitation loans authorized~~  
10.1 ~~under this subdivision may be made to eligible persons and families without limitations~~  
10.2 ~~relating to the maximum incomes of the borrowers if:~~

10.3 (1) the borrower or a member of the borrower's family requires a level of care provided  
10.4 in a hospital, skilled nursing facility, or intermediate care facility for persons with  
10.5 developmental disabilities;

10.6 (2) home care is appropriate; and

10.7 (3) the improvement will enable the borrower or a member of the borrower's family to  
10.8 reside in the housing.

10.9 The agency may waive any requirement that the housing units in a residential housing  
10.10 development be rented to persons of low and moderate income if the development consists  
10.11 of four or less dwelling units, one of which is occupied by the owner.

10.12 **EFFECTIVE DATE.** This section is effective August 1, 2021.

10.13 Sec. 2. Minnesota Statutes 2020, section 462A.05, subdivision 14a, is amended to read:

10.14 Subd. 14a. **Rehabilitation loans; existing owner-occupied residential housing.** It may  
10.15 make loans to persons and families of low and moderate income to rehabilitate or to assist  
10.16 in rehabilitating existing residential housing owned and occupied by those persons or  
10.17 families. Rehabilitation may include replacement of manufactured homes. No loan shall be  
10.18 made unless the agency determines that the loan will be used primarily for rehabilitation  
10.19 work necessary for health or safety, essential accessibility improvements, or to improve the  
10.20 energy efficiency of the dwelling. No loan for rehabilitation of owner-occupied residential  
10.21 housing shall be denied solely because the loan will not be used for placing the residential  
10.22 housing in full compliance with all state, county or municipal building, housing maintenance,  
10.23 fire, health or similar codes and standards applicable to housing. The amount of any loan  
10.24 shall not exceed the lesser of (a) a maximum loan amount determined under rules adopted  
10.25 by the agency not to exceed ~~\$27,000~~ \$35,000, or (b) the actual cost of the work performed,  
10.26 or (c) that portion of the cost of rehabilitation which the agency determines cannot otherwise

22.31 housing, or to accomplish energy conservation related improvements. In unincorporated  
22.32 areas and municipalities not having codes and standards, the agency may, solely for the  
22.33 purpose of administering the provisions of this chapter, establish codes and standards. ~~Except~~  
22.34 ~~for accessibility improvements under this subdivision and subdivisions 14a and 24, clause~~  
23.1 ~~(1), no secured loan for rehabilitation of any owner-occupied property shall be made in an~~  
23.2 ~~amount which, with all other existing indebtedness secured by the property, would exceed~~  
23.3 ~~110 percent of its market value, as determined by the agency. No loan under this subdivision~~  
23.4 ~~for the rehabilitation of owner-occupied housing shall be denied solely because the loan~~  
23.5 ~~will not be used for placing the owner-occupied residential housing in full compliance with~~  
23.6 ~~all state, county, or municipal building, housing maintenance, fire, health, or similar codes~~  
23.7 ~~and standards applicable to housing. Rehabilitation loans shall be made only when the~~  
23.8 ~~agency determines that financing is not otherwise available, in whole or in part, from private~~  
23.9 ~~lenders upon equivalent terms and conditions. Accessibility rehabilitation loans authorized~~  
23.10 ~~under this subdivision may be made to eligible persons and families without limitations~~  
23.11 ~~relating to the maximum incomes of the borrowers if:~~

23.12 (1) the borrower or a member of the borrower's family requires a level of care provided  
23.13 in a hospital, skilled nursing facility, or intermediate care facility for persons with  
23.14 developmental disabilities;

23.15 (2) home care is appropriate; and

23.16 (3) the improvement will enable the borrower or a member of the borrower's family to  
23.17 reside in the housing.

23.18 The agency may waive any requirement that the housing units in a residential housing  
23.19 development be rented to persons of low and moderate income if the development consists  
23.20 of four or less dwelling units, one of which is occupied by the owner.

23.21 **EFFECTIVE DATE.** This section is effective July 1, 2021.

23.22 Sec. 10. Minnesota Statutes 2020, section 462A.05, subdivision 14a, is amended to read:

23.23 Subd. 14a. **Rehabilitation loans; existing owner-occupied residential housing.** It may  
23.24 make loans to persons and families of low and moderate income to rehabilitate or to assist  
23.25 in rehabilitating existing residential housing owned and occupied by those persons or  
23.26 families. Rehabilitation may include replacement of manufactured homes. No loan shall be  
23.27 made unless the agency determines that the loan will be used primarily for rehabilitation  
23.28 work necessary for health or safety, essential accessibility improvements, or to improve the  
23.29 energy efficiency of the dwelling. No loan for rehabilitation of owner-occupied residential  
23.30 housing shall be denied solely because the loan will not be used for placing the residential  
23.31 housing in full compliance with all state, county or municipal building, housing maintenance,  
23.32 fire, health or similar codes and standards applicable to housing. The amount of any loan  
23.33 shall not exceed the lesser of (a) a maximum loan amount determined under rules adopted  
24.1 by the agency not to exceed ~~\$27,000~~ \$40,000, or (b) the actual cost of the work performed,  
24.2 or (c) that portion of the cost of rehabilitation which the agency determines cannot otherwise

10.27 be paid by the person or family without the expenditure of an unreasonable portion of the  
10.28 income of the person or family. Loans made in whole or in part with federal funds may  
10.29 exceed the maximum loan amount to the extent necessary to comply with federal lead  
10.30 abatement requirements prescribed by the funding source. In making loans, the agency shall  
10.31 determine the circumstances under which and the terms and conditions under which all or  
10.32 any portion of the loan will be repaid and shall determine the appropriate security for the  
11.1 repayment of the loan. Loans pursuant to this subdivision may be made with or without  
11.2 interest or periodic payments.

11.3 **EFFECTIVE DATE.** This section is effective August 1, 2021.

11.4 Sec. 3. Minnesota Statutes 2020, section 462A.05, is amended by adding a subdivision to  
11.5 read:

11.6 Subd. 42. Thirty-year affordability covenants. The agency must impose rent, income,  
11.7 or rent and income restrictions on a multifamily rental housing development as a condition  
11.8 of agency financing as required in this chapter, or as a condition of an allocation or award  
11.9 of federal low-income housing tax credits. The rent, income, or rent and income restrictions  
11.10 must be contained in a covenant running with the land for at least 30 years.

11.11 **EFFECTIVE DATE.** This section is effective July 1, 2021, and applies on or after that  
11.12 date to any multifamily rental housing development for which the agency allocates  
11.13 low-income housing tax credits or funding, or with which the agency enters into a financing  
11.14 or grant agreement.

11.15 Sec. 4. **[462A.2095] LEAD SAFE HOMES GRANT PROGRAM.**

11.16 Subdivision 1. **Establishment.** The Minnesota Housing Finance Agency shall establish  
11.17 a lead safe homes grant program to provide grants to increase lead testing and make  
11.18 residential rental units lead safe. The initial pilot program shall provide one grant to a project  
11.19 servicing an area in a metropolitan county, as defined in section 473.121, subdivision 4, and  
11.20 one grant to a project servicing an area outside a metropolitan county with a priority for  
11.21 targeting grant resources to landlords and tenants where there are high concentrations of  
11.22 lead poisoning in children based on information provided by the commissioner of health.

11.23 Subd. 2. **Eligibility.** (a) Eligible grantees must be a nonprofit or political subdivision  
11.24 capable of providing funding and services to a defined geographic area. The grant programs  
11.25 receiving funding under this section must provide lead risk assessments completed by a  
11.26 lead inspector or a lead risk assessor licensed by the commissioner of health pursuant to  
11.27 section 144.9505 for properties built before 1978 to determine the presence of lead hazards  
11.28 and to provide interim controls to reduce lead health hazards. The grant program must  
11.29 provide funding for testing and lead hazard reduction to:

11.30 (1) landlords of residential buildings with 11 units or less where the tenant's income  
11.31 does not exceed 60 percent of area median income;

24.3 be paid by the person or family without the expenditure of an unreasonable portion of the  
24.4 income of the person or family. Loans made in whole or in part with federal funds may  
24.5 exceed the maximum loan amount to the extent necessary to comply with federal lead  
24.6 abatement requirements prescribed by the funding source. In making loans, the agency shall  
24.7 determine the circumstances under which and the terms and conditions under which all or  
24.8 any portion of the loan will be repaid and shall determine the appropriate security for the  
24.9 repayment of the loan. Loans pursuant to this subdivision may be made with or without  
24.10 interest or periodic payments.

24.11 **EFFECTIVE DATE.** This section is effective July 1, 2021.

12.1 (2) landlords of residential buildings with 12 units or more where at least 50 percent of  
12.2 the tenants are below 60 percent of the median income; and  
12.3 (3) a tenant with an income that does not exceed 60 percent of area median income.  
12.4 (b) A landlord or tenant must first access other available state and federal funding related  
12.5 to lead testing and lead hazard reduction for which they are eligible.  
12.6 (c) Up to ten percent of a grant awarded to a nonprofit or political subdivision may be  
12.7 used to administer the grant and provide education and outreach about lead health hazards.  
12.8 Subd. 3. **Short title.** This section shall be known as the "Dustin Luke Shields Act."  
12.9 Sec. 5. Minnesota Statutes 2020, section 462A.22, subdivision 1, is amended to read:  
12.10 Subdivision 1. **Debt ceiling.** The aggregate principal amount of general obligation bonds  
12.11 and notes which are outstanding at any time, excluding the principal amount of any bonds  
12.12 and notes refunded by the issuance of new bonds or notes, shall not exceed the sum of  
12.13 \$5,000,000,000.  
12.14 **EFFECTIVE DATE.** This section is effective August 1, 2021.  
12.15 Sec. 6. Minnesota Statutes 2020, section 462A.37, subdivision 1, is amended to read:  
12.16 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
12.17 the meanings given.  
12.18 (b) "Abandoned property" has the meaning given in section 117.025, subdivision 5.  
12.19 (c) "Community land trust" means an entity that meets the requirements of section  
12.20 462A.31, subdivisions 1 and 2.  
12.21 (d) "Debt service" means the amount payable in any fiscal year of principal, premium,  
12.22 if any, and interest on housing infrastructure bonds and the fees, charges, and expenses  
12.23 related to the bonds.  
12.24 (e) "Foreclosed property" means residential property where foreclosure proceedings  
12.25 have been initiated or have been completed and title transferred or where title is transferred  
12.26 in lieu of foreclosure.  
12.27 (f) "Housing infrastructure bonds" means bonds issued by the agency under this chapter  
12.28 that:  
12.29 (1) are qualified 501(c)(3) bonds, within the meaning of section 145(a) of the Internal  
12.30 Revenue Code;  
13.1 (2) finance qualified residential rental projects within the meaning of section 142(d) of  
13.2 the Internal Revenue Code; or

25.15 Sec. 15. Minnesota Statutes 2020, section 462A.37, subdivision 1, is amended to read:  
25.16 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
25.17 the meanings given.  
25.18 (b) "Abandoned property" has the meaning given in section 117.025, subdivision 5.  
25.19 (c) "Community land trust" means an entity that meets the requirements of section  
25.20 462A.31, subdivisions 1 and 2.  
25.21 (d) "Debt service" means the amount payable in any fiscal year of principal, premium,  
25.22 if any, and interest on housing infrastructure bonds and the fees, charges, and expenses  
25.23 related to the bonds.  
25.24 (e) "Foreclosed property" means residential property where foreclosure proceedings  
25.25 have been initiated or have been completed and title transferred or where title is transferred  
25.26 in lieu of foreclosure.  
25.27 (f) "Housing infrastructure bonds" means bonds issued by the agency under this chapter  
25.28 that:  
25.29 (1) are qualified 501(c)(3) bonds, within the meaning of section 145(a) of the Internal  
25.30 Revenue Code;  
26.1 (2) finance qualified residential rental projects within the meaning of section 142(d) of  
26.2 the Internal Revenue Code;

13.3 ~~(2) finance the construction or rehabilitation of single-family houses that qualify for~~  
13.4 ~~mortgage financing within the meaning of section 143 of the Internal Revenue Code; or~~  
13.5 ~~(4)~~ (3) are tax-exempt bonds that are not private activity bonds, within the meaning of  
13.6 section 141(a) of the Internal Revenue Code, for the purpose of financing or refinancing  
13.7 affordable housing authorized under this chapter.  
13.8 (g) "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.  
13.9 (h) "Senior" means a person 55 years of age or older ~~with an annual income not greater~~  
13.10 ~~than 50 percent of:~~  
13.11 ~~(1) the metropolitan area median income for persons in the metropolitan area; or~~  
13.12 ~~(2) the statewide median income for persons outside the metropolitan area.~~  
13.13 (i) "Senior household" means a household with one or more senior members and with  
13.14 a combined annual income not greater than 50 percent of:  
13.15 ~~(1) the metropolitan area median income for persons in the metropolitan area; or~~  
13.16 ~~(2) the statewide median income for persons outside the metropolitan area.~~  
13.17 ~~(j)~~ (j) "Senior housing" means housing intended and operated for occupancy by ~~at least~~  
13.18 ~~one senior per unit~~ senior households with at least 80 percent of the units occupied by ~~at~~  
13.19 ~~least one senior per unit~~ senior households, and for which there is publication of, and  
13.20 adherence to, policies and procedures that demonstrate an intent by the owner or manager  
13.21 to provide housing for seniors. Senior housing may be developed in conjunction with and  
13.22 as a distinct portion of mixed-income senior housing developments that use a variety of  
13.23 public or private financing sources.  
13.24 ~~(k)~~ (k) "Supportive housing" means housing that is not time-limited and provides or  
13.25 coordinates with linkages to services necessary for residents to maintain housing stability  
13.26 and maximize opportunities for education and employment.  
13.27 **EFFECTIVE DATE.** This section is effective August 1, 2021.  
13.28 Sec. 7. Minnesota Statutes 2020, section 462A.37, subdivision 2, is amended to read:  
13.29 Subd. 2. **Authorization.** (a) The agency may issue up to \$30,000,000 in aggregate  
13.30 principal amount of housing infrastructure bonds in one or more series to which the payment  
13.31 made under this section may be pledged. The housing infrastructure bonds authorized in  
14.1 this subdivision may be issued to fund loans, or grants for the purposes of clause (4), on  
14.2 terms and conditions the agency deems appropriate, made for one or more of the following  
14.3 purposes:  
14.4 (1) to finance the costs of the construction, acquisition, and rehabilitation of supportive  
14.5 housing for individuals and families who are without a permanent residence;

26.3 (3) finance the construction or rehabilitation of single-family houses that qualify for  
26.4 mortgage financing within the meaning of section 143 of the Internal Revenue Code; or  
26.5 (4) are tax-exempt bonds that are not private activity bonds, within the meaning of  
26.6 section 141(a) of the Internal Revenue Code, for the purpose of financing or refinancing  
26.7 affordable housing authorized under this chapter.  
26.8 (g) "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.  
26.9 (h) "Senior" means a person 55 years of age or older ~~with an annual income not greater~~  
26.10 ~~than 50 percent of:~~  
26.11 ~~(1) the metropolitan area median income for persons in the metropolitan area; or~~  
26.12 ~~(2) the statewide median income for persons outside the metropolitan area.~~  
26.13 (i) "Senior household" means a household with one or more senior members and with  
26.14 a combined annual income not greater than 50 percent of:  
26.15 ~~(1) the metropolitan area median income for persons in the metropolitan area; or~~  
26.16 ~~(2) the statewide median income for persons outside the metropolitan area.~~  
26.17 ~~(j)~~ (j) "Senior housing" means housing intended and operated for occupancy by ~~at least~~  
26.18 ~~one senior per unit~~ senior households with at least 80 percent of the units occupied by ~~at~~  
26.19 ~~least one senior per unit~~ senior households, and for which there is publication of, and  
26.20 adherence to, policies and procedures that demonstrate an intent by the owner or manager  
26.21 to provide housing for seniors. Senior housing may be developed in conjunction with and  
26.22 as a distinct portion of mixed-income senior housing developments that use a variety of  
26.23 public or private financing sources.  
26.24 ~~(k)~~ (k) "Supportive housing" means housing that is not time-limited and provides or  
26.25 coordinates with linkages to services necessary for residents to maintain housing stability  
26.26 and maximize opportunities for education and employment.  
26.27 **EFFECTIVE DATE.** This section is effective August 1, 2021.  
26.28 Sec. 16. Minnesota Statutes 2020, section 462A.37, subdivision 2, is amended to read:  
26.29 Subd. 2. **Authorization.** (a) The agency may issue up to \$30,000,000 in aggregate  
26.30 principal amount of housing infrastructure bonds in one or more series to which the payment  
26.31 made under this section may be pledged. The housing infrastructure bonds authorized in  
27.1 this subdivision may be issued to fund loans, or grants for the purposes of clause (4), on  
27.2 terms and conditions the agency deems appropriate, made for one or more of the following  
27.3 purposes:  
27.4 (1) to finance the costs of the construction, acquisition, and rehabilitation of supportive  
27.5 housing for individuals and families who are without a permanent residence;

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

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

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

14.14 (5) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction  
14.15 of senior housing;

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

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

14.23 (8) to finance the costs of construction, acquisition, and rehabilitation of permanent  
14.24 housing that is affordable to households with incomes at or below 50 percent of the area  
14.25 median income. "Area median income" means the area median income for the applicable  
14.26 county or metropolitan area as published by the Department of Housing and Urban  
14.27 Development, adjusted for household size.

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

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

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

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

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

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

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

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

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

27.14 (5) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction  
27.15 of senior housing;

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

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

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

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

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

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

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

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

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

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

15.16 (5) (4) include households with incomes that do not exceed 30 percent of the median  
15.17 household income for the metropolitan area.

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

15.21 (e) To the extent practicable, the agency shall balance the loans made between projects  
15.22 in the metropolitan area and projects outside the metropolitan area. Of the loans made to  
15.23 projects outside the metropolitan area, the agency shall, to the extent practicable, balance  
15.24 the loans made between projects in counties or cities with a population of 20,000 or less,  
15.25 as established by the most recent decennial census, and projects in counties or cities with  
15.26 populations in excess of 20,000.

15.27 EFFECTIVE DATE. This section is effective August 1, 2021.

15.28 Sec. 8. Minnesota Statutes 2020, section 462A.39, subdivision 5, is amended to read:

15.29 Subd. 5. Allocation. The amount of a grant or deferred loans may not exceed 25 50  
15.30 percent of the rental housing development project cost. The commissioner shall not award  
15.31 a grant or deferred loans to a city without certification by the city that the amount of the  
16.1 grant or deferred loans shall be matched by a local unit of government, business, or nonprofit  
16.2 organization with \$1 for every \$2 provided in grant or deferred loans funds.

16.3 Sec. 9. [462A.40] NATURALLY OCCURRING AFFORDABLE HOUSING  
16.4 PROGRAM.

16.5 Subdivision 1. Establishment. The Minnesota Housing Finance Agency shall establish  
16.6 a naturally occurring affordable housing program for the purpose of supporting the  
16.7 preservation of naturally occurring affordable housing through acquisition and rehabilitation.

16.8 Subd. 2. Definition. For the purposes of this section, "naturally occurring affordable  
16.9 housing" means multiunit rental housing that:

16.10 (1) is at least 20 years old;

16.11 (2) has rents in a majority of units that are affordable to households at or below 60  
16.12 percent of the area median income;

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

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

28.12 (5) (4) include households with incomes that do not exceed 30 percent of the median  
28.13 household income for the metropolitan area.

28.14 To the extent practicable, the agency shall balance the loans made between projects in the  
28.15 metropolitan area and projects outside the metropolitan area. Of the loans made to projects  
28.16 outside the metropolitan area, the agency shall, to the extent practicable, balance the loans  
28.17 made between projects in counties or cities with a population of 20,000 or less, as established  
28.18 by the most recent decennial census, and projects in counties or cities with populations in  
28.19 excess of 20,000.

28.20 EFFECTIVE DATE. This section is effective August 1, 2021.



16.13 (3) did not receive an initial state or federal government subsidy for its construction;

16.14 and

16.15 (4) does not otherwise receive place-based federal governmental subsidies.

16.16 Subd. 3. **Use of funds.** Funds appropriated for the program under this section shall be  
 16.17 used by the commissioner with the goal of preserving the most units for the lowest income  
 16.18 households for the longest period of time. The commissioner shall make loans or grants  
 16.19 from funds appropriated for the program on an as-needed basis and may approve requests  
 16.20 on a per-application basis from prospective acquirers of naturally occurring affordable  
 16.21 housing or through statewide intermediaries.

16.22 Subd. 4. **Voucher requirement.** Properties that receive funds must accept vouchers  
 16.23 under Section 8 of the United States Housing Act of 1937, as amended.

16.24 Sec. 10. **TASK FORCE ON SHELTER RESIDENT RIGHTS AND SHELTER**  
 16.25 **PROVIDER PRACTICES.**

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

16.28 (b) "Director" means the state director of the Minnesota Interagency Council on  
 16.29 Homelessness.

17.1 (c) "Homeless" or "homelessness" means lacking a fixed, regular, and adequate nighttime  
 17.2 residence, including sharing the housing of other persons due to loss of housing, economic  
 17.3 hardship, or a similar reason.

17.4 (d) "Resident" means a person residing in a shelter, including all members of a family  
 17.5 unit.

17.6 (e) "Shelter" means an indoor sleeping and sanitary dwelling, whether in a fixed or  
 17.7 rotating location, intended for individuals and families experiencing homelessness, provided  
 17.8 by a unit of government, a nonprofit organization, or a place of worship. Shelter includes  
 17.9 rooms in hotels or motels paid for by a unit of government or nonprofit organization and  
 17.10 daytime accommodations for individuals or families for whom shelter is provided only  
 17.11 overnight.

17.12 Subd. 2. **Establishment.** A task force on shelter resident rights and shelter provider  
 17.13 practices is established to:

17.14 (1) examine experiences of, and issues facing, shelter residents;

17.15 (2) examine issues facing, and practices of, shelter providers;

17.16 (3) develop a bill of rights for, and standards of treatment of, individuals and families  
 17.17 residing in shelters;

- 17.18 (4) develop shelter provider standards of practice; and
- 17.19 (5) examine the establishment of government oversight and registration of the provision
- 17.20 of shelter in Minnesota.
- 17.21 Subd. 3. **Membership.** (a) The task force consists of the following 24 members appointed
- 17.22 by the director:
- 17.23 (1) the commissioner of human services, or a designee;
- 17.24 (2) the commissioner of corrections, or a designee;
- 17.25 (3) the commissioner of health, or a designee;
- 17.26 (4) the commissioner of public safety, or a designee;
- 17.27 (5) the commissioner of transportation, or a designee;
- 17.28 (6) the commissioner of veterans affairs, or a designee;
- 17.29 (7) three individuals who have experienced homelessness and resided in a shelter, one
- 17.30 of whom has resided in a shelter in greater Minnesota;
- 18.1 (8) one individual who has experienced homelessness and chose to remain unsheltered;
- 18.2 (9) one representative of Street Voices of Change;
- 18.3 (10) one representative of Freedom from the Streets;
- 18.4 (11) two representatives from organizations that advocate on behalf of persons with
- 18.5 disabilities;
- 18.6 (12) one representative from an organization that advocates on behalf of persons
- 18.7 experiencing homelessness;
- 18.8 (13) one representative from an organization that provides legal services to persons
- 18.9 experiencing homelessness;
- 18.10 (14) four representatives of organizations representing shelter providers, two of which
- 18.11 must provide shelter in the seven-county metropolitan area, two of which must provide
- 18.12 shelter in greater Minnesota, one of which must also provide shelter to families, and one of
- 18.13 which must also be a victim service provider that is funded to provide shelter to survivors
- 18.14 of domestic violence and sexual assault;
- 18.15 (15) two representatives from the League of Minnesota Cities, one of whom must
- 18.16 represent cities in greater Minnesota; and
- 18.17 (16) two representatives from the Association of Minnesota Counties, one of whom
- 18.18 must represent counties in greater Minnesota.

- 18.19 (b) Appointments must be made no later than July 1, 2021.
- 18.20 (c) Task force members shall serve without compensation, except for members who are  
18.21 individuals who have experienced homelessness and resided in a shelter or who are  
18.22 individuals representing shelter providers. Members eligible for compensation shall receive  
18.23 expenses as provided in Minnesota Statutes, section 15.059, subdivision 6.
- 18.24 (d) Vacancies shall be filled by the director consistent with the qualifications of the  
18.25 vacating member required by this subdivision.
- 18.26 Subd. 4. **Meetings; officers.** (a) The director shall convene the first meeting of the task  
18.27 force no later than August 15, 2021, and shall provide physical or virtual meeting space as  
18.28 necessary for the task force to conduct its work.
- 18.29 (b) At its first meeting, the task force shall elect a chair and vice-chair from among the  
18.30 task force members and may elect other officers as necessary.
- 19.1 (c) The task force shall meet according to a schedule determined by the members or  
19.2 upon the call of its chair. The task force shall meet as often as necessary to accomplish the  
19.3 duties under subdivision 5.
- 19.4 (d) Meetings of the task force are subject to Minnesota Statutes, chapter 13D.
- 19.5 Subd. 5. **Duties.** (a) The task force must seek input from:
- 19.6 (1) individuals who are experiencing or who have experienced homelessness and reside  
19.7 or have resided in a shelter, including individuals experiencing homelessness in urban,  
19.8 suburban, and rural areas of the state;
- 19.9 (2) providers of shelter, including winter shelter, cold weather shelter, family shelter,  
19.10 youth shelter, and shelter for survivors of domestic abuse or sexual violence; providers who  
19.11 are funded by state, city, or local governments; providers who operate with nonpublic funds;  
19.12 providers who provide shelter in urban and suburban areas; providers who provide shelter  
19.13 in greater Minnesota; and providers of shelter in apartments, hotels, and motels;
- 19.14 (3) relevant state agencies that serve persons experiencing homelessness or persons who  
19.15 are at risk of becoming homeless; and
- 19.16 (4) any other persons or organizations with experience or expertise in homelessness,  
19.17 homeless outreach, or homeless prevention.
- 19.18 (b) The task force must:
- 19.19 (1) conduct research into and analyze establishing government oversight and registration  
19.20 of homeless shelters in Minnesota; and
- 19.21 (2) identify and analyze policies, rights, and responsibilities of shelter residents and  
19.22 shelter providers regarding, at a minimum:

- 19.23 (i) the treatment of shelter residents with dignity and respect, including but not limited  
19.24 to addressing conflict resolution, ensuring cultural sensitivity, engaging people with mental  
19.25 illnesses, implementing crisis response, and providing trauma-informed services;
- 19.26 (ii) shelter terminations and appeals;
- 19.27 (iii) remedies for and enforcement of shelter resident rights violations and illegal  
19.28 terminations;
- 19.29 (iv) time limits on residency and policies on temporary absences;
- 19.30 (v) security and personal safety of shelter residents;
- 19.31 (vi) staffing ratios;
- 20.1 (vii) appropriate, adequate, and safe storage and protection of resident property and  
20.2 personal information during a resident's stay and following a resident's exit from shelter;
- 20.3 (viii) maintaining family units while in shelter;
- 20.4 (ix) preventing discrimination based on race, color, creed, ethnicity, national origin,  
20.5 citizenship, gender, gender identity, sexual orientation, familial status, marital status, veteran  
20.6 status, immigration status, status with regard to public assistance, disability, religion, or  
20.7 age;
- 20.8 (x) seizure of persons and property;
- 20.9 (xi) the expectation of the resident's personal property privacy;
- 20.10 (xii) access to emergency and nonemergency medical and dental care;
- 20.11 (xiii) access to hygiene and sanitary products;
- 20.12 (xiv) maintenance of cleanliness of the facilities;
- 20.13 (xv) accommodations for a resident's nontraditional work hours and schedules,  
20.14 circumstances involving members of the resident's immediate family who do not reside in  
20.15 the shelter, and other extenuating life circumstances;
- 20.16 (xvi) reasonable accommodations for residents with disabilities, including residents with  
20.17 physical, developmental, and communication challenges; residents whose primary language  
20.18 is not English; and residents with food and other allergies or dietary restrictions;
- 20.19 (xvii) the provision of information regarding shelter policies, procedures, rules,  
20.20 restrictions, and notices of eviction;
- 20.21 (xviii) the filing of grievances; and

- 20.22 (xix) the provision of case management, referral, and other supports regarding housing,  
 20.23 supportive housing, mental health, physical health, substance abuse, government assistance,  
 20.24 and employment services and resources.
- 20.25 (c) The task force must review the application of housing support payments under  
 20.26 Minnesota Statutes, section 256I.06, for shelter purposes and personal allowance policies  
 20.27 to determine how residents can retain a maximum amount of their income.
- 20.28 (d) The task force shall develop recommendations for the establishment of a statewide  
 20.29 shelter call line to ensure that all residents are receiving adequate service in a shelter. The  
 20.30 task force shall evaluate the appropriate state agency, nonprofit organization, or other entity  
 21.1 to house and operate the call line and the funding necessary to establish and maintain the  
 21.2 ongoing operation of the call line.
- 21.3 (e) The task force may examine any other related issues consistent with this section.
- 21.4 Subd. 6. **Administrative support.** The Minnesota Housing Finance Agency must provide  
 21.5 administrative support and meeting space for the task force.
- 21.6 Subd. 7. **Report.** (a) No later than February 1, 2022, the task force shall submit an initial  
 21.7 report to the chairs and ranking minority members of the house of representatives and senate  
 21.8 committees and divisions with jurisdiction over housing and preventing homelessness on  
 21.9 the findings and recommendations for:
- 21.10 (1) legislation establishing:
- 21.11 (i) a bill of rights for, and uniform standards of treatment of, individuals and families  
 21.12 residing in a shelter;
- 21.13 (ii) shelter provider standards of practice; and
- 21.14 (iii) a statewide shelter call line; and
- 21.15 (2) the establishment of government oversight and registration of the provision of shelter  
 21.16 in Minnesota.
- 21.17 (b) No later than August 31, 2022, the task force shall submit a final report to the chairs  
 21.18 and ranking minority members of the house of representatives and senate committees and  
 21.19 divisions with jurisdiction over housing and preventing homelessness on the findings and  
 21.20 recommendations listed in paragraph (a).
- 21.21 Subd. 8. **Expiration.** The task force expires the day following submission of the final  
 21.22 report under subdivision 7.
- 21.23 **EFFECTIVE DATE.** This section is effective July 1, 2021.

20.28 Sec. 6. Minnesota Statutes 2020, section 326B.106, subdivision 7, is amended to read:

20.29 Subd. 7. **Window fall prevention device code.** (a) The commissioner of labor and  
 20.30 industry shall adopt rules for window fall prevention devices as part of the State Building  
 20.31 Code. Window fall prevention devices include, but are not limited to, safety screens,  
 20.32 hardware, guards, and other devices that comply with the standards established by the  
 20.33 commissioner of labor and industry. The rules shall require compliance with standards for  
 20.34 window fall prevention devices developed by ASTM International, contained in the  
 21.1 International Building Code as the model language with amendments deemed necessary to  
 21.2 coordinate with the other adopted building codes in Minnesota. The rules shall establish a  
 21.3 scope that includes the applicable building occupancies, and the types, locations, and sizes  
 21.4 of windows that will require the installation of fall devices.

21.5 (b) In one- and two-family dwellings and townhouses, as defined in Minnesota Rules,  
 21.6 part 1309.0202, subpart 1, window fall prevention devices are not required when: (1) the  
 21.7 lowest part of the window opening of an operable window is a minimum of 24 inches above  
 21.8 the finished floor of the room in which the window is located; or (2) the lowest part of the  
 21.9 opening of an operable window is located 72 inches or less above the exterior grade below.

21.10 Sec. 7. Minnesota Statutes 2020, section 462.352, subdivision 5, is amended to read:

21.11 Subd. 5. **Comprehensive municipal plan.** (a) "Comprehensive municipal plan" means  
 21.12 a compilation of policy statements, goals, standards, and maps for guiding the physical,  
 21.13 social and economic development, both private and public, of the municipality and its  
 21.14 environs, and may include, but is not limited to, the following: statements of policies, goals,  
 21.15 standards, a land use plan, including proposed densities for development, a community  
 21.16 facilities plan, a transportation plan, and recommendations for plan execution. A  
 21.17 comprehensive plan represents the planning agency's recommendations for the future  
 21.18 development of the community.

21.19 (b) As part of the comprehensive municipal plan, municipalities are encouraged to enact  
 21.20 public policy to facilitate the development of unsubsidized affordable housing. These policies  
 21.21 may include but are not limited to the municipal plan authorizing smaller lot sizes for  
 21.22 single-family homes, allowing the construction of duplexes through fourplexes on lots that  
 21.23 would otherwise be zoned exclusively for single-family houses, and allowing for mixed-use  
 21.24 development.

21.25 Sec. 8. **[462.3575] LIMITING REGULATIONS ON RESIDENTIAL**  
 21.26 **DEVELOPMENT.**

21.27 Subdivision 1. **Application.** This section applies to official controls adopted under  
 21.28 sections 462.357, 462.358, and 462.3595.

21.29 Subd. 2. **Planned unit development.** (a) A municipality shall not require a planned unit  
 21.30 development agreement in lieu of a proposed residential development if the proposed

- 21.31 residential development complies with the existing city zoning ordinances, subdivision  
21.32 regulation, or qualifies as a conditional use.
- 22.1 (b) A municipality shall not require planned unit development agreement conditions  
22.2 that exceed the requirements in the State Building Code under chapter 326B.
- 22.3 (c) A planned unit development agreement must be made available to the public by  
22.4 posting the agreement on the website of the municipality at least seven days prior to the  
22.5 governing body's review of the agreement. If the municipality does not have a website, a  
22.6 copy of the planned unit development agreement must be available for review at the city  
22.7 hall building of the municipality. If the agreement is approved by the governing body, the  
22.8 agreement cannot be modified unless all parties to the agreement concur.
- 22.9 Subd. 3. **Limitation on aesthetic mandates.** A municipality shall not condition approval  
22.10 of a building permit, subdivision development, or planned unit development on the use of  
22.11 specific materials, design, amenities, or other aesthetic conditions that are not required by  
22.12 the State Building Code under chapter 326B.
- 22.13 Subd. 4. **Exception.** This section shall not apply to a proposed residential development  
22.14 that is to be developed by the municipality.
- 24.26 Sec. 13. Minnesota Statutes 2020, section 462A.24, is amended to read:
- 24.27 **462A.24 CONSTRUCTION; GRANTS AND LOANS; PRIORITIES.**
- 24.28 (a) This chapter is necessary for the welfare of the state of Minnesota and its inhabitants;  
24.29 therefore, it shall be liberally construed to effect its purpose.
- 24.30 (b) To the extent practicable, the agency shall award grant and loan amounts with a  
24.31 reasonable balance between nonmetropolitan and metropolitan areas of the state.
- 25.1 (c) Beginning with applications made in response to requests for proposals issued after  
25.2 July 1, 2020, after final decisions are made on applications for programs of the agency, the  
25.3 results of any quantitative scoring system used to rank applications shall be posted on the  
25.4 agency website.
- 25.5 (d) The agency shall award points in the agency's decision-making criteria for all  
25.6 programs of the agency based on how quickly a project can be constructed.
- 31.13 Sec. 23. **[462A.40] PROGRAM FOR MANUFACTURED HOME MORTGAGE**  
31.14 **FINANCING AND DOWN PAYMENT ASSISTANCE FOR CERTAIN**  
31.15 **MANUFACTURED HOMES.**
- 31.16 (a) By August 1, 2022, the agency, in conjunction with Fannie Mae's HomeReady  
31.17 program, or other federal mortgage programs that may authorize it, must develop and  
31.18 implement a program that offers mortgage financing and down payment assistance for  
31.19 purchasers of eligible manufactured homes.

- 31.20 (b) For purposes of this section "eligible manufactured homes" means a manufactured  
 31.21 home titled as real property in this state and affixed to real property owned by a  
 31.22 resident-owned community.
- 31.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.
- 31.24 Sec. 24. Minnesota Statutes 2020, section 471.9996, subdivision 1, is amended to read:
- 31.25 Subdivision 1. **In general Prohibition.** (a) No statutory or home rule charter city, county,  
 31.26 or town may adopt or renew by ordinance or otherwise any law to control rents on private  
 31.27 residential property except as provided in subdivision 2. This section does not impair the  
 31.28 right of any statutory or home rule charter city, county, or town:
- 31.29 (1) to manage or control property in which it has a financial interest through a housing  
 31.30 authority or similar agency;
- 31.31 (2) to contract with a property owner;
- 32.1 (3) to act as required or authorized by laws or regulations of the United States government  
 32.2 or this state; or
- 32.3 (4) to mediate between property owners and tenants for the purpose of negotiating rents.
- 32.4 (b) Nothing in this section shall be deemed to limit or restrict the classification of  
 32.5 low-income rental property as class 4d under section 273.13, subdivision 25.
- 32.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.
- 32.7 Sec. 25. Minnesota Statutes 2020, section 474A.061, subdivision 2a, is amended to read:
- 32.8 Subd. 2a. **Housing pool allocation.** (a) Commencing on the second Tuesday in January  
 32.9 and continuing on each Monday through the last Monday in June, the commissioner shall  
 32.10 allocate available bonding authority from the housing pool to applications received on or  
 32.11 before the Monday of the preceding week for residential rental projects that meet the  
 32.12 eligibility criteria under section 474A.047. Allocations of available bonding authority from  
 32.13 the housing pool for eligible residential rental projects shall be awarded in the following  
 32.14 order of priority:
- 32.15 (1) preservation projects;
- 32.16 (2) 30 percent AMI residential rental projects;
- 32.17 (3) 50 percent AMI residential rental projects;
- 32.18 (4) 100 percent LIHTC projects;
- 32.19 (5) 20 percent LIHTC projects; and
- 32.20 (6) other residential rental projects for which the amount of bonds requested in their  
 32.21 respective applications do not exceed the aggregate bond limitation.



32.22 If there are two or more applications for residential rental projects at the same priority level  
32.23 and there is insufficient bonding authority to provide allocations for all the projects in any  
32.24 one allocation period, available bonding authority shall be randomly awarded by ~~not giving~~  
32.25 preference for projects with a lower cost per square foot but only for projects that can receive  
32.26 the full amount of their respective requested allocations. If a residential rental project does  
32.27 not receive any of its requested allocation pursuant to this paragraph and the project applies  
32.28 for an allocation of bonds again in the same calendar year or to the next successive housing  
32.29 pool, the project shall be fully funded up to its original application request for bonding  
32.30 authority before any new project, applying in the same allocation period, that has an equal  
32.31 priority shall receive bonding authority. An issuer that receives an allocation under this  
32.32 paragraph must issue obligations equal to all or a portion of the allocation received on or  
33.1 before 180 days of the allocation. If an issuer that receives an allocation under this paragraph  
33.2 does not issue obligations equal to all or a portion of the allocation received within the time  
33.3 period provided in this paragraph or returns the allocation to the commissioner, the amount  
33.4 of the allocation is canceled and returned for reallocation through the housing pool or to  
33.5 the unified pool after July 1.

33.6 (b) After January 1, and through January 15, The Minnesota Housing Finance Agency  
33.7 may accept applications from cities for single-family housing programs which meet program  
33.8 requirements as follows:

33.9 (1) the housing program must meet a locally identified housing need and be economically  
33.10 viable;

33.11 (2) the adjusted income of home buyers may not exceed 80 percent of the greater of  
33.12 statewide or area median income as published by the Department of Housing and Urban  
33.13 Development, adjusted for household size;

33.14 (3) house price limits may not exceed the federal price limits established for mortgage  
33.15 revenue bond programs. Data on the home purchase price amount, mortgage amount, income,  
33.16 household size, and race of the households served in the previous year's single-family  
33.17 housing program, if any, must be included in each application; and

33.18 (4) for applicants who choose to have the agency issue bonds on their behalf, an  
33.19 application fee pursuant to section 474A.03, subdivision 4, and an application deposit equal  
33.20 to one percent of the requested allocation must be submitted to the Minnesota Housing  
33.21 Finance Agency before the agency forwards the list specifying the amounts allocated to the  
33.22 commissioner under paragraph (d). The agency shall submit the city's application fee and  
33.23 application deposit to the commissioner when requesting an allocation from the housing  
33.24 pool.

33.25 Applications by a consortium shall include the name of each member of the consortium  
33.26 and the amount of allocation requested by each member.

33.27 (c) Any amounts remaining in the housing pool after June 15 are available for  
33.28 single-family housing programs for cities that applied in January and received an allocation

33.29 under this section in the same calendar year. For a city that chooses to issue bonds on its  
33.30 own behalf or pursuant to a joint powers agreement, the agency must allot available bonding  
33.31 authority based on the formula in paragraphs (d) and (f). Allocations will be made loan by  
33.32 loan, on a first-come, first-served basis among cities on whose behalf the Minnesota Housing  
33.33 Finance Agency issues bonds.

34.1 Any city that received an allocation pursuant to paragraph (f) in the same calendar year  
34.2 that wishes to issue bonds on its own behalf or pursuant to a joint powers agreement for an  
34.3 amount becoming available for single-family housing programs after June 15 shall notify  
34.4 the Minnesota Housing Finance Agency by June 15. The Minnesota Housing Finance  
34.5 Agency shall notify each city making a request of the amount of its allocation within three  
34.6 business days after June 15. The city must comply with paragraph (f).

34.7 For purposes of paragraphs (a) to (h), "city" means a county or a consortium of local  
34.8 government units that agree through a joint powers agreement to apply together for  
34.9 single-family housing programs, and has the meaning given it in section 462C.02, subdivision  
34.10 6. "Agency" means the Minnesota Housing Finance Agency.

34.11 (d) The total amount of allocation for mortgage bonds for one city is limited to the lesser  
34.12 of: (i) the amount requested, or (ii) the product of the total amount available for mortgage  
34.13 bonds from the housing pool, multiplied by the ratio of each applicant's population as  
34.14 determined by the most recent estimate of the city's population released by the state  
34.15 demographer's office to the total of all the applicants' population, except that each applicant  
34.16 shall be allocated a minimum of \$100,000 regardless of the amount requested or the amount  
34.17 determined under the formula in clause (ii). If a city applying for an allocation is located  
34.18 within a county that has also applied for an allocation, the city's population will be deducted  
34.19 from the county's population in calculating the amount of allocations under this paragraph.

34.20 Upon determining the amount of each applicant's allocation, the agency shall forward  
34.21 to the commissioner a list specifying the amounts allotted to each application with all  
34.22 application fees and deposits from applicants who choose to have the agency issue bonds  
34.23 on their behalf.

34.24 Total allocations from the housing pool for single-family housing programs may not  
34.25 exceed 27 percent of the adjusted allocation to the housing pool until after June 15 in 2020  
34.26 and 2021, after which the allocations may not exceed 31 percent of the adjusted allocation  
34.27 to the housing pool until after June 15.

34.28 (e) The agency may issue bonds on behalf of participating cities. The agency shall request  
34.29 an allocation from the commissioner for all applicants who choose to have the agency issue  
34.30 bonds on their behalf and the commissioner shall allocate the requested amount to the  
34.31 agency. The agency may request an allocation at any time after the second Tuesday in  
34.32 January and through the last Monday in June. After awarding an allocation and receiving  
34.33 a notice of issuance for the mortgage bonds issued on behalf of the participating cities, the  
34.34 commissioner shall transfer the application deposits to the Minnesota Housing Finance  
35.1 Agency to be returned to the participating cities. The Minnesota Housing Finance Agency

35.2 shall return any application deposit to a city that paid an application deposit under paragraph  
35.3 (b), clause (4), but was not part of the list forwarded to the commissioner under paragraph  
35.4 (d).

35.5 (f) A city may choose to issue bonds on its own behalf or through a joint powers  
35.6 agreement and may request an allocation from the commissioner by forwarding an application  
35.7 with an application fee pursuant to section 474A.03, subdivision 4, and a one percent  
35.8 application deposit to the commissioner no later than the Monday of the week preceding  
35.9 an allocation. If the total amount requested by all applicants exceeds the amount available  
35.10 in the pool, the city may not receive a greater allocation than the amount it would have  
35.11 received under the list forwarded by the Minnesota Housing Finance Agency to the  
35.12 commissioner. No city may request or receive an allocation from the commissioner until  
35.13 the list under paragraph (d) has been forwarded to the commissioner. A city must request  
35.14 an allocation from the commissioner no later than the last Monday in June. No city may  
35.15 receive an allocation from the housing pool for mortgage bonds which has not first applied  
35.16 to the Minnesota Housing Finance Agency. The commissioner shall allocate the requested  
35.17 amount to the city or cities subject to the limitations under this paragraph.

35.18 If a city issues mortgage bonds from an allocation received under this paragraph, the  
35.19 issuer must provide for the recycling of funds into new loans. If the issuer is not able to  
35.20 provide for recycling, the issuer must notify the commissioner in writing of the reason that  
35.21 recycling was not possible and the reason the issuer elected not to have the Minnesota  
35.22 Housing Finance Agency issue the bonds. "Recycling" means the use of money generated  
35.23 from the repayment and prepayment of loans for further eligible loans or for the redemption  
35.24 of bonds and the issuance of current refunding bonds.

35.25 (g) No entitlement city or county or city in an entitlement county may apply for or be  
35.26 allocated authority to issue mortgage bonds or use mortgage credit certificates from the  
35.27 housing pool. No city in an entitlement county may apply for or be allocated authority to  
35.28 issue residential rental bonds from the housing pool or the unified pool.

35.29 (h) A city that does not use at least 50 percent of its allotment by the date applications  
35.30 are due for the first allocation that is made from the housing pool for single-family housing  
35.31 programs in the immediately succeeding calendar year may not apply to the housing pool  
35.32 for a single-family mortgage bond or mortgage credit certificate program allocation that  
35.33 exceeds the amount of its allotment for the preceding year that was used by the city in the  
35.34 immediately preceding year or receive an allotment from the housing pool in the succeeding  
35.35 calendar year that exceeds the amount of its allotment for the preceding year that was used  
36.1 in the preceding year. The minimum allotment is \$100,000 for an allocation made prior to  
36.2 June 15, regardless of the amount used in the preceding calendar year, except that a city  
36.3 whose allocation in the preceding year was the minimum amount of \$100,000 and who did  
36.4 not use at least 50 percent of its allocation from the preceding year is ineligible for an  
36.5 allocation in the immediate succeeding calendar year. Each local government unit in a  
36.6 consortium must meet the requirements of this paragraph.

- 36.7 **EFFECTIVE DATE.** This section is effective January 1, 2022.
- 36.8 Sec. 26. Minnesota Statutes 2020, section 474A.091, subdivision 3, is amended to read:
- 36.9 Subd. 3. **Allocation procedure.** (a) The commissioner shall allocate available bonding  
36.10 authority under this section on the Monday of every other week beginning with the first  
36.11 Monday in July through and on the last Monday in November. Applications for allocations  
36.12 must be received by the department by 4:30 p.m. on the Monday preceding the Monday on  
36.13 which allocations are to be made. If a Monday falls on a holiday, the allocation will be made  
36.14 or the applications must be received by the next business day after the holiday.
- 36.15 (b) Prior to October 1, only the following applications shall be awarded allocations from  
36.16 the unified pool. Allocations shall be awarded in the following order of priority:
- 36.17 (1) applications for residential rental project bonds;
- 36.18 (2) applications for small issue bonds for manufacturing projects; and
- 36.19 (3) applications for small issue bonds for agricultural development bond loan projects.
- 36.20 (c) On the first Monday in October through the last Monday in November, allocations  
36.21 shall be awarded from the unified pool in the following order of priority:
- 36.22 (1) applications for student loan bonds issued by or on behalf of the Minnesota Office  
36.23 of Higher Education;
- 36.24 (2) applications for mortgage bonds;
- 36.25 (3) applications for public facility projects funded by public facility bonds;
- 36.26 (4) applications for small issue bonds for manufacturing projects;
- 36.27 (5) applications for small issue bonds for agricultural development bond loan projects;
- 36.28 (6) applications for residential rental project bonds;
- 36.29 (7) applications for enterprise zone facility bonds;
- 36.30 (8) applications for governmental bonds; and
- 37.1 (9) applications for redevelopment bonds.
- 37.2 (d) If there are two or more applications for manufacturing projects from the unified  
37.3 pool and there is insufficient bonding authority to provide allocations for all manufacturing  
37.4 projects in any one allocation period, the available bonding authority shall be awarded based  
37.5 on the number of points awarded a project under section 474A.045 with those projects  
37.6 receiving the greatest number of points receiving allocation first. If two or more applications  
37.7 for manufacturing projects receive an equal amount of points, available bonding authority  
37.8 shall be awarded by lot unless otherwise agreed to by the respective issuers.

37.9 (e) If there are two or more applications for enterprise zone facility projects from the  
 37.10 unified pool and there is insufficient bonding authority to provide allocations for all enterprise  
 37.11 zone facility projects in any one allocation period, the available bonding authority shall be  
 37.12 awarded based on the number of points awarded a project under section 474A.045 with  
 37.13 those projects receiving the greatest number of points receiving allocation first. If two or  
 37.14 more applications for enterprise zone facility projects receive an equal amount of points,  
 37.15 available bonding authority shall be awarded by lot unless otherwise agreed to by the  
 37.16 respective issuers.

37.17 (f) If there are two or more applications for residential rental projects from the unified  
 37.18 pool and there is insufficient bonding authority to provide allocations for all residential  
 37.19 rental projects in any one allocation period, the available bonding authority shall be awarded  
 37.20 in the following order of priority: (1) preservation projects; (2) 30 percent AMI residential  
 37.21 rental projects; (3) 50 percent AMI residential rental projects for which the amount of bonds  
 37.22 requested in their respective applications do not exceed the aggregate bond limitations; (4)  
 37.23 100 percent LIHTC projects; (5) 20 percent LIHTC projects; and (6) other residential rental  
 37.24 projects. If there are two or more applications for residential rental projects at the same  
 37.25 priority level and there is insufficient bonding authority to provide allocations for all the  
 37.26 projects in any one allocation period, available bonding authority shall be ~~randomly~~ awarded  
 37.27 by ~~lot~~ giving preference for projects with a lower cost per square foot but only for projects  
 37.28 that can receive the full amount of their respective requested allocations. If a residential  
 37.29 rental project does not receive any of its requested allocation pursuant to this paragraph and  
 37.30 the project applies in the next successive housing pool or the next successive unified pool  
 37.31 for an allocation of bonds, the project shall be fully funded up to its original application  
 37.32 request for bonding authority before any new project, applying in the same allocation period,  
 37.33 that has an equal priority shall receive bonding authority.

37.34 (g) From the first Monday in July through the last Monday in November, \$20,000,000  
 37.35 of bonding authority or an amount equal to the total annual amount of bonding authority  
 38.1 allocated to the small issue pool under section 474A.03, subdivision 1, less the amount  
 38.2 allocated to issuers from the small issue pool for that year, whichever is less, is reserved  
 38.3 within the unified pool for small issue bonds to the extent the amounts are available within  
 38.4 the unified pool.

38.5 (h) The total amount of allocations for mortgage bonds from the housing pool and the  
 38.6 unified pool may not exceed:

38.7 (1) \$10,000,000 for any one city; or

38.8 (2) \$20,000,000 for any number of cities in any one county.

38.9 (i) The total amount of allocations for student loan bonds from the unified pool may not  
 38.10 exceed \$25,000,000 per year.

38.11 (j) If there is insufficient bonding authority to fund all projects within any qualified bond  
 38.12 category other than enterprise zone facility projects, manufacturing projects, and residential

21.24

**ARTICLE 3**

21.25

**AFFORDABLE HOUSING ELIGIBILITY**

21.26 Section 1. Minnesota Statutes 2020, section 12A.09, subdivision 3, is amended to read:

21.27 Subd. 3. **Capacity building grants.** Grants may be made under section 462A.21,  
21.28 subdivision 3b~~;~~

21.29 (1) to local units of government, including regional consortia, in the disaster area ~~and~~;

21.30 (2) to nonprofit organizations; and

22.1 (3) to federally recognized American Indian Tribes or subdivisions located in Minnesota,  
22.2 and Tribal housing corporations

22.3 working in the disaster area to assess housing and related needs, develop and implement  
22.4 community or regional plans to meet those needs, and provide capacity to implement recovery  
22.5 plans.

22.6 **EFFECTIVE DATE.** This section is effective August 1, 2021.

22.7 Sec. 2. Minnesota Statutes 2020, section 462A.07, subdivision 2, is amended to read:

22.8 Subd. 2. **Technical assistance; residential housing.** It may provide general technical  
22.9 services and support to assist in the planning, processing, design, construction or  
22.10 rehabilitation, and inspection of residential housing for occupancy by persons and families  
22.11 of low and moderate income and to increase the capacity of entities to meet the housing  
22.12 needs in the state.

22.13 **EFFECTIVE DATE.** This section is effective August 1, 2021.

38.13 rental projects, allocations shall be awarded by lot unless otherwise agreed to by the  
38.14 respective issuers.

38.15 (k) If an application is rejected, the commissioner must notify the applicant and return  
38.16 the application deposit to the applicant within 30 days unless the applicant requests in writing  
38.17 that the application be resubmitted.

38.18 (l) The granting of an allocation of bonding authority under this section must be evidenced  
38.19 by issuance of a certificate of allocation.

38.20 **EFFECTIVE DATE.** This section is effective January 1, 2022.

38.24 Sec. 28. **REPEALER.**

38.26 (b) Minnesota Statutes 2020, section 471.9996, subdivision 2, is repealed.

38.27 **EFFECTIVE DATE.** Paragraph (a) is effective August 1, 2021. Paragraph (b) is effective  
38.28 the day following final enactment.

9.14 Section 1. Minnesota Statutes 2020, section 12A.09, subdivision 3, is amended to read:

9.15 Subd. 3. **Capacity building grants.** Grants may be made under section 462A.21,  
9.16 subdivision 3b~~;~~

9.17 (1) to local units of government, including regional consortia, in the disaster area ~~and~~;

9.18 (2) to nonprofit organizations; and

9.19 (3) to federally recognized American Indian Tribes or subdivisions located in Minnesota  
9.20 and Tribal housing corporations

9.21 working in the disaster area to assess housing and related needs, develop and implement  
9.22 community or regional plans to meet those needs, and provide capacity to implement recovery  
9.23 plans.

9.24 **EFFECTIVE DATE.** This section is effective August 1, 2021.

24.12 Sec. 11. Minnesota Statutes 2020, section 462A.07, subdivision 2, is amended to read:

24.13 Subd. 2. **Technical assistance; residential housing.** It may provide general technical  
24.14 services and support to assist in the planning, processing, design, construction or  
24.15 rehabilitation, and inspection of residential housing for occupancy by persons and families  
24.16 of low and moderate income and to increase the capacity of entities to meet the housing  
24.17 needs in the state.

24.18 **EFFECTIVE DATE.** This section is effective August 1, 2021.

22.14 Sec. 3. Minnesota Statutes 2020, section 462A.204, subdivision 3, is amended to read:

22.15 Subd. 3. **Set aside.** At least one grant must be awarded in an area located outside of the

22.16 metropolitan area. A county, a group of contiguous counties jointly acting together, a Tribe,

22.17 a group of Tribes, or a community-based nonprofit organization ~~with a sponsoring resolution~~

22.18 ~~from each of the county boards of the counties located within its operating jurisdiction~~ may

22.19 apply for and receive grants ~~for areas located outside the metropolitan area.~~

22.20 **EFFECTIVE DATE.** This section is effective August 1, 2021.

22.21 Sec. 4. Minnesota Statutes 2020, section 462A.38, subdivision 1, is amended to read:

22.22 Subdivision 1. **Establishment.** A workforce and affordable homeownership development

22.23 program is established to award homeownership development grants to:

22.24 (1) cities;

22.25 (2) counties;

22.26 (3) Tribal governments;

22.27 (4) nonprofit organizations;

22.28 (5) cooperatives created under chapter 308A or 308B; and

23.1 (6) community land trusts created for the purposes outlined in section 462A.31,

23.2 subdivision 1,

23.3 for development of workforce and affordable homeownership projects. The purpose of the

23.4 program is to increase the supply of workforce and affordable, owner-occupied multifamily

23.5 or single-family housing throughout Minnesota.

23.6 **EFFECTIVE DATE.** This section is effective August 1, 2021.

23.7 Sec. 5. Minnesota Statutes 2020, section 462A.39, subdivision 2, is amended to read:

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

23.9 meanings given.

23.10 (b) "Eligible project area" means a home rule charter or statutory city located outside

23.11 of the metropolitan area as defined in section 473.121, subdivision 2, with a population

23.12 exceeding 500; a community that has a combined population of 1,500 residents located

23.13 within 15 miles of a home rule charter or statutory city located outside the metropolitan

24.19 Sec. 12. Minnesota Statutes 2020, section 462A.204, subdivision 3, is amended to read:

24.20 Subd. 3. **Set aside.** At least one grant must be awarded in an area located outside of the

24.21 metropolitan area. A county, a group of contiguous counties jointly acting together, a Tribe,

24.22 a group of Tribes, or a community-based nonprofit organization ~~with a sponsoring resolution~~

24.23 ~~from each of the county boards of the counties located within its operating jurisdiction~~ may

24.24 apply for and receive grants ~~for areas located outside the metropolitan area.~~

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

28.21 Sec. 17. Minnesota Statutes 2020, section 462A.38, subdivision 1, is amended to read:

28.22 Subdivision 1. **Establishment.** A workforce and affordable homeownership development

28.23 program is established to award homeownership development grants to:

28.24 (1) cities;

28.25 (2) counties;

28.26 (3) Tribal governments;

28.27 (4) nonprofit organizations;

28.28 (5) cooperatives created under chapter 308A or 308B; and

28.29 (6) community land trusts created for the purposes outlined in section 462A.31,

28.30 subdivision 1,

29.1 for development of workforce and affordable homeownership projects. The purpose of the

29.2 program is to increase the supply of workforce and affordable, owner-occupied multifamily

29.3 or single-family housing throughout Minnesota.

29.4 **EFFECTIVE DATE.** This section is effective July 1, 2021.

29.5 Sec. 18. Minnesota Statutes 2020, section 462A.39, subdivision 1, is amended to read:

29.6 Subdivision 1. **Establishment.** The commissioner of Minnesota housing finance shall

29.7 establish a workforce housing development program to award grants or deferred loans to

29.8 eligible project areas to be used for qualified expenditures. Grants or deferred loans

29.9 authorized under this section may be made without limitations relating to the maximum

29.10 incomes of the renters or homeowners.

29.11 Sec. 19. Minnesota Statutes 2020, section 462A.39, subdivision 2, is amended to read:

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

29.13 meanings given.

29.14 (b) "Eligible project area" means a home rule charter or statutory city located outside

29.15 of the metropolitan area as defined in section 473.121, subdivision 2, with a population

29.16 exceeding 500; a community that has a combined population of 1,500 residents located

29.17 within 15 miles of a home rule charter or statutory city located outside the metropolitan



23.14 area as defined in section 473.121, subdivision 2; federally recognized Tribal reservations;  
23.15 or an area served by a joint county-city economic development authority.

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

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

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

23.27 **EFFECTIVE DATE.** This section is effective August 1, 2021.

23.28 Sec. 6. Minnesota Statutes 2020, section 462A.39, subdivision 5, is amended to read:  
23.29 Subd. 5. **Allocation.** The amount of a grant or deferred loans may not exceed 25 percent  
23.30 of the rental housing development project cost. The commissioner shall not award a grant

29.18 area as defined in section 473.121, subdivision 2; federally recognized Tribal reservations;  
29.19 or an area served by a joint county-city economic development authority.

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

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

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

29.31 **EFFECTIVE DATE.** This section is effective July 1, 2021.

30.1 Sec. 20. Minnesota Statutes 2020, section 462A.39, subdivision 4, is amended to read:  
30.2 Subd. 4. **Program requirements.** (a) The commissioner must not award a grant or  
30.3 deferred loans to an eligible project area under this section until the following determinations  
30.4 are made:

30.5 (1) the average vacancy rate for rental housing located in the eligible project area, and  
30.6 in any other city located within 15 miles or less of the boundaries of the area, has been five  
30.7 percent or less for at least the prior two-year period;

30.8 (2) one or more businesses located in the eligible project area, or within 25 miles of the  
30.9 area, that employs a minimum of 20 full-time equivalent employees in aggregate have  
30.10 provided a written statement to the eligible project area indicating that the lack of available  
30.11 rental housing has impeded their ability to recruit and hire employees; and

30.12 (3) the eligible project area has certified that the grants or deferred loans will be used  
30.13 for qualified expenditures for the development of ~~rental~~ housing to serve employees of  
30.14 businesses located in the eligible project area or surrounding area.

30.15 (b) Preference for grants or deferred loans awarded under this section shall be given to  
30.16 eligible project areas with less than 30,000 people.

30.17 (c) Among comparable proposals, preference must be given to projects with a higher  
30.18 proportion of units that are not income-restricted.

30.19 Sec. 21. Minnesota Statutes 2020, section 462A.39, subdivision 5, is amended to read:  
30.20 Subd. 5. **Allocation.** The amount of a grant or deferred loans may not exceed 25 percent  
30.21 of the rental housing development project cost. The commissioner shall not award a grant



- 24.1 or deferred loans to ~~a city~~ an eligible project area without certification by the ~~city~~ eligible  
 24.2 project area that the amount of the grant or deferred loans shall be matched by:
- 24.3 (1) a local unit of government;₂
- 24.4 (2) a ~~business, or;~~₂
- 24.5 (3) a nonprofit organization; or
- 24.6 (4) a federally recognized Tribe
- 24.7 with \$1 for every \$2 provided in grant or deferred loans funds.
- 24.8 **EFFECTIVE DATE.** This section is effective August 1, 2021.

- 30.22 or deferred loans to ~~a city~~ an eligible project area without certification by the ~~city~~ eligible  
 30.23 project area that the amount of the grant or deferred loans shall be matched by:
- 30.24 (1) a local unit of government;₂
- 30.25 (2) a ~~business, or;~~₂
- 30.26 (3) a nonprofit organization; or
- 30.27 (4) a federally recognized Tribe
- 30.28 with \$1 for every \$2 provided in grant or deferred loans funds.
- 30.29 **EFFECTIVE DATE.** This section is effective July 1, 2021.
- 31.1 Sec. 22. Minnesota Statutes 2020, section 462A.39, is amended by adding a subdivision  
 31.2 to read:
- 31.3 Subd. 5a. **No change in project scope.** (a) When a contingency is provided in a grant  
 31.4 award under this section, changes to the project made by the developer to meet the  
 31.5 contingency shall not be considered a change in project scope and the grant must be funded,  
 31.6 provided that:
- 31.7 (1) the number of affordable units is not reduced;
- 31.8 (2) an increase in the number of affordable units is allowed if required to cover the  
 31.9 increased financial costs of meeting the agency contingency; and
- 31.10 (3) additional state funds are not solicited for the project.
- 31.11 (b) Additional local matching funds may be solicited for the project under this  
 31.12 subdivision, including but not limited to funds from local units of government.
- 39.1 **ARTICLE 3**
- 39.2 **EVICITION MORATORIUM PHASEOUT**
- 39.3 Section 1. **[12.47] LIMITATION OF POWERS; EVICTION PROCEEDINGS.**
- 39.4 Notwithstanding any law to the contrary, an order issued under this chapter prohibiting  
 39.5 or delaying eviction proceedings under chapter 504B is valid for a period not to exceed 30  
 39.6 days. The governor must not extend the order beyond 30 days unless the extension is  
 39.7 approved by a majority vote of each house of the legislature. The governor shall not allow  
 39.8 the order to expire and issue a new order delaying or prohibiting eviction proceedings under  
 39.9 chapter 504B in an effort to avoid obtaining legislative approval for an extension of the  
 39.10 order as provided in this section. An order issued to avoid obtaining legislative approval as  
 39.11 required under this section is null and void.
- 39.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

- 39.13 Sec. 2. **EXECUTIVE ORDER 20-79 VOID; EVICTION MORATORIUM ORDERS**  
 39.14 **TEMPORARILY PROHIBITED.**
- 39.15 (a) Notwithstanding Minnesota Statutes, chapter 12, or any other law to the contrary,  
 39.16 Executive Order 20-79 is null and void.
- 39.17 (b) Notwithstanding Minnesota Statutes, chapter 12, or any law to the contrary, the  
 39.18 governor is prohibited from issuing an order prohibiting or delaying eviction proceedings  
 39.19 under Minnesota Statutes, chapter 504B, for 30 days following the enactment of this act.
- 39.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.
- 39.21 Sec. 3. **EVICTION MORATORIUM PHASEOUT.**
- 39.22 (a) Notwithstanding any law to the contrary, the following actions are prohibited:
- 39.23 (1) termination or nonrenewal of residential leases, except:
- 39.24 (i) at the request of a tenant or where the termination is due to the tenant seriously  
 39.25 endangering the safety of others or significantly damaging property;
- 39.26 (ii) for violations under Minnesota Statutes, section 504B.171, subdivision 1;
- 39.27 (iii) termination and nonrenewal of residential leases are permitted for material violations  
 39.28 of the lease other than nonpayment of rent; and
- 40.1 (iv) from and after 30 days after the date of enactment of this act, termination and  
 40.2 nonrenewal of leases are permitted for those with outstanding rent, but who are ineligible  
 40.3 for rental assistance through the COVID-19 emergency rental assistance program;
- 40.4 (2) filing of eviction actions under Minnesota Statutes, section 504B.285 or 504B.291,  
 40.5 except:
- 40.6 (i) where the tenant seriously endangers the safety of others or significantly damages  
 40.7 property;
- 40.8 (ii) for violations under Minnesota Statutes, section 504B.171, subdivision 1;
- 40.9 (iii) from and after 30 days after the date of enactment of this act, eviction actions are  
 40.10 permitted for material violations of the lease other than nonpayment of rent; and
- 40.11 (iv) from and after 60 days after the date of enactment of this act, eviction actions are  
 40.12 permitted for those with outstanding rent, but who are ineligible for rental assistance through  
 40.13 the COVID-19 emergency rental assistance program;
- 40.14 (3) termination of a residential rental agreement or filing an eviction action under  
 40.15 Minnesota Statutes, section 327C.09, except for terminations or eviction actions under  
 40.16 Minnesota Statutes, section 327C.09, subdivision 3, or under Minnesota Statutes, section

- 40.17 327C.09, subdivision 5, if the case is based on the resident endangering the safety of other  
 40.18 residents or park personnel; and
- 40.19 (4) delivery of default notices by owners of security interests in manufactured homes  
 40.20 located in Minnesota pursuant to Minnesota Statutes, section 327.64. A secured party is  
 40.21 also prohibited from commencing an action for a court order to remove an occupant from  
 40.22 a manufactured home.
- 40.23 (b) Notwithstanding paragraph (a), a landlord may file an eviction action against a tenant:
- 40.24 (1) who is eligible for assistance through the COVID-19 emergency rental assistance  
 40.25 program; and
- 40.26 (2) who refuses to apply for assistance through the program, refuses to provide  
 40.27 information needed by the landlord to apply for assistance on the tenant's behalf, or refuses  
 40.28 to provide the landlord with proof that the tenant applied for assistance through the program.
- 40.29 (c) Within 15 days of the date of enactment of this act, a landlord is encouraged to share  
 40.30 the following with all tenants in arrears over 30 days:
- 40.31 (1) the total amount due;
- 41.1 (2) the availability of any financial assistance programs for which the tenant may be  
 41.2 eligible; and
- 41.3 (3) information about documents required by the city, county, state, or other entity to  
 41.4 receive financial assistance.
- 41.5 (d) Nothing in this section shall:
- 41.6 (1) prohibit an action where the tenant or occupant abandons the premises and relief is  
 41.7 sought under Minnesota Statutes, section 504B.271 or 504B.365;
- 41.8 (2) reduce the rent owed by the tenant to the landlord, prevent the landlord from collecting  
 41.9 rent owed, or reduce arrears owed by a tenant for rent; or
- 41.10 (3) prohibit a tenant who is ineligible for assistance through the COVID-19 emergency  
 41.11 rental assistance program from applying for or obtaining rental assistance through other  
 41.12 programs.
- 41.13 (e) This section expires 90 days after the date of enactment of this act.
- 41.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.
- 41.15 Sec. 4. **EVICCTIONS; PENDING APPLICATIONS FOR RENTAL ASSISTANCE.**
- 41.16 Notwithstanding any law to the contrary, including section 3, the filing of an eviction  
 41.17 action based on nonpayment of rent against a tenant with a pending application for assistance

24.9

**ARTICLE 4**

24.10

**HOUSING FINANCE TECHNICAL AND CONFORMING CHANGES**

24.11 Section 1. Minnesota Statutes 2020, section 273.11, subdivision 12, is amended to read:

24.12 Subd. 12. **Community land trusts.** (a) A community land trust, as defined under chapter  
24.13 462A, is (i) a community-based nonprofit corporation organized under chapter 317A, which  
24.14 qualifies for tax exempt status under 501(c)(3), or (ii) a "city" as defined in section 462C.02,  
24.15 subdivision 6, which has received funding from the Minnesota housing finance agency for  
24.16 purposes of the community land trust program. The Minnesota Housing Finance Agency  
24.17 shall set the criteria for community land trusts.

24.18 (b) ~~All occupants of a community land trust building must have a family income of less~~  
24.19 ~~than 80 percent of the greater of (1) the state median income, or (2) the area or county~~  
24.20 ~~median income, as most recently determined by the Department of Housing and Urban~~  
24.21 ~~Development.~~ Before the community land trust can rent or sell a unit to an applicant, the  
24.22 community land trust shall verify to the satisfaction of the administering agency or the city  
24.23 that the family income of each person or family applying for a unit in the community land  
24.24 trust building is within the income criteria provided in this paragraph. The administering  
24.25 agency or the city shall verify to the satisfaction of the county assessor that the occupant  
24.26 meets the income criteria under this paragraph. The property tax benefits under paragraph  
24.27 (c) shall be granted only to property owned or rented by persons or families within the  
24.28 qualifying income limits. The family income criteria and verification is only necessary at  
24.29 the time of initial occupancy in the property.

24.30 (c) A unit which is owned by the occupant and used as a homestead by the occupant  
24.31 qualifies for homestead treatment as class 1a under section 273.13, subdivision 22. A unit  
24.32 which is rented by the occupant and used as a homestead by the occupant shall be class 4a  
25.1 or 4b property, under section 273.13, subdivision 25, whichever is applicable. Any remaining  
25.2 portion of the property not used for residential purposes shall be classified by the assessor  
25.3 in the appropriate class based upon the use of that portion of the property owned by the  
25.4 community land trust. The land upon which the building is located shall be assessed at the  
25.5 same classification rate as the units within the building, provided that if the building contains  
25.6 some units assessed as class 1a and some units assessed as class 4a or 4b, the market value  
25.7 of the land will be assessed in the same proportions as the value of the building.

25.8 **EFFECTIVE DATE.** This section is effective August 1, 2021.

41.18 through the COVID-19 emergency rental assistance program is prohibited. This section  
41.19 expires June 1, 2022.

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

18.10 Sec. 4. Minnesota Statutes 2020, section 273.11, subdivision 12, is amended to read:

18.11 Subd. 12. **Community land trusts.** (a) A community land trust, as defined under chapter  
18.12 462A, is (i) a community-based nonprofit corporation organized under chapter 317A, which  
18.13 qualifies for tax exempt status under 501(c)(3), or (ii) a "city" as defined in section 462C.02,  
18.14 subdivision 6, which has received funding from the Minnesota housing finance agency for  
18.15 purposes of the community land trust program. The Minnesota Housing Finance Agency  
18.16 shall set the criteria for community land trusts.

18.17 (b) ~~All occupants of a community land trust building must have a family income of less~~  
18.18 ~~than 80 percent of the greater of (1) the state median income, or (2) the area or county~~  
18.19 ~~median income, as most recently determined by the Department of Housing and Urban~~  
18.20 ~~Development.~~ Before the community land trust can rent or sell a unit to an applicant, the  
18.21 community land trust shall verify to the satisfaction of the administering agency or the city  
18.22 that the family income of each person or family applying for a unit in the community land  
18.23 trust building is within the income criteria provided in this paragraph section 462A.30,  
18.24 subdivision 9. The administering agency or the city shall verify to the satisfaction of the  
18.25 county assessor that the occupant meets the income criteria under this paragraph section  
18.26 462A.30, subdivision 9. The property tax benefits under paragraph (c) shall be granted only  
18.27 to property owned or rented by persons or families within the qualifying income limits. The  
18.28 family income criteria and verification is only necessary at the time of initial occupancy in  
18.29 the property.

18.30 (c) A unit which is owned by the occupant and used as a homestead by the occupant  
18.31 qualifies for homestead treatment as class 1a under section 273.13, subdivision 22. A unit  
18.32 which is rented by the occupant and used as a homestead by the occupant shall be class 4a  
18.33 or 4b property, under section 273.13, subdivision 25, whichever is applicable. Any remaining  
18.34 portion of the property not used for residential purposes shall be classified by the assessor  
19.1 in the appropriate class based upon the use of that portion of the property owned by the  
19.2 community land trust. The land upon which the building is located shall be assessed at the  
19.3 same classification rate as the units within the building, provided that if the building contains  
19.4 some units assessed as class 1a and some units assessed as class 4a or 4b, the market value  
19.5 of the land will be assessed in the same proportions as the value of the building.

19.6 **EFFECTIVE DATE.** This section is effective August 1, 2021.

25.9 Sec. 2. Minnesota Statutes 2020, section 462A.30, subdivision 9, is amended to read:  
25.10 Subd. 9. **Persons and families of low and moderate income.** "Persons and families of  
25.11 low and moderate income" means persons or families whose income does not exceed:  
25.12 (1) ~~80~~ 115 percent of the greater of state median income, or area or county median  
25.13 income as determined by the Department of Housing and Urban Development; or  
25.14 (2) the amount that qualifies the organization for tax exempt status under United States  
25.15 Code, title 26, section 501(c)(3), whichever is less.

25.16 **EFFECTIVE DATE.** This section is effective August 1, 2021.

25.17 **ARTICLE 5**

25.18 **BONDING PROVISIONS**

25.19 Section 1. Minnesota Statutes 2020, section 474A.21, is amended to read:

25.20 **474A.21 APPROPRIATION; RECEIPTS.**

25.21 Any fees collected by the department under sections 474A.01 to 474A.21 must be  
25.22 deposited in a separate account in the ~~general~~ special revenue fund. The amount necessary  
25.23 to refund application deposits is appropriated to the department from the separate account  
25.24 in the ~~general~~ special revenue fund for that purpose. The interest accruing on application  
25.25 deposits and any application deposit not refunded as provided under section 474A.061,  
25.26 subdivision 4 or 7, or 474A.091, subdivision 5, or forfeited as provided under section  
25.27 474A.131, subdivision 1, paragraph (b), or subdivision 2, must be deposited in the housing  
25.28 trust fund account under section 462A.201.

26.1 Sec. 2. **HOUSING POOL BONDING AUTHORITY APPLICATION DEPOSIT**  
26.2 **REFUND.**

26.3 Notwithstanding Minnesota Statutes, sections 474A.061, subdivisions 1a, paragraph (a),  
26.4 and 7; and 474A.21, due to the unique circumstances of the COVID-19 pandemic, issuers  
26.5 that returned all of their allocation of bonding authority from the 2020 housing pool shall  
26.6 receive a refund of the amount of the application deposit submitted with the issuer's 2020  
26.7 housing pool application, less any amount previously refunded. Any application deposit  
26.8 money that has not yet been transferred under Minnesota Statutes, section 474A.21, as of  
26.9 the date of final enactment that is connected to full returns of bonding authority from the  
26.10 2020 housing pool is not required to be deposited in the fund under Minnesota Statutes,  
26.11 section 462A.201; and the department may instead retain that money in the separate account  
26.12 in the special revenue fund under Minnesota Statutes, section 474A.21. The amount necessary  
26.13 to refund the application deposits under this section is appropriated to the department from  
26.14 the separate account in the special revenue fund under Minnesota Statutes, section 474A.21.  
26.15 For purposes of this section, "department" means the Department of Management and  
26.16 Budget.

25.7 Sec. 14. Minnesota Statutes 2020, section 462A.30, subdivision 9, is amended to read:  
25.8 Subd. 9. **Persons and families of low and moderate income.** "Persons and families of  
25.9 low and moderate income" means persons or families whose income does not exceed:  
25.10 (1) ~~80~~ 115 percent of the greater of state median income, or area or county median income  
25.11 as determined by the Department of Housing and Urban Development; or  
25.12 (2) the amount that qualifies the organization for tax exempt status under United States  
25.13 Code, title 26, section 501(c)(3), whichever is less.

25.14 **EFFECTIVE DATE.** This section is effective August 1, 2021.

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

26.18 **ARTICLE 6**

26.19 **RESIDENTIAL RENTAL HOUSING POLICY**

26.20 Section 1. Minnesota Statutes 2020, section 256C.02, is amended to read:

26.21 **256C.02 PUBLIC ACCOMMODATIONS.**

26.22 People who are blind or people with a visual or physical disability have the same right  
26.23 as the able-bodied to the full and free use of the streets, highways, sidewalks, walkways,  
26.24 public buildings, public facilities, and other public places; and are entitled to full and equal  
26.25 accommodations, advantages, facilities, and privileges of all common carriers, airplanes,  
26.26 motor vehicles, railroad trains, motor buses, boats, or any other public conveyances or  
26.27 modes of transportation, hotels, lodging places, places of public accommodation, amusement,  
26.28 or resort, and other places to which the general public is invited, subject only to the conditions  
26.29 and limitations established by law and applicable alike to all persons.

26.30 Every person who is totally or partially blind, or person who is deaf, or person with a  
26.31 physical disability, or any person training a dog to be a service dog shall have the right to  
26.32 be accompanied by a service dog in any of the places listed in section 363A.19. The person  
26.33 shall be liable for any damage done to the premises or facilities by such dog. ~~The service  
27.1 dog must be capable of being properly identified as from a recognized school for seeing  
27.2 eye, hearing ear, service, or guide dogs.~~

27.3 Sec. 2. Minnesota Statutes 2020, section 363A.09, subdivision 5, is amended to read:

27.4 Subd. 5. **Real property full and equal access.** It is an unfair discriminatory practice  
27.5 for a person to deny full and equal access to real property provided for in sections 363A.08  
27.6 to 363A.19, and 363A.28, subdivision 10, to a person who is totally or partially blind, deaf,  
27.7 or has a physical or sensory disability and who uses a service animal, if the service  
27.8 animal can be properly identified as being from a recognized program which trains service  
27.9 animals to aid persons who are totally or partially blind or deaf or have physical or sensory  
27.10 disabilities. The person may not be required to pay extra compensation for the service animal  
27.11 but is liable for damage done to the premises by the service animal.

27.12 Sec. 3. Minnesota Statutes 2020, section 484.014, subdivision 2, is amended to read:

27.13 Subd. 2. **Discretionary expungement.** The court may order expungement of an eviction  
27.14 case court file only upon motion of a defendant and decision by the court, if the court finds  
27.15 that the plaintiff's case is sufficiently without basis in fact or law, which may include lack  
27.16 of jurisdiction over the case, that if the court makes the following findings: (1) the eviction  
27.17 case court file is no longer a reasonable predictor of future tenant behavior; and (2) the  
27.18 expungement is clearly in the interests of justice and those interests are not outweighed by  
27.19 the public's interest in knowing about the record.

27.20 Sec. 4. Minnesota Statutes 2020, section 484.014, subdivision 3, is amended to read:

27.21 Subd. 3. **Mandatory expungement.** The court shall order expungement of an eviction  
27.22 case:

27.23 (1) commenced solely on the grounds provided in section 504B.285, subdivision 1,  
27.24 clause (1), if the court finds that the defendant occupied real property that was subject to  
27.25 contract for deed cancellation or mortgage foreclosure and:

27.26 (1) (i) the time for contract cancellation or foreclosure redemption has expired and the  
27.27 defendant vacated the property prior to commencement of the eviction action; or

27.28 (2) (ii) the defendant was a tenant during the contract cancellation or foreclosure  
27.29 redemption period and did not receive a notice under section 504B.285, subdivision 1a, 1b,  
27.30 or 1c, to vacate on a date prior to commencement of the eviction case-;

27.31 (2) if the defendant prevailed on the merits;

28.1 (3) if the court dismissed the plaintiff's complaint for any reason;

28.2 (4) if the parties to the action have agreed to an expungement;

28.3 (5) if the court finds an eviction was ordered at least three years prior to the date the  
28.4 expungement was filed; or

28.5 (6) upon motion of a defendant, if the case is settled and the defendant fulfills the terms  
28.6 of the settlement.

28.7 Sec. 5. Minnesota Statutes 2020, section 504B.001, subdivision 4, is amended to read:

28.8 Subd. 4. **Evict or eviction.** "Evict" or "eviction" means a summary court proceeding to  
28.9 remove a tenant or occupant from or otherwise recover possession of real property by the  
28.10 process of law set out in this chapter.

28.11 Sec. 6. **[504B.113] SERVICE AND SUPPORT ANIMAL DOCUMENTATION.**

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

28.14 (b) "Service animal" has the meaning given in Code of Federal Regulations, title 28,  
28.15 section 36.104, as amended.

28.16 (c) "Support animal" means an animal that: (1) provides emotional support that alleviates  
28.17 one or more identified symptoms or effects of a person's disability; and (2) does not need  
28.18 to be trained to perform a specific disability-related task.

28.19 (d) "Tenant" means a current tenant or a prospective tenant.

28.20 (e) "Licensed professional" means a provider of care who is:

- 28.21 (1) a person licensed by the Board of Medical Practice under chapter 147;
- 28.22 (2) a physician assistant licensed under chapter 147A;
- 28.23 (3) a nurse, as defined in section 148.171, subdivision 9, licensed under chapter 148;
- 28.24 (4) a psychologist licensed under chapter 148;
- 28.25 (5) a mental health professional licensed under chapter 148B;
- 28.26 (6) a social worker licensed under chapter 148E;
- 28.27 (7) a counselor licensed under chapter 148F; or
- 29.1 (8) any professional listed in clauses (1) to (7) who holds a valid license in any other
- 29.2 state, provided the professional has an existing treatment relationship with the tenant
- 29.3 requesting a reasonable accommodation.
- 29.4 A licensed professional does not include any person who operates primarily to provide
- 29.5 certification for a service or support animal.
- 29.6 (f) "Reasonable accommodation" means the granting of a waiver by a landlord of a
- 29.7 no-pets or pet-fee policy for a person with a disability consistent with the Fair Housing Act,
- 29.8 United States Code, title 42, sections 3601 to 3619, as amended, and section 504 of the
- 29.9 Rehabilitation Act of 1973, United States Code, title 29, section 701, as amended.
- 29.10 (g) "Disability" has the meaning given in section 363A.03, subdivision 12.
- 29.11 Subd. 2. **Request for documentation permitted.** (a) A landlord may require a tenant
- 29.12 to provide supporting documentation for each service or support animal for which the tenant
- 29.13 requests a reasonable accommodation under any provision of law. A landlord must not
- 29.14 require supporting documentation from a tenant if the tenant's disability or disability-related
- 29.15 need for a service or support animal is readily apparent or already known to the landlord.
- 29.16 (b) Upon a landlord's request, the tenant must provide supporting documentation from
- 29.17 a licensed professional confirming the tenant's disability and the relationship between the
- 29.18 tenant's disability and the need for a service or support animal. A landlord must not require
- 29.19 the tenant to disclose or provide access to medical records or medical providers or provide
- 29.20 any other information or documentation of a person's physical or mental disability.
- 29.21 Subd. 3. **Additional fees or deposits prohibited.** A landlord must not require a tenant
- 29.22 with a reasonable accommodation under this section to pay an additional fee, charge, or
- 29.23 deposit for the service or support animal. A tenant is liable to the landlord for any damage
- 29.24 to the premises caused by the service or support animal.
- 29.25 Subd. 4. **Prohibited conduct.** A tenant must not, directly or indirectly through statements
- 29.26 or conduct, knowingly:



29.27 (1) misrepresent themselves as a person with a disability that requires the use of a service  
29.28 or support animal; or

29.29 (2) provide fraudulent supporting documentation under this section.

29.30 Subd. 5. **Penalty.** If a tenant violates this section, the landlord may deny the tenant's  
29.31 rental application or reasonable accommodation request for a service or support animal.  
29.32 Nothing in this section shall be construed to prohibit an eviction action based on a breach  
29.33 of the lease.

30.1 Sec. 7. **[504B.116] PRORATED RENT REQUIRED.**

30.2 When a lease term for a residential unit ends on a date before the last day of the final  
30.3 month, the amount of rent to be paid for the final month owed for the final month of rent  
30.4 must be prorated at the average daily rate for that month so that the tenant only pays for the  
30.5 actual number of days that occupancy is allowed. This provision applies to all leases,  
30.6 including leases requiring the last month of rent to be paid in advance. Any attempted waiver  
30.7 of this section by a landlord and tenant, by contract or otherwise, shall be void and  
30.8 unenforceable.

30.9 **EFFECTIVE DATE.** This section is effective August 1, 2021, and applies to leases  
30.10 entered into on or after that date.

30.11 Sec. 8. **[504B.120] PROHIBITED FEES.**

30.12 Subdivision 1. **Prohibited fees.** Except for actual services rendered for an optional  
30.13 service offered by the landlord, a landlord shall not charge a tenant any nonrefundable fee  
30.14 in relation to a residential tenancy.

30.15 Subd. 2. **Penalties.** A landlord who violates this section is liable to the residential tenant  
30.16 for each unenforceable fee for three times the amount of each fee imposed that was not for  
30.17 an actual optional service or \$500, whichever is greater, and the court may award the tenant  
30.18 reasonable attorney's fees.

30.19 **EFFECTIVE DATE.** This section applies to leases signed on or after August 1, 2021.

30.20 Sec. 9. Minnesota Statutes 2020, section 504B.135, is amended to read:

30.21 **504B.135 TERMINATING TENANCY AT WILL.**

30.22 ~~(a)~~ A tenancy at will may be terminated by either party by giving notice in writing. The  
30.23 time of the notice must be at least as long as the interval between the time rent is due or  
30.24 three months, whichever is less.

30.25 ~~(b)~~ If a tenant neglects or refuses to pay rent due on a tenancy at will, the landlord may  
30.26 terminate the tenancy by giving the tenant 14 days notice to quit in writing.

30.27 Sec. 10. **[504B.144] EARLY RENEWAL.**

30.28 When a landlord and a tenant sign a residential lease for a term that is at least ten months,  
30.29 the landlord must not require the tenant to renew the lease until at least four months have  
30.30 passed since the tenant occupied the unit. Any attempted waiver of this section by a landlord  
30.31 and tenant, by contract or otherwise, shall be void and unenforceable.

31.1 **EFFECTIVE DATE.** This section is effective August 1, 2021, and applies to leases  
31.2 entered into on or after that date.

31.3 Sec. 11. Minnesota Statutes 2020, section 504B.161, subdivision 1, is amended to read:

31.4 Subdivision 1. **Requirements.** (a) In every lease or license of residential premises, the  
31.5 landlord or licensor covenants:

31.6 (1) that the premises and all common areas are fit for the use intended by the parties;

31.7 (2) to keep the premises in reasonable repair during the term of the lease or license,  
31.8 except when the disrepair has been caused by the willful, malicious, or irresponsible conduct  
31.9 of the tenant or licensee or a person under the direction or control of the tenant or licensee;

31.10 (3) to make the premises reasonably energy efficient by installing weatherstripping,  
31.11 caulking, storm windows, and storm doors when any such measure will result in energy  
31.12 procurement cost savings, based on current and projected average residential energy costs  
31.13 in Minnesota, that will exceed the cost of implementing that measure, including interest,  
31.14 amortized over the ten-year period following the incurring of the cost; ~~and~~

31.15 (4) to maintain the premises in compliance with the applicable health and safety laws  
31.16 of the state, and of the local units of government where the premises are located during the  
31.17 term of the lease or license, except when violation of the health and safety laws has been  
31.18 caused by the willful, malicious, or irresponsible conduct of the tenant or licensee or a  
31.19 person under the direction or control of the tenant or licensee; and

31.20 (5) to supply or furnish heat at a minimum temperature of at least 68 degrees Fahrenheit,  
31.21 measured at a distance of 36 inches above floor level, and not closer than 36 inches from  
31.22 any wall, from October 1 through April 30.

31.23 (b) The parties to a lease or license of residential premises may not waive or modify the  
31.24 covenants imposed by this section.

31.25 Sec. 12. Minnesota Statutes 2020, section 504B.211, subdivision 2, is amended to read:

31.26 Subd. 2. **Entry by landlord.** Except as provided in subdivision 4, a landlord may enter  
31.27 the premises rented by a residential tenant without the residential tenant's permission only  
31.28 for a reasonable business purpose and after making a good faith effort to give the residential  
31.29 tenant reasonable notice under the circumstances of not less than 24 hours in advance of  
31.30 the intent to enter. The notice must specify a time of entry that does not exceed four hours  
31.31 and the landlord may only enter between the hours of 8:00 a.m. and 8:00 p.m. A residential

31.32 tenant may withdraw the residential tenant's permission at any time. A residential tenant  
32.1 may not waive and the landlord may not require the residential tenant to waive the residential  
32.2 tenant's right to prior notice of entry under this section as a condition of entering into or  
32.3 maintaining the lease.

32.4 Sec. 13. Minnesota Statutes 2020, section 504B.211, subdivision 6, is amended to read:

32.5 Subd. 6. **Penalty.** If a landlord substantially violates subdivision 2 this section, the  
32.6 residential tenant is entitled to a penalty which may include a rent reduction up to full  
32.7 rescission of the lease, recovery of any damage deposit less any amount retained under  
32.8 section 504B.178, and up to a \$100 civil penalty for each violation. If a landlord violates  
32.9 subdivision 5, the residential tenant is entitled to up to a \$100 civil penalty for each violation  
32.10 damages not less than an amount equal to one month's rent and reasonable attorney fees. A  
32.11 residential tenant shall may follow the procedures in sections 504B.381, 504B.385, and  
32.12 504B.395 to 504B.471 to enforce the provisions of this section. A violation of this section  
32.13 by the landlord is a violation of section 504B.161.

32.14 **EFFECTIVE DATE.** This section applies to matters commenced on or after August  
32.15 1, 2021.

32.16 Sec. 14. Minnesota Statutes 2020, section 504B.241, subdivision 4, is amended to read:

32.17 Subd. 4. **Court file information.** (a) If a residential tenant screening service includes  
32.18 information from a court file on an individual in a residential tenant report, the report must  
32.19 provide the full name and date of birth of the individual in any case where the court file  
32.20 includes the individual's full name and date of birth, and the outcome of the court proceeding  
32.21 must be accurately recorded in the residential tenant report including the specific basis of  
32.22 the court's decision, when available.

32.23 (b) If a tenant screening service knows that a court file has been expunged or that the  
32.24 court file has not resulted in a writ of recovery of premises and order to vacate, as defined  
32.25 in section 504B.001, subdivision 15, the tenant screening service shall delete any reference  
32.26 to that file in any data maintained or disseminated by the screening service. Every tenant  
32.27 screening service has an affirmative duty to update and verify the current status of court  
32.28 files by accessing the Minnesota Court Information System no more than 24 hours prior to  
32.29 issuing a residential tenant screening report. If a file cannot be found, it shall be presumed  
32.30 to be expunged and may not be reported.

32.31 (c) Whenever the court supplies information from a court file on an individual, in  
32.32 whatever form, the court shall include the full name and date of birth of the individual, if  
32.33 that is indicated on the court file or summary, and information on the outcome of the court  
33.1 proceeding, including the specific basis of the court's decision, coded as provided in  
33.2 subdivision 5 for the type of action, when it becomes available.

33.3 (d) The residential tenant screening service is not liable under section 504B.245 if the  
33.4 residential tenant screening service reports complete and accurate information as provided  
33.5 by the court, consistent with paragraph (b).

33.6 Sec. 15. Minnesota Statutes 2020, section 504B.245, is amended to read:

33.7 **504B.245 TENANT REPORT; REMEDIES.**

33.8 The remedies provided in section 8.31 apply to A residential tenant aggrieved by a  
33.9 violation of section 504B.241 is entitled to recover damages, together with costs and  
33.10 disbursements, including costs of investigation and attorney fees, and receive other equitable  
33.11 relief as determined by the court. A residential tenant screening service or landlord in  
33.12 compliance with the provisions of the Fair Credit Reporting Act, United States Code, title  
33.13 15, section 1681, et seq., is considered to be in compliance with section 504B.241.

33.14 Sec. 16. **[504B.266] TERMINATION OF LEASE UPON INFIRMITY OF TENANT.**

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

33.17 (b) "Authorized representative" means a person acting as an attorney-in-fact under a  
33.18 power of attorney under section 523.24 or a court-appointed conservator or guardian under  
33.19 chapter 524.

33.20 (c) "Disability" means any condition or characteristic that is a physical, sensory, or  
33.21 mental impairment that materially limits one or more major life activity.

33.22 (d) "Medical care facility" means:

33.23 (1) a nursing home, as defined in section 144A.01, subdivision 5;

33.24 (2) hospice care, as defined in section 144A.75, subdivision 8;

33.25 (3) a residential hospice facility, as defined in section 144A.75, subdivision 13;

33.26 (4) boarding care, as licensed under chapter 144 and regulated by the Department of  
33.27 Health under Minnesota Rules, chapter 4655;

33.28 (5) a supervised living facility, as licensed under chapter 144;

33.29 (6) a facility providing assisted living, as defined in section 144G.01, subdivision 2;

33.30 (7) an accessible unit, as defined in section 363A.40, subdivision 1, paragraph (b);

34.1 (8) a state facility as defined in section 246.50, subdivision 3;

34.2 (9) a facility providing a foster care for adults program as defined in section 245A.02,  
34.3 subdivision 6c; or

34.4 (10) a facility providing intensive residential treatment services as defined in section  
34.5 256B.0622, subdivision 2, paragraph (n).

34.6 (e) "Medical professional" means:

- 34.7 (1) a physician who is currently licensed to practice medicine under section 147.02,  
34.8 subdivision 1;
- 34.9 (2) an advanced practice registered nurse, as defined in section 148.171, subdivision 3;  
34.10 or
- 34.11 (3) a mental health professional as defined in sections 245.462, subdivision 18, clauses  
34.12 (1) to (6), and 245.4871, subdivision 27, clauses (1) to (5).
- 34.13 **Subd. 2. Termination of lease upon infirmity of tenant.** (a) A tenant or the authorized  
34.14 representative of the tenant may terminate the lease prior to the expiration of the lease in  
34.15 the manner provided in subdivision 3 if the tenant has, or if there is more than one tenant  
34.16 all the tenants have, been found by a medical professional to need to move into a medical  
34.17 care facility and:
- 34.18 (1) require assistance with instrumental activities of daily living or personal activities  
34.19 of daily living due to medical reasons or a disability;
- 34.20 (2) meet one of the nursing facility level of care criteria under section 144.0724,  
34.21 subdivision 11; or
- 34.22 (3) have a disability or functional impairment in three or more of the areas listed in  
34.23 section 245.462, subdivision 11a, so that self-sufficiency is markedly reduced because of  
34.24 a mental illness.
- 34.25 (b) When a tenant requires an accessible unit as defined in section 363A.40, subdivision  
34.26 1, and the landlord can provide an accessible unit in the same complex where the tenant  
34.27 currently resides that is available within two months of the request, the provisions of this  
34.28 section do not apply and the tenant may not terminate the lease.
- 34.29 **Subd. 3. Notice.** When the conditions in subdivision 2 have been met, the tenant or the  
34.30 tenant's authorized representative may terminate the lease by providing at least two months'  
34.31 written notice to be effective on the last day of a calendar month. The notice must be either  
34.32 hand-delivered or mailed by postage prepaid, first class mail. The notice must include: (1)  
35.1 a copy of the medical professional's written documentation of the infirmity; and (2)  
35.2 documentation showing that the tenant has been accepted as a resident or has a pending  
35.3 application at a location where the medical professional has indicated that the tenant needs  
35.4 to move. The termination of a lease under this section shall not relieve the eligible tenant  
35.5 from liability either for the payment of rent or other sums owed prior to or during the notice  
35.6 period, or for the payment of amounts necessary to restore the premises to their condition  
35.7 at the commencement of the tenancy, ordinary wear and tear excepted.
- 35.8 **Subd. 4. Waiver prohibited.** Any waiver of the rights of termination provided by this  
35.9 section, including lease provisions or other agreements that require a longer notice period  
35.10 than those provided for in this section, shall be void and unenforceable.

35.11 Subd. 5. **Other laws.** Nothing in this section affects the rights or remedies available in  
35.12 this chapter or other law, including but not limited to chapter 363A.

35.13 **EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to leases  
35.14 entered into or renewed on or after January 1, 2022. For the purposes of this section, estates  
35.15 at will shall be deemed to be renewed at the commencement of each rental period.

35.16 Sec. 17. **[504B.268] RIGHT TO COUNSEL IN PUBLIC HOUSING; BREACH OF**  
35.17 **LEASE EVICTION ACTIONS.**

35.18 Subdivision 1. **Right to counsel.** A defendant in public housing subject to an eviction  
35.19 action under sections 504B.281 to 504B.371 alleging breach of lease under section 504B.171  
35.20 or 504B.285 who is financially unable to obtain counsel has the right to counsel appointed  
35.21 by the court. The complaint required by section 504B.321 shall include the notice on the  
35.22 first page of the complaint in bold 12-point type: "If financially unable to obtain counsel,  
35.23 the defendant has the right to a court-appointed attorney." At the initial hearing, the court  
35.24 shall ask the defendant if the defendant wants court-appointed counsel and shall explain  
35.25 what such appointed counsel can accomplish for the defendant. For the purposes of this  
35.26 section "public housing" has the meaning provided in and regulated by United States Code,  
35.27 title 42, section 1437 et. seq., and Code of Federal Regulations, title 24, parts 5 and 902-990,  
35.28 and a defendant is considered eligible for counsel due to financial need based on the  
35.29 defendant's qualification for public housing.

35.30 Subd. 2. **Qualifications.** Counsel appointed by the court must: (1) have a minimum of  
35.31 two years' experience handling public housing evictions; (2) have training in handling public  
35.32 housing evictions; or (3) be supervised by an attorney who meets the minimum qualifications  
35.33 under clause (1) or (2).

36.1 Subd. 3. **Compensation.** By January 15, 2022, and every year thereafter, the chief judge  
36.2 of the judicial district, after consultation with public housing attorneys, legal aid attorneys,  
36.3 and members of the private bar in the district, shall establish a compensation rate for attorney  
36.4 fees and costs associated with representation under subdivision 1. The compensation to be  
36.5 paid to an attorney for such service rendered to a defendant under this subdivision may not  
36.6 exceed \$5,000, exclusive of reimbursement for expenses reasonably incurred, unless payment  
36.7 in excess of that limit is certified by the chief judge of the district as necessary to provide  
36.8 fair compensation for services of an unusual character or duration.

36.9 Sec. 18. Minnesota Statutes 2020, section 504B.321, is amended to read:

36.10 **504B.321 COMPLAINT AND SUMMONS.**

36.11 Subdivision 1. **Procedure.** (a) To bring an eviction action, the person complaining shall  
36.12 file a complaint with the court, stating the full name and date of birth of the person against  
36.13 whom the complaint is made, unless it is not known, describing the premises of which  
36.14 possession is claimed, stating the facts which authorize the recovery of possession, and  
36.15 asking for recovery thereof.

36.16 (b) The lack of the full name and date of birth of the person against whom the complaint  
36.17 is made does not deprive the court of jurisdiction or make the complaint invalid.

36.18 (c) The court shall issue a summons, commanding the person against whom the complaint  
36.19 is made to appear before the court on a day and at a place stated in the summons.

36.20 (d) The appearance shall be not less than ~~seven nor more than~~ 14 days from the day of  
36.21 issuing the summons, except as provided by subdivision 2.

36.22 (e) A copy of the complaint shall be attached to the summons, which shall state that the  
36.23 copy is attached and that the original has been filed.

36.24 (f) If applicable, the person filing a complaint must attach a copy of the written notice  
36.25 described in subdivision 1a. The court shall dismiss an action without prejudice for failure  
36.26 to provide a notice as described in subdivision 1a and grant an expungement of the eviction  
36.27 case court file.

36.28 Subd. 1a. **Written notice.** (a) Before bringing an eviction action alleging nonpayment  
36.29 of rent, a landlord must provide written notice to the residential tenant specifying the basis  
36.30 for a future eviction action.

36.31 (b) For an allegation of nonpayment of rent or other unpaid financial obligations in  
36.32 violation of the lease, the landlord must include the following in a written notice:

37.1 (1) the total amount due;

37.2 (2) a specific accounting of the amount of the total due that is comprised of unpaid rents,  
37.3 late fees, or other charges under the lease; and

37.4 (3) the name and address of the person authorized to receive rent and fees on behalf of  
37.5 the landlord.

37.6 (c) A notice provided under this section must:

37.7 (1) provide a disclaimer that a low-income tenant may be eligible for financial assistance  
37.8 from the county;

37.9 (2) provide a description on how to access legal and financial assistance through the  
37.10 "Law Help" website at [www.lawhelpmn.org](http://www.lawhelpmn.org) and "Minnesota 211" through its website  
37.11 [www.211unitedway.org](http://www.211unitedway.org) or by calling 211; and

37.12 (3) state that the landlord may bring an eviction action following expiration of the 14-day  
37.13 notice period if the tenant fails to pay the total amount due or vacates.

37.14 (d) The landlord or an agent of the landlord must deliver the notice personally or by first  
37.15 class mail to the residential tenant at the address of the leased premises.

37.16 (e) If the tenant fails to correct the rent delinquency within 14 days of the delivery or  
 37.17 mailing of the notice, or fails to vacate, the landlord may bring an eviction action under  
 37.18 subdivision 1 based on the nonpayment of rent.

37.19 (f) Receipt of a notice under this section is an emergency situation under section 256D.06,  
 37.20 subdivision 2, and Minnesota Rules, chapter 9500. For purposes of chapter 256J and  
 37.21 Minnesota Rules, chapter 9500, a county agency verifies an emergency situation by receiving  
 37.22 and reviewing a notice under this section. If a residential tenant applies for financial  
 37.23 assistance from the county, the landlord must cooperate with the application process by:

37.24 (1) supplying all information and documentation requested by the tenant or the county;  
 37.25 and

37.26 (2) accepting or placing into escrow partial rent payments where necessary to establish  
 37.27 a tenant's eligibility for assistance.

37.28 Subd. 2. **Expedited procedure.** (a) In an eviction action brought under section 504B.171  
 37.29 or on the basis that the tenant is causing a nuisance or other illegal behavior that seriously  
 37.30 endangers the safety of other residents, their property, or the landlord's property, the person  
 37.31 filing the complaint shall file an affidavit stating specific facts and instances in support of  
 37.32 why an expedited hearing is required.

38.1 (b) The complaint and affidavit shall be reviewed by a referee or judge and scheduled  
 38.2 for an expedited hearing only if sufficient supporting facts are stated and they meet the  
 38.3 requirements of this paragraph.

38.4 (c) The appearance in an expedited hearing shall be not less than five days nor more  
 38.5 than seven days from the date the summons is issued. The summons, in an expedited hearing,  
 38.6 shall be served upon the tenant within 24 hours of issuance unless the court orders otherwise  
 38.7 for good cause shown.

38.8 (d) If the court determines that the person seeking an expedited hearing did so without  
 38.9 sufficient basis under the requirements of this subdivision, the court shall impose a civil  
 38.10 penalty of up to \$500 for abuse of the expedited hearing process.

38.11 Subd. 3. **Nonpublic record.** An eviction action is not accessible to the public until the  
 38.12 court enters a final judgment.

38.13 Sec. 19. Minnesota Statutes 2020, section 504B.331, is amended to read:

38.14 **504B.331 SUMMONS; HOW SERVED.**

38.15 (a) The summons and complaint must be served at least ~~seven~~ 14 days before the date  
 38.16 of the court appearance specified in section 504B.321, in the manner provided for service  
 38.17 of a summons in a civil action in district court. ~~It may be served by any person not named~~  
 38.18 ~~a party to the action.~~



38.19 (b) If the defendant cannot be found in the county, the summons and complaint may be  
38.20 served at least ~~seven~~ 14 days before the date of the court appearance by:

38.21 (1) leaving a copy at the defendant's last usual place of abode with a person of suitable  
38.22 age and discretion residing there; or

38.23 (2) if the defendant had no place of abode, by leaving a copy at the property described  
38.24 in the complaint with a person of suitable age and discretion occupying the premises.

38.25 (c) Failure of the sheriff to serve the defendant is prima facie proof that the defendant  
38.26 cannot be found in the county.

38.27 (d) Where the defendant cannot be found in the county, service of the summons and  
38.28 complaint may be made upon the defendant by posting the summons in a conspicuous place  
38.29 on the property for not less than ~~one week~~ 14 days if:

38.30 (1) the property described in the complaint is:

38.31 (i) nonresidential and no person actually occupies the property; or

39.1 (ii) residential and service has been attempted at least twice on different days, with at  
39.2 least one of the attempts having been made between the hours of 6:00 p.m. and 10:00 p.m.;  
39.3 and

39.4 (2) the plaintiff or the plaintiff's attorney has signed and filed with the court an affidavit  
39.5 stating that:

39.6 (i) the defendant cannot be found, or that the plaintiff or the plaintiff's attorney believes  
39.7 that the defendant is not in the state; ~~and~~

39.8 (ii) a copy of the summons and complaint has been mailed to the defendant at the  
39.9 defendant's last known address if any is known to the plaintiff; and

39.10 (iii) the plaintiff or plaintiff's attorney has communicated to the defendant that an eviction  
39.11 hearing has been scheduled, including the date, time, and place of the hearing specified in  
39.12 the summons by all forms of communication the plaintiff regularly uses to communicate  
39.13 with the defendant, including e-mail and text message.

39.14 (e) If the defendant or the defendant's attorney does not appear in court on the date of  
39.15 the appearance, the trial shall proceed.

39.16 Sec. 20. Minnesota Statutes 2020, section 504B.335, is amended to read:

39.17 **504B.335 ANSWER; TRIAL.**

39.18 (a) At the court appearance specified in the summons, the defendant may answer the  
39.19 complaint, either orally or in writing, and the court shall hear and decide the action, unless  
39.20 it grants a continuance of the trial as provided in section 504B.341.

- 39.21 (1) dismiss the action;
- 39.22 (2) approve a settlement between the parties;
- 39.23 (3) schedule a trial for no fewer than ten days after the appearance; or
- 39.24 (4) continue the matter for other hearings the court deems appropriate.
- 39.25 (b) If any defendant fails to appear at the scheduled court appearance, the court shall
- 39.26 review the court records and determine whether the complaint was properly served pursuant
- 39.27 to section 504B.331. The court shall:
- 39.28 (1) dismiss the case for improper service;
- 39.29 (2) proceed with a trial on the allegations in the complaint; or
- 39.30 (3) schedule and provide notice to all parties of the date and time of a trial.
- 40.1 (c) When scheduling a trial, the court must consider all aspects of the case, including
- 40.2 the complexity of the matter; the need for parties to obtain discovery; the need for parties
- 40.3 to secure the presence of witnesses; the opportunity for the defendant to seek legal counsel,
- 40.4 apply for any emergency financial assistance that may be available, or both; and any
- 40.5 extenuating factors enumerated under section 504B.171.
- 40.6 (d) The parties shall cooperate with reasonable informal discovery requests by another
- 40.7 party.
- 40.8 ~~(b)~~ (e) Either party may demand a trial by jury.
- 40.9 ~~(e)~~ (f) The proceedings in the action are the same as in other civil actions, except as
- 40.10 provided in sections 504B.281 to 504B.371.
- 40.11 ~~(d) The court, in scheduling appearances and hearings under this section, shall give~~
- 40.12 ~~priority to any eviction brought under section 504B.171, or on the basis that the defendant~~
- 40.13 ~~is a tenant and is causing a nuisance or seriously endangers the safety of other residents,~~
- 40.14 ~~their property, or the landlord's property.~~
- 40.15 (g) Nothing in this section affects the rights of a landlord under section 504B.321,
- 40.16 subdivision 2.
- 40.17 (h) The court may not require the defendant to pay any amount of money into court,
- 40.18 post a bond, or by any other means post security for any purpose prior to final disposition
- 40.19 of the action, except for appeals as provided in section 504B.371.
- 40.20 Sec. 21. **[504B.337] ENFORCEMENT OF SETTLEMENT AGREEMENTS.**
- 40.21 Subdivision 1. Notice of compliance with settlement agreement. A party who believes
- 40.22 the other party has failed to comply with a court-approved settlement agreement may seek
- 40.23 judicial enforcement of the agreement after serving upon the other party an affidavit. A

40.24 party may file an affidavit that sets forth the specific facts constituting the alleged settlement  
40.25 violation. The party must serve this affidavit on all other parties.

40.26 Subd. 2. **Adjudication.** The court may schedule a hearing on the evidence or make a  
40.27 determination based on any filings and evidence submitted by the parties on the issue.

40.28 Subd. 3. **Stay of writ of recovery.** No writ of recovery shall be issued until the hearing  
40.29 has been held and a judgment on the matter entered.

41.1 Sec. 22. Minnesota Statutes 2020, section 504B.345, subdivision 1, is amended to read:

41.2 Subdivision 1. **General.** (a) If the court or jury finds for the plaintiff, the court shall  
41.3 immediately enter judgment that the plaintiff shall have recovery of the premises, and shall  
41.4 tax the costs against the defendant. The court shall issue execution in favor of the plaintiff  
41.5 for the costs and also immediately issue a writ of recovery of premises and order to vacate.

41.6 (b) The court shall give priority in issuing a writ of recovery of premises and order to  
41.7 vacate for an eviction action brought under section 504B.171 or on the basis that the tenant  
41.8 is causing a nuisance or seriously endangers the safety of other residents, their property, or  
41.9 the landlord's property.

41.10 (c) If the court or jury finds for the defendant, the court:

41.11 (1) ~~the court~~ shall enter judgment for the defendant, tax the costs against the plaintiff,  
41.12 and issue execution in favor of the defendant; ~~and~~

41.13 (2) ~~the court may~~ must expunge the records relating to the action under the provisions  
41.14 of section 484.014 or under the court's inherent authority at the time judgment is entered  
41.15 or after that time upon motion of the defendant; ~~and~~

41.16 (3) may order relief as provided in section 504B.425, including retroactive rent abatement.

41.17 (d) Except in actions brought: (1) under section 504B.291 as required by section  
41.18 609.5317, subdivision 1; (2) under section 504B.171; or (3) on the basis that the tenant is  
41.19 causing a nuisance or seriously endangers the safety of other residents, their property, or  
41.20 the landlord's property, ~~upon a showing by the defendant that immediate restitution of the~~  
41.21 ~~premises would work a substantial hardship upon the defendant or the defendant's family;~~  
41.22 the court shall stay the writ of recovery of premises and order to vacate for a reasonable  
41.23 period, ~~not to exceed seven days~~ a minimum of seven days. In establishing the period of  
41.24 the stay, the court must consider extenuating circumstances or any hardships that would be  
41.25 suffered by the defendant.

41.26 (e) This section applies to any writ of recovery issued at the conclusion of a trial pursuant  
41.27 to section 504B.335, paragraph (a) or (b).

41.28 Sec. 23. Minnesota Statutes 2020, section 504B.345, is amended by adding a subdivision  
41.29 to read:

41.30 Subd. 3. **Motion to vacate judgment.** Notwithstanding any other law to the contrary,  
41.31 the defendant may bring a motion to vacate a judgment in an eviction action and may appeal  
42.1 an order denying a motion to vacate a judgment to the same extent and under the same  
42.2 guidelines as a party to any other civil action.

42.3 Sec. 24. Minnesota Statutes 2020, section 504B.361, subdivision 1, is amended to read:

42.4 Subdivision 1. **Summons and writ.** The state court administrator shall develop a uniform  
42.5 form for the summons and writ of recovery of premises and order to vacate. The summons  
42.6 shall conform to the requirements enumerated under section 504B.321, subdivision 1a. The  
42.7 writ of recovery of premises and order to vacate must include:

42.8 (1) the following statement: "If you want to seek legal help and can't afford a lawyer,  
42.9 free legal help may be available. Contact your local Legal Aid office or visit the LawHelpMN  
42.10 website at www.LawHelpMn.org for information and referrals"; and

42.11 (2) the following statement: "To apply for financial assistance or other social services,  
42.12 contact your local county or Tribal social services office or call the United Way toll-free  
42.13 information line by dialing 211."

42.14 Sec. 25. Minnesota Statutes 2020, section 504B.371, subdivision 4, is amended to read:

42.15 Subd. 4. **Stay pending appeal.** After the appeal is taken, all further proceedings in the  
42.16 case are stayed, ~~except as provided in subdivision 7.~~

42.17 Sec. 26. Minnesota Statutes 2020, section 504B.371, subdivision 5, is amended to read:

42.18 Subd. 5. **Stay of writ issued before appeal.** (a) ~~Except as provided in subdivision 7, If~~  
42.19 the court issues a writ for recovery of premises and order to vacate before an appeal is taken,  
42.20 the appealing party may request that the court stay further proceedings and execution of the  
42.21 writ for possession of premises and order to vacate, and the court shall grant a stay.

42.22 (b) If the party appealing remains in possession of the premises, that party must give a  
42.23 bond under subdivision 3.

42.24 (c) When the officer who has the writ for possession of premises and order to vacate is  
42.25 served with the order granting the stay, the officer shall cease all further proceedings. If the  
42.26 writ for possession of premises and order to vacate has not been completely executed, the  
42.27 defendant shall remain in possession of the premises until the appeal is decided.

42.28 Sec. 27. Minnesota Statutes 2020, section 504B.371, subdivision 7, is amended to read:

42.29 Subd. 7. **Exception.** Subdivisions 1, 4, and 6 do not apply in an action ~~on a lease, against~~  
42.30 a tenant holding over after the expiration of the term of the lease, or a termination of the  
43.1 lease by a notice to quit, where the plaintiff has prevailed on a claim pursuant to section  
43.2 504B.171, subdivision 2, if the plaintiff gives a bond conditioned to pay all costs and damages

43.3 if on the appeal the judgment of restitution is reversed and a new trial ordered. In such a  
43.4 case, the court shall issue a writ for recovery of premises and order to vacate notwithstanding  
43.5 the notice of appeal, as if no appeal had been taken, and the appellate court shall issue all  
43.6 needful writs and processes to carry out any judgment which may be rendered in the court.

43.7 Sec. 28. Minnesota Statutes 2020, section 504B.375, subdivision 1, is amended to read:

43.8 Subdivision 1. **Unlawful exclusion or removal.** (a) This section applies to actual or  
43.9 constructive removal or exclusion of a residential tenant which may include the termination  
43.10 of utilities or the removal of doors, windows, or locks. A residential tenant to whom this  
43.11 section applies may recover possession of the premises as described in paragraphs (b) to  
43.12 (e).

43.13 (b) The residential tenant shall present a verified petition to the district court of the  
43.14 judicial district of the county in which the premises are located that:

43.15 (1) describes the premises and the landlord;

43.16 (2) specifically states the facts and grounds that demonstrate that the exclusion or removal  
43.17 was unlawful, including a statement that no writ of recovery of the premises and order to  
43.18 vacate has been issued under section 504B.345 in favor of the landlord and against the  
43.19 residential tenant and executed in accordance with section 504B.365; and

43.20 (3) asks for possession.

43.21 (c) If it clearly appears from the specific grounds and facts stated in the verified petition  
43.22 or by separate affidavit of the residential tenant or the residential tenant's attorney or agent  
43.23 that the exclusion or removal was unlawful, the court shall immediately order that the  
43.24 residential tenant have possession of the premises.

43.25 (d) The residential tenant shall furnish security, if any, that the court finds is appropriate  
43.26 under the circumstances for payment of all costs and damages the landlord may sustain if  
43.27 the order is subsequently found to have been obtained wrongfully. In determining the  
43.28 appropriateness of security, the court shall consider the residential tenant's ability to afford  
43.29 monetary security.

43.30 (e) The court shall direct the order to the sheriff of the county in which the premises are  
43.31 located and the sheriff shall execute the order immediately by making a demand for  
43.32 possession on the landlord, if found, or the landlord's agent or other person in charge of the  
43.33 premises. If the landlord fails to comply with the demand, the officer shall take whatever  
44.1 assistance may be necessary and immediately place the residential tenant in possession of  
44.2 the premises. If the landlord, the landlord's agent, or other person in control of the premises  
44.3 cannot be found and if there is no person in charge, the officer shall immediately enter into  
44.4 and place the residential tenant in possession of the premises. The officer shall also serve  
44.5 the order and verified petition or affidavit immediately upon the landlord or agent, in the  
44.6 same manner as a summons is required to be served in a civil action in district court.

44.7 (f) The court administrator may charge a filing fee in the amount set for complaints and  
44.8 counterclaims in conciliation court, subject to the filing of an inability to pay affidavit.

44.9 Sec. 29. Minnesota Statutes 2020, section 504B.381, subdivision 1, is amended to read:

44.10 Subdivision 1. **Petition.** A person authorized to bring an action under section 504B.395,  
44.11 subdivision 1, may petition the court for relief in cases of emergency involving the loss of  
44.12 running water, hot water, heat, electricity, sanitary facilities, or other essential services or  
44.13 facilities that the landlord is responsible for providing.:

44.14 (1) when a unit of government has issued a condemnation order or a notice of intent to  
44.15 condemn; or

44.16 (2) in cases of emergency involving the following services and facilities when the landlord  
44.17 is responsible for providing them:

44.18 (i) a serious infestation;

44.19 (ii) the loss of running water;

44.20 (iii) the loss of hot water;

44.21 (iv) the loss of heat;

44.22 (v) the loss of electricity;

44.23 (vi) the loss of sanitary facilities;

44.24 (vii) a nonfunctioning refrigerator;

44.25 (viii) if included in the lease, a nonfunctioning air conditioner;

44.26 (ix) if included in the lease, no functioning elevator;

44.27 (x) any conditions, services, or facilities that pose a serious and negative impact on  
44.28 health or safety; or

44.29 (xi) other essential services or facilities.

45.1 Sec. 30. Minnesota Statutes 2020, section 504B.381, subdivision 5, is amended to read:

45.2 Subd. 5. **Relief; service of petition and order.** Provided proof that the petitioner has  
45.3 given the notice required in subdivision 4 to the landlord, if the court finds based on the  
45.4 petitioner's emergency ex parte motion for relief, affidavit, and other evidence presented  
45.5 that the landlord violated subdivision 1, then the court shall order that the landlord  
45.6 immediately begin to remedy the violation and may order relief as provided in section  
45.7 504B.425. The court and petitioner shall serve the petition and order on the landlord  
45.8 personally or by mail as soon as practicable. The court shall include notice of a hearing and,  
45.9 at the hearing, shall consider evidence of alleged violations, defenses, compliance with the  
45.10 order, and any additional relief available under section 504B.425. The court and petitioner

45.11 shall serve the notice of hearing on the ex parte petition and emergency order personally or  
45.12 by mail as soon as practicable.

45.13 Sec. 31. Minnesota Statutes 2020, section 504B.381, is amended by adding a subdivision  
45.14 to read:

45.15 Subd. 8. **Filing fee.** The court administrator may charge a filing fee in the amount set  
45.16 for complaints and counterclaims in conciliation court, subject to the filing of an inability  
45.17 to pay affidavit.

45.18 Sec. 32. **REPEALER.**

45.19 Minnesota Statutes 2020, section 504B.341, is repealed.

45.20 Sec. 33. **EFFECTIVE DATE.**

45.21 Sections 5, 14, 15, 19 to 27, and 32 are effective August 1, 2021, and apply to actions  
45.22 filed on or after that date.

45.23 **ARTICLE 7**

45.24 **MANUFACTURED HOMES**

45.25 Section 1. **[168A.1411] MANUFACTURED HOME AFFIXED TO REAL PROPERTY**  
45.26 **OWNED BY COOPERATIVE.**

45.27 Subdivision 1. **Certificates surrendered for cancellation; cooperatives.** (a) When a  
45.28 manufactured home is to be affixed or is affixed, as defined in section 273.125, subdivision  
45.29 8, paragraph (b), to real property owned by a Minnesota nonprofit corporation or a Minnesota  
45.30 cooperative, the owner of the manufactured home may surrender the manufacturer's certificate  
45.31 of origin or certificate of title to the department for cancellation so that the manufactured  
46.1 home becomes an improvement to real property and is no longer titled as personal property.  
46.2 The department must not issue a certificate of title for a manufactured home under chapter  
46.3 168A if the manufacturer's certificate of origin is or has been surrendered under this  
46.4 subdivision, except as provided in section 168A.142. Upon surrender of the manufacturer's  
46.5 certificate of origin or the certificate of title, the department must issue notice of surrender  
46.6 to the owner and upon recording an affidavit of affixation, which the county recorder or  
46.7 registrar of titles, as applicable, must accept, the manufactured home is deemed to be an  
46.8 improvement to real property. An affidavit of affixation by the owner of the manufactured  
46.9 home must include the following information:

46.10 (1) the name, residence address, and mailing address of owner or owners of the  
46.11 manufactured home;

46.12 (2) the legal description of the real property in which the manufactured home is, or will  
46.13 be, located;

9.25 Sec. 2. **[168A.1411] MANUFACTURED HOME AFFIXED TO REAL PROPERTY**  
9.26 **OWNED BY COOPERATIVE.**

9.27 Subdivision 1. **Certificates surrendered for cancellation; cooperatives.** (a) When a  
9.28 manufactured home is to be affixed or is affixed, as defined in section 273.125, subdivision  
9.29 8, paragraph (b), to real property owned by a Minnesota nonprofit corporation or a Minnesota  
9.30 cooperative, the owner of the manufactured home may surrender the manufacturer's certificate  
10.1 of origin or certificate of title to the department for cancellation so that the manufactured  
10.2 home becomes an improvement to real property and is no longer titled as personal property.  
10.3 The department must not issue a certificate of title for a manufactured home under chapter  
10.4 168A if the manufacturer's certificate of origin is or has been surrendered under this  
10.5 subdivision, except as provided in section 168A.142. Upon surrender of the manufacturer's  
10.6 certificate of origin or the certificate of title, the department must issue notice of surrender  
10.7 to the owner, and upon recording an affidavit of affixation, which the county recorder or  
10.8 registrar of titles, as applicable, must accept, the manufactured home is deemed to be an  
10.9 improvement to real property. An affidavit of affixation by the owner of the manufactured  
10.10 home must include the following information:

10.11 (1) the name, residence address, and mailing address of owner or owners of the  
10.12 manufactured home;

10.13 (2) the legal description of the real property in which the manufactured home is, or will  
10.14 be, located;

46.14 (3) a copy of the surrendered manufacturer's certificate of origin or certificate of title  
46.15 and the notice of surrender;

46.16 (4) a written statement from the county auditor or county treasurer of the county where  
46.17 the manufactured home is located stating that all property taxes payable in the current year,  
46.18 as provided under section 273.125, subdivision 8, paragraph (b), have been paid or are not  
46.19 applicable; and

46.20 (5) the signature of the person who executes the affidavit, properly executed before a  
46.21 person authorized to authenticate an affidavit in this state.

46.22 (b) A certified copy of the affidavit must be delivered to the county auditor of the county  
46.23 in which the real property to which the manufactured home was affixed is located.

46.24 (c) The department is not liable for any errors, omissions, misstatements, or other  
46.25 deficiencies or inaccuracies in documents presented to the department under this section if  
46.26 the documents presented appear to satisfy the requirements of this section. The department  
46.27 has no obligation to investigate the accuracy of statements contained in the documents.

46.28 Subd. 2. **Affidavit form; cooperatives.** An affidavit of affixation must be in substantially  
46.29 the following form and must contain the following information:

46.30 **MANUFACTURED HOME AFFIDAVIT OF AFFIXATION IN A COOPERATIVE**

46.31 **PURSUANT TO MINNESOTA STATUTES, SECTION 168A.1411**

46.32 Homeowner, being duly sworn, on his or her oath, states as follows:

47.1 1. Homeowner owns the manufactured home ("home") described as follows:

47.2 .....

47.3			<u>Manufacturer's</u>	<u>Model Name or</u>	<u>Manufacturer's</u>	
47.4	<u>New/Used</u>	<u>Year</u>	<u>Name</u>	<u>Model No.</u>	<u>Serial No.</u>	<u>Length/Width</u>

47.5 2. A copy of the surrendered manufacturer's certificate of origin or certificate of title is  
47.6 attached.

47.7 3. A copy of the notice of surrender issued from the Minnesota Department of Public Safety  
47.8 Driver and Vehicle Services is attached.

47.9 4. The home is or will be located at the following "Property Address":

47.10 .....

47.11 Street or Route ..... City ..... County ..... State ..... Zip Code .....

47.12 5. The legal description of the property address ("land") is as follows or as attached hereto:

10.15 (3) a copy of the surrendered manufacturer's certificate of origin or certificate of title  
10.16 and the notice of surrender;

10.17 (4) a written statement from the county auditor or county treasurer of the county where  
10.18 the manufactured home is located stating that all property taxes payable in the current year,  
10.19 as provided under section 273.125, subdivision 8, paragraph (b), have been paid, or are not  
10.20 applicable; and

10.21 (5) the signature of the person who executes the affidavit, properly executed before a  
10.22 person authorized to authenticate an affidavit in this state.

10.23 (b) A certified copy of the affidavit must be delivered to the county auditor of the county  
10.24 in which the real property to which the manufactured home was affixed is located.

10.25 (c) The department is not liable for any errors, omissions, misstatements, or other  
10.26 deficiencies or inaccuracies in documents presented to the department under this section,  
10.27 if the documents presented appear to satisfy the requirements of this section. The department  
10.28 has no obligation to investigate the accuracy of statements contained in the documents.

10.29 Subd. 2. **Affidavit form; cooperatives.** An affidavit of affixation must be in substantially  
10.30 the following form and must contain the following information:

10.31 **MANUFACTURED HOME AFFIDAVIT OF AFFIXATION IN A COOPERATIVE**

10.32 **PURSUANT TO MINNESOTA STATUTES, SECTION 168A.1411**

11.1 Homeowner, being duly sworn, on his or her oath, states as follows:

11.2 1. Homeowner owns the manufactured home ("home") described as follows:

11.3 .....

11.4			<u>Manufacturer's</u>	<u>Model Name or</u>	<u>Manufacturer's</u>	
11.5	<u>New/Used</u>	<u>Year</u>	<u>Name</u>	<u>Model No.</u>	<u>Serial No.</u>	<u>Length/Width</u>

11.6 2. A copy of the surrendered manufacturer's certificate of origin or certificate of title is  
11.7 attached.

11.8 3. A copy of the notice of surrender issued from the Minnesota Department of Public Safety  
11.9 Driver and Vehicle Services is attached.

11.10 4. The home is or will be located at the following "Property Address":

11.11 .....

11.12 Street or Route ..... City ..... County ..... State ..... Zip Code .....

11.13 5. The legal description of the property address ("land") is as follows or as attached hereto:





48.13 Notary Stamp or Seal

48.14 (optional)

48.15 Lender's Statement of Intent:

48.16 The undersigned ("lender") intends that the home be immovable and a permanent

48.17 improvement to the land free of any personal property security interest.

48.18 .....

48.19 Lender

48.20 By: .....

48.21 Authorized Signature

48.22 STATE OF .....

48.23 .....) ss:

48.24 COUNTY OF .....

48.25 On the ..... day of ..... in the year ..... before me, the undersigned, a Notary Public in and

48.26 for said state, personally appeared

48.28 personally known to me or proved to me on the basis of satisfactory evidence to be the

48.29 individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged

48.30 to me that he/she/they executed the same in his/her/their capacity(ies), and that by

48.31 his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of

48.32 which the individual(s) acted, executed the instrument.

49.1 .....

49.2 Notary Signature

49.3 .....

49.4 Notary Printed Name

49.5 Notary Public, State of .....

49.6 Qualified in the County of .....

49.7 My commission expires .....

12.14 Notary Stamp or Seal

12.15 (optional)

12.16 Lender's Statement of Intent:

12.17 The undersigned ("lender") intends that the home be immovable and a permanent

12.18 improvement to the land free of any personal property security interest.

12.19 .....

12.20 Lender

12.21 By: .....

12.22 Authorized Signature

12.23 STATE OF .....

12.24 .....) ss:

12.25 COUNTY OF .....

12.26 On the ..... day of ..... in the year ..... before me, the undersigned, a Notary Public in and

12.27 for said state, personally appeared

12.29 personally known to me or proved to me on the basis of satisfactory evidence to be the

12.30 individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged

12.31 to me that he/she/they executed the same in his/her/their capacity(ies), and that by

12.32 his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of

12.33 which the individual(s) acted, executed the instrument.

13.1 .....

13.2 Notary Signature

13.3 .....

13.4 Notary Printed Name

13.5 Notary Public, State of .....

13.6 Qualified in the County of .....

13.7 My commission expires .....

49.8 Official seal:

49.9 [only if the owner of the land is a Minnesota nonprofit corporation or cooperative]:

49.10 The undersigned is the ..... of ....., a Minnesota [nonprofit  
49.11 corporation or cooperative], which owns the land described above. I hereby certify that the  
49.12 homeowner described above is a member of the [nonprofit corporation or cooperative]  
49.13 whose membership entitles the homeowner to occupy [insert legal description of the  
49.14 homeowner's lot or, if the corporation or cooperative has filed a scaled drawing as permitted  
49.15 by Minnesota Statutes, section 168A.1411, subdivision 5, Lot ..... shown on such  
49.16 scaled drawing].

49.17 .....

49.18 Signature block for nonprofit or cooperative

49.19 .....

49.20 Acknowledgment of officer of nonprofit or  
49.21 cooperative

49.22 Subd. 3. Perfected security interest prevents surrender. The department may not  
49.23 cancel a certificate of title if, under this chapter, a security interest has been perfected on  
49.24 the manufactured home. If a security interest has been perfected, the department must notify  
49.25 the owner that each secured party must release or satisfy the security interest prior to  
49.26 proceeding with surrender of the manufacturer's certificate of origin or certificate of title to  
49.27 the department for cancellation. Permanent attachment to real property or the recording of  
49.28 an affidavit of affixation does not extinguish an otherwise valid security interest in or tax  
49.29 lien on the manufactured home, unless the requirements of subdivisions 1 to 3, including  
49.30 the release of any security interest, have been satisfied.

49.31 Subd. 4. Notice of security interest. When a perfected security interest exists, or will  
49.32 exist, on the manufactured home at the time the manufactured home is affixed to real  
49.33 property, and the owner has not satisfied the requirements of subdivision 1, the owner of  
49.34 the manufactured home, or its secured party, may record a notice with the county recorder,  
49.35 or with the registrar of titles, if the land is registered, stating that the manufactured home  
50.1 located on the property is encumbered by a perfected security interest and is not an  
50.2 improvement to real property. The notice must state the name and address of the secured  
50.3 party as set forth on the certificate of title, the legal description of the real property, and the  
50.4 name and address of the record fee owner of the real property on which the manufactured  
50.5 home is affixed. When the security interest is released or satisfied, the secured party must  
50.6 attach a copy of the release or satisfaction to a notice executed by the secured party containing  
50.7 the county recorder or registrar of titles document number of the notice of security interest.  
50.8 The notice of release or satisfaction must be recorded with the county recorder, or registrar  
50.9 of titles, if the land is registered. Neither the notice described in this subdivision nor the

13.8 Official seal:

13.9 [only if the owner of the land is a Minnesota nonprofit corporation or cooperative]:

13.10 The undersigned is the ..... of ....., a Minnesota [nonprofit  
13.11 corporation or cooperative], which owns the land described above. I hereby certify that the  
13.12 homeowner described above is a member of the [nonprofit corporation or cooperative]  
13.13 whose membership entitles the homeowner to occupy [insert legal description of the  
13.14 homeowner's lot or, if the corporation or cooperative has filed a scaled drawing as permitted  
13.15 by subdivision 5, below, Lot ..... shown on such scaled drawing].

13.16 .....

13.17 Signature block for nonprofit or cooperative

13.18 .....

13.19 Acknowledgment of officer of nonprofit or  
13.20 cooperative

13.21 Subd. 3. Perfected security interest prevents surrender. The department may not  
13.22 cancel a certificate of title if, under this chapter, a security interest has been perfected on  
13.23 the manufactured home. If a security interest has been perfected, the department must notify  
13.24 the owner that each secured party must release or satisfy the security interest prior to  
13.25 proceeding with surrender of the manufacturer's certificate of origin or certificate of title to  
13.26 the department for cancellation. Permanent attachment to real property or the recording of  
13.27 an affidavit of affixation does not extinguish an otherwise valid security interest in or tax  
13.28 lien on the manufactured home, unless the requirements of subdivisions 1 to 3, including  
13.29 the release of any security interest, have been satisfied.

13.30 Subd. 4. Notice of security interest. When a perfected security interest exists, or will  
13.31 exist, on the manufactured home at the time the manufactured home is affixed to real  
13.32 property, and the owner has not satisfied the requirements of subdivision 1, the owner of  
13.33 the manufactured home, or its secured party, may record a notice with the county recorder,  
13.34 or with the registrar of titles, if the land is registered, stating that the manufactured home  
13.35 located on the property is encumbered by a perfected security interest and is not an  
14.1 improvement to real property. The notice must state the name and address of the secured  
14.2 party as set forth on the certificate of title, the legal description of the real property, and the  
14.3 name and address of the record fee owner of the real property on which the manufactured  
14.4 home is affixed. When the security interest is released or satisfied, the secured party must  
14.5 attach a copy of the release or satisfaction to a notice executed by the secured party containing  
14.6 the county recorder or registrar of titles document number of the notice of security interest.  
14.7 The notice of release or satisfaction must be recorded with the county recorder, or registrar  
14.8 of titles, if the land is registered. Neither the notice described in this subdivision nor the

50.10 security interest on the certificate of title is deemed to be an encumbrance on the real  
50.11 property. The notices provided for in this subdivision need not be acknowledged.

50.12 Subd. 5. **Scaled drawing.** (a) If the portion of the land occupied by the homeowner has  
50.13 not been subdivided, the nonprofit or cooperative owner shall have prepared and recorded  
50.14 against the land a scaled drawing prepared by a licensed professional land surveyor who  
50.15 shall certify that:

50.16 (1) the scaled drawing accurately depicts all information required by this subdivision;  
50.17 and

50.18 (2) the work was undertaken by, or reviewed and approved by, the certifying land  
50.19 surveyor.

50.20 (b) The scaled drawing shall show:

50.21 (1) the dimensions and location of all existing material structural improvements and  
50.22 roadways;

50.23 (2) the extent of any encroachments by or upon any portion of the land;

50.24 (3) the location and dimensions of all recorded easements within the land burdening any  
50.25 portion of the land;

50.26 (4) the distance and direction between noncontiguous parcels of real estate;

50.27 (5) the location and dimensions of the front, rear, and side boundaries of each lot that a  
50.28 member of the cooperative or nonprofit corporation has a right to occupy and that lot's  
50.29 unique lot number; and

50.30 (6) the legal description of the land.

51.1 Sec. 2. **[168A.1412] MANUFACTURED HOME AFFIXED TO REAL PROPERTY.**

51.2 Subdivision 1. **Manufactured home as real property.** A manufactured home may be  
51.3 made an improvement to real property, and no longer titled as personal property, pursuant  
51.4 to this section. A manufactured home constitutes an improvement to real property when:

51.5 (1) the manufactured home is to be affixed or is affixed, as defined in section 273.125,  
51.6 subdivision 8, paragraph (b), to the real property;

51.7 (2) the certificate of title is surrendered and canceled pursuant to subdivision 2, or the  
51.8 manufacturer's certificate or statement of origin is canceled pursuant to subdivision 3; and

51.9 (3) an affidavit of affixation pursuant to subdivision 5 is recorded with the county recorder  
51.10 or registrar of titles, as applicable.

51.11 Subd. 2. **Surrender of certificate of title.** (a) The owner of the manufactured home  
51.12 may surrender the manufacturer's certificate of title to the commissioner for cancellation.  
51.13 Upon receipt of the certificate of title, the commissioner must issue notice of cancellation

14.9 security interest on the certificate of title is deemed to be an encumbrance on the real  
14.10 property. The notices provided for in this subdivision need not be acknowledged.

14.11 Subd. 5. **Scaled drawing.** (a) If the portion of the land occupied by the homeowner has  
14.12 not been subdivided, the nonprofit or cooperative owner shall have prepared and recorded  
14.13 against the land a scaled drawing prepared by a licensed professional land surveyor, who  
14.14 shall certify that:

14.15 (1) the scaled drawing accurately depicts all information required by this subdivision;  
14.16 and

14.17 (2) the work was undertaken by, or reviewed and approved by, the certifying land  
14.18 surveyor.

14.19 (b) The scaled drawing shall show:

14.20 (1) the dimensions and location of all existing material structural improvements and  
14.21 roadways;

14.22 (2) the extent of any encroachments by or upon any portion of the land;

14.23 (3) the location and dimensions of all recorded easements within the land burdening any  
14.24 portion of the land;

14.25 (4) the distance and direction between noncontiguous parcels of real estate;

14.26 (5) the location and dimensions of the front, rear, and side boundaries of each lot that a  
14.27 member of the cooperative or nonprofit corporation has a right to occupy and that lot's  
14.28 unique lot number; and

14.29 (6) the legal description of the land.

15.1 Sec. 3. **[168A.1412] MANUFACTURED HOME AFFIXED TO REAL PROPERTY.**

15.2 Subdivision 1. **Manufactured home as real property.** A manufactured home may be  
15.3 made an improvement to real property, and no longer titled as personal property, pursuant  
15.4 to this section. A manufactured home constitutes an improvement to real property when:

15.5 (1) the manufactured home is to be affixed or is affixed, as defined in section 273.125,  
15.6 subdivision 8, paragraph (b), to the real property;

15.7 (2) the certificate of title is surrendered and canceled pursuant to subdivision 2 or the  
15.8 manufacturer's certificate or statement of origin is canceled pursuant to subdivision 3; and

15.9 (3) an affidavit of affixation pursuant to subdivision 5 is recorded with the county recorder  
15.10 or registrar of titles, as applicable.

15.11 Subd. 2. **Surrender of certificate of title.** (a) The owner of the manufactured home  
15.12 may surrender the manufacturer's certificate of title to the commissioner for cancellation.  
15.13 Upon receipt of the certificate of title, the commissioner must issue a notice of cancellation

51.14 to the owner of the manufactured home. In the event the certificate of title is lost, stolen,  
 51.15 mutilated, destroyed, or becomes illegible, the owner may submit a written request for  
 51.16 cancellation of the title which includes the serial number of the manufactured home and  
 51.17 states that the certificate of title is lost, stolen, mutilated, destroyed, or has become illegible.  
 51.18 Upon receipt of the request and verification of ownership in Driver and Vehicle Services  
 51.19 Division records, the commissioner must issue notice of cancellation to the owner of the  
 51.20 manufactured home and must not require the owner to deliver the certificate of title or obtain  
 51.21 a duplicate certificate of title. After canceling a certificate of title, the commissioner must  
 51.22 not allow transfer of the title to the manufactured home as personal property. The  
 51.23 commissioner must not require the owner of the manufactured home to deliver the affidavit  
 51.24 of affixation described in subdivision 5 in order for the commissioner to issue notice of  
 51.25 cancellation.

51.26 (b) The commissioner must not cancel a certificate of title if, under this chapter, a security  
 51.27 interest has been perfected on the manufactured home. If a security interest has been  
 51.28 perfected, the commissioner must notify the owner of the manufactured home that each  
 51.29 secured party must release or satisfy the security interest prior to cancellation of the certificate  
 51.30 of title by the commissioner. Affixing the manufactured home to real property or recording  
 51.31 an affidavit of affixation without cancellation of the certificate of title does not extinguish  
 51.32 an otherwise valid security interest in or tax lien on the manufactured home.

51.33 Subd. 3. **Surrender of manufacturer's certificate of origin.** The owner of the  
 51.34 manufactured home may surrender the manufacturer's certificate of origin to the  
 52.1 commissioner for cancellation. Upon delivery of the original certificate of origin, the  
 52.2 commissioner must issue notice of cancellation to the owner of the manufactured home.  
 52.3 The commissioner must not issue a certificate of title for a manufactured home if the  
 52.4 manufacturer's certificate of origin is or has been canceled under this subdivision, except  
 52.5 as provided in section 168A.142. The commissioner must not require the owner of the  
 52.6 manufactured home to deliver the affidavit of affixation described in subdivision 5 in order  
 52.7 for the commissioner to cancel the certificate of origin.

52.8 Subd. 4. **Verification.** The commissioner is not liable for any errors, omissions,  
 52.9 misstatements, or other deficiencies or inaccuracies in documents presented to the  
 52.10 commissioner under this section if the documents presented appear to satisfy the requirements  
 52.11 of this section. The commissioner has no obligation to investigate the accuracy of statements  
 52.12 contained in the documents to verify that the manufactured home has been affixed to the  
 52.13 real property.

52.14 Subd. 5. **Affidavit of affixation.** An affidavit of affixation must be in substantially the  
 52.15 following form and must contain the following information and attachments described in  
 52.16 the form. The county recorder or registrar of titles, as applicable, must accept any such  
 52.17 affidavit. The county recorder or registrar of titles, as applicable, must provide a copy of  
 52.18 the recorded affidavit of affixation to the county auditor of the county for the real property

15.14 to the owner of the manufactured home. In the event the certificate of title is lost, stolen,  
 15.15 mutilated, destroyed, or becomes illegible, the owner may submit a written request for  
 15.16 cancellation of the title which includes the serial number of the manufactured home and  
 15.17 states that the certificate of title is lost, stolen, mutilated, destroyed, or has become illegible.  
 15.18 Upon receipt of the request and verification of ownership in DVS records, the commissioner  
 15.19 must issue a notice of cancellation to the owner of the manufactured home and must not  
 15.20 require the owner to deliver the certificate of title or obtain a duplicate certificate of title.  
 15.21 After canceling a certificate of title, the commissioner must not allow transfer of the title  
 15.22 to the manufactured home as personal property. The commissioner must not require the  
 15.23 owner of the manufactured home to deliver the affidavit of affixation described in subdivision  
 15.24 5 in order for the commissioner to issue a notice of cancellation.

15.25 (b) The commissioner must not cancel a certificate of title if, under this chapter, a security  
 15.26 interest has been perfected on the manufactured home. If a security interest has been  
 15.27 perfected, the commissioner must notify the owner of the manufactured home that each  
 15.28 secured party must release or satisfy the security interest prior to cancellation of the certificate  
 15.29 of title by the commissioner. Affixing the manufactured home to real property or the  
 15.30 recording of an affidavit of affixation without cancellation of the certificate of title does not  
 15.31 extinguish an otherwise valid security interest in or tax lien on the manufactured home.

15.32 Subd. 3. **Surrender of manufacturer's certificate of origin.** The owner of the  
 15.33 manufactured home may surrender the manufacturer's certificate of origin to the  
 15.34 commissioner for cancellation. Upon delivery of the original certificate of origin, the  
 16.1 commissioner must issue notice of cancellation to the owner of the manufactured home.  
 16.2 The commissioner must not issue a certificate of title for a manufactured home if the  
 16.3 manufacturer's certificate of origin is or has been canceled under this subdivision, except  
 16.4 as provided in section 168A.142. The commissioner must not require the owner of the  
 16.5 manufactured home to deliver the affidavit of affixation described in subdivision 5 in order  
 16.6 for the commissioner to cancel the certificate of origin.

16.7 Subd. 4. **Verification.** The commissioner is not liable for any errors, omissions,  
 16.8 misstatements, or other deficiencies or inaccuracies in documents presented to the  
 16.9 commissioner under this section if the documents presented appear to satisfy the requirements  
 16.10 of this section. The commissioner has no obligation to investigate the accuracy of statements  
 16.11 contained in the documents to verify that the manufactured home has been affixed to the  
 16.12 real property.

16.13 Subd. 5. **Affidavit of affixation.** An affidavit of affixation must be in substantially the  
 16.14 following form and must contain the following information and attachments described in  
 16.15 the form. The county recorder or registrar of titles, as applicable, must accept any such  
 16.16 affidavit. The county recorder or registrar of titles, as applicable, must provide a copy of  
 16.17 the recorded affidavit of affixation to the county auditor of the county for the real property

52.19 described therein or otherwise inform the county auditor that the home is to be taxed as an  
52.20 improvement to the real property to which it is affixed;

16.18 described therein or otherwise inform the county auditor that the home is to be taxed as an  
16.19 improvement to the real property to which it is affixed;

52.21 MANUFACTURED HOME AFFIDAVIT OF AFFIXATION

16.20 MANUFACTURED HOME AFFIDAVIT OF AFFIXATION

52.22 PURSUANT TO MINNESOTA STATUTES, SECTION 168A.1412

16.21 PURSUANT TO MINNESOTA STATUTES, SECTION 168A.1412

52.23 ..... ("Affiant"), being first duly sworn, on oath states, or affirms  
52.24 under penalties of perjury that:

16.22 ..... ("Affiant"), being first duly sworn, on oath states, or affirms  
16.23 under penalties of perjury that:

52.25 1. I am an owner of the manufactured home ("Manufactured Home") described as follows:

16.24 1. I am an owner of the manufactured home ("Manufactured Home") described as follows:

52.26 Manufacturer's name: .....

16.25 Manufacturer's name: .....

52.27 Make: .....

16.26 Make: .....

52.28 Model number: .....

16.27 Model number: .....

52.29 Model year: .....

16.28 Model year: .....

52.30 Serial number: .....

16.29 Serial number: .....

52.31 Dimensions: .....

16.30 Dimensions: .....

52.32 Other descriptive information (if any): .....

16.31 Other descriptive information (if any): .....

53.1 2. The Manufactured Home is ..... or will be ..... (check one) affixed, in accordance with  
53.2 Minnesota Statutes, section 273.125, subdivision 8, to real property in  
53.3 ..... County, Minnesota, with the street address of:

16.32 2. The Manufactured Home is ..... or will be ..... (check one) affixed, in accordance with  
16.33 Minnesota Statutes, section 273.125, subdivision 8, to real property in  
16.34 ..... County, Minnesota, with the street address of:

53.4 Street or route: .....

17.1 Street or route: .....

53.5 City: .....

17.2 City: .....

53.6 State: .....

17.3 State: .....

53.7 Zip code: .....

17.4 Zip code: .....

53.8 and legally described as follows ("Land"):

17.5 and legally described as follows ("Land"):

53.9 .....

17.6 .....

53.10 .....

17.7 .....

53.11 .....

17.8 .....

53.12 Check here if all or part of the described real property is Registered (Torrens) .....

17.9 Check here if all or part of the described real property is Registered (Torrens) .....

53.13 3. A copy of the notice of cancellation issued from the Minnesota Department of Public  
53.14 Safety Driver and Vehicle Services pursuant to Minnesota Statutes, section 168A.1412,  
53.15 subdivision 2 or 3, is attached.  
53.16 4. The owner(s) of the Manufactured Home is/are the owner(s) of the Land.  
53.17 5. The Affiant makes this affidavit to demonstrate that the Manufactured Home is an  
53.18 improvement to real property, no longer titled as personal property, and free of any personal  
53.19 property security interest.

53.20 Affiant  
53.21 .....  
53.22 (Signature)

53.23 Signed and sworn to (or affirmed) before me this ..... day of ....., .....

53.24 Notary Stamp or Seal

53.25 .....

53.26 Signature of notarial officer Title (and Rank):

53.27 My commission expires: .....

53.28 This instrument was drafted by, and when  
53.29 recorded return to

53.30 .....

53.31 Subd. 6. Notice of security interest. When a perfected security interest exists, or will  
53.32 exist, on the manufactured home at the time the manufactured home is affixed to real  
53.33 property, and the owner has not satisfied the requirements of subdivision 1, the owner of  
53.34 the manufactured home, or its secured party, may record a notice with the county recorder,  
54.1 or with the registrar of titles, if the land is registered, stating that the manufactured home  
54.2 located on the property is encumbered by a perfected security interest and is not an  
54.3 improvement to real property. The notice must state the name and address of the secured  
54.4 party as set forth on the certificate of title, the legal description of the real property, and the  
54.5 name and address of the record fee owner of the real property on which the manufactured  
54.6 home is affixed. When the security interest is released or satisfied, the secured party must  
54.7 attach a copy of the release or satisfaction to a notice executed by the secured party containing  
54.8 the county recorder or registrar of titles document number of the notice of security interest.  
54.9 The notice of release or satisfaction must be recorded with the county recorder, or registrar  
54.10 of titles, if the land is registered. Neither the notice described in this subdivision nor the

17.10 3. A copy of the notice of cancellation issued from the Minnesota Department of Public  
17.11 Safety Driver and Vehicle Services pursuant to Minnesota Statutes, section 168A.1412,  
17.12 subdivision 2 or 3, is attached.  
17.13 4. The owner(s) of the Manufactured Home is/are the owner(s) of the Land.  
17.14 5. The Affiant makes this affidavit to demonstrate that the Manufactured Home is an  
17.15 improvement to real property, no longer titled as personal property, and free of any personal  
17.16 property security interest.

17.17 Affiant  
17.18 .....  
17.19 (Signature)

17.20 Signed and sworn to (or affirmed) before me this ..... day of ....., .....

17.21 Notary Stamp or Seal

17.22 .....

17.23 Signature of notarial officer Title (and Rank):

17.24 My commission expires: .....

17.25 This instrument was drafted by, and when  
17.26 recorded return to

17.27 .....

17.28 Subd. 6. Notice of security interest. When a perfected security interest exists, or will  
17.29 exist, on the manufactured home at the time the manufactured home is affixed to real  
17.30 property, and the owner has not satisfied the requirements of subdivision 1, the owner of  
17.31 the manufactured home, or its secured party, may record a notice with the county recorder,  
17.32 or with the registrar of titles, if the land is registered, stating that the manufactured home  
17.33 located on the property is encumbered by a perfected security interest and is not an  
17.34 improvement to real property. The notice must state the name and address of the secured  
18.1 party as set forth on the certificate of title, the legal description of the real property, and the  
18.2 name and address of the record fee owner of the real property on which the manufactured  
18.3 home is affixed. When the security interest is released or satisfied, the secured party must  
18.4 attach a copy of the release or satisfaction to a notice executed by the secured party containing  
18.5 the county recorder or registrar of titles document number of the notice of security interest.  
18.6 The notice of release or satisfaction must be recorded with the county recorder, or registrar  
18.7 of titles, if the land is registered. Neither the notice described in this subdivision nor the

54.11 security interest on the certificate of title is deemed to be an encumbrance on the real  
54.12 property. The notices provided for in this subdivision need not be acknowledged.

54.13 Sec. 3. Minnesota Statutes 2020, section 273.125, subdivision 8, is amended to read:

54.14 Subd. 8. **Manufactured homes; sectional structures.** (a) In this section, "manufactured  
54.15 home" means a structure transportable in one or more sections, which is built on a permanent  
54.16 chassis, and designed to be used as a dwelling with or without a permanent foundation when  
54.17 connected to the required utilities, and contains the plumbing, heating, air conditioning, and  
54.18 electrical systems in it. Manufactured home includes any accessory structure that is an  
54.19 addition or supplement to the manufactured home and, when installed, becomes a part of  
54.20 the manufactured home.

54.21 (b) Except as provided in paragraph (c), a manufactured home that meets each of the  
54.22 following criteria must be valued and assessed as an improvement to real property, the  
54.23 appropriate real property classification applies, and the valuation is subject to review and  
54.24 the taxes payable in the manner provided for real property:

54.25 (1) ~~the owner of the unit holds~~ title to the land on which it is situated is held by: (i) the  
54.26 owner of the unit; or (ii) a Minnesota nonprofit corporation or a Minnesota cooperative to  
54.27 which the owner is a member;

54.28 (2) the unit is affixed to the land by a permanent foundation or is installed at its location  
54.29 in accordance with the Manufactured Home Building Code in sections 327.31 to 327.34,  
54.30 and rules adopted under those sections, or is affixed to the land like other real property in  
54.31 the taxing district; and

54.32 (3) the unit is connected to public utilities, has a well and septic tank system, or is serviced  
54.33 by water and sewer facilities comparable to other real property in the taxing district.

55.1 (c) A manufactured home that meets each of the following criteria must be assessed at  
55.2 the rate provided by the appropriate real property classification but must be treated as  
55.3 personal property, and the valuation is subject to review and the taxes payable in the manner  
55.4 provided in this section:

55.5 (1) the owner of the unit is a lessee of the land under the terms of a lease, or the unit is  
55.6 located in a manufactured home park but is not the homestead of the park owner;

55.7 (2) the unit is affixed to the land by a permanent foundation or is installed at its location  
55.8 in accordance with the Manufactured Home Building Code contained in sections 327.31 to  
55.9 327.34, and the rules adopted under those sections, or is affixed to the land like other real  
55.10 property in the taxing district; and

55.11 (3) the unit is connected to public utilities, has a well and septic tank system, or is serviced  
55.12 by water and sewer facilities comparable to other real property in the taxing district.

55.13 (d) Sectional structures must be valued and assessed as an improvement to real property  
55.14 if the owner of the structure holds title to the land on which it is located or is a qualifying

18.8 security interest on the certificate of title is deemed to be an encumbrance on the real  
18.9 property. The notices provided for in this subdivision need not be acknowledged.

19.7 Sec. 5. Minnesota Statutes 2020, section 273.125, subdivision 8, is amended to read:

19.8 Subd. 8. **Manufactured homes; sectional structures.** (a) In this section, "manufactured  
19.9 home" means a structure transportable in one or more sections, which is built on a permanent  
19.10 chassis, and designed to be used as a dwelling with or without a permanent foundation when  
19.11 connected to the required utilities, and contains the plumbing, heating, air conditioning, and  
19.12 electrical systems in it. Manufactured home includes any accessory structure that is an  
19.13 addition or supplement to the manufactured home and, when installed, becomes a part of  
19.14 the manufactured home.

19.15 (b) Except as provided in paragraph (c), a manufactured home that meets each of the  
19.16 following criteria must be valued and assessed as an improvement to real property, the  
19.17 appropriate real property classification applies, and the valuation is subject to review and  
19.18 the taxes payable in the manner provided for real property:

19.19 (1) ~~the owner of the unit holds~~ title to the land on which it is situated is held by: (i) the  
19.20 owner of the unit; or (ii) a Minnesota nonprofit corporation or a Minnesota cooperative to  
19.21 which the owner is a member;

19.22 (2) the unit is affixed to the land by a permanent foundation or is installed at its location  
19.23 in accordance with the Manufactured Home Building Code in sections 327.31 to 327.34,  
19.24 and rules adopted under those sections, or is affixed to the land like other real property in  
19.25 the taxing district; and

19.26 (3) the unit is connected to public utilities, has a well and septic tank system, or is serviced  
19.27 by water and sewer facilities comparable to other real property in the taxing district.

19.28 (c) A manufactured home that meets each of the following criteria must be assessed at  
19.29 the rate provided by the appropriate real property classification but must be treated as  
19.30 personal property, and the valuation is subject to review and the taxes payable in the manner  
19.31 provided in this section:

19.32 (1) the owner of the unit is a lessee of the land under the terms of a lease, or the unit is  
19.33 located in a manufactured home park but is not the homestead of the park owner;

20.1 (2) the unit is affixed to the land by a permanent foundation or is installed at its location  
20.2 in accordance with the Manufactured Home Building Code contained in sections 327.31 to  
20.3 327.34, and the rules adopted under those sections, or is affixed to the land like other real  
20.4 property in the taxing district; and

20.5 (3) the unit is connected to public utilities, has a well and septic tank system, or is serviced  
20.6 by water and sewer facilities comparable to other real property in the taxing district.

20.7 (d) Sectional structures must be valued and assessed as an improvement to real property  
20.8 if the owner of the structure holds title to the land on which it is located or is a qualifying



55.15 lessee of the land under section 273.19. In this paragraph "sectional structure" means a  
55.16 building or structural unit that has been in whole or substantial part manufactured or  
55.17 constructed at an off-site location to be wholly or partially assembled on site alone or with  
55.18 other units and attached to a permanent foundation.

55.19 (e) The commissioner of revenue may adopt rules under the Administrative Procedure  
55.20 Act to establish additional criteria for the classification of manufactured homes and sectional  
55.21 structures under this subdivision.

55.22 (f) A storage shed, deck, or similar improvement constructed on property that is leased  
55.23 or rented as a site for a manufactured home, sectional structure, park trailer, or travel trailer  
55.24 is taxable as provided in this section. In the case of property that is leased or rented as a site  
55.25 for a travel trailer, a storage shed, deck, or similar improvement on the site that is considered  
55.26 personal property under this paragraph is taxable only if its total estimated market value is  
55.27 over \$10,000. The property is taxable as personal property to the lessee of the site if it is  
55.28 not owned by the owner of the site. The property is taxable as real estate if it is owned by  
55.29 the owner of the site. As a condition of permitting the owner of the manufactured home,  
55.30 sectional structure, park trailer, or travel trailer to construct improvements on the leased or  
55.31 rented site, the owner of the site must obtain the permanent home address of the lessee or  
55.32 user of the site. The site owner must provide the name and address to the assessor upon  
55.33 request.

56.1 Sec. 4. **327C.097** **OPPORTUNITY TO PURCHASE.**

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

56.4 (b) **"Cooperative" means a cooperative organized under chapter 308A or 308B.**

56.5 (c) **"Nonprofit" means a nonprofit organization under chapter 317A.**

56.6 (d) **"Representative" has the meaning given in section 327C.01, subdivision 8a.**

56.7 **Subd. 2. Scope.** **This section does not apply where the conveyance of the manufactured**  
56.8 **home park is by a:**

56.9 (1) **taking by eminent domain;**

56.10 (2) **transfer by a corporation to an affiliate;**

56.11 (3) **foreclosure;**

56.12 (4) **transfer by a partnership to one or more of its partners; or**

56.13 (5) **sale or transfer to a person who would be an heir of the owner who dies intestate.**

20.9 lessee of the land under section 273.19. In this paragraph "sectional structure" means a  
20.10 building or structural unit that has been in whole or substantial part manufactured or  
20.11 constructed at an off-site location to be wholly or partially assembled on site alone or with  
20.12 other units and attached to a permanent foundation.

20.13 (e) The commissioner of revenue may adopt rules under the Administrative Procedure  
20.14 Act to establish additional criteria for the classification of manufactured homes and sectional  
20.15 structures under this subdivision.

20.16 (f) A storage shed, deck, or similar improvement constructed on property that is leased  
20.17 or rented as a site for a manufactured home, sectional structure, park trailer, or travel trailer  
20.18 is taxable as provided in this section. In the case of property that is leased or rented as a site  
20.19 for a travel trailer, a storage shed, deck, or similar improvement on the site that is considered  
20.20 personal property under this paragraph is taxable only if its total estimated market value is  
20.21 over \$10,000. The property is taxable as personal property to the lessee of the site if it is  
20.22 not owned by the owner of the site. The property is taxable as real estate if it is owned by  
20.23 the owner of the site. As a condition of permitting the owner of the manufactured home,  
20.24 sectional structure, park trailer, or travel trailer to construct improvements on the leased or  
20.25 rented site, the owner of the site must obtain the permanent home address of the lessee or  
20.26 user of the site. The site owner must provide the name and address to the assessor upon  
20.27 request.

56.14 Subd. 3. **Notice of sale.** (a) No park owner may accept any offer for the sale, lease, or  
56.15 transfer of a manufactured home park without first giving 60 days' written notice by certified  
56.16 mail, return receipt requested, of the proposed sale, lease, or transfer to:

56.17 (1) each resident of the manufactured home park; and

56.18 (2) the Minnesota Housing Finance Agency.

56.19 (b) The notice required under this subdivision must be dated and indicate the price,  
56.20 terms, and conditions of an acceptable offer the park owner has received to sell, lease, or  
56.21 transfer the manufactured home park. The notice must include the following verbatim  
56.22 statement: "The park owner has received and is prepared to accept an outside offer to [sell,  
56.23 lease, transfer] this park. The price, terms, and conditions of the offer are listed below.  
56.24 Before accepting the offer for the [sale, lease, transfer], the park owner will consider any  
56.25 offer submitted within 60 days of the date of this notice by a representative. The owner will  
56.26 negotiate in good faith with the representative. [List of price, terms, and conditions.]"

56.27 (c) An owner must make available upon the request of a resident a copy of any acceptable  
56.28 agreement to sell, lease, or transfer the manufactured home park for a period of 60 days  
56.29 following the date of the notice required under this subdivision. The owner must provide  
56.30 the copy within three days of the request by the resident.

57.1 Subd. 4. **Residents' representative offer to purchase.** (a) A representative may submit  
57.2 a written offer to the park owner to purchase the manufactured home park subject to the  
57.3 conditions required under subdivision 7. The offer must be submitted within 60 days of the  
57.4 postmark date of the notice required under subdivision 3, by certified mail, return receipt  
57.5 requested.

57.6 (b) If the owner rejects the representative's offer, the owner must provide written notice  
57.7 to the representative of, and an explanation of the reasons for, rejection of the offer. The  
57.8 notice of rejection must be delivered to the representative by certified mail within five days  
57.9 of receipt of the offer from the representative. No owner may accept a final, unconditional  
57.10 offer for the sale, lease, or transfer of a manufactured home park earlier than on the 31st  
57.11 day following the certified delivery date of the notice of rejection.

57.12 Subd. 5. **Optional recording.** (a) A park owner may record with the county recorder or  
57.13 registrar of titles in the county where the park is located an affidavit, with a copy of the  
57.14 notice required under subdivision 3 attached, attesting:

57.15 (1) the park owner has complied with the requirements of this section; or

57.16 (2) the sale, lease, or transfer of the manufactured home park is exempt from this section  
57.17 pursuant to subdivision 2.

57.18 (b) An affidavit filed in accordance with this subdivision shall be presumptive evidence  
57.19 of compliance for purposes of conveying good title to a bona fide purchaser.

- 57.20 (c) The representative who makes an offer to purchase the park as provided under  
57.21 subdivision 4 may record notice of the offer in the county recorder's office.
- 57.22 Subd. 6. **Good faith obligations.** All transactions governed by, and all actions taken  
57.23 pursuant to, this section must be conducted in good faith.
- 57.24 Subd. 7. **Requirement of affordable housing preservation.** (a) A representative who  
57.25 purchases a park under this section shall maintain the property for a period of at least 50  
57.26 years following the closing date of the purchase as:
- 57.27 (1) a manufactured home park;
- 57.28 (2) a combination of manufactured homes and nonmanufactured home single dwelling  
57.29 units contained in one-family, two-family, or multifamily dwellings affordable for  
57.30 low-income households; or
- 57.31 (3) all nonmanufactured home single dwelling units contained in one-family, two-family,  
57.32 or multifamily dwellings affordable for low-income households.
- 58.1 (b) For the purposes of this section:
- 58.2 (1) "affordable" has the meaning given in Code of Federal Regulations, title 24, section  
58.3 81.15; and
- 58.4 (2) "low-income households" has the meaning given in Code of Federal Regulations,  
58.5 title 24, section 570.3.
- 58.6 (c) The deed to the representative must contain a covenant running with the land that  
58.7 requires the property to meet at least one of the conditions specified in paragraph (a) for at  
58.8 least 50 years from the date of the deed transfer.
- 58.9 Subd. 8. **Challenge to petition.** In any action challenging the validity of the signatories  
58.10 of the petition authorizing a representative to represent residents in negotiations to purchase  
58.11 a manufactured home park, there shall be a rebuttable presumption that the challenged  
58.12 party's signature is sufficient evidence that the party is a valid signatory.
- 58.13 Subd. 9. **Remedies.** (a) A park owner who violates subdivision 3, 4, or 6 is liable to each  
58.14 resident for actual, incidental, or consequential damages, plus attorney fees and costs.
- 58.15 (b) In addition to the remedies that a resident is entitled to under paragraph (a), a court  
58.16 may grant declaratory, injunctive, or equitable relief.
- 58.17 (c) The remedies provided under this subdivision are cumulative, not exclusive, and do  
58.18 not restrict any remedy that is otherwise available to a plaintiff at law or in equity.
- 58.19 Subd. 10. **List of interested organizations.** The Minnesota Housing Finance Agency  
58.20 must:

58.21 (1) within ten days of receipt of a notice received under subdivision 3, distribute a copy  
 58.22 of the notice to nonprofit organizations that register with the Minnesota Housing Finance  
 58.23 Agency to receive such notices; and

58.24 (2) make the list of nonprofit organizations that have so registered publicly available on  
 58.25 the Minnesota Housing Finance Agency's website.

58.26 Sec. 5. **REVISOR INSTRUCTION.**

58.27 The revisor of statutes must change all cross-references to Minnesota Statutes, section  
 58.28 168A.141, to instead reference Minnesota Statutes, section 168A.1412.

58.29 Sec. 6. **REPEALER.**

58.30 (a) Minnesota Statutes 2020, section 327C.096, is repealed.

59.1 (b) Minnesota Statutes 2020, section 168A.141, is repealed.

38.21 Sec. 27. **REVISOR INSTRUCTION.**

38.22 The revisor of statutes must change all cross-references to Minnesota Statutes, section  
 38.23 168A.141, to Minnesota Statutes, section 168A.1412.

38.25 (a) Minnesota Statutes 2020, section 168A.141, is repealed.

THE EFFECTIVE DATE AT 38.26 STATES THAT PARAGRAPH (A) IS EFFECTIVE AUGUST 1, 2021.