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ARTICLE 20  
HOUSING STATUTORY CHANGES

312.6 Section 1. Minnesota Statutes 2016, section 327.31, is amended by adding a subdivision  
312.7 to read:

312.8 Subd. 23. **Modular home.** "Modular home" means a building or structural unit of closed  
312.9 construction that has been substantially manufactured or constructed, in whole or in part,  
312.10 at an off-site location, with the final assembly occurring on site alone or with other units  
312.11 and attached to a foundation designed to the State Building Code and occupied as a  
312.12 single-family dwelling. Modular home construction must comply with applicable standards  
312.13 adopted in Minnesota Rules, chapter 1360 or 1361.

312.14 Sec. 2. **[327.335] PLACEMENT OF MODULAR HOMES.**

312.15 A modular home may be placed in a manufactured home park as defined in section  
312.16 327.14, subdivision 3. A modular home placed in a manufactured home park is a  
312.17 manufactured home for purposes of chapters 327C and 504B and all rights, obligations, and  
312.18 duties, under those chapters apply. A modular home may not be placed in a manufactured  
312.19 home park without prior written approval of the park owner. Nothing in this section shall  
312.20 be construed to inhibit the application of zoning, subdivision, architectural, or esthetic  
312.21 requirements pursuant to chapters 394 and 462 that otherwise apply to manufactured homes  
312.22 and manufactured home parks.

174.15  
174.16

ARTICLE 8  
HOUSING

175.14 Sec. 2. Minnesota Statutes 2016, section 299D.085, is amended by adding a subdivision  
175.15 to read:

175.16 Subd. 3a. **Trailer use.** A vehicle or a combination of vehicles may tow a trailer during  
175.17 the movement of an overdimensional load if:

175.18 (1) the party involved is a building mover licensed by the commissioner of transportation  
175.19 under section 221.81;

175.20 (2) the building being moved is not a temporary structure;

175.21 (3) the overdimensional load is a manufactured home, as defined under section 327.31;  
175.22 or

175.23 (4) the overdimensional load is a modular home, as defined under section 297A.668,  
175.24 subdivision 8, paragraph (b).

176.9 Sec. 4. Minnesota Statutes 2016, section 327.31, is amended by adding a subdivision to  
176.10 read:

176.11 Subd. 23. **Modular home.** "Modular home" means a building or structural unit of closed  
176.12 construction that has been substantially manufactured or constructed, in whole or in part,  
176.13 at an off-site location, with the final assembly occurring on site alone or with other units  
176.14 and attached to a foundation designed to the State Building Code and occupied as a  
176.15 single-family dwelling. Modular home construction must comply with applicable standards  
176.16 adopted in Minnesota Rules, chapter 1360 or 1361.

176.17 Sec. 5. **[327.335] PLACEMENT OF MODULAR HOMES.**

176.18 Notwithstanding any other law or ordinance to the contrary, a modular home may be  
176.19 placed in a manufactured home park as defined in section 327.14, subdivision 3. A modular  
176.20 home placed in a manufactured home park is a manufactured home for purposes of chapters  
176.21 327C and 504B and all rights, obligations, and duties, under those chapters apply. A modular  
176.22 home may not be placed in a manufactured home park without prior written approval of the  
176.23 park owner. Nothing in this section shall be construed to inhibit the application of zoning,  
176.24 subdivision, architectural, or esthetic requirements under chapters 394 and 462 that otherwise  
176.25 apply to manufactured homes or manufactured home parks. A modular home placed in a

312.23 Sec. 3. Minnesota Statutes 2016, section 327C.095, subdivision 4, is amended to read:

312.24 Subd. 4. **Public hearing; relocation compensation; neutral third party.** Within 60  
 312.25 days after receiving notice of a closure statement, the governing body of the affected  
 312.26 municipality shall hold a public hearing to review the closure statement and any impact that  
 312.27 the park closing may have on the displaced residents and the park owner. At the time of,  
 312.28 and in the notice for, the public hearing, displaced residents must be informed that they may  
 312.29 be eligible for payments from the Minnesota manufactured home relocation trust fund under  
 312.30 section 462A.35 as compensation for reasonable relocation costs under subdivision 13,  
 312.31 paragraphs (a) and (e).

313.1 The governing body of the municipality may also require that other parties, including  
 313.2 the municipality, but excluding the park owner or its purchaser, involved in the park closing  
 313.3 provide additional compensation to residents to mitigate the adverse financial impact of the  
 313.4 park closing upon the residents.

313.5 At the public hearing, the municipality shall appoint a qualified neutral third party, to  
 313.6 be agreed upon by both the manufactured home park owner and manufactured home owners,  
 313.7 whose hourly cost must be reasonable and paid from the Minnesota manufactured home  
 313.8 relocation trust fund. The neutral third party shall act as a paymaster and arbitrator, with  
 313.9 decision-making authority to resolve any questions or disputes regarding any contributions  
 313.10 or disbursements to and from the Minnesota manufactured home relocation trust fund by  
 313.11 either the manufactured home park owner or the manufactured home owners. If the parties  
 313.12 cannot agree on a neutral third party, the municipality will ~~make a determination~~ determine  
 313.13 who shall act as the neutral third party.

313.14 The qualified neutral third party shall be familiar with manufactured housing and the  
 313.15 requirements of this section. The neutral third party shall keep an overall receipts and cost  
 313.16 summary together with a detailed accounting, for each manufactured lot, of the payments  
 313.17 received by the manufactured home park owner, and expenses approved and payments  
 313.18 disbursed to the manufactured home owners, pursuant to subdivisions 12 and 13, as well  
 313.19 as a record of all services and hours it provided and at what hourly rate it charged to the  
 313.20 Minnesota manufactured home trust fund. This detailed accounting shall be provided to the  
 313.21 manufactured home park owner, the municipality, and the Minnesota Housing Finance  
 313.22 Agency to be included in its yearly October 15 report as required in subdivision 13, paragraph  
 313.23 (h), not later than 30 days after the expiration of the nine-month notice provided in the  
 313.24 closure statement.

313.25 Sec. 4. Minnesota Statutes 2016, section 327C.095, subdivision 6, is amended to read:

176.26 manufactured home park under this section shall be assessed and taxed as a manufactured  
 176.27 home.

177.25 Sec. 7. Minnesota Statutes 2016, section 327C.095, subdivision 4, is amended to read:

177.26 Subd. 4. **Public hearing; relocation compensation; neutral third party.** The governing  
 177.27 body of the affected municipality shall hold a public hearing to review the closure statement  
 177.28 and any impact that the park closing may have on the displaced residents and the park owner.  
 177.29 At the time of, and in the notice for, the public hearing, displaced residents must be informed  
 177.30 that they may be eligible for payments from the Minnesota manufactured home relocation  
 177.31 trust fund under section 462A.35 as compensation for reasonable relocation costs under  
 177.32 subdivision 13, paragraphs (a) and (e).

178.1 The governing body of the municipality may also require that other parties, including  
 178.2 the municipality, but excluding the park owner or its purchaser, involved in the park closing  
 178.3 provide additional compensation to residents to mitigate the adverse financial impact of the  
 178.4 park closing upon the residents.

178.5 At the public hearing, the municipality shall appoint a qualified neutral third party, to  
 178.6 be agreed upon by both the manufactured home park owner and manufactured home owners,  
 178.7 whose hourly cost must be reasonable and paid from the Minnesota manufactured home  
 178.8 relocation trust fund. The neutral third party shall act as a paymaster and arbitrator, with  
 178.9 decision-making authority to resolve any questions or disputes regarding any contributions  
 178.10 or disbursements to and from the Minnesota manufactured home relocation trust fund by  
 178.11 either the manufactured home park owner or the manufactured home owners. If the parties  
 178.12 cannot agree on a neutral third party, the municipality will ~~make a determination~~ determine  
 178.13 who shall act as the neutral third party.

178.14 The qualified neutral third party shall be familiar with manufactured housing and the  
 178.15 requirements of this section. The neutral third party shall keep an overall receipts and cost  
 178.16 summary together with a detailed accounting, for each manufactured lot, of the payments  
 178.17 received by the manufactured home park owner, and expenses approved and payments  
 178.18 disbursed to the manufactured home owners, pursuant to subdivisions 12 and 13, as well  
 178.19 as a record of all services and hours it provided and at what hourly rate it charged to the  
 178.20 Minnesota manufactured home trust fund. This detailed accounting shall be provided to the  
 178.21 manufactured home park owner, the municipality, and the Minnesota Housing Finance  
 178.22 Agency to be included in its yearly October 15 report as required in subdivision 13, paragraph  
 178.23 (h), not later than 30 days after the expiration of the nine-month notice provided in the  
 178.24 closure statement.

178.25 Sec. 8. Minnesota Statutes 2016, section 327C.095, subdivision 6, is amended to read:

313.26 Subd. 6. **Intent to convert use of park at time of purchase.** Before the execution of  
313.27 an agreement to purchase a manufactured home park, the purchaser must notify the park  
313.28 owner, in writing, if the purchaser intends to close the manufactured home park or convert  
313.29 it to another use within one year of the execution of the agreement. The park owner shall  
313.30 provide a resident of each manufactured home with a 45-day written notice of the purchaser's  
313.31 intent to close the park or convert it to another use. The notice must state that the park owner  
313.32 will provide information on the cash price and the terms and conditions of the purchaser's  
313.33 offer to residents requesting the information. The notice must be sent by first class mail to  
313.34 a resident of each manufactured home in the park. The notice period begins on the postmark  
314.1 date affixed to the notice and ends 45 days after it begins. During the notice period required  
314.2 in this subdivision, the owners of at least 51 percent of the manufactured homes in the park  
314.3 or a nonprofit organization which has the written permission of the owners of at least 51  
314.4 percent of the manufactured homes in the park to represent them in the acquisition of the  
314.5 park shall have the right to meet the cash price and execute an agreement to purchase the  
314.6 park for the purposes of keeping the park as a manufactured housing community, provided  
314.7 that the owners or nonprofit organization will covenant and warrant to the park owner in  
314.8 the agreement that they will continue to operate the park for not less than six years from  
314.9 the date of closing. The park owner must accept the offer if it meets the cash price and the  
314.10 same terms and conditions set forth in the purchaser's offer except that the seller is not  
314.11 obligated to provide owner financing. For purposes of this section, cash price means the  
314.12 cash price offer or equivalent cash offer as defined in section 500.245, subdivision 1,  
314.13 paragraph (d).

314.14 Sec. 5. Minnesota Statutes 2016, section 327C.095, subdivision 12, is amended to read:

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

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

178.26 Subd. 6. **Intent to convert use of park at time of purchase.** Before the execution of  
178.27 an agreement to purchase a manufactured home park, the purchaser must notify the park  
178.28 owner, in writing, if the purchaser intends to close the manufactured home park or convert  
178.29 it to another use within one year of the execution of the agreement. The park owner shall  
178.30 provide a resident of each manufactured home with a 45-day written notice of the purchaser's  
178.31 intent to close the park or convert it to another use. The notice must state that the park owner  
178.32 will provide information on the cash price and the terms and conditions of the purchaser's  
178.33 offer to residents requesting the information. The notice must be sent by first class mail to  
178.34 a resident of each manufactured home in the park. The notice period begins on the postmark  
179.1 date affixed to the notice and ends 45 days after it begins. During the notice period required  
179.2 in this subdivision, the owners of at least 51 percent of the manufactured homes in the park  
179.3 or a nonprofit organization which has the written permission of the owners of at least 51  
179.4 percent of the manufactured homes in the park to represent them in the acquisition of the  
179.5 park shall have the right to meet the cash price and execute an agreement to purchase the  
179.6 park for the purposes of keeping the park as a manufactured housing community, provided  
179.7 that the owners or nonprofit organization will covenant and warrant to the park owner in  
179.8 the agreement that they will continue to operate the park for not less than six years from  
179.9 the date of closing. The park owner must accept the offer if it meets the cash price and the  
179.10 same terms and conditions set forth in the purchaser's offer except that the seller is not  
179.11 obligated to provide owner financing. For purposes of this section, cash price means the  
179.12 cash price offer or equivalent cash offer as defined in section 500.245, subdivision 1,  
179.13 paragraph (d).

179.14 Sec. 9. Minnesota Statutes 2016, section 327C.095, subdivision 12, is amended to read:

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

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

314.32 (1) the manufactured home park owner relocates the manufactured home owner to  
314.33 another space in the manufactured home park or to another manufactured home park at the  
314.34 park owner's expense;

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

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

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

315.10 (5) the conversion of all or a portion of a manufactured home park to another use, the  
315.11 closure of a park, or cessation of use of the land as a manufactured home park is the result  
315.12 of a taking or exercise of the power of eminent domain by a governmental entity or public  
315.13 utility; or

315.14 (6) the owner of the manufactured home is not a resident of the manufactured home  
315.15 park, as defined in section 327C.01, subdivision 9, or the owner of the manufactured home  
315.16 is a resident, but came to reside in the manufactured home park after the mailing date of  
315.17 the closure statement under subdivision 1.

315.18 (c) If the unencumbered fund balance in the manufactured home relocation trust fund  
315.19 is less than ~~\$1,000,000~~ \$3,000,000 as of June 30 of each year, the commissioner of  
315.20 management and budget shall assess each manufactured home park owner by mail the total  
315.21 amount of \$15 for each licensed lot in their park, payable on or before ~~September~~ November  
315.22 15 of that year. ~~The commissioner of management Failure to notify and budget shall deposit~~  
315.23 ~~any payments in the Minnesota~~ timely assess the manufactured home relocation trust fund.  
315.24 ~~On or before July 15 of~~ any year shall waive the assessment  
315.25 and payment obligations of the manufactured home park owner for that year. Together with  
315.26 said assessment notice, each year; the commissioner of management and budget shall prepare  
315.27 and distribute to park owners a letter explaining whether funds are being collected for that  
315.28 year, information about the collection, an invoice for all licensed lots, and a sample form  
315.29 for the park owners to collect information on which park residents have been accounted  
315.30 for. If assessed under this paragraph, the park owner may recoup the cost of the \$15  
315.31 assessment as a lump sum or as a monthly fee of no more than \$1.25 collected from park  
315.32 residents together with monthly lot rent as provided in section 327C.03, subdivision 6. Park  
315.33 owners may adjust payment for lots in their park that are vacant or otherwise not eligible

179.32 (1) the manufactured home park owner relocates the manufactured home owner to  
179.33 another space in the manufactured home park or to another manufactured home park at the  
179.34 park owner's expense;

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

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

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

180.10 (5) the conversion of all or a portion of a manufactured home park to another use, the  
180.11 closure of a park, or cessation of use of the land as a manufactured home park is the result  
180.12 of a taking or exercise of the power of eminent domain by a governmental entity or public  
180.13 utility; or

180.14 (6) the owner of the manufactured home is not a resident of the manufactured home  
180.15 park, as defined in section 327C.01, subdivision 9, or the owner of the manufactured home  
180.16 is a resident, but came to reside in the manufactured home park after the mailing date of  
180.17 the closure statement under subdivision 1.

180.18 (c) If the unencumbered fund balance in the manufactured home relocation trust fund  
180.19 is less than ~~\$1,000,000~~ \$3,000,000 as of June 30 of each year, the commissioner of  
180.20 management and budget shall assess each manufactured home park owner by mail the total  
180.21 amount of \$15 for each licensed lot in their park, payable on or before ~~September~~ November  
180.22 15 of that year. ~~The commissioner of management Failure to notify and budget shall deposit~~  
180.23 ~~any payments in the Minnesota~~ timely assess the manufactured home relocation trust fund.  
180.24 ~~On or before July 15 of~~ any year shall waive the assessment  
180.25 and payment obligations of the manufactured home park owner for that year. Together with  
180.26 said assessment notice, each year; the commissioner of management and budget shall prepare  
180.27 and distribute to park owners a letter explaining whether funds are being collected for that  
180.28 year, information about the collection, an invoice for all licensed lots, and a sample form  
180.29 for the park owners to collect information on which park residents have been accounted  
180.30 for. If assessed under this paragraph, the park owner may recoup the cost of the \$15  
180.31 assessment as a lump sum or as a monthly fee of no more than \$1.25 collected from park  
180.32 residents together with monthly lot rent as provided in section 327C.03, subdivision 6. Park  
180.33 owners may adjust payment for lots in their park that are vacant or otherwise not eligible

315.34 for contribution to the trust fund under section 327C.095, subdivision 12, paragraph (b),  
316.1 and for park residents who have not paid the \$15 assessment to the park owner by October  
316.2 15, and deduct from the assessment accordingly. The commissioner of management and  
316.3 budget shall deposit any payments in the Minnesota manufactured home relocation trust  
316.4 fund.

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

316.9 Sec. 6. Minnesota Statutes 2016, section 327C.095, subdivision 13, is amended to read:

316.10 Subd. 13. **Change in use, relocation expenses; payments by park owner.** (a) If a  
316.11 manufactured home owner is required to relocate due to the conversion of all or a portion  
316.12 of a manufactured home park to another use, the closure of a manufactured home park, or  
316.13 cessation of use of the land as a manufactured home park under subdivision 1, and the  
316.14 manufactured home owner complies with the requirements of this section, the manufactured  
316.15 home owner is entitled to payment from the Minnesota manufactured home relocation trust  
316.16 fund equal to the manufactured home owner's actual relocation costs for relocating the  
316.17 manufactured home to a new location within a ~~25~~ 50-mile radius of the park that is being  
316.18 closed, up to a maximum of \$7,000 for a single-section and \$12,500 for a multisection  
316.19 manufactured home. The actual relocation costs must include the reasonable cost of taking  
316.20 down, moving, and setting up the manufactured home, including equipment rental, utility  
316.21 connection and disconnection charges, minor repairs, modifications necessary for  
316.22 transportation of the home, necessary moving permits and insurance, moving costs for any  
316.23 appurtenances, which meet applicable local, state, and federal building and construction  
316.24 codes.

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

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

316.32 (1) a copy of the closure statement under subdivision 1;

317.1 (2) a copy of the contract with a moving or towing contractor, which includes the  
317.2 relocation costs for relocating the manufactured home;

180.34 for contribution to the trust fund under section 327C.095, subdivision 12, paragraph (b),  
181.1 and, for park residents who have not paid the \$15 assessment to the park owner by October  
181.2 15, deduct from the assessment accordingly. The commissioner of management and budget  
181.3 shall deposit any payments in the Minnesota manufactured home relocation trust fund.

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

181.8 Sec. 10. Minnesota Statutes 2016, section 327C.095, subdivision 13, is amended to read:

181.9 Subd. 13. **Change in use, relocation expenses; payments by park owner.** (a) If a  
181.10 manufactured home owner is required to relocate due to the conversion of all or a portion  
181.11 of a manufactured home park to another use, the closure of a manufactured home park, or  
181.12 cessation of use of the land as a manufactured home park under subdivision 1, and the  
181.13 manufactured home owner complies with the requirements of this section, the manufactured  
181.14 home owner is entitled to payment from the Minnesota manufactured home relocation trust  
181.15 fund equal to the manufactured home owner's actual relocation costs for relocating the  
181.16 manufactured home to a new location within a ~~25-mile~~ 50-mile radius of the park that is  
181.17 being closed, up to a maximum of ~~\$7,000~~ \$9,000 for a single-section and \$12,500 for a  
181.18 multisection manufactured home. The actual relocation costs must include the reasonable  
181.19 cost of taking down, moving, and setting up the manufactured home, including equipment  
181.20 rental, utility connection and disconnection charges, minor repairs, modifications necessary  
181.21 for transportation of the home, necessary moving permits and insurance, moving costs for  
181.22 any appurtenances, which meet applicable local, state, and federal building and construction  
181.23 codes.

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

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

181.31 (1) a copy of the closure statement under subdivision 1;

181.32 (2) a copy of the contract with a moving or towing contractor, which includes the  
181.33 relocation costs for relocating the manufactured home;

317.3 (3) a statement with supporting materials of any additional relocation costs as outlined  
317.4 in subdivision 1;

317.5 (4) a statement certifying that none of the exceptions to receipt of compensation under  
317.6 subdivision 12, paragraph (b), apply to the manufactured home owner;

317.7 (5) a statement from the manufactured park owner that the lot rental is current and that  
317.8 the annual \$15 ~~payments~~ payment to the Minnesota manufactured home relocation trust  
317.9 fund ~~have~~ has been paid when due; and

317.10 (6) a statement from the county where the manufactured home is located certifying that  
317.11 personal property taxes for the manufactured home are paid through the end of that year.

317.12 (d) The neutral third party shall promptly process all payments for completed applications  
317.13 within 14 days. If the neutral third party has acted reasonably and does not approve or deny  
317.14 payment within 45 days after receipt of the information set forth in paragraph (c), the  
317.15 payment is deemed approved. Upon approval and request by the neutral third party, the  
317.16 Minnesota Housing Finance Agency shall issue two checks in equal amount for 50 percent  
317.17 of the contract price payable to the mover and towing contractor for relocating the  
317.18 manufactured home in the amount of the actual relocation cost, plus a check to the home  
317.19 owner for additional certified costs associated with third-party vendors, that were necessary  
317.20 in relocating the manufactured home. The moving or towing contractor shall receive 50  
317.21 percent upon execution of the contract and 50 percent upon completion of the relocation  
317.22 and approval by the manufactured home owner. The moving or towing contractor may not  
317.23 apply the funds to any other purpose other than relocation of the manufactured home as  
317.24 provided in the contract. A copy of the approval must be forwarded by the neutral third  
317.25 party to the park owner with an invoice for payment of the amount specified in subdivision  
317.26 12, paragraph (a).

317.27 (e) In lieu of collecting a relocation payment from the Minnesota manufactured home  
317.28 relocation trust fund under paragraph (a), the manufactured home owner may collect an  
317.29 amount from the fund after reasonable efforts to relocate the manufactured home have failed  
317.30 due to the age or condition of the manufactured home, or because there are no manufactured  
317.31 home parks willing or able to accept the manufactured home within a 25-mile radius. A  
317.32 manufactured home owner may tender title of the manufactured home in the manufactured  
317.33 home park to the manufactured home park owner, and collect an amount to be determined  
317.34 by an independent appraisal. The appraiser must be agreed to by both the manufactured  
318.1 home park owner and the manufactured home owner. If the appraised market value cannot  
318.2 be determined, the tax market value, averaged over a period of five years, can be used as a  
318.3 substitute. The maximum amount that may be reimbursed under the fund is \$8,000 for a  
318.4 single-section and \$14,500 for a multisection manufactured home. The minimum amount  
318.5 that may be reimbursed under the fund is \$2,000 for a single section and \$4,000 for a  
318.6 multisection manufactured home. The manufactured home owner shall deliver to the

182.1 (3) a statement with supporting materials of any additional relocation costs as outlined  
182.2 in subdivision 1;

182.3 (4) a statement certifying that none of the exceptions to receipt of compensation under  
182.4 subdivision 12, paragraph (b), apply to the manufactured home owner;

182.5 (5) a statement from the manufactured park owner that the lot rental is current and that  
182.6 the annual \$15 ~~payments~~ payment to the Minnesota manufactured home relocation trust  
182.7 fund ~~have~~ has been paid when due; and

182.8 (6) a statement from the county where the manufactured home is located certifying that  
182.9 personal property taxes for the manufactured home are paid through the end of that year.

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

182.24 (e) In lieu of collecting a relocation payment from the Minnesota manufactured home  
182.25 relocation trust fund under paragraph (a), the manufactured home owner may collect an  
182.26 amount from the fund after reasonable efforts to relocate the manufactured home have failed  
182.27 due to the age or condition of the manufactured home, or because there are no manufactured  
182.28 home parks willing or able to accept the manufactured home within a 25-mile radius. A  
182.29 manufactured home owner may tender title of the manufactured home in the manufactured  
182.30 home park to the manufactured home park owner, and collect an amount to be determined  
182.31 by an independent appraisal. The appraiser must be agreed to by both the manufactured  
182.32 home park owner and the manufactured home owner. If the appraised market value cannot  
182.33 be determined, the tax market value, averaged over a period of five years, can be used as a  
182.34 substitute. The maximum amount that may be reimbursed under the fund is \$8,000 for a  
183.1 single-section and \$14,500 for a multisection manufactured home. The minimum amount  
183.2 that may be reimbursed under the fund is \$2,000 for a single section and \$4,000 for a  
183.3 multisection manufactured home. The manufactured home owner shall deliver to the

318.7 manufactured home park owner the current certificate of title to the manufactured home  
318.8 duly endorsed by the owner of record, and valid releases of all liens shown on the certificate  
318.9 of title, and a statement from the county where the manufactured home is located evidencing  
318.10 that the personal property taxes have been paid. The manufactured home owner's application  
318.11 for funds under this paragraph must include a document certifying that the manufactured  
318.12 home cannot be relocated, that the lot rental is current, that the annual \$15 payments to the  
318.13 Minnesota manufactured home relocation trust fund have been paid when due, that the  
318.14 manufactured home owner has chosen to tender title under this section, and that the park  
318.15 owner agrees to make a payment to the commissioner of management and budget in the  
318.16 amount established in subdivision 12, paragraph (a), less any documented costs submitted  
318.17 to the neutral third party, required for demolition and removal of the home, and any debris  
318.18 or refuse left on the lot, not to exceed ~~\$1,000~~ \$3,000. The manufactured home owner must  
318.19 also provide a copy of the certificate of title endorsed by the owner of record, and certify  
318.20 to the neutral third party, with a copy to the park owner, that none of the exceptions to  
318.21 receipt of compensation under subdivision 12, paragraph (b), clauses (1) to (6), apply to the  
318.22 manufactured home owner, and that the home owner will vacate the home within 60 days  
318.23 after receipt of payment or the date of park closure, whichever is earlier, provided that the  
318.24 monthly lot rent is kept current.

318.25 (f) The Minnesota Housing Finance Agency must make a determination of the amount  
318.26 of payment a manufactured home owner would have been entitled to under a local ordinance  
318.27 in effect on May 26, 2007. Notwithstanding paragraph (a), the manufactured home owner's  
318.28 compensation for relocation costs from the fund under section 462A.35, is the greater of  
318.29 the amount provided under this subdivision, or the amount under the local ordinance in  
318.30 effect on May 26, 2007, that is applicable to the manufactured home owner. Nothing in this  
318.31 paragraph is intended to increase the liability of the park owner.

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

183.4 manufactured home park owner the current certificate of title to the manufactured home  
183.5 duly endorsed by the owner of record, and valid releases of all liens shown on the certificate  
183.6 of title, and a statement from the county where the manufactured home is located evidencing  
183.7 that the personal property taxes have been paid. The manufactured home owner's application  
183.8 for funds under this paragraph must include a document certifying that the manufactured  
183.9 home cannot be relocated, that the lot rental is current, that the annual \$15 payments to the  
183.10 Minnesota manufactured home relocation trust fund have been paid when due, that the  
183.11 manufactured home owner has chosen to tender title under this section, and that the park  
183.12 owner agrees to make a payment to the commissioner of management and budget in the  
183.13 amount established in subdivision 12, paragraph (a), less any documented costs submitted  
183.14 to the neutral third party, required for demolition and removal of the home, and any debris  
183.15 or refuse left on the lot, not to exceed ~~\$1,000~~ \$3,000. The manufactured home owner must  
183.16 also provide a copy of the certificate of title endorsed by the owner of record, and certify  
183.17 to the neutral third party, with a copy to the park owner, that none of the exceptions to  
183.18 receipt of compensation under subdivision 12, paragraph (b), clauses (1) to (6), apply to the  
183.19 manufactured home owner, and that the home owner will vacate the home within 60 days  
183.20 after receipt of payment or the date of park closure, whichever is earlier, provided that the  
183.21 monthly lot rent is kept current.

183.22 (f) The Minnesota Housing Finance Agency must make a determination of the amount  
183.23 of payment a manufactured home owner would have been entitled to under a local ordinance  
183.24 in effect on May 26, 2007. Notwithstanding paragraph (a), the manufactured home owner's  
183.25 compensation for relocation costs from the fund under section 462A.35, is the greater of  
183.26 the amount provided under this subdivision, or the amount under the local ordinance in  
183.27 effect on May 26, 2007, that is applicable to the manufactured home owner. Nothing in this  
183.28 paragraph is intended to increase the liability of the park owner.

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

183.33 (h)(1) By October 15, 2018, the Minnesota Housing Finance Agency shall post on its  
183.34 Web site and report to the chairs of the senate Finance Committee and house of  
183.35 representatives Ways and Means Committee on the Minnesota manufactured home relocation  
184.1 trust fund, including the account balance, payments to claimants, the amount of any advances  
184.2 to the fund, the amount of any insufficiencies encountered during the previous calendar  
184.3 year, and any itemized administrative charges or expenses deducted from the trust fund  
184.4 balance. If sufficient funds become available, the Minnesota Housing Finance Agency shall  
184.5 pay the manufactured home owner whose unpaid claim is the earliest by time and date of  
184.6 approval.

319.1 (h) The Minnesota Housing Finance Agency shall post on its Web site and report to the  
319.2 chairs of the senate Finance Committee and house of representatives Ways and Means  
319.3 Committee by ~~January~~ October 15 of each year on the Minnesota manufactured home  
319.4 relocation trust fund, including the aggregate account balance, the aggregate assessment  
319.5 payments received, summary information regarding each closed park including the total  
319.6 payments to claimants and payments received from each closed park, the amount of any  
319.7 advances to the fund, the amount of any insufficiencies encountered during the previous  
319.8 ~~calendar~~ fiscal year, reports of neutral third parties provided pursuant to subdivision 4, and  
319.9 any itemized administrative charges or expenses deducted from the trust fund balance, all  
319.10 of which should be reconciled to the previous year's trust fund balance. If sufficient funds  
319.11 become available, the Minnesota Housing Finance Agency shall pay the manufactured home  
319.12 owner whose unpaid claim is the earliest by time and date of approval.

319.13 Sec. 7. Minnesota Statutes 2016, section 327C.095, is amended by adding a subdivision  
319.14 to read:

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

319.23 Sec. 8. Minnesota Statutes 2016, section 462A.05, subdivision 14b, is amended to read:

319.24 Subd. 14b. **Energy conservation loans.** It may agree to purchase, make, or otherwise  
319.25 participate in the making, and may enter into commitments for the purchase, making, or  
319.26 participating in the making, of loans to persons and families, without limitations relating to  
319.27 the maximum incomes of the borrowers, to assist in energy conservation rehabilitation  
319.28 measures for existing housing owned by those persons or families including, but not limited  
319.29 to: weatherstripping and caulking; chimney construction or improvement; furnace or space  
319.30 heater repair, cleaning, or replacement; central air conditioner repair, maintenance, or  
319.31 replacement; air source or geothermal heat pump repair, maintenance, or replacement;  
319.32 insulation, ~~storm~~ windows and doors; and structural or other directly related repairs essential  
319.33 for energy conservation. Loans shall be made only when the agency determines that financing  
320.1 is not otherwise available, in whole or in part, from private lenders upon equivalent terms  
320.2 and conditions. Loans under this subdivision or subdivision 14 may:

320.3 (1) be integrated with a utility's on-bill repayment program approved under section  
320.4 216B.241, subdivision 5d; and

184.7 (2) Beginning in 2019, the Minnesota Housing Finance Agency shall post on its Web  
184.8 site and report to the chairs of the senate Finance Committee and house of representatives  
184.9 Ways and Means Committee by ~~January~~ October 15 of each year on the Minnesota  
184.10 manufactured home relocation trust fund, including the aggregate account balance, the  
184.11 aggregate assessment payments received, summary information regarding each closed park  
184.12 including the total payments to claimants and payments received from each closed park,  
184.13 the amount of any advances to the fund, the amount of any insufficiencies encountered  
184.14 during the previous ~~calendar~~ fiscal year, reports of neutral third parties provided pursuant  
184.15 to subdivision 4, and any itemized administrative charges or expenses deducted from the  
184.16 trust fund balance, all of which should be reconciled to the previous year's trust fund balance.  
184.17 If sufficient funds become available, the Minnesota Housing Finance Agency shall pay the  
184.18 manufactured home owner whose unpaid claim is the earliest by time and date of approval.

184.19 Sec. 11. Minnesota Statutes 2016, section 327C.095, is amended by adding a subdivision  
184.20 to read:

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



320.5        (2) also be made for the installation of on-site solar energy or energy storage systems.

320.6    Sec. 9. Minnesota Statutes 2017 Supplement, section 462A.2035, subdivision 1, is amended  
320.7    to read:

320.8        Subdivision 1. **Establishment.** The agency shall establish a manufactured home park  
320.9    redevelopment program for the purpose of making manufactured home park redevelopment  
320.10   grants or loans ~~to cities, counties, community action programs, nonprofit organizations, and~~  
320.11 ~~cooperatives created under chapter 308A or 308B~~ for the purposes specified in this section.

320.12   Sec. 10. Minnesota Statutes 2017 Supplement, section 462A.2035, subdivision 1b, is  
320.13   amended to read:

320.14        Subd. 1b. **Manufactured home park infrastructure grants.** Eligible recipients may  
320.15    use manufactured home park infrastructure grants under this program for:

320.16        (1) acquisition of and improvements in manufactured home parks; and

320.17        (2) infrastructure, including storm shelters and community facilities.

184.29   Sec. 12. Minnesota Statutes 2016, section 462A.222, subdivision 3, is amended to read:

184.30        Subd. 3. **Allocation procedure.** (a) Projects will be awarded tax credits in two  
184.31    competitive rounds on an annual basis. The date for applications for each round must be  
184.32    determined by the agency. No allocating agency may award tax credits prior to the application  
184.33    dates established by the agency.

185.1        (b) Each allocating agency must meet the requirements of section 42(m) of the Internal  
185.2    Revenue Code of 1986, as amended through December 31, 1989, for the allocation of tax  
185.3    credits and the selection of projects.

185.4        (c) For projects that are eligible for an allocation of credits pursuant to section 42(h)(4)  
185.5    of the Internal Revenue Code of 1986, as amended, tax credits may only be allocated if the  
185.6    project satisfies the requirements of the allocating agency's qualified allocation plan. For  
185.7    projects that are eligible for an allocation of credits pursuant to section 42(h)(4) of the  
185.8    Internal Revenue Code of 1986, as amended, for which the agency is the issuer of the bonds  
185.9    for the project, or the issuer of the bonds for the project is located outside the jurisdiction  
185.10   of a city or county that has received reserved tax credits, the applicable allocation plan is  
185.11   the agency's qualified allocation plan. Notwithstanding this paragraph, any projects that are  
185.12   eligible for an allocation of credits pursuant to section 42(h)(4) of the Internal Revenue  
185.13   Code of 1986, as amended, for which the Minnesota Housing Finance Agency is the issuer

185.14 of the bonds for the project, or the issuer of the bonds for the project is located outside the  
185.15 jurisdiction of a city or county that has received reserved tax credits, and such project meets  
185.16 the requirements of both section 474A.047 and section 42 of the Internal Revenue Code,  
185.17 such projects shall be deemed for all purposes to have satisfied all the requirements of the  
185.18 Minnesota Housing Finance Agency's qualified allocation plan and all other related guidance  
185.19 and requirements and the agency shall timely issue the necessary determination letters under  
185.20 section 42(m) of the Internal Revenue Code of 1986, as amended, or Form 8609. The  
185.21 Minnesota Housing Finance Agency's qualified allocation plan is required to contain the  
185.22 provisions of this subdivision.

185.23 (d) For applications submitted for the first round, an allocating agency may allocate tax  
185.24 credits only to the following types of projects:

185.25 (1) in the metropolitan area:

185.26 (i) new construction or substantial rehabilitation of projects in which, for the term of the  
185.27 extended use period, at least 75 percent of the total tax credit units are single-room  
185.28 occupancy, efficiency, or one bedroom units and which are affordable by households whose  
185.29 income does not exceed 30 percent of the median income;

185.30 (ii) new construction or substantial rehabilitation family housing projects that are not  
185.31 restricted to persons who are 55 years of age or older and in which, for the term of the  
185.32 extended use period, at least 75 percent of the tax credit units contain two or more bedrooms  
185.33 and at least one-third of the 75 percent contain three or more bedrooms; or

186.1 (iii) substantial rehabilitation projects in neighborhoods targeted by the city for  
186.2 revitalization;

186.3 (2) outside the metropolitan area, projects which meet a locally identified housing need  
186.4 and which are in short supply in the local housing market as evidenced by credible data  
186.5 submitted with the application;

186.6 (3) projects that are not restricted to persons of a particular age group and in which, for  
186.7 the term of the extended use period, a percentage of the units are set aside and rented to  
186.8 persons:

186.9 (i) with a serious and persistent mental illness as defined in section 245.462, subdivision  
186.10 20, paragraph (c);

186.11 (ii) with a developmental disability as defined in United States Code, title 42, section  
186.12 6001, paragraph (5), as amended through December 31, 1990;

186.13 (iii) who have been assessed as drug dependent persons as defined in section 254A.02,  
186.14 subdivision 5, and are receiving or will receive care and treatment services provided by an  
186.15 approved treatment program as defined in section 254A.02, subdivision 2;

186.16 (iv) with a brain injury as defined in section 256B.093, subdivision 4, paragraph (a); or

186.17 (v) with permanent physical disabilities that substantially limit one or more major life  
186.18 activities, if at least 50 percent of the units in the project are accessible as provided under  
186.19 Minnesota Rules, chapter 1340;

186.20 (4) projects, whether or not restricted to persons of a particular age group, which preserve  
186.21 existing subsidized housing, if the use of tax credits is necessary to prevent conversion to  
186.22 market rate use or to remedy physical deterioration of the project which would result in loss  
186.23 of existing federal subsidies; or

186.24 (5) projects financed by the Farmers Home Administration, or its successor agency,  
186.25 which meet statewide distribution goals.

186.26 (e) Before the date for applications for the final round, the allocating agencies other than  
186.27 the agency shall return all uncommitted and unallocated tax credits to a unified pool for  
186.28 allocation by the agency on a statewide basis.

186.29 (f) Unused portions of the state ceiling for low-income housing tax credits reserved to  
186.30 cities and counties for allocation may be returned at any time to the agency for allocation.

186.31 (g) If an allocating agency determines, at any time after the initial commitment or  
186.32 allocation for a specific project, that a project is no longer eligible for all or a portion of the  
187.1 low-income housing tax credits committed or allocated to the project, the credits must be  
187.2 transferred to the agency to be reallocated pursuant to the procedures established in  
187.3 paragraphs (e) to (g); provided that if the tax credits for which the project is no longer  
187.4 eligible are from the current year's annual ceiling and the allocating agency maintains a  
187.5 waiting list, the allocating agency may continue to commit or allocate the credits until not  
187.6 later than the date of applications for the final round, at which time any uncommitted credits  
187.7 must be transferred to the agency.

320.18 Sec. 11. Minnesota Statutes 2016, section 462A.33, subdivision 1, is amended to read:

320.19 Subdivision 1. **Created.** The economic development and housing challenge program is  
320.20 created to be administered by the agency.

320.21 (a) The program shall provide grants or loans for the purpose of construction, acquisition,  
320.22 rehabilitation, demolition or removal of existing structures, construction financing, permanent

320.23 financing, interest rate reduction, refinancing, and gap financing of housing or manufactured  
320.24 home parks, as defined in section 327C.01, to support economic development and  
320.25 redevelopment activities or job creation or job preservation within a community or region  
320.26 by meeting locally identified housing needs.

320.27 Gap financing is either:

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

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

321.3 (b) Preference for grants and loans shall be given to comparable proposals that include  
321.4 regulatory changes or waivers that result in identifiable cost avoidance or cost reductions,  
321.5 such as increased density, flexibility in site development standards, or zoning code  
321.6 requirements. Preference must also be given among comparable proposals to proposals for  
321.7 projects that are accessible to transportation systems, jobs, schools, and other services.

321.8 (c) If a grant or loan is used for demolition or removal of existing structures, the cleared  
321.9 land must be used for the construction of housing to be owned or rented by persons who  
321.10 meet the income limits of this section or for other housing-related purposes that primarily  
321.11 benefit the persons residing in the adjacent housing. In making selections for grants or loans  
321.12 for projects that demolish affordable housing units, the agency must review the potential  
321.13 displacement of residents and consider the extent to which displacement of residents is  
321.14 minimized.

321.15 Sec. 12. Minnesota Statutes 2016, section 462A.33, subdivision 2, is amended to read:

321.16 Subd. 2. **Eligible recipients.** Challenge grants or loans may be made to a city, a federally  
321.17 recognized American Indian tribe or subdivision located in Minnesota, a tribal housing  
321.18 corporation, a private developer, a nonprofit organization, or the owner of the housing or  
321.19 the manufactured home park, including individuals. For the purpose of this section, "city"  
321.20 has the meaning given it in section 462A.03, subdivision 21. To the extent practicable,  
321.21 grants and loans shall be made so that an approximately equal number of housing units are  
321.22 financed in the metropolitan area and in the nonmetropolitan area.

321.23 Sec. 13. Minnesota Statutes 2016, section 462A.37, subdivision 1, is amended to read:

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

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

321.27 (c) "Community land trust" means an entity that meets the requirements of section  
321.28 462A.31, subdivisions 1 and 2.

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

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

322.4 (f) "Housing infrastructure bonds" means bonds issued by the agency under this chapter  
322.5 that are qualified 501(c)(3) bonds, within the meaning of Section 145(a) of the Internal  
322.6 Revenue Code, finance qualified residential rental projects within the meaning of Section  
322.7 142(d) of the Internal Revenue Code, or are tax-exempt bonds that are not private activity  
322.8 bonds, within the meaning of Section 141(a) of the Internal Revenue Code, for the purpose  
322.9 of financing or refinancing affordable housing authorized under this chapter.

322.10 (g) "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

322.11 (h) "Senior" means a person 62 years of age or older with an annual income not greater  
322.12 than 50 percent of:

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

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

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

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

322.24 Sec. 14. Minnesota Statutes 2016, section 462A.37, subdivision 2, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

323.27 (1) demonstrate a commitment to maintaining the housing financed as affordable to  
323.28 seniors;

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

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

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

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

324.7 To the extent practicable, the agency shall balance the loans made between projects in the  
324.8 metropolitan area and projects outside the metropolitan area. Of the loans made to projects  
324.9 outside the metropolitan area, the agency shall, to the extent practicable, balance the loans  
324.10 made between projects in counties or cities with a population of 20,000 or less, as established  
324.11 by the most recent decennial census, and projects in counties or cities with populations in  
324.12 excess of 20,000.

324.13 Sec. 15. Minnesota Statutes 2016, section 474A.02, is amended by adding a subdivision  
324.14 to read:

324.15 Subd. 30. **Preservation project.** "Preservation project" means any residential rental  
324.16 project, regardless of whether or not the project is restricted to persons of a certain age or  
324.17 older that receive federal project-based rental subsidies. In addition, to qualify as a

187.18 Sec. 15. Minnesota Statutes 2016, section 474A.02, is amended by adding a subdivision  
187.19 to read:

187.20 Subd. 12a. **LIHTC.** "LIHTC" means low-income housing tax credits under section 42  
187.21 of the Internal Revenue Code of 1986, as amended.

187.22 Sec. 16. Minnesota Statutes 2016, section 474A.02, is amended by adding a subdivision  
187.23 to read:

187.24 Subd. 21a. **Preservation project.** "Preservation project" means any residential rental  
187.25 project, regardless of whether or not such project is restricted to persons of a certain age or  
187.26 older, that receives federal project-based rental subsidies. In addition, to qualify as a

324.18 preservation project, the amount of bonds requested in the application must not exceed the  
 324.19 aggregate bond limitation.

324.20 Sec. 16. Minnesota Statutes 2016, section 474A.02, is amended by adding a subdivision  
 324.21 to read:

324.22 Subd. 31. **30 percent AMI residential rental project.** "30 percent AMI residential  
 324.23 rental project" means a residential rental project that does not otherwise qualify as a  
 324.24 preservation project, is expected to generate low-income housing tax credits under section  
 324.25 42 of the Internal Revenue Code from 100 percent of its residential units, and: (1) in which  
 324.26 all the residential units of the project: (i) are reserved for tenants whose income, on average  
 324.27 is 30 percent of AMI or less; (ii) are rent restricted in accordance with section 42(g)(2) of  
 324.28 the Internal Revenue Code; and (iii) are subject to the rent and income restrictions for a  
 324.29 period of not less than 30 years; or (2)(i) is located within a home rule charter or statutory  
 324.30 city located outside of the metropolitan area as defined in section 473.121, subdivision 2,  
 324.31 with a population exceeding 500; a community that has a combined population of 1,500  
 324.32 residents located within 15 miles of a home rule charter or statutory city located outside the  
 324.33 metropolitan area as defined in section 473.121, subdivision 2, and that has a current area  
 325.1 median gross income that is less than the statewide area median income for the state of  
 325.2 Minnesota; (ii) all of the units of the project are rent restricted in accordance with section  
 325.3 42(g)(2) of the Internal Revenue Code; and (iii) all of the units of the project are subject to  
 325.4 the applicable rent and income restrictions for a period of not less than 30 years. In addition,  
 325.5 to qualify as a 30 percent AMI residential rental project, the amount of bonds requested in  
 325.6 the application must not exceed the aggregate bond limitation. For purposes of this  
 325.7 subdivision, "on average" means the average of the applicable income limitation level for  
 325.8 a project determined on a unit-by-unit basis e.g., a project with one-half of its units subject  
 325.9 to income limitations of not greater than 20 percent AMI and one-half subject to income  
 325.10 limitations of not greater than 40 percent AMI would be subject to an income limitation on  
 325.11 average of not greater than 30 percent AMI.

325.12 Sec. 17. Minnesota Statutes 2016, section 474A.02, is amended by adding a subdivision  
 325.13 to read:

325.14 Subd. 32. **50 percent AMI residential rental project.** "50 percent AMI residential  
 325.15 rental project" means a residential rental project that does not qualify as a preservation  
 325.16 project or a 30 percent AMI residential rental project, is expected to generate low-income  
 325.17 housing tax credits under section 42 of the Internal Revenue Code from 100 percent of its  
 325.18 residential units, and in which all the residential units of the project: (1) are reserved for  
 325.19 tenants whose income on average is 50 percent of AMI or less; (2) are rent restricted in  
 325.20 accordance with section 42(g)(2) of the Internal Revenue Code; and (3) are subject to the  
 325.21 rent and income restrictions for a period of not less than 30 years. In addition, to qualify as  
 325.22 a 50 percent AMI residential rental project, the amount of bonds requested in the application  
 325.23 must not exceed the aggregate bond limitation. For purposes of this subdivision, "on average"  
 325.24 means the average of the applicable income limitation level for a project determined on a

187.27 preservation project, the amount of bonds requested in the application must not exceed the  
 187.28 aggregate bond limitation.

188.1 Sec. 17. Minnesota Statutes 2016, section 474A.02, is amended by adding a subdivision  
 188.2 to read:

188.3 Subd. 30. **30 percent AMI residential rental project.** "30 percent AMI residential  
 188.4 rental project" means a residential rental project that does not otherwise qualify as a  
 188.5 preservation project, is expected to generate low-income housing tax credits under section  
 188.6 42 of the Internal Revenue Code of 1986, as amended, from 100 percent of its residential  
 188.7 units, and in which:  
 188.8 (1) all the residential units of the project:  
 188.9 (i) are reserved for tenants whose income, on average, is 30 percent of AMI or less;  
 188.10 (ii) are rent-restricted in accordance with section 42(g)(2) of the Internal Revenue Code  
 188.11 of 1986, as amended; and  
 188.12 (iii) are subject to rent and income restrictions for a period of not less than 30 years; or  
 188.13 (2)(i) is located within a county or metropolitan area that has a current median area gross  
 188.14 income that is less than the statewide area median income for Minnesota;  
 188.15 (ii) all of the units of the project are rent-restricted in accordance with section 42(g)(2)  
 188.16 of the Internal Revenue Code of 1986, as amended; and  
 188.17 (iii) all of the units of the project are subject to the applicable rent and income restrictions  
 188.18 for a period of not less than 30 years.  
 188.19 In addition, to qualify as a 30 percent AMI residential project, the amount of bonds  
 188.20 requested in the application must not exceed the aggregate bond limitation.

188.21 Sec. 18. Minnesota Statutes 2016, section 474A.02, is amended by adding a subdivision  
 188.22 to read:

188.23 Subd. 31. **50 percent AMI residential rental project.** "50 percent AMI residential  
 188.24 rental project," means a residential rental project that does not qualify as a preservation  
 188.25 project or 30 percent AMI residential rental project, is expected to generate low-income  
 188.26 housing tax credits under section 42 of the Internal Revenue Code of 1986, as amended,  
 188.27 from 100 percent of its residential units, and in which all the residential units of the project:  
 188.28 (1) are reserved for tenants whose income, on average, is 50 percent of AMI or less;  
 188.29 (2) are rent-restricted in accordance with section 42(g)(2) of the Internal Revenue Code  
 188.30 of 1986, as amended; and  
 188.31 (3) are subject to rent and income restrictions for a period of not less than 30 years.



325.25 unit-by-unit basis e.g., a project with one-half of its units subject to income limitations of  
325.26 not greater than 40 percent AMI and one-half subject to income limitations of not greater  
325.27 than 60 percent AMI would be subject to an income limitation on average of not greater  
325.28 than 50 percent AMI.

325.29 Sec. 18. Minnesota Statutes 2016, section 474A.02, is amended by adding a subdivision  
325.30 to read:

325.31 Subd. 33. **100 percent LIHTC project.** "100 percent LIHTC project" means a residential  
325.32 rental project that is expected to generate low-income housing tax credits under section 42  
325.33 of the Internal Revenue Code from 100 percent of its residential units and does not otherwise  
325.34 qualify as a preservation project, a 30 percent AMI residential rental project, or a 50 percent  
326.1 AMI residential rental project. In addition, to qualify as a 100 percent LIHTC project, the  
326.2 amount of bonds requested in the application must not exceed the aggregate bond limitation.

326.3 Sec. 19. Minnesota Statutes 2016, section 474A.02, is amended by adding a subdivision  
326.4 to read:

326.5 Subd. 34. **20 percent LIHTC project.** "20 percent LIHTC project" means a residential  
326.6 rental project that is expected to generate low-income housing tax credits under section 42  
326.7 of the Internal Revenue Code from at least 20 percent of its residential units and does not  
326.8 otherwise qualify as a preservation project, a 30 percent AMI residential rental project, a  
326.9 50 percent AMI residential rental project, or a 100 percent LIHTC project. In addition, to  
326.10 qualify as a 20 percent LIHTC project, the amount of bonds requested in the application  
326.11 must not exceed the aggregate bond limitation.

326.12 Sec. 20. Minnesota Statutes 2016, section 474A.02, is amended by adding a subdivision  
326.13 to read:

326.14 Subd. 35. **AMI.** "AMI" means the area median income for the applicable county or  
326.15 metropolitan area as published by the Department of Housing and Urban Development, as  
326.16 adjusted for household size.

326.17 Sec. 21. Minnesota Statutes 2016, section 474A.02, is amended by adding a subdivision  
326.18 to read:

326.19 Subd. 36. **Aggregate bond limitation.** "Aggregate bond limitation" means up to 55  
326.20 percent of the reasonably expected aggregate basis of a residential rental project and the  
326.21 land on which the project is or will be located.

326.22 Sec. 22. Minnesota Statutes 2016, section 474A.03, subdivision 1, is amended to read:

189.1 In addition, to qualify as a 50 percent AMI residential rental project, the amount of bonds  
189.2 requested in the application must not exceed the aggregate bond limitation.

189.3 Sec. 19. Minnesota Statutes 2016, section 474A.02, is amended by adding a subdivision  
189.4 to read:

189.5 Subd. 32. **100 percent LIHTC project.** "100 percent LIHTC project" means a residential  
189.6 rental project that is expected to generate low-income housing tax credits under section 42  
189.7 of the Internal Revenue Code of 1986, as amended, from 100 percent of its residential units  
189.8 and does not otherwise qualify as a preservation project, 30 percent AMI residential rental  
189.9 project, or 50 percent AMI residential rental project. In addition, to qualify as a 100 percent  
189.10 LIHTC project, the amount of bonds requested in the application must not exceed the  
189.11 aggregate bond limitation.

189.12 Sec. 20. Minnesota Statutes 2016, section 474A.02, is amended by adding a subdivision  
189.13 to read:

189.14 Subd. 33. **20 percent LIHTC project.** "20 percent LIHTC project" means a residential  
189.15 rental project that is expected to generate low-income housing tax credits under section 42  
189.16 of the Internal Revenue Code of 1986, as amended, from at least 20 percent of its residential  
189.17 units and does not otherwise qualify as a preservation project, 30 percent AMI residential  
189.18 rental project, 50 percent AMI residential rental project, or 100 percent LIHTC project. In  
189.19 addition, to qualify as a 20 percent LIHTC project, the amount of bonds requested in the  
189.20 application must not exceed the aggregate bond limitation.

187.13 Sec. 14. Minnesota Statutes 2016, section 474A.02, is amended by adding a subdivision  
187.14 to read:

187.15 Subd. 1b. **AMI.** "AMI" means the area median income for the applicable county or  
187.16 metropolitan area as published by the Department of Housing and Urban Development, as  
187.17 adjusted for household size.

187.8 Sec. 13. Minnesota Statutes 2016, section 474A.02, is amended by adding a subdivision  
187.9 to read:

187.10 Subd. 1a. **Aggregate bond limitation.** "Aggregate bond limitation" means up to 55  
187.11 percent of the reasonably expected aggregate basis of a residential rental project and the  
187.12 land on which the project is or will be located.

189.21 Sec. 21. Minnesota Statutes 2016, section 474A.03, subdivision 1, is amended to read:

326.23 Subdivision 1. **Under federal tax law; allocations.** At the beginning of each calendar  
326.24 year ~~after December 31, 2001~~, the commissioner shall determine the aggregate dollar amount  
326.25 of the annual volume cap under federal tax law for the calendar year, and of this amount  
326.26 the commissioner shall make the following allocation:

326.27 (1) \$74,530,000 to the small issue pool;

326.28 (2) \$122,060,000 to the housing pool, of which 31 percent of the adjusted allocation is  
326.29 reserved until the last Monday in ~~July~~ June for single-family housing programs;

326.30 (3) \$12,750,000 to the public facilities pool; and

327.1 (4) amounts to be allocated as provided in subdivision 2a.

327.2 If the annual volume cap is greater or less than the amount of bonding authority allocated  
327.3 under clauses (1) to (4) and subdivision 2a, paragraph (a), clauses (1) to (4), the allocation  
327.4 must be adjusted so that each adjusted allocation is the same percentage of the annual volume  
327.5 cap as each original allocation is of the total bonding authority originally allocated.

327.6 Sec. 23. Minnesota Statutes 2016, section 474A.04, subdivision 1a, is amended to read:

327.7 Subd. 1a. **Entitlement reservations.** Any amount returned by an entitlement issuer  
327.8 before ~~July~~ June 15 shall be reallocated through the housing pool. Any amount returned on  
327.9 or after ~~July~~ June 15 shall be reallocated through the unified pool. An amount returned after  
327.10 the last Monday in November shall be reallocated to the Minnesota Housing Finance Agency.

189.22 Subdivision 1. **Under federal tax law; allocations.** At the beginning of each calendar  
189.23 year after December 31, 2001, the commissioner shall determine the aggregate dollar amount  
189.24 of the annual volume cap under federal tax law for the calendar year, and of this amount  
189.25 the commissioner shall make the following allocation:

189.26 (1) \$74,530,000 to the small issue pool;

189.27 (2) \$122,060,000 to the housing pool, of which 31 percent of the adjusted allocation is  
189.28 ~~reserved until the last Monday in July for single-family housing programs;~~

189.29 (3) \$12,750,000 to the public facilities pool; and

189.30 (4) amounts to be allocated as provided in subdivision 2a.

190.1 If the annual volume cap is greater or less than the amount of bonding authority allocated  
190.2 under clauses (1) to (4) and subdivision 2a, paragraph (a), clauses (1) to (4), the allocation  
190.3 must be adjusted so that each adjusted allocation is the same percentage of the annual volume  
190.4 cap as each original allocation is of the total bonding authority originally allocated.

190.5 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
190.6 expires January 1, 2021.

190.7 Sec. 22. Minnesota Statutes 2016, section 474A.04, subdivision 1a, is amended to read:

190.8 Subd. 1a. **Entitlement reservations.** Any amount returned by an entitlement issuer  
190.9 before ~~July~~ June 15 shall be reallocated through the housing pool. Any amount returned on  
190.10 or after ~~July 15~~ June 1 shall be reallocated through the unified pool. An amount returned after  
190.11 the last Monday in November shall be reallocated to the Minnesota Housing Finance Agency.

190.12 Sec. 23. Minnesota Statutes 2016, section 474A.047, subdivision 1, is amended to read:

190.13 Subdivision 1. **Eligibility.** (a) An issuer may only use the proceeds from residential  
190.14 rental bonds if the proposed project meets the following requirements:

190.15 (1) the proposed residential rental project meets the requirements of section 142(d) of  
190.16 the Internal Revenue Code regarding the incomes of the occupants of the housing; and

190.17 (2) the maximum rent for at least 20 percent of the units in the proposed residential rental  
190.18 project do not exceed the area fair market rent or exception fair market rents for existing  
190.19 housing, if applicable, as established by the federal Department of Housing and Urban  
190.20 Development. The rental rates of units in a residential rental project for which project-based

327.11 Sec. 24. Minnesota Statutes 2016, section 474A.047, subdivision 2, is amended to read:

327.12 Subd. 2. **15-year agreement.** Prior to the issuance of residential rental bonds, the  
327.13 developer of the project for which the bond proceeds will be used must enter into a 15-year  
327.14 agreement with the issuer that specifies the maximum rental rates of the rent-restricted units  
327.15 in the project and the income levels of the residents of the project occupying income-restricted  
327.16 units and in which the developer will agree to maintain the project as a preservation project,  
327.17 a 30 percent AMI residential rental project, a 50 percent AMI residential rental project, a  
327.18 100 percent LIHTC project, or a 20 percent LIHTC project, as applicable and as described  
327.19 in its application. ~~Such~~ The rental rates and income levels must be within the limitations  
327.20 established under subdivision 1. The developer must annually certify to the issuer over the  
327.21 term of the agreement that the rental rates for the rent-restricted units are within the  
327.22 limitations under subdivision 1. The issuer may request individual certification of the income  
327.23 of residents of the income-restricted units. The commissioner may request from the issuer  
327.24 a copy of the annual certification prepared by the developer. The commissioner may require  
327.25 the issuer to request individual certification of all residents of the income-restricted units.

327.26 Sec. 25. Minnesota Statutes 2016, section 474A.061, subdivision 1, is amended to read:

190.21 federal assistance payments are made are deemed to be within the rent limitations of this  
190.22 clause.

190.23 (b) The proceeds from residential rental bonds may be used for a project for which  
190.24 project-based federal rental assistance payments are made only if: the owner of the project  
190.25 enters into a binding agreement with the issuer under which the owner is obligated to extend  
190.26 any existing low-income affordability restrictions and any contract or agreement for rental  
190.27 assistance payments for the maximum term permitted, including any renewals thereof.

190.28 ~~(1) the owner of the project enters into a binding agreement with the Minnesota Housing~~  
190.29 ~~Finance Agency under which the owner is obligated to extend any existing low-income~~  
190.30 ~~affordability restrictions and any contract or agreement for rental assistance payments for~~  
190.31 ~~the maximum term permitted, including any renewals thereof; and~~

191.1 ~~(2) the Minnesota Housing Finance Agency certifies that project reserves will be~~  
191.2 ~~maintained at closing of the bond issue and budgeted in future years at the lesser of:~~

191.3 ~~(i) the level described in Minnesota Rules, part 4900.0010, subpart 7, item A, subitem~~  
191.4 ~~(2), effective May 1, 1997; or~~

191.5 ~~(ii) the level of project reserves available prior to the bond issue, provided that additional~~  
191.6 ~~money is available to accomplish repairs and replacements needed at the time of bond issue.~~

191.7 Sec. 24. Minnesota Statutes 2016, section 474A.047, subdivision 2, is amended to read:

191.8 Subd. 2. **15-year agreement.** Prior to the issuance of residential rental bonds, the  
191.9 developer of the project for which the bond proceeds will be used must enter into a 15-year  
191.10 agreement with the issuer that specifies the maximum rental rates of the rent-restricted units  
191.11 in the project and the income levels of the residents of the project occupying income-restricted  
191.12 units; and in which the developer will agree to maintain the project as a preservation project,  
191.13 30 percent AMI residential rental project, 50 percent AMI residential rental project, 100  
191.14 percent LIHTC project, or 20 percent LIHTC project, as applicable and as described in its  
191.15 application. Such rental rates and income levels must be within the limitations established  
191.16 under subdivision 1. The developer must annually certify to the issuer over the term of the  
191.17 agreement that the rental rates for the rent-restricted units are within the limitations under  
191.18 subdivision 1. The issuer may request individual certification of the income of residents of  
191.19 the income-restricted units. The commissioner may request from the issuer a copy of the  
191.20 annual certification prepared by the developer. The commissioner may require the issuer  
191.21 to request individual certification of all residents of the income-restricted units.

191.22 Sec. 25. Minnesota Statutes 2016, section 474A.061, is amended to read:

191.23 **474A.061 MANUFACTURING, HOUSING, AND PUBLIC FACILITIES POOLS.**

327.27 Subdivision 1. **Allocation application; small issue pool and public facilities pool.** (a)  
327.28 For any requested allocations from the small issue pool or the public facilities pool, an issuer  
327.29 may apply for an allocation under this section by submitting to the department an application  
327.30 on forms provided by the department, accompanied by (1) a preliminary resolution, (2) a  
327.31 statement of bond counsel that the proposed issue of obligations requires an allocation under  
327.32 this chapter and the Internal Revenue Code, (3) the type of qualified bonds to be issued, (4)  
328.1 an application deposit in the amount of one percent of the requested allocation before the  
328.2 last Monday in ~~July~~, June, or in the amount of two percent of the requested allocation on or  
328.3 after the last Monday in ~~July~~, June; and (5) a public purpose scoring worksheet for  
328.4 manufacturing project and enterprise zone facility project applications, ~~and (6) for residential~~  
328.5 ~~rental projects, a statement from the applicant or bond counsel as to whether the project~~  
328.6 ~~preserves existing federally subsidized housing for residential rental project applications~~  
328.7 ~~and whether the project is restricted to persons who are 55 years of age or older. The issuer~~  
328.8 ~~must pay the application deposit by a check made payable to the Department of Management~~  
328.9 ~~and Budget. The Minnesota Housing Finance Agency, the Minnesota Rural Finance~~  
328.10 ~~Authority, and the Minnesota Office of Higher Education may apply for and receive an~~  
328.11 ~~allocation under this section without submitting an application deposit.~~

328.12 (b) An entitlement issuer may not apply for an allocation ~~from the public facilities pool~~  
328.13 ~~under this subdivision~~ unless it has either permanently issued bonds equal to the amount of  
328.14 its entitlement allocation for the current year plus any amount of bonding authority carried  
328.15 forward from previous years or returned for reallocation all of its unused entitlement  
328.16 allocation. For purposes of this subdivision, an entitlement allocation includes an amount  
328.17 obtained under section 474A.04, subdivision 6.

328.18 ~~An entitlement issuer may not apply for an allocation from the housing pool unless it~~  
328.19 ~~either has permanently issued bonds equal to any amount of bonding authority carried~~  
328.20 ~~forward from a previous year or has returned for reallocation any unused bonding authority~~  
328.21 ~~carried forward from a previous year. For purposes of this subdivision, its entitlement~~  
328.22 ~~allocation includes an amount obtained under section 474A.04, subdivision 6. This paragraph~~  
328.23 ~~does not apply to an application from the Minnesota Housing Finance Agency for an~~  
328.24 ~~allocation under subdivision 2a for cities who choose to have the agency issue bonds on~~  
328.25 ~~their behalf.~~

328.26 (c) If an application is rejected under this section, the commissioner must notify the  
328.27 applicant and return the application deposit to the applicant within 30 days unless the  
328.28 applicant requests in writing that the application be resubmitted. The granting of an allocation  
328.29 of bonding authority under this section must be evidenced by a certificate of allocation.

328.30 Sec. 26. Minnesota Statutes 2016, section 474A.061, is amended by adding a subdivision  
328.31 to read:

191.24 Subdivision 1. **Allocation application; small issue pool and public facilities pool.** (a)  
191.25 For any requested allocations from the small issue pool and the public facilities pool, an  
191.26 issuer may apply for an allocation under this section by submitting to the department an  
191.27 application on forms provided by the department, accompanied by (1) a preliminary  
191.28 resolution, (2) a statement of bond counsel that the proposed issue of obligations requires  
191.29 an allocation under this chapter and the Internal Revenue Code, (3) the type of qualified  
191.30 bonds to be issued, (4) an application deposit in the amount of one percent of the requested  
191.31 allocation before the last Monday in ~~July~~, June, or in the amount of two percent of the  
191.32 requested allocation on or after the last Monday in ~~July~~, June, and (5) a public purpose  
191.33 scoring worksheet for manufacturing project and enterprise zone facility project applications;  
192.1 ~~and (6) for residential rental projects, a statement from the applicant or bond counsel as to~~  
192.2 ~~whether the project preserves existing federally subsidized housing for residential rental~~  
192.3 ~~project applications and whether the project is restricted to persons who are 55 years of age~~  
192.4 ~~or older. The issuer must pay the application deposit by a check or wire transfer made~~  
192.5 ~~payable to the Department of Management and Budget. The Minnesota Housing Finance~~  
192.6 ~~Agency, the Minnesota Rural Finance Authority, and the Minnesota Office of Higher~~  
192.7 ~~Education may apply for and receive an allocation under this section without submitting an~~  
192.8 ~~application deposit.~~

192.9 (b) An entitlement issuer may not apply for an allocation ~~from the public facilities pool~~  
192.10 ~~under this subdivision~~ unless it has either permanently issued bonds equal to the amount of  
192.11 its entitlement allocation for the current year plus any amount of bonding authority carried  
192.12 forward from previous years or returned for reallocation all of its unused entitlement  
192.13 allocation. ~~An entitlement issuer may not apply for an allocation from the housing pool~~  
192.14 ~~unless it either has permanently issued bonds equal to any amount of bonding authority~~  
192.15 ~~carried forward from a previous year or has returned for reallocation any unused bonding~~  
192.16 ~~authority carried forward from a previous year. For purposes of this subdivision, its~~  
192.17 ~~entitlement allocation includes an amount obtained under section 474A.04, subdivision 6.~~  
192.18 ~~This paragraph does not apply to an application from the Minnesota Housing Finance Agency~~  
192.19 ~~for an allocation under subdivision 2a for cities who choose to have the agency issue bonds~~  
192.20 ~~on their behalf.~~

192.21 (c) If an application is rejected under this section, the commissioner must notify the  
192.22 applicant and return the application deposit to the applicant within 30 days unless the  
192.23 applicant requests in writing that the application be resubmitted. The granting of an allocation  
192.24 of bonding authority under this section must be evidenced by a certificate of allocation.

328.32 Subd. 1a. **Allocation application; housing pool.** (a) For any requested allocations from  
 328.33 the housing pool, an issuer may apply for an allocation under this section by submitting to  
 328.34 the department an application on forms provided by the department, accompanied by: (1)  
 329.1 a preliminary resolution; (2) a statement of bond counsel that the proposed issue of  
 329.2 obligations requires an allocation under this chapter and the Internal Revenue Code; (3) an  
 329.3 application deposit in the amount of two percent of the requested allocation; (4) a sworn  
 329.4 statement from the applicant identifying the project as either a preservation project, a 30  
 329.5 percent AMI residential rental project, a 50 percent AMI residential rental project, a 100  
 329.6 percent LIHTC project, a 20 percent LIHTC project, or any other residential rental project;  
 329.7 and (5) a certification from the applicant or the applicant's accountant stating whether the  
 329.8 requested allocation exceeds the aggregate bond limitation. The issuer must pay the  
 329.9 application deposit by a check made payable to the Department of Management and Budget.  
 329.10 The Minnesota Housing Finance Agency may apply for and receive an allocation under this  
 329.11 section without submitting an application deposit.

329.12 (b) An entitlement issuer may not apply for an allocation from the housing pool unless  
 329.13 it has either permanently issued bonds equal to any amount of bonding authority carried  
 329.14 forward from a previous year or returned for reallocation any unused bonding authority  
 329.15 carried forward from a previous year. For purposes of this subdivision, an entitlement  
 329.16 allocation includes an amount obtained under section 474A.04, subdivision 6. This paragraph  
 329.17 does not apply to an application from the Minnesota Housing Finance Agency for an  
 329.18 allocation under subdivision 2a for cities that choose to have the agency issue bonds on  
 329.19 their behalf.

329.20 (c) If an application is rejected under this section, the commissioner must notify the  
 329.21 applicant and return the application deposit to the applicant within 30 days unless the  
 329.22 applicant requests in writing that the application be resubmitted. The granting of an allocation  
 329.23 of bonding authority under this section must be evidenced by a certificate of allocation.

329.24 Sec. 27. Minnesota Statutes 2016, section 474A.061, subdivision 2a, is amended to read:

329.25 Subd. 2a. **Housing pool allocation.** (a) Commencing on the second Tuesday in January  
 329.26 and continuing on each Monday through ~~July 15~~ June 15, the commissioner shall allocate  
 329.27 available bonding authority from the housing pool to applications received on or before the  
 329.28 Monday of the preceding week for residential rental projects that meet the eligibility criteria  
 329.29 under section 474A.047. Allocations of available bonding authority from the housing pool  
 329.30 for eligible residential rental projects shall be awarded in the following order of priority:  
 329.31 (1) ~~projects that preserve existing federally subsidized housing; (2) projects that are not~~  
 329.32 ~~restricted to persons who are 55 years of age or older; and preservation projects; (2) 30~~  
 329.33 ~~percent AMI residential rental projects; (3) 50 percent AMI residential rental projects; (4)~~  
 329.34 ~~100 percent LIHTC projects; (5) 20 percent LIHTC projects; and (6) other residential rental~~  
 330.1 ~~projects. Prior to May 15, no allocation shall be made to a project restricted to persons who~~  
 330.2 ~~are 55 years of age or older. If an~~ for which the amount of bonds requested in their respective

192.25 Subd. 1a. **Allocation application; housing pool.** (a) For any requested allocations from  
 192.26 the housing pool, an issuer may apply for an allocation under this section by submitting to  
 192.27 the department an application on forms provided by the department, accompanied by (1) a  
 192.28 preliminary resolution, (2) a statement of bond counsel that the proposed issue of obligations  
 192.29 requires an allocation under this chapter and the Internal Revenue Code, (3) an application  
 192.30 deposit in the amount of two percent of the requested allocation, (4) a sworn statement from  
 192.31 the applicant identifying the project as either a preservation project, 30 percent AMI  
 192.32 residential rental project, 50 percent AMI residential rental project, 100 percent LIHTC  
 192.33 project, 20 percent LIHTC project, or any other residential rental project, and (5) a  
 192.34 certification from the applicant or its accountant stating whether the requested allocation  
 192.35 exceeds the aggregate bond limitation. The issuer must pay the application deposit by a  
 193.1 check made payable to the Department of Management and Budget or wire transfer. The  
 193.2 Minnesota Housing Finance Agency may apply for and receive an allocation under this  
 193.3 section without submitting an application deposit.

193.4 (b) An entitlement issuer may not apply for an allocation from the housing pool unless  
 193.5 it either has permanently issued bonds equal to any amount of bonding authority carried  
 193.6 forward from a previous year or has returned for reallocation any unused bonding authority  
 193.7 carried forward from a previous year. For purposes of this subdivision, its entitlement  
 193.8 allocation includes an amount obtained under section 474A.04, subdivision 6. This paragraph  
 193.9 does not apply to an application from the Minnesota Housing Finance Agency for an  
 193.10 allocation under subdivision 2a for cities who choose to have the agency issue bonds on the  
 193.11 city's behalf.

193.12 (c) If an application is rejected under this section, the commissioner must notify the  
 193.13 applicant and return the application deposit to the applicant within 30 days unless the  
 193.14 applicant requests in writing that the application be resubmitted. The granting of an allocation  
 193.15 of bonding authority under this section must be evidenced by a certificate of allocation.

193.16 Subd. 2a. **Housing pool allocation.** (a) Commencing on the second Tuesday in January  
 193.17 and continuing on each Monday through ~~July~~ June 15, the commissioner shall allocate  
 193.18 available bonding authority from the housing pool to applications received on or before the  
 193.19 Monday of the preceding week for residential rental projects that meet the eligibility criteria  
 193.20 under section 474A.047. Allocations of available bonding authority from the housing pool  
 193.21 for eligible residential rental projects shall be awarded in the following order of priority:  
 193.22 ~~(1) projects that preserve existing federally subsidized housing; (2) projects that are not~~  
 193.23 ~~restricted to persons who are 55 years of age or older; and (3) other residential rental projects.~~  
 193.24 ~~Prior to May 15, no allocation shall be made to a project restricted to persons who are 55~~  
 193.25 ~~years of age or older.~~

193.26 (1) preservation projects;

330.3 applications do not exceed the aggregate bond limitation. If there are two or more applications  
 330.4 for residential rental projects at the same priority level and there is insufficient bonding  
 330.5 authority to provide allocations for all the projects in any one allocation period, available  
 330.6 bonding authority shall be randomly awarded by lot but only for projects that can receive  
 330.7 the full amount of their respective requested allocations. If a residential rental project does  
 330.8 not receive any of its requested allocation pursuant to this paragraph, the remaining bonding  
 330.9 authority not allocated to the project shall be reserved by the commissioner, or by the  
 330.10 Minnesota Housing Financing Agency if the authority is carried forward pursuant to section  
 330.11 474A.131, for the project for up to 24 months thereafter, and if the project applies in the  
 330.12 future to the housing pool or unified pool for additional allocation of bonds, the project  
 330.13 shall be fully funded up to the remaining amount of its original application request for  
 330.14 bonding authority before any new project, applying in the same allocation period, that has  
 330.15 an equal priority shall receive bonding authority. An issuer that receives an allocation under  
 330.16 this paragraph does not issue obligations equal to all or a portion of the allocation received  
 330.17 within 120 days of the allocation must issue obligations equal to all or a portion of the  
 330.18 allocation received on or before the later of 180 days of the allocation or within 18 months  
 330.19 after the allocation date if the applicant submits an additional application deposit equal to  
 330.20 one percent of the allocation amount on or prior to 180 days after the allocation date. If an  
 330.21 issuer that receives an allocation under this paragraph does not issue obligations equal to  
 330.22 all or a portion of the allocation received within the time period provided in this paragraph  
 330.23 or returns the allocation to the commissioner, the amount of the allocation is canceled and  
 330.24 returned for reallocation through the housing pool or to the unified pool after July 15. 1. If  
 330.25 an issuer that receives an allocation under this paragraph issues obligations within the time  
 330.26 period provided in this paragraph, the commissioner shall refund 50 percent of any application  
 330.27 deposit previously paid within 30 days of the issuance of the obligations and the remaining  
 330.28 50 percent of the application deposit: (i) within 30 days after the date on which IRS Form  
 330.29 8609(s) are issued with respect to projects generating low-income housing tax credits; or  
 330.30 (ii) within 90 days after the issuer provides a certification and any other reasonable  
 330.31 documentation requested by the commissioner evidencing that construction of the project  
 330.32 has been completed.

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

193.27 (2) 30 percent AMI residential rental projects;  
 193.28 (3) 50 percent AMI residential rental projects;  
 193.29 (4) 100 percent LIHTC projects;  
 193.30 (5) 20 percent LIHTC projects;  
 193.31 (6) after June 1 in calendar years 2018, 2019, and 2020, and after January 1 starting in  
 193.32 calendar year 2021, single family housing programs; and  
 194.1 (7) other residential rental projects for which the amount of bonds requested in their  
 194.2 respective applications do not exceed the aggregate bond limitation.  
 194.3 If there are two or more applications for residential rental projects at the same priority level  
 194.4 and there is insufficient bonding authority to provide allocations for all such projects in any  
 194.5 one allocation period, available bonding authority shall be randomly awarded by lot. If a  
 194.6 residential rental project is selected by lot, but the remaining allocation is insufficient to  
 194.7 receive the full amount of its requested allocation, the remaining bonding authority shall  
 194.8 be reserved by the commissioner, or by the Minnesota Housing Finance Agency if such  
 194.9 authority is carried forward pursuant to section 474A.131, for the project for up to 24 months  
 194.10 thereafter, and if the project applies in the future to the housing pool or unified pool for  
 194.11 additional allocation of bonds, the project shall be fully funded up to the remaining amount  
 194.12 of its original application request for bonding authority before any new project applying in  
 194.13 the same allocation period that has an equal priority shall receive bonding authority. Within  
 194.14 180 days of receiving an allocation under this paragraph, an issuer must either begin issuing  
 194.15 obligations or submit an additional application deposit equal to one percent of the allocation  
 194.16 amount; if an additional deposit is submitted, the issuer must begin issuing obligations  
 194.17 within 18 months of receiving an allocation. If an issuer that receives an allocation under  
 194.18 this paragraph does not issue obligations equal to all or a portion of the allocation received  
 194.19 within 120 days of the allocation, the relevant time period in this paragraph or returns the  
 194.20 allocation to the commissioner, the amount of the allocation is canceled and returned for  
 194.21 reallocation through the housing pool or to the unified pool after July 15. 1. If an issuer that  
 194.22 receives an allocation under this paragraph issues obligations within the relevant time period  
 194.23 in this paragraph, the commissioner shall refund 50 percent of any application deposit  
 194.24 previously paid within 30 days of the issuance of the obligations and the remaining 50  
 194.25 percent of the application deposit will be refunded (i) within 30 days after the date on which  
 194.26 the Internal Revenue Service Forms 8609 are issued with respect to projects generating  
 194.27 low-income housing tax credits, or (ii) within 90 days after the issuer provides a certification  
 194.28 and any other reasonable documentation requested by the commissioner evidencing that  
 194.29 construction of the project has been completed.

194.30 (b) ~~After January 1, and through January 15,~~ The Minnesota Housing Finance Agency  
 194.31 may accept applications, according to the schedule in paragraph (c), from cities for  
 194.32 single-family housing programs which meet program requirements as follows:

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

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

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

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

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

331.19 (c) Any amounts remaining in the housing pool after ~~July~~ June 15 are available for  
331.20 single-family housing programs for cities that applied in January and received an allocation  
331.21 under this section in the same calendar year. For a city that chooses to issue bonds on its  
331.22 own behalf or pursuant to a joint powers agreement, the agency must allot available bonding  
331.23 authority based on the formula in paragraphs (d) and (f). Allocations will be made loan by  
331.24 loan, on a first-come, first-served basis among cities on whose behalf the Minnesota Housing  
331.25 Finance Agency issues bonds.

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

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

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

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

195.8 (4) for applicants who choose to have the agency issue bonds on their behalf, an  
195.9 application fee pursuant to section 474A.03, subdivision 4, and an application deposit equal  
195.10 to one percent of the requested allocation must be submitted to the Minnesota Housing  
195.11 Finance Agency before the agency forwards the list specifying the amounts allocated to the  
195.12 commissioner under paragraph ~~(d)~~ (e). The agency shall submit the city's application fee  
195.13 and application deposit to the commissioner when requesting an allocation from the housing  
195.14 pool.

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

195.17 (c) The Minnesota Housing Finance Agency may accept applications under paragraph  
195.18 ~~(b)~~ after June 1 in calendar years 2018, 2019, and 2020, and after January 1 and through  
195.19 January 15 starting in calendar year 2021.

195.20 ~~(e) Any amounts remaining in the housing pool after July 15 are available for~~  
195.21 ~~single-family housing programs for cities that applied in January and received an allocation~~  
195.22 ~~under this section in the same calendar year.~~ (d) For a city that chooses to issue bonds on  
195.23 its own behalf or pursuant to a joint powers agreement, the agency must allot available  
195.24 bonding authority based on the formula in paragraphs ~~(d)~~ (e) and ~~(f)~~ (g). Allocations will  
195.25 be made loan by loan, on a first-come, first-served basis among cities on whose behalf the  
195.26 Minnesota Housing Finance Agency issues bonds.

195.27 Any city that received an allocation pursuant to paragraph ~~(f)~~ (g) in the same calendar  
195.28 year that wishes to issue bonds on its own behalf or pursuant to a joint powers agreement  
195.29 for an amount becoming available for single-family housing programs after ~~July 15~~ June 1  
195.30 shall notify the Minnesota Housing Finance Agency by ~~July 15~~ June 1. The Minnesota  
195.31 Housing Finance Agency shall notify each city making a request of the amount of its  
195.32 allocation within three business days after ~~July 15~~ June 1. The city must comply with  
195.33 paragraph ~~(f)~~ (g).

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

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

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

332.16 Total allocations from the housing pool for single-family housing programs may not  
332.17 exceed 31 percent of the adjusted allocation to the housing pool until after ~~July~~ June 15.

332.18 (e) The agency may issue bonds on behalf of participating cities. The agency shall request  
332.19 an allocation from the commissioner for all applicants who choose to have the agency issue  
332.20 bonds on their behalf and the commissioner shall allocate the requested amount to the  
332.21 agency. The agency may request an allocation at any time after the second Tuesday in  
332.22 January and through the last Monday in ~~July~~ June. After awarding an allocation and receiving  
332.23 a notice of issuance for the mortgage bonds issued on behalf of the participating cities, the  
332.24 commissioner shall transfer the application deposits to the Minnesota Housing Finance  
332.25 Agency to be returned to the participating cities. The Minnesota Housing Finance Agency  
332.26 shall return any application deposit to a city that paid an application deposit under paragraph  
332.27 (b), clause (4), but was not part of the list forwarded to the commissioner under paragraph  
332.28 (d).

332.29 (f) A city may choose to issue bonds on its own behalf or through a joint powers  
332.30 agreement and may request an allocation from the commissioner by forwarding an application  
332.31 with an application fee pursuant to section 474A.03, subdivision 4, and a one percent  
332.32 application deposit to the commissioner no later than the Monday of the week preceding  
332.33 an allocation. If the total amount requested by all applicants exceeds the amount available  
332.34 in the pool, the city may not receive a greater allocation than the amount it would have  
333.1 received under the list forwarded by the Minnesota Housing Finance Agency to the  
333.2 commissioner. No city may request or receive an allocation from the commissioner until

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

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

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

196.18 Total allocations from the housing pool for single-family housing programs may not  
196.19 exceed 31 percent of the adjusted allocation to the housing pool ~~until after July 15~~.

196.20 ~~(e)~~ (f) The agency may issue bonds on behalf of participating cities. The agency shall  
196.21 request an allocation from the commissioner for all applicants who choose to have the  
196.22 agency issue bonds on their behalf and the commissioner shall allocate the requested amount  
196.23 to the agency. The agency may request an allocation at any time after ~~the second Tuesday~~  
196.24 ~~in January and through the last Monday in July~~ June 1. After awarding an allocation and  
196.25 receiving a notice of issuance for the mortgage bonds issued on behalf of the participating  
196.26 cities, the commissioner shall transfer the application deposits to the Minnesota Housing  
196.27 Finance Agency to be returned to the participating cities. The Minnesota Housing Finance  
196.28 Agency shall return any application deposit to a city that paid an application deposit under  
196.29 paragraph (b), clause (4), but was not part of the list forwarded to the commissioner under  
196.30 paragraph ~~(d)~~ (e).

196.31 ~~(f)~~ (g) A city may choose to issue bonds on its own behalf or through a joint powers  
196.32 agreement and may request an allocation from the commissioner by forwarding an application  
196.33 with an application fee pursuant to section 474A.03, subdivision 4, and a one percent  
196.34 application deposit to the commissioner no later than the Monday of the week preceding  
197.1 an allocation. If the total amount requested by all applicants exceeds the amount available  
197.2 in the pool, the city may not receive a greater allocation than the amount it would have  
197.3 received under the list forwarded by the Minnesota Housing Finance Agency to the  
197.4 commissioner. No city may request or receive an allocation from the commissioner until



333.3 the list under paragraph (d) has been forwarded to the commissioner. A city must request  
333.4 an allocation from the commissioner no later than the last Monday in ~~July~~ June. No city  
333.5 may receive an allocation from the housing pool for mortgage bonds which has not first  
333.6 applied to the Minnesota Housing Finance Agency. The commissioner shall allocate the  
333.7 requested amount to the city or cities subject to the limitations under this paragraph.

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

333.15 (g) No entitlement city or county or city in an entitlement county may apply for or be  
333.16 allocated authority to issue mortgage bonds or use mortgage credit certificates from the  
333.17 housing pool. No city in an entitlement county may apply for or be allocated authority to  
333.18 issue residential rental bonds from the housing pool or the unified pool.

333.19 (h) A city that does not use at least 50 percent of its allotment by the date applications  
333.20 are due for the first allocation that is made from the housing pool for single-family housing  
333.21 programs in the immediately succeeding calendar year may not apply to the housing pool  
333.22 for a single-family mortgage bond or mortgage credit certificate program allocation that  
333.23 exceeds the amount of its allotment for the preceding year that was used by the city in the  
333.24 immediately preceding year or receive an allotment from the housing pool in the succeeding  
333.25 calendar year that exceeds the amount of its allotment for the preceding year that was used  
333.26 in the preceding year. The minimum allotment is \$100,000 for an allocation made prior to  
333.27 ~~July~~ June 15, regardless of the amount used in the preceding calendar year, except that a  
333.28 city whose allocation in the preceding year was the minimum amount of \$100,000 and who  
333.29 did not use at least 50 percent of its allocation from the preceding year is ineligible for an  
333.30 allocation in the immediate succeeding calendar year. Each local government unit in a  
333.31 consortium must meet the requirements of this paragraph.

333.32 Sec. 28. Minnesota Statutes 2016, section 474A.061, subdivision 2b, is amended to read:

333.33 Subd. 2b. **Small issue pool allocation.** Commencing on the second Tuesday in January  
333.34 and continuing on each Monday through the last Monday in ~~July~~ June, the commissioner  
334.1 shall allocate available bonding authority from the small issue pool to applications received  
334.2 on or before the Monday of the preceding week for manufacturing projects and enterprise  
334.3 zone facility projects. From the second Tuesday in January through the last Monday in ~~July~~  
334.4 June, the commissioner shall reserve \$5,000,000 of the available bonding authority from  
334.5 the small issue pool for applications for agricultural development bond loan projects of the  
334.6 Minnesota Rural Finance Authority.

197.5 the list under paragraph ~~(d)~~ (e) has been forwarded to the commissioner. A city must request  
197.6 an allocation from the commissioner no later than the last Monday in ~~July~~ June. No city  
197.7 may receive an allocation from the housing pool for mortgage bonds which has not first  
197.8 applied to the Minnesota Housing Finance Agency. The commissioner shall allocate the  
197.9 requested amount to the city or cities subject to the limitations under this paragraph.

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

197.17 ~~(g)~~ (h) No entitlement city or county or city in an entitlement county may apply for or  
197.18 be allocated authority to issue mortgage bonds or use mortgage credit certificates from the  
197.19 housing pool. No city in an entitlement county may apply for or be allocated authority to  
197.20 issue residential rental bonds from the housing pool or the unified pool.

197.21 ~~(h)~~ (i) A city that does not use at least 50 percent of its allotment by the date applications  
197.22 are due for the first allocation that is made from the housing pool for single-family housing  
197.23 programs in the immediately succeeding calendar year may not apply to the housing pool  
197.24 for a single-family mortgage bond or mortgage credit certificate program allocation that  
197.25 exceeds the amount of its allotment for the preceding year that was used by the city in the  
197.26 immediately preceding year or receive an allotment from the housing pool in the succeeding  
197.27 calendar year that exceeds the amount of its allotment for the preceding year that was used  
197.28 in the preceding year. The minimum allotment is \$100,000 for an allocation made prior to  
197.29 July ~~15~~ 1, regardless of the amount used in the preceding calendar year, except that a city  
197.30 whose allocation in the preceding year was the minimum amount of \$100,000 and who did  
197.31 not use at least 50 percent of its allocation from the preceding year is ineligible for an  
197.32 allocation in the immediate succeeding calendar year. Each local government unit in a  
197.33 consortium must meet the requirements of this paragraph.

197.34 Subd. 2b. **Small issue pool allocation.** Commencing on the second Tuesday in January  
197.35 and continuing on each Monday through the last Monday in ~~July~~ June, the commissioner  
198.1 shall allocate available bonding authority from the small issue pool to applications received  
198.2 on or before the Monday of the preceding week for manufacturing projects and enterprise  
198.3 zone facility projects. From the second Tuesday in January through the last Monday in ~~July~~  
198.4 June, the commissioner shall reserve \$5,000,000 of the available bonding authority from  
198.5 the small issue pool for applications for agricultural development bond loan projects of the  
198.6 Minnesota Rural Finance Authority.

334.7 ~~Beginning in calendar year 2002,~~ On the second Tuesday in January through the last  
334.8 Monday in ~~July~~ June, the commissioner shall reserve \$10,000,000 of available bonding  
334.9 authority in the small issue pool for applications for student loan bonds of or on behalf of  
334.10 the Minnesota Office of Higher Education. The total amount of allocations for student loan  
334.11 bonds from the small issue pool may not exceed \$10,000,000 per year.

334.12 The commissioner shall reserve \$10,000,000 until the day after the last Monday in  
334.13 February, \$10,000,000 until the day after the last Monday in April, and \$10,000,000 until  
334.14 the day after the last Monday in June in the small issue pool for enterprise zone facility  
334.15 projects and manufacturing projects. The amount of allocation provided to an issuer for a  
334.16 specific enterprise zone facility project or manufacturing project will be based on the number  
334.17 of points received for the proposed project under the scoring system under section 474A.045.

334.18 If there are two or more applications for manufacturing and enterprise zone facility  
334.19 projects from the small issue pool and there is insufficient bonding authority to provide  
334.20 allocations for all projects in any one week, the available bonding authority shall be awarded  
334.21 based on the number of points awarded a project under section 474A.045, with those projects  
334.22 receiving the greatest number of points receiving allocation first. If two or more applications  
334.23 receive an equal number of points, available bonding authority shall be awarded by lot  
334.24 unless otherwise agreed to by the respective issuers.

334.25 Sec. 29. Minnesota Statutes 2016, section 474A.061, subdivision 2c, is amended to read:

334.26 Subd. 2c. **Public facilities pool allocation.** From the beginning of the calendar year and  
334.27 continuing for a period of 120 days, the commissioner shall reserve \$5,000,000 of the  
334.28 available bonding authority from the public facilities pool for applications for public facilities  
334.29 projects to be financed by the Western Lake Superior Sanitary District. Commencing on  
334.30 the second Tuesday in January and continuing on each Monday through the last Monday  
334.31 in ~~July~~ June, the commissioner shall allocate available bonding authority from the public  
334.32 facilities pool to applications for eligible public facilities projects received on or before the  
334.33 Monday of the preceding week. If there are two or more applications for public facilities  
334.34 projects from the pool and there is insufficient available bonding authority to provide  
335.1 allocations for all projects in any one week, the available bonding authority shall be awarded  
335.2 by lot unless otherwise agreed to by the respective issuers.

335.3 Sec. 30. Minnesota Statutes 2016, section 474A.061, subdivision 4, is amended to read:

335.4 Subd. 4. **Return of allocation; deposit refund for small issue pool or public facilities**  
335.5 **pool.** (a) For any requested allocations from the small issue pool or the public facilities  
335.6 **pool,** if an issuer that receives an allocation under this section determines that it will not  
335.7 issue obligations equal to all or a portion of the allocation received under this section within  
335.8 120 days of allocation or within the time period permitted by federal tax law, whichever is  
335.9 less, the issuer must notify the department. If the issuer notifies the department or the 120-day

198.7 Beginning in calendar year 2002, on the second Tuesday in January through the last  
198.8 Monday in ~~July~~ June, the commissioner shall reserve \$10,000,000 of available bonding  
198.9 authority in the small issue pool for applications for student loan bonds of or on behalf of  
198.10 the Minnesota Office of Higher Education. The total amount of allocations for student loan  
198.11 bonds from the small issue pool may not exceed \$10,000,000 per year.

198.12 The commissioner shall reserve \$10,000,000 until the day after the last Monday in  
198.13 February, \$10,000,000 until the day after the last Monday in April, and \$10,000,000 until  
198.14 the day after the last Monday in June in the small issue pool for enterprise zone facility  
198.15 projects and manufacturing projects. The amount of allocation provided to an issuer for a  
198.16 specific enterprise zone facility project or manufacturing project will be based on the number  
198.17 of points received for the proposed project under the scoring system under section 474A.045.

198.18 If there are two or more applications for manufacturing and enterprise zone facility  
198.19 projects from the small issue pool and there is insufficient bonding authority to provide  
198.20 allocations for all projects in any one week, the available bonding authority shall be awarded  
198.21 based on the number of points awarded a project under section 474A.045, with those projects  
198.22 receiving the greatest number of points receiving allocation first. If two or more applications  
198.23 receive an equal number of points, available bonding authority shall be awarded by lot  
198.24 unless otherwise agreed to by the respective issuers.

198.25 Subd. 2c. **Public facilities pool allocation.** From the beginning of the calendar year and  
198.26 continuing for a period of 120 days, the commissioner shall reserve \$5,000,000 of the  
198.27 available bonding authority from the public facilities pool for applications for public facilities  
198.28 projects to be financed by the Western Lake Superior Sanitary District. Commencing on  
198.29 the second Tuesday in January and continuing on each Monday through the last Monday  
198.30 in ~~July~~ June, the commissioner shall allocate available bonding authority from the public  
198.31 facilities pool to applications for eligible public facilities projects received on or before the  
198.32 Monday of the preceding week. If there are two or more applications for public facilities  
198.33 projects from the pool and there is insufficient available bonding authority to provide  
198.34 allocations for all projects in any one week, the available bonding authority shall be awarded  
198.35 by lot unless otherwise agreed to by the respective issuers.

199.1 Subd. 4. **Return of allocation; deposit refund for small issue pool or public facilities**  
199.2 **pool.** (a) For any requested allocation from the small issue pool or the public facilities pool,  
199.3 if an issuer that receives an allocation under this section determines that it will not issue  
199.4 obligations equal to all or a portion of the allocation received under this section within 120  
199.5 days of allocation or within the time period permitted by federal tax law, whichever is less,  
199.6 the issuer must notify the department. If the issuer notifies the department or the 120-day

335.10 period since allocation has expired prior to the last Monday in ~~July~~ June, the amount of  
335.11 allocation is canceled and returned for reallocation through the pool from which it was  
335.12 originally allocated. If the issuer notifies the department or the 120-day period since allocation  
335.13 has expired on or after the last Monday in ~~July~~ June, the amount of allocation is canceled  
335.14 and returned for reallocation through the unified pool. If the issuer notifies the department  
335.15 after the last Monday in November, the amount of allocation is canceled and returned for  
335.16 reallocation to the Minnesota Housing Finance Agency. To encourage a competitive  
335.17 application process, the commissioner shall reserve, for new applications, the amount of  
335.18 allocation that is canceled and returned for reallocation under this section for a minimum  
335.19 of seven calendar days.

335.20 (b) An issuer that returns for reallocation all or a portion of an allocation received under  
335.21 this ~~section~~ subdivision within 120 days of allocation shall receive within 30 days a refund  
335.22 equal to:

335.23 (1) one-half of the application deposit for the amount of bonding authority returned  
335.24 within 30 days of receiving allocation;

335.25 (2) one-fourth of the application deposit for the amount of bonding authority returned  
335.26 between 31 and 60 days of receiving allocation; and

335.27 (3) one-eighth of the application deposit for the amount of bonding authority returned  
335.28 between 61 and 120 days of receiving allocation.

335.29 (c) No refund shall be available for allocations returned 120 or more days after receiving  
335.30 the allocation or beyond the last Monday in November.

336.1 Sec. 31. Minnesota Statutes 2016, section 474A.061, is amended by adding a subdivision  
336.2 to read:

336.3 Subd. 7. **Return of allocation; deposit refund for housing pool.** (a) For any requested  
336.4 allocations from the housing pool, if an issuer that receives an allocation under this section  
336.5 determines that it will not issue obligations equal to all or a portion of the allocation received  
336.6 under this section within the time period provided under section 474A.061, subdivision 2a,  
336.7 paragraph (a), or within the time period permitted by federal tax law, whichever is less, the  
336.8 issuer must notify the department. If the issuer notifies the department or the time period  
336.9 provided under section 474A.061, subdivision 2a, paragraph (a), has expired prior to the  
336.10 last Monday in June, the amount of allocation is canceled and returned for reallocation  
336.11 through the pool from which it was originally allocated. If the issuer notifies the department  
336.12 or the time period provided under section 474A.061, subdivision 2a, paragraph (a), has  
336.13 expired on or after the last Monday in June, the amount of allocation is canceled and returned  
336.14 for reallocation through the unified pool. If the issuer notifies the department after the last  
336.15 Monday in November, the amount of allocation is canceled and returned for reallocation

199.7 period since allocation has expired prior to the last Monday in ~~July~~ June, the amount of  
199.8 allocation is canceled and returned for reallocation through the pool from which it was  
199.9 originally allocated. If the issuer notifies the department or the 120-day period since allocation  
199.10 has expired on or after the last Monday in ~~July~~ June, the amount of allocation is canceled  
199.11 and returned for reallocation through the unified pool. If the issuer notifies the department  
199.12 after the last Monday in November, the amount of allocation is canceled and returned for  
199.13 reallocation to the Minnesota Housing Finance Agency. To encourage a competitive  
199.14 application process, the commissioner shall reserve, for new applications, the amount of  
199.15 allocation that is canceled and returned for reallocation under this section for a minimum  
199.16 of seven calendar days.

199.17 (b) An issuer that returns for reallocation all or a portion of an allocation received under  
199.18 this ~~section~~ subdivision within 120 days of allocation shall receive within 30 days a refund  
199.19 equal to:

199.20 (1) one-half of the application deposit for the amount of bonding authority returned  
199.21 within 30 days of receiving allocation;

199.22 (2) one-fourth of the application deposit for the amount of bonding authority returned  
199.23 between 31 and 60 days of receiving allocation; and

199.24 (3) one-eighth of the application deposit for the amount of bonding authority returned  
199.25 between 61 and 120 days of receiving allocation.

199.26 (c) No refund shall be available for allocations returned 120 or more days after receiving  
199.27 the allocation or beyond the last Monday in November.

199.28 Subd. 4a. **Return of allocation; deposit refund for housing pool.** (a) For any requested  
199.29 allocations from the housing pool, if an issuer that receives an allocation under this section  
199.30 determines that it will not issue obligations equal to all or a portion of the allocation received  
199.31 under this section within the time period provided under section 474A.061, subdivision 2a,  
199.32 paragraph (a), or within the time period permitted by federal tax law, whichever is less, the  
199.33 issuer must notify the department. If the issuer notifies the department or the time period  
199.34 provided under section 474A.061, subdivision 2a, paragraph (a), has expired prior to the  
200.1 last Monday in June, the amount of allocation is canceled and returned for reallocation  
200.2 through the pool from which it was originally allocated. If the issuer notifies the department  
200.3 or the time period provided under section 474A.061, subdivision 2a, paragraph (a), has  
200.4 expired on or after the last Monday in June, the amount of the allocation is canceled and  
200.5 returned for reallocation through the unified pool. If the issuer notifies the department after  
200.6 the last Monday in November, the amount of allocation is canceled and returned for

336.16 to the Minnesota Housing Finance Agency. To encourage a competitive application process,  
336.17 the commissioner shall reserve, for new applications, the amount of allocation that is canceled  
336.18 and returned for reallocation under this section for a minimum of seven calendar days.

336.19 (b) An issuer that returns for reallocation all or a portion of an allocation received under  
336.20 this subdivision within 180 days of allocation shall receive within 30 days a refund equal  
336.21 to:

336.22 (1) one-half of the application deposit for the amount of bonding authority returned  
336.23 within 45 days of receiving allocation;

336.24 (2) one-fourth of the application deposit for the amount of bonding authority returned  
336.25 between 46 and 90 days of receiving allocation; and

336.26 (3) one-eighth of the application deposit for the amount of bonding authority returned  
336.27 between 91 and 180 days of receiving allocation.

336.28 (c) No refund shall be available for allocations returned 180 or more days after receiving  
336.29 the allocation or beyond the last Monday in November.

336.30 Sec. 32. Minnesota Statutes 2016, section 474A.062, is amended to read:

336.31 **474A.062 MINNESOTA OFFICE OF HIGHER EDUCATION ~~120-DAY~~ ISSUANCE**  
336.32 **EXEMPTION.**

337.1 The Minnesota Office of Higher Education is exempt from ~~the 120-day~~ any time  
337.2 limitation on issuance requirements of bonds set forth in this chapter and may carry forward  
337.3 allocations for student loan bonds, subject to carryforward notice requirements of section  
337.4 474A.131, subdivision 2.

337.5 Sec. 33. Minnesota Statutes 2016, section 474A.091, subdivision 1, is amended to read:

337.6 Subdivision 1. **Unified pool amount.** On the day after the last Monday in ~~July~~ June any  
337.7 bonding authority remaining unallocated from the small issue pool, the housing pool, and  
337.8 the public facilities pool is transferred to the unified pool and must be reallocated as provided  
337.9 in this section.

337.10 Sec. 34. Minnesota Statutes 2016, section 474A.091, subdivision 2, is amended to read:

200.7 reallocation to the Minnesota Housing Finance Agency. To encourage a competitive  
200.8 application process, the commissioner shall reserve, for new applications, the amount of  
200.9 allocation that is canceled and returned for reallocation under this section for a minimum  
200.10 of seven calendar days.

200.11 (b) An issuer that returns for reallocation all or a portion of an allocation received under  
200.12 this subdivision within 180 days of allocation shall receive within 30 days a refund equal  
200.13 to:

200.14 (1) one-half of the application deposit for the amount of bonding authority returned  
200.15 within 45 days of receiving allocation;

200.16 (2) one-fourth of the allocation deposit for the amount of bonding authority returned  
200.17 between 46 and 90 days of receiving allocation; and

200.18 (3) one-eighth of the application deposit for the amount of bonding authority returned  
200.19 between 91 and 180 days of receiving allocation.

200.20 (c) No refund shall be available for allocations returned 180 or more days after receiving  
200.21 the allocation or beyond the last Monday in November.

200.22 Sec. 26. Minnesota Statutes 2016, section 474A.062, is amended to read:

200.23 **474A.062 MINNESOTA OFFICE OF HIGHER EDUCATION ~~120-DAY~~ ISSUANCE**  
200.24 **EXEMPTION.**

200.25 The Minnesota Office of Higher Education is exempt from ~~the 120-day issuance~~  
200.26 requirements any time limitation on issuance of bonds set forth in this chapter and may  
200.27 carry forward allocations for student loan bonds, subject to carryforward notice requirements  
200.28 of section 474A.131, subdivision 2.

200.29 Sec. 27. Minnesota Statutes 2016, section 474A.091, is amended to read:

200.30 **474A.091 ALLOCATION OF UNIFIED POOL.**

201.1 Subdivision 1. **Unified pool amount.** On the day after the last Monday in ~~July~~ June any  
201.2 bonding authority remaining unallocated from the small issue pool, the housing pool, and  
201.3 the public facilities pool is transferred to the unified pool and must be reallocated as provided  
201.4 in this section.

337.11 Subd. 2. **Application for residential rental projects.** (a) Issuers may apply for an  
 337.12 allocation ~~under this section by submitting to the department an application on forms provided~~  
 337.13 ~~by the department accompanied by (1) a preliminary resolution, (2) a statement of bond~~  
 337.14 ~~counsel that the proposed issue of obligations requires an allocation under this chapter and~~  
 337.15 ~~the Internal Revenue Code, (3) the type of qualified bonds to be issued, (4) an application~~  
 337.16 ~~deposit in the amount of two percent of the requested allocation, (5) a public purpose scoring~~  
 337.17 ~~worksheet for manufacturing and enterprise zone applications, and (6) for residential rental~~  
 337.18 ~~projects, a statement from the applicant or bond counsel as to whether the project preserves~~  
 337.19 ~~existing federally subsidized housing and whether the project is restricted to persons who~~  
 337.20 ~~are 55 years of age or older. The issuer must pay the application deposit by check. An~~  
 337.21 ~~entitlement issuer may not apply for an allocation for public facility bonds, residential rental~~  
 337.22 ~~project bonds, or mortgage bonds under this section unless it has either permanently issued~~  
 337.23 ~~bonds equal to the amount of its entitlement allocation for the current year plus any amount~~  
 337.24 ~~carried forward from previous years or returned for reallocation all of its unused entitlement~~  
 337.25 ~~allocation. For purposes of this subdivision, its entitlement allocation includes an amount~~  
 337.26 ~~obtained under section 474A.04, subdivision 6.~~

337.27 ~~Notwithstanding the restrictions imposed on entitlement issuers under this subdivision,~~  
 337.28 ~~the Minnesota Housing Finance Agency may not receive an allocation for mortgage bonds~~  
 337.29 ~~under this section prior to the first Monday in October, but may be awarded allocations for~~  
 337.30 ~~mortgage bonds from the unified pool on or after the first Monday in October. The Minnesota~~  
 337.31 ~~Housing Finance Agency, the Minnesota Office of Higher Education, and the Minnesota~~  
 337.32 ~~Rural Finance Authority may apply for and receive an allocation under this section without~~  
 337.33 ~~submitting an application deposit. for residential rental bonds under this section by submitting~~  
 338.1 ~~to the department an application on forms provided by the department accompanied by: (1)~~  
 338.2 ~~a preliminary resolution; (2) a statement of bond counsel that the proposed issue of~~  
 338.3 ~~obligations requires an allocation under this chapter and the Internal Revenue Code; (3) an~~  
 338.4 ~~application deposit in the amount of two percent of the requested allocation; (4) a sworn~~  
 338.5 ~~statement from the applicant identifying the project as a preservation project, a 30 percent~~  
 338.6 ~~AMI residential rental project, a 50 percent AMI residential rental project, a 100 percent~~  
 338.7 ~~LIHTC project, a 20 percent LIHTC project, or any other residential rental project; and (5)~~  
 338.8 ~~a certification from the applicant or its accountant stating whether the requested allocation~~  
 338.9 ~~exceeds the aggregate bond limitation. Applications for projects requesting bonds in excess~~  
 338.10 ~~of the aggregate bond limitation may not apply or be allocated bonding authority until after~~  
 338.11 ~~September 1 each year. The issuer must pay the application deposit by check. An entitlement~~  
 338.12 ~~issuer may not apply for an allocation for residential rental bonds under this section unless~~  
 338.13 ~~it has either permanently issued bonds equal to the amount of its entitlement allocation for~~  
 338.14 ~~the current year plus any amount carried forward from previous years or returned for~~  
 338.15 ~~reallocation all of its unused entitlement allocation. For purposes of this subdivision, an~~  
 338.16 ~~entitlement allocation includes an amount obtained under section 474A.04, subdivision 6.~~

201.5 Subd. 2. **Application for residential rental projects.** (a) Issuers may apply for an  
 201.6 allocation for residential rental bonds under this section by submitting to the department an  
 201.7 application on forms provided by the department accompanied by:

201.8 (1) a preliminary resolution;

201.9 (2) a statement of bond counsel that the proposed issue of obligations requires an  
 201.10 allocation under this chapter and the Internal Revenue Code;

201.11 (3) ~~the type of qualified bonds to be issued, (4) an application deposit in the amount of~~  
 201.12 ~~two percent of the requested allocation; (5) a public purpose scoring worksheet for~~  
 201.13 ~~manufacturing and enterprise zone applications, and (6) for residential rental projects, a~~  
 201.14 ~~statement from the applicant or bond counsel as to whether the project preserves existing~~  
 201.15 ~~federally subsidized housing and whether the project is restricted to persons who are 55~~  
 201.16 ~~years of age or older.~~

201.17 (4) a sworn statement from the applicant identifying the project as either a preservation  
 201.18 project, 30 percent AMI residential rental project, 50 percent AMI residential rental project,  
 201.19 100 percent LIHTC project, 20 percent LIHTC project, or any other residential rental project;  
 201.20 and

201.21 (5) a certification from the applicant or its accountant stating whether the requested  
 201.22 allocation exceeds the aggregate bond limitation. Applications for projects requesting bonds  
 201.23 in excess of the aggregate bond limitation may not apply or be allocated bonding authority  
 201.24 until after September 1 each year.

201.25 The issuer must pay the application deposit by check. An entitlement issuer may not apply  
 201.26 for an allocation for ~~public facility bonds, residential rental project bonds, or mortgage~~  
 201.27 ~~bonds~~ under this section unless it has either permanently issued bonds equal to the amount  
 201.28 of its entitlement allocation for the current year plus any amount carried forward from  
 201.29 previous years or returned for reallocation all of its unused entitlement allocation. For  
 201.30 purposes of this subdivision, its entitlement allocation includes an amount obtained under  
 201.31 section 474A.04, subdivision 6.

338.17 (b) An issuer that receives an allocation under this subdivision must issue obligations  
 338.18 equal to all or a portion of the allocation received on or before the later of 180 days of the  
 338.19 allocation or within 18 months after the allocation date if the applicant submits an additional  
 338.20 application deposit equal to one percent of the allocation amount on or prior to 180 days  
 338.21 after the allocation date. If an issuer that receives an allocation under this subdivision does  
 338.22 not issue obligations equal to all or a portion of the allocation received within the time  
 338.23 period provided in this paragraph or returns the allocation to the commissioner, the amount  
 338.24 of the allocation is canceled and returned for reallocation through the unified pool. If an  
 338.25 issuer that receives an allocation under this subdivision issues obligations within the time  
 338.26 period provided in this paragraph, the commissioner shall refund 50 percent of any application  
 338.27 deposit previously paid: (i) within 30 days after the date on which IRS Form 8609(s) are  
 338.28 issued with respect to projects generating low-income housing tax credits; or (ii) within 90  
 338.29 days after the issuer provides a certification and any other reasonable documentation  
 338.30 requested by the commissioner evidencing that construction of the project has been  
 338.31 completed. The obligations and the remaining 50 percent of the application deposit within  
 338.32 30 days after completion of construction of the project.

338.33 (c) Notwithstanding the restrictions imposed on entitlement issuers under this subdivision,  
 338.34 the Minnesota Housing Finance Agency may not receive an allocation for mortgage bonds  
 338.35 under this section prior to the first Monday in October, but may be awarded allocations for  
 339.1 mortgage bonds from the unified pool on or after the first Monday in October. The Minnesota  
 339.2 Housing Finance Agency may apply for and receive an allocation under this section without  
 339.3 submitting an application deposit.

339.4 Sec. 35. Minnesota Statutes 2016, section 474A.091, is amended by adding a subdivision  
 339.5 to read:

339.6 Subd. 2a. **Application for all other types of qualified bonds.** (a) Issuers may apply  
 339.7 for an allocation for all types of qualified bonds other than residential rental bonds under  
 339.8 this section by submitting to the department an application on forms provided by the  
 339.9 department accompanied by: (1) a preliminary resolution; (2) a statement of bond counsel  
 339.10 that the proposed issue of obligations requires an allocation under this chapter and the  
 339.11 Internal Revenue Code; (3) the type of qualified bonds to be issued; (4) an application  
 339.12 deposit in the amount of two percent of the requested allocation; and (5) a public purpose  
 339.13 scoring worksheet for manufacturing and enterprise zone applications. The issuer must pay  
 339.14 the application deposit by check. An entitlement issuer may not apply for an allocation for  
 339.15 public facility bonds or mortgage bonds under this section unless it has either permanently  
 339.16 issued bonds equal to the amount of its entitlement allocation for the current year plus any  
 339.17 amount carried forward from previous years or returned for reallocation all of its unused  
 339.18 entitlement allocation. For purposes of this subdivision, an entitlement allocation includes  
 339.19 an amount obtained under section 474A.04, subdivision 6.

201.32 (b) Within 180 days of receiving an allocation under this subdivision, an issuer must  
 201.33 either begin issuing obligations or submit an additional application deposit equal to one  
 202.1 percent of the allocation amount; if an additional deposit is submitted, the issuer must begin  
 202.2 issuing obligations within 18 months of receiving an allocation. If an issuer that receives  
 202.3 an allocation under this subdivision does not issue obligations equal to all or a portion of  
 202.4 the allocation received within the 180-day time period provided in this paragraph or returns  
 202.5 the allocation to the commissioner, the amount of the allocation is canceled and returned  
 202.6 for reallocation through the unified pool. If an issuer that receives an allocation under this  
 202.7 subdivision issues obligations within the 180-day time period provided in this paragraph,  
 202.8 the commissioner shall refund 50 percent of any application deposit previously paid within  
 202.9 30 days of the issuance of the obligations and the remaining 50 percent of such application  
 202.10 deposit will be refunded (1) within 30 days after the date on which Internal Revenue Service  
 202.11 Forms 8609 are issued with respect to projects generating low-income housing tax credits,  
 202.12 or (2) within 90 days after the issuer provides a certification and any other reasonable  
 202.13 documentation requested by the commissioner evidencing that construction of the project  
 202.14 has been completed.

202.15 (c) Notwithstanding the restrictions imposed on entitlement issuers under this subdivision,  
 202.16 the Minnesota Housing Finance Agency may not receive an allocation for mortgage bonds  
 202.17 under this section prior to the first Monday in October, but may be awarded allocations for  
 202.18 mortgage bonds from the unified pool on or after the first Monday in October. The Minnesota  
 202.19 Housing Finance Agency, ~~the Minnesota Office of Higher Education, and the Minnesota~~  
 202.20 ~~Rural Finance Authority~~ may apply for and receive an allocation under this section without  
 202.21 submitting an application deposit.

202.22 Subd. 2a. **Application for all other types of qualified bonds.** Issuers may apply for an  
 202.23 allocation for all types of qualified bonds other than residential rental bonds under this  
 202.24 section by submitting to the department an application on forms provided by the department  
 202.25 accompanied by (1) a preliminary resolution, (2) a statement of bond counsel that the  
 202.26 proposed issue of obligations requires an allocation under this chapter and the Internal  
 202.27 Revenue Code, (3) the type of qualified bonds to be issued, (4) an application deposit in  
 202.28 the amount of two percent of the requested allocation, and (5) a public purpose scoring  
 202.29 worksheet for manufacturing and enterprise zone applications. The issuer must pay the  
 202.30 application deposit by check. An entitlement issuer may not apply for an allocation for  
 202.31 public facility bonds or mortgage bonds under this section unless it has either permanently  
 202.32 issued bonds equal to the amount of its entitlement allocation for the current year plus any  
 202.33 amount carried forward from previous years or returned for reallocation all of its unused  
 202.34 entitlement allocation. For purposes of this subdivision, its entitlement allocation includes  
 202.35 an amount obtained under section 474A.04, subdivision 6.

339.20 (b) Notwithstanding the restrictions imposed on entitlement issuers under this subdivision,  
339.21 the Minnesota Housing Finance Agency may not receive an allocation for mortgage bonds  
339.22 under this section prior to the first Monday in October, but may be awarded allocations for  
339.23 mortgage bonds from the unified pool on or after the first Monday in October. The Minnesota  
339.24 Housing Finance Agency, the Minnesota Office of Higher Education, and the Minnesota  
339.25 Rural Finance Authority may apply for and receive an allocation under this section without  
339.26 submitting an application deposit.

339.27 Sec. 36. Minnesota Statutes 2016, section 474A.091, subdivision 3, is amended to read:

339.28 Subd. 3. **Allocation procedure.** (a) The commissioner shall allocate available bonding  
339.29 authority under this section on the Monday of every other week beginning with the first  
339.30 Monday in ~~August~~ July through and on the last Monday in November. Applications for  
339.31 allocations must be received by the department by 4:30 p.m. on the Monday preceding the  
339.32 Monday on which allocations are to be made. If a Monday falls on a holiday, the allocation  
339.33 will be made or the applications must be received by the next business day after the holiday.

340.1 (b) Prior to October 1, only the following applications shall be awarded allocations from  
340.2 the unified pool. Allocations shall be awarded in the following order of priority:

340.3 (1) applications for residential rental project bonds;

340.4 (2) applications for small issue bonds for manufacturing projects; and

340.5 (3) applications for small issue bonds for agricultural development bond loan projects.

340.6 (c) On the first Monday in October through the last Monday in November, allocations  
340.7 shall be awarded from the unified pool in the following order of priority:

340.8 (1) applications for student loan bonds issued by or on behalf of the Minnesota Office  
340.9 of Higher Education;

340.10 (2) applications for mortgage bonds;

340.11 (3) applications for public facility projects funded by public facility bonds;

340.12 (4) applications for small issue bonds for manufacturing projects;

340.13 (5) applications for small issue bonds for agricultural development bond loan projects;

340.14 (6) applications for residential rental project bonds;

203.1 Notwithstanding the restrictions imposed on entitlement issuers under this subdivision,  
203.2 the Minnesota Housing Finance Agency may not receive an allocation for mortgage bonds  
203.3 under this section prior to the first Monday in October, but may be awarded allocations for  
203.4 mortgage bonds from the unified pool on or after the first Monday in October. The Minnesota  
203.5 Housing Finance Agency, the Minnesota Office of Higher Education, and the Minnesota  
203.6 Rural Finance Authority may apply for and receive an allocation under this section without  
203.7 submitting an application deposit.

203.8 Subd. 3. **Allocation procedure.** (a) The commissioner shall allocate available bonding  
203.9 authority under this section on the Monday of every other week beginning with the first  
203.10 Monday in ~~August~~ July through and on the last Monday in November. Applications for  
203.11 allocations must be received by the department by 4:30 p.m. on the Monday preceding the  
203.12 Monday on which allocations are to be made. If a Monday falls on a holiday, the allocation  
203.13 will be made or the applications must be received by the next business day after the holiday.

203.14 (b) Prior to October 1, only the following applications shall be awarded allocations from  
203.15 the unified pool. Allocations shall be awarded in the following order of priority:

203.16 (1) applications for residential rental project bonds;

203.17 (2) applications for small issue bonds for manufacturing projects; and

203.18 (3) applications for small issue bonds for agricultural development bond loan projects.

203.19 (c) On the first Monday in October through the last Monday in November, allocations  
203.20 shall be awarded from the unified pool in the following order of priority:

203.21 (1) applications for student loan bonds issued by or on behalf of the Minnesota Office  
203.22 of Higher Education;

203.23 (2) applications for mortgage bonds;

203.24 (3) applications for public facility projects funded by public facility bonds;

203.25 (4) applications for small issue bonds for manufacturing projects;

203.26 (5) applications for small issue bonds for agricultural development bond loan projects;

203.27 (6) applications for residential rental project bonds;

340.15 (7) applications for enterprise zone facility bonds;

340.16 (8) applications for governmental bonds; and

340.17 (9) applications for redevelopment bonds.

340.18 (d) If there are two or more applications for manufacturing projects from the unified

340.19 pool and there is insufficient bonding authority to provide allocations for all manufacturing

340.20 projects in any one allocation period, the available bonding authority shall be awarded based

340.21 on the number of points awarded a project under section 474A.045 with those projects

340.22 receiving the greatest number of points receiving allocation first. If two or more applications

340.23 for manufacturing projects receive an equal amount of points, available bonding authority

340.24 shall be awarded by lot unless otherwise agreed to by the respective issuers.

340.25 (e) If there are two or more applications for enterprise zone facility projects from the

340.26 unified pool and there is insufficient bonding authority to provide allocations for all enterprise

340.27 zone facility projects in any one allocation period, the available bonding authority shall be

340.28 awarded based on the number of points awarded a project under section 474A.045 with

340.29 those projects receiving the greatest number of points receiving allocation first. If two or

340.30 more applications for enterprise zone facility projects receive an equal amount of points,

341.1 available bonding authority shall be awarded by lot unless otherwise agreed to by the

341.2 respective issuers.

341.3 (f) If there are two or more applications for residential rental projects from the unified

341.4 pool and there is insufficient bonding authority to provide allocations for all residential

341.5 rental projects in any one allocation period, the available bonding authority shall be awarded

341.6 in the following order of priority: (1) ~~projects that preserve existing federally subsidized~~

341.7 ~~housing; (2) projects that are not restricted to persons who are 55 years of age or older; and~~

341.8 ~~(3) preservation projects; (2) 30 percent AMI residential rental projects; (3) 50 percent AMI~~

341.9 ~~residential rental projects; (4) 100 percent LIHTC projects; (5) 20 percent LIHTC projects;~~

341.10 (6) other residential rental projects for which the amount of bonds requested in their

341.11 respective applications do not exceed the aggregate bond limitation; and (7) other residential

341.12 rental projects for which the amount of bonds requested in their respective applications

341.13 exceed the aggregate bond limitation and that apply on or after September 1 of a calendar

341.14 year. If there are two or more applications for residential rental projects at the same priority

341.15 level and there is insufficient bonding authority to provide allocations for all the projects

341.16 in any one allocation period, available bonding authority shall be randomly awarded by lot

341.17 but only for projects that received the full amount of their respective requested allocations.

341.18 If a residential rental project does not receive any of its requested allocation pursuant to this

341.19 paragraph, the remaining bonding authority not allocated to the project shall be reserved

341.20 by the commissioner, or by the Minnesota Housing Finance Agency if the authority is carried

341.21 forward pursuant to section 474A.131, for the project for up to 24 months thereafter, and

341.22 if the project applies in the future to the housing pool or unified pool for additional allocation

203.28 (7) applications for enterprise zone facility bonds;

203.29 (8) applications for governmental bonds; and

203.30 (9) applications for redevelopment bonds.

204.1 (d) If there are two or more applications for manufacturing projects from the unified

204.2 pool and there is insufficient bonding authority to provide allocations for all manufacturing

204.3 projects in any one allocation period, the available bonding authority shall be awarded based

204.4 on the number of points awarded a project under section 474A.045 with those projects

204.5 receiving the greatest number of points receiving allocation first. If two or more applications

204.6 for manufacturing projects receive an equal amount of points, available bonding authority

204.7 shall be awarded by lot unless otherwise agreed to by the respective issuers.

204.8 (e) If there are two or more applications for enterprise zone facility projects from the

204.9 unified pool and there is insufficient bonding authority to provide allocations for all enterprise

204.10 zone facility projects in any one allocation period, the available bonding authority shall be

204.11 awarded based on the number of points awarded a project under section 474A.045 with

204.12 those projects receiving the greatest number of points receiving allocation first. If two or

204.13 more applications for enterprise zone facility projects receive an equal amount of points,

204.14 available bonding authority shall be awarded by lot unless otherwise agreed to by the

204.15 respective issuers.

204.16 (f) If there are two or more applications for residential rental projects from the unified

204.17 pool and there is insufficient bonding authority to provide allocations for all residential

204.18 rental projects in any one allocation period, the available bonding authority shall be awarded

204.19 in the following order of priority: (1) ~~projects that preserve existing federally subsidized~~

204.20 ~~housing; (2) projects that are not restricted to persons who are 55 years of age or older; and~~

204.21 ~~(3) preservation projects; (2) 30 percent AMI residential rental projects; (3) 50 percent AMI~~

204.22 ~~residential rental projects; (4) 100 percent LIHTC projects; (5) 20 percent LIHTC projects;~~

204.23 (6) other residential rental projects for which the amount of bonds requested in their

204.24 respective applications do not exceed the aggregate bond limitation; and (7) other residential

204.25 rental projects for which the amount of bonds requested in their respective applications

204.26 exceeds the aggregate bond limitation and which apply on or after September 1 of a calendar

204.27 year. If there are two or more applications for residential rental projects at the same priority

204.28 level and there is insufficient bonding authority to provide allocations for all such projects

204.29 in any one allocation period, available bonding authority shall be randomly awarded by lot

204.30 but only for projects that can receive the full amount of their respective requested allocations.

204.31 If a residential rental project does not receive any of its requested allocation under the

204.32 random award, the remaining bonding authority not allocated to the project shall be reserved

204.33 by the commissioner, or by the Minnesota Housing Finance Agency if the authority is carried

204.34 forward pursuant to section 474A.131, for the project for up to 24 months thereafter, and

204.35 if the project applies in the future to the housing pool or unified pool for additional allocation



341.23 of bonds, the project shall be fully funded up to the remaining amount of its original  
341.24 application request for bonding authority before any new project, applying in the same  
341.25 allocation period, that has an equal priority shall receive bonding authority.

341.26 (g) From the first Monday in ~~August~~ July through the last Monday in November,  
341.27 \$20,000,000 of bonding authority or an amount equal to the total annual amount of bonding  
341.28 authority allocated to the small issue pool under section 474A.03, subdivision 1, less the  
341.29 amount allocated to issuers from the small issue pool for that year, whichever is less, is  
341.30 reserved within the unified pool for small issue bonds to the extent ~~such~~ the amounts are  
341.31 available within the unified pool.

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

341.34 (1) \$10,000,000 for any one city; or

342.1 (2) \$20,000,000 for any number of cities in any one county.

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

342.4 (j) If there is insufficient bonding authority to fund all projects within any qualified bond  
342.5 category other than enterprise zone facility projects, manufacturing projects, and residential  
342.6 rental projects, allocations shall be awarded by lot unless otherwise agreed to by the  
342.7 respective issuers.

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

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

205.1 of bonds, the project shall be fully funded up to the remaining amount of its original  
205.2 application request for bonding authority before any new project applying in the same  
205.3 allocation period that has an equal priority shall receive bonding authority.

205.4 (g) From the first Monday in ~~August~~ July through the last Monday in ~~November~~ August,  
205.5 \$20,000,000 of bonding authority or an amount equal to the total annual amount of bonding  
205.6 authority allocated to the small issue pool under section 474A.03, subdivision 1, less the  
205.7 amount allocated to issuers from the small issue pool for that year, whichever is less, is  
205.8 reserved within the unified pool for small issue bonds to the extent such amounts are available  
205.9 within the unified pool.

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

205.12 (1) \$10,000,000 for any one city; or

205.13 (2) \$20,000,000 for any number of cities in any one county.

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

205.16 (j) If there is insufficient bonding authority to fund all projects within any qualified bond  
205.17 category other than enterprise zone facility projects, manufacturing projects, and residential  
205.18 rental projects, allocations shall be awarded by lot unless otherwise agreed to by the  
205.19 respective issuers.

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

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

205.25 Subd. 3a. **Mortgage bonds.** (a) Bonding authority remaining in the unified pool on  
205.26 October 1 is available for single-family housing programs for cities that applied in ~~January~~,  
205.27 June and received an allocation under section 474A.061, subdivision 2a, in the same calendar  
205.28 year. The Minnesota Housing Finance Agency shall receive an allocation for mortgage  
205.29 bonds pursuant to this section, minus any amounts for a city or consortium that intends to  
205.30 issue bonds on its own behalf under paragraph (c).

205.31 (b) The agency may issue bonds on behalf of participating cities. The agency shall request  
205.32 an allocation from the commissioner for all applicants who choose to have the agency issue

205.33 bonds on their behalf and the commissioner shall allocate the requested amount to the  
206.1 agency. Allocations shall be awarded by the commissioner each Monday commencing on  
206.2 the first Monday in October through the last Monday in November for applications received  
206.3 by 4:30 p.m. on the Monday of the week preceding an allocation.

206.4 For cities who choose to have the agency issue bonds on their behalf, allocations will  
206.5 be made loan by loan, on a first-come, first-served basis among the cities. The agency shall  
206.6 submit an application fee pursuant to section 474A.03, subdivision 4, and an application  
206.7 deposit equal to two percent of the requested allocation to the commissioner when requesting  
206.8 an allocation from the unified pool. After awarding an allocation and receiving a notice of  
206.9 issuance for mortgage bonds issued on behalf of the participating cities, the commissioner  
206.10 shall transfer the application deposit to the Minnesota Housing Finance Agency.

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

206.15 (c) Any city that received an allocation pursuant to section 474A.061, subdivision 2a,  
206.16 paragraph (f), in the current year that wishes to receive an additional allocation from the  
206.17 unified pool and issue bonds on its own behalf or pursuant to a joint powers agreement shall  
206.18 notify the Minnesota Housing Finance Agency by the third Monday in September. The total  
206.19 amount of allocation for mortgage bonds for a city choosing to issue bonds on its own behalf  
206.20 or through a joint powers agreement is limited to the lesser of: (i) the amount requested, or  
206.21 (ii) the product of the total amount available for mortgage bonds from the unified pool,  
206.22 multiplied by the ratio of the population of each city that applied in January and received  
206.23 an allocation under section 474A.061, subdivision 2a, in the same calendar year, as  
206.24 determined by the most recent estimate of the city's population released by the state  
206.25 demographer's office to the total of the population of all the cities that applied in January  
206.26 and received an allocation under section 474A.061, subdivision 2a, in the same calendar  
206.27 year. If a city choosing to issue bonds on its own behalf or through a joint powers agreement  
206.28 is located within a county that has also chosen to issue bonds on its own behalf or through  
206.29 a joint powers agreement, the city's population will be deducted from the county's population  
206.30 in calculating the amount of allocations under this paragraph.

206.31 The Minnesota Housing Finance Agency shall notify each city choosing to issue bonds  
206.32 on its own behalf or pursuant to a joint powers agreement of the amount of its allocation  
206.33 by October 15. Upon determining the amount of the allocation of each choosing to issue  
206.34 bonds on its own behalf or through a joint powers agreement, the agency shall forward a  
206.35 list specifying the amounts allotted to each city.

207.1 A city that chooses to issue bonds on its own behalf or through a joint powers agreement  
207.2 may request an allocation from the commissioner by forwarding an application with an

207.3 application fee pursuant to section 474A.03, subdivision 4, and an application deposit equal  
207.4 to two percent of the requested amount to the commissioner no later than 4:30 p.m. on the  
207.5 Monday of the week preceding an allocation. Allocations to cities that choose to issue bonds  
207.6 on their own behalf shall be awarded by the commissioner on the first Monday after October  
207.7 15 through the last Monday in November. No city may receive an allocation from the  
207.8 commissioner after the last Monday in November. The commissioner shall allocate the  
207.9 requested amount to the city or cities subject to the limitations under this subdivision.

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

207.17 (d) No entitlement city or county or city in an entitlement county may apply for or be  
207.18 allocated authority to issue mortgage bonds or use mortgage credit certificates from the  
207.19 unified pool.

207.20 (e) An allocation awarded to the agency for mortgage bonds under this section may be  
207.21 carried forward by the agency subject to notice requirements under section 474A.131.

207.22 Subd. 4. **Remaining bonding authority.** All remaining bonding authority available for  
207.23 allocation under this section on December 1, is allocated to the Minnesota Housing Finance  
207.24 Agency.

342.13 Sec. 37. Minnesota Statutes 2016, section 474A.091, subdivision 5, is amended to read:

342.14 Subd. 5. **Return of allocation; deposit refund.** (a) If an issuer that receives an allocation  
342.15 under this section determines that it will not issue obligations equal to all or a portion of  
342.16 the allocation received under this section within ~~120~~ the applicable number of days ~~of after~~  
342.17 ~~the allocation required in this chapter~~ or within the time period permitted by federal tax law,  
342.18 whichever is less, the issuer must notify the department. If the issuer notifies the department  
342.19 or the ~~120-day~~ period since allocation has expired prior to the last Monday in November,  
342.20 the amount of allocation is canceled and returned for reallocation through the unified pool.  
342.21 If the issuer notifies the department on or after the last Monday in November, the amount  
342.22 of allocation is canceled and returned for reallocation to the Minnesota Housing Finance  
342.23 Agency. To encourage a competitive application process, the commissioner shall reserve,  
342.24 for new applications, the amount of allocation that is canceled and returned for reallocation  
342.25 under this section for a minimum of seven calendar days.

207.25 Subd. 5. **Return of allocation; deposit refund.** (a) If an issuer that receives an allocation  
207.26 under this section determines that it will not issue obligations equal to all or a portion of  
207.27 the allocation received under this section within ~~120~~ the applicable number of days ~~of after~~  
207.28 ~~the allocation required in this chapter~~ or within the time period permitted by federal tax law,  
207.29 whichever is less, the issuer must notify the department. If the issuer notifies the department  
207.30 or the ~~120-day~~ such period since allocation has expired prior to the last Monday in November,  
207.31 the amount of allocation is canceled and returned for reallocation through the unified pool.  
207.32 If the issuer notifies the department on or after the last Monday in November, the amount  
207.33 of allocation is canceled and returned for reallocation to the Minnesota Housing Finance  
207.34 Agency. To encourage a competitive application process, the commissioner shall reserve,  
208.1 for new applications, the amount of allocation that is canceled and returned for reallocation  
208.2 under this section for a minimum of seven calendar days.

342.26 (b) An issuer that returns for reallocation all or a portion of an allocation for all types  
342.27 of bonds other than residential rental project bonds received under this section within 120  
342.28 days of the allocation shall receive within 30 days a refund equal to:

342.29 (1) one-half of the application deposit for the amount of bonding authority returned  
342.30 within 30 days of receiving the allocation;

342.31 (2) one-fourth of the application deposit for the amount of bonding authority returned  
342.32 between 31 and 60 days of receiving the allocation; and

343.1 (3) one-eighth of the application deposit for the amount of bonding authority returned  
343.2 between 61 and 120 days of receiving the allocation.

343.3 (c) No refund of the application deposit shall be available for allocations returned on or  
343.4 after the last Monday in November.

343.5 (d) An issuer that returns for reallocation all or a portion of an allocation for residential  
343.6 rental project bonds received under this section within 180 days of the allocation shall  
343.7 receive within 30 days a refund equal to:

343.8 (1) one-half of the application deposit for the amount of bonding authority returned  
343.9 within 45 days of receiving the allocation;

343.10 (2) one-fourth of the application deposit for the amount of bonding authority returned  
343.11 between 46 and 90 days of receiving the allocation; and

343.12 (3) one-eighth of the application deposit for the amount of bonding authority returned  
343.13 between 91 and 180 days of receiving the allocation.

343.14 Sec. 38. Minnesota Statutes 2016, section 474A.091, subdivision 6, is amended to read:

343.15 Subd. 6. **Final allocation; carryforward.** Notwithstanding the notice requirements of  
343.16 section 474A.131, subdivision 2, any bonding authority remaining unissued by the Minnesota  
343.17 Housing Finance Agency on the last business day in December shall be carried forward  
343.18 into the next calendar year by the commissioner for the Minnesota Housing Finance Agency.  
343.19 Any authority carried forward shall be allocated to utilize the authority that is closest to  
343.20 expiring first, and in all events, the Minnesota Housing Finance Agency shall allocate its  
343.21 bonding authority to utilize the authority carried forward prior to any current year's allocation.

208.3 (b) An issuer that returns for reallocation all or a portion of an allocation for all types  
208.4 of bonds other than residential rental project bonds received under this section within 120  
208.5 days of the allocation shall receive within 30 days a refund equal to:

208.6 (1) one-half of the application deposit for the amount of bonding authority returned  
208.7 within 30 days of receiving the allocation;

208.8 (2) one-fourth of the application deposit for the amount of bonding authority returned  
208.9 between 31 and 60 days of receiving the allocation; and

208.10 (3) one-eighth of the application deposit for the amount of bonding authority returned  
208.11 between 61 and 120 days of receiving the allocation.

208.12 ~~(e)~~ No refund of the application deposit shall be available for allocations returned on or  
208.13 after the last Monday in November.

208.14 (c) An issuer that returns for reallocation all or a portion of an allocation for residential  
208.15 rental project bonds received under this section within the earlier of 180 days of the allocation  
208.16 or the end of the year shall receive within 30 days a refund equal to:

208.17 (1) one-half of the application deposit for the amount of bonding authority returned  
208.18 within 45 days of receiving the allocation;

208.19 (2) one-fourth of the application deposit for the amount of bonding authority returned  
208.20 between 46 and 90 days of receiving the allocation; and

208.21 (3) one-eighth of the application deposit for the amount of bonding authority returned  
208.22 between 91 and 180 days of receiving the allocation.

208.23 No refund of the application deposit shall be available for allocations returned on or after  
208.24 the last Monday in November.

208.25 Subd. 6. **Final allocation; carryforward.** Notwithstanding the notice requirements of  
208.26 section 474A.131, subdivision 2, any bonding authority remaining unissued by the Minnesota  
208.27 Housing Finance Agency on the last business day in December shall be carried forward  
208.28 into the next calendar year by the commissioner for the Minnesota Housing Finance Agency.  
208.29 Any authority carried forward shall be allocated to utilize such authority that is closest to  
208.30 expiring first, and in all events, Minnesota Housing Finance Agency shall allocate its bonding  
208.31 authority to utilize such authority carried forward prior to any current year's allocation.

343.22 Sec. 39. Minnesota Statutes 2016, section 474A.131, subdivision 1, is amended to read:

343.23 Subdivision 1. **Notice of issue.** Each issuer ~~that issues bonds~~ with an allocation received  
343.24 under this chapter shall provide a notice of issue to the department on forms provided by  
343.25 the department stating:

343.26 (1) the date of issuance of the bonds;

343.27 (2) the title of the issue;

343.28 (3) the principal amount of the bonds;

343.29 (4) the type of qualified bonds under federal tax law;

344.1 (5) the dollar amount of the bonds issued that were subject to the annual volume cap;  
344.2 and

344.3 (6) for entitlement issuers, whether the allocation is from current year entitlement  
344.4 authority or is from carryforward authority.

344.5 For obligations that are issued as a part of a series of obligations, a notice must be  
344.6 provided for each series. A penalty of one-half of the amount of the application deposit not  
344.7 to exceed \$5,000 shall apply to any issue of obligations for which a notice of issue is not  
344.8 provided to the department within five business days after issuance or before 4:30 p.m. on  
344.9 the last business day in December, whichever occurs first. Within 30 days after receipt of  
344.10 a notice of issue the department shall refund a portion of the application deposit equal to  
344.11 one percent of the amount of the bonding authority actually issued if a one percent application  
344.12 deposit was made, or equal to two percent of the amount of the bonding authority actually  
344.13 issued if ~~a two percent~~ the applicable application deposit was made, less any penalty amount.

209.1 Sec. 28. Minnesota Statutes 2016, section 474A.131, is amended to read:

209.2 **474A.131 NOTICE OF ISSUE AND NOTICE OF CARRYFORWARD.**

209.3 Subdivision 1. **Notice of issue.** Each issuer ~~that issues bonds~~ with an allocation received  
209.4 under this chapter shall provide a notice of issue to the department on forms provided by  
209.5 the department stating:

209.6 (1) the date of issuance of the bonds;

209.7 (2) the title of the issue;

209.8 (3) the principal amount of the bonds;

209.9 (4) the type of qualified bonds under federal tax law;

209.10 (5) the dollar amount of the bonds issued that were subject to the annual volume cap;  
209.11 and

209.12 (6) for entitlement issuers, whether the allocation is from current year entitlement  
209.13 authority or is from carryforward authority.

209.14 For obligations that are issued as a part of a series of obligations, a notice must be  
209.15 provided for each series. A penalty of one-half of the amount of the application deposit not  
209.16 to exceed \$5,000 shall apply to any issue of obligations for which a notice of issue is not  
209.17 provided to the department within five business days after issuance or before 4:30 p.m. on  
209.18 the last business day in December, whichever occurs first. Within 30 days after receipt of  
209.19 a notice of issue the department shall refund a portion of the application deposit equal to  
209.20 one percent of the amount of the bonding authority actually issued if a one percent application  
209.21 deposit was made, or equal to two percent of the amount of the bonding authority actually  
209.22 issued if ~~a two percent~~ the applicable application deposit was made, less any penalty amount.

209.23 Subd. 1a. **Certificate of notice.** If an allocation received under this chapter is used for  
209.24 mortgage credit certificates, a certificate notice must be submitted to the department on  
209.25 forms provided by the department stating the date of the filing of the election not to issue  
209.26 bonds as provided under section 25, paragraph (c), of the Internal Revenue Code and the  
209.27 amount of allocation authority to be used under the program.

209.28 A penalty of one-half of the amount of the application deposit not to exceed \$5,000 shall  
209.29 apply to any mortgage credit certificate program for which a certificate notice is not provided  
209.30 to the department within five days of the date of the filing of the election not to issue bonds  
209.31 or before the last Monday in December, whichever occurs first. Within 30 days after receipt  
209.32 of a certificate notice the department shall refund a portion of the application deposit equal

344.14 Sec. 40. Minnesota Statutes 2016, section 474A.131, subdivision 1b, is amended to read:

344.15 Subd. 1b. **Deadline for issuance of qualified bonds.** (a) If an issuer fails to notify the  
344.16 department before 4:30 p.m. on the last business day in December of issuance of obligations  
344.17 pursuant to an allocation received for any qualified bond project or issuance of an entitlement  
344.18 allocation other than those involving residential rental bonds, the allocation is canceled and  
344.19 the bonding authority is allocated to the Minnesota Housing Finance Agency for carryforward  
344.20 by the commissioner under section 474A.091, subdivision 6.

344.21 (b) With respect to: (1) an allocation received for a residential rental project for which  
344.22 the obligations have not been issued before 4:30 p.m. on the last business day in December  
344.23 and the time period for issuance of the obligations provided under section 474A.061,  
344.24 subdivision 2a, or 474A.091, subdivision 2a, as applicable, has not expired; and (2) bonding  
344.25 authority reserved for a project for up to 24 months under section 474A.061, subdivision  
344.26 2a, or section 474A.091, subdivision 3, paragraph (f), as of 4:30 p.m. on the last business  
344.27 day of December, the bonding authority shall be allocated to the Minnesota Housing Finance  
344.28 Agency for carryforward by the commissioner under section 474A.091, subdivision 6;  
344.29 provided, however, that the allocation shall remain reserved by the Minnesota Housing  
344.30 Finance Agency for the residential rental project described in the original application and  
344.31 the Minnesota Housing Finance Agency will have the fiduciary duty to issue the bonds as  
344.32 intended by the originally intended issuer. In addition, any obligations issued by the  
344.33 Minnesota Housing Finance Agency for a residential rental project that is subject to this  
345.1 paragraph shall not be subject to the debt management policies of the Minnesota Housing  
345.2 Finance Agency, as adopted and amended from time to time.

345.3 Sec. 41. Minnesota Statutes 2016, section 474A.131, subdivision 2, is amended to read:

345.4 Subd. 2. **Carryforward notice.** If an issuer intends to carry forward an allocation received  
345.5 under this chapter, it must notify the department in writing before 4:30 p.m. on the last  
345.6 business day in December. This notice requirement does not apply to the Minnesota Housing  
345.7 Finance Agency for the carryforward of unallocated unified pool balances or for the  
345.8 carryforward of allocations of residential rental project bonds pursuant to section 474A.131,  
345.9 subdivision 1b.

210.1 to one percent of the amount of the bonding authority to be used for the mortgage credit  
210.2 certificate program, less any penalty amount.

210.3 Subd. 1b. **Deadline for issuance of qualified bonds.** (a) If an issuer fails to notify the  
210.4 department before 4:30 p.m. on the last business day in December of issuance of obligations  
210.5 pursuant to an allocation received for any qualified bond project or issuance of an entitlement  
210.6 allocation other than those involving residential rental bonds, the allocation is canceled and  
210.7 the bonding authority is allocated to the Minnesota Housing Finance Agency for carryforward  
210.8 by the commissioner under section 474A.091, subdivision 6.

210.9 (b) With respect to (1) an allocation received for a residential rental project for which  
210.10 such obligations have not been issued before 4:30 p.m. on the last business day in December  
210.11 and the time period for issuance of such obligations provided under section 474A.061,  
210.12 subdivision 2a, or section 474A.091, subdivision 2, as applicable has not expired, or (2)  
210.13 bonding authority reserved for a project for up to 24 months under section 474A.061,  
210.14 subdivision 2a, or section 474A.091, subdivision 3, paragraph (f), as of 4:30 p.m. on the  
210.15 last business day of December, such bonding authority shall be allocated to the Minnesota  
210.16 Housing Finance Agency for carryforward by the commissioner under section 474A.091,  
210.17 subdivision 6; provided, however, that such allocation shall remain reserved by the Minnesota  
210.18 Housing Finance Agency for the residential rental project described in the original application  
210.19 and the Minnesota Housing Finance Agency will have the fiduciary duty to issue such bonds  
210.20 as intended by the originally intended issuer. In addition, any obligations issued by the  
210.21 Minnesota Housing Finance Agency for a residential rental project that is subject to this  
210.22 subdivision shall not be subject to the debt management policies of the Minnesota Housing  
210.23 Finance Agency, as adopted and amended from time to time. The Minnesota Housing  
210.24 Finance Agency shall not charge any issuer fees for an issuance under this subdivision and  
210.25 all issuer fees shall be paid to the original applicant for the bonds. Notwithstanding this  
210.26 paragraph, the Minnesota Housing Finance Agency may be reimbursed for its reasonable  
210.27 costs to issue the bonds.

210.28 Subd. 2. **Carryforward notice.** If an issuer intends to carry forward an allocation received  
210.29 under this chapter, it must notify the department in writing before 4:30 p.m. on the last  
210.30 business day in December. This notice requirement does not apply to the Minnesota Housing  
210.31 Finance Agency for the carryforward of unallocated unified pool balances or for the  
210.32 carryforward of allocations of residential rental project bonds pursuant to subdivision 1b.

210.33 Subd. 3. **Irrevocable allocation.** The department may not revoke an allocation received  
210.34 under this chapter after receiving a notice of issue or certificate notice from the issuer.

345.10 Sec. 42. Minnesota Statutes 2016, section 474A.14, is amended to read:

345.11 **474A.14 NOTICE OF AVAILABLE AUTHORITY.**

345.12 The department shall provide at its official Web site a written notice of the amount of  
345.13 bonding authority in the housing, small issue, and public facilities pools as soon after January  
345.14 1 as possible. The department shall provide at its official Web site a written notice of the  
345.15 amount of bonding authority available for allocation in the unified pool as soon after ~~August~~,  
345.16 July 1 as possible.

211.1 Subd. 4. **Allocation plan.** By January 15 of each year, the commissioner of the Minnesota  
211.2 Housing Finance Agency shall annually prepare a tax-exempt bond allocation plan that  
211.3 identifies the amount of tax-exempt bonds allocated to the Minnesota Housing Finance  
211.4 Agency during the previous calendar year, identifies the amount of carryforward bonds and  
211.5 the respective issuers pursuant to subdivision 1b, and for all other bond carryforward,  
211.6 whether or not the Minnesota Housing Fiance Agency intends to carryforward such bonds  
211.7 not otherwise allocated in the previous year as qualified residential rental bonds or qualified  
211.8 mortgage bonds or mortgage credit certificates consistent with the requirements of Internal  
211.9 Revenue Service Form 8328, identifies the carryforward balance of any tax-exempt bonds  
211.10 allocated to the Minnesota Housing Finance Agency including those bonds carried forward  
211.11 as qualified residential rental bonds and qualified mortgage bonds or mortgage credit  
211.12 certificates. Prior to January 15 of each year, the Minnesota Housing Finance Agency must  
211.13 post on its official Web site the tax-exempt bond allocation plan and invite public comment  
211.14 until February 1. The Minnesota Housing Finance Agency shall not file the Internal Revenue  
211.15 Service Form 8328 until the public comment period had closed on February 1 unless  
211.16 otherwise required by federal law.

211.17 Sec. 29. Minnesota Statutes 2016, section 474A.14, is amended to read:

211.18 **474A.14 NOTICE OF AVAILABLE AUTHORITY.**

211.19 The department shall provide at its official Web site a written notice of the amount of  
211.20 bonding authority in the housing, small issue, and public facilities pools as soon after January  
211.21 1 as possible. The department shall provide at its official Web site a written notice of the  
211.22 amount of bonding authority available for allocation in the unified pool as soon after ~~August~~,  
211.23 July 1 as possible.

211.24 Sec. 30. Minnesota Statutes 2016, section 507.18, subdivision 2, is amended to read:

211.25 Subd. 2. **Restriction only is void.** Every provision referred to in subdivision 1 shall be  
211.26 void, regardless of the year the written instrument was executed, but the instrument shall  
211.27 have full force in all other respects and shall be construed as if no such provision were  
211.28 contained therein.

211.29 Sec. 31. Minnesota Statutes 2016, section 507.18, is amended by adding a subdivision to  
211.30 read:

211.31 Subd. 5. **Discharge of restrictive covenants related to protected classes.** The owner  
211.32 of any real property may file the statutory form provided in this section in any county where  
212.1 the property is located to remove a restrictive covenant related to a protected class  
212.2 permanently from the title. This process may be used for properties in the abstract title  
212.3 system. The removal of the restrictive covenant is valid and enforceable under the law of  
212.4 Minnesota when the statutory form, or a substantially similar form, is properly recorded.

212.5 For the purposes of this subdivision and subdivision 6, a "protected class" means race, color,  
212.6 creed, ethnicity, religion, national origin, sex, marital status, or sexual orientation.

212.7 Sec. 32. Minnesota Statutes 2016, section 507.18, is amended by adding a subdivision to  
212.8 read:

212.9 Subd. 6. **Filing; recording.** (a) The county recorder must accept the statutory form  
212.10 provided in this subdivision for recording when:

212.11 (1) the form has been executed before a notary; and

212.12 (2) the form contains the legal description of the property.

212.13 (b) The commissioner of commerce must provide electronic copies of the statutory form  
212.14 in this subdivision to the public free of cost.

212.15 (c) The filing of this form does not alter or affect the duration or expiration of covenants,  
212.16 conditions, or restrictions under section 500.20 and may not be used to extend the effect of  
212.17 a covenant.

212.18 (d) The statutory form that follows may be used to remove restrictive covenants on  
212.19 property that limit the ownership, occupancy, use, or financing based on protected class:

212.20 DISCHARGE OF RESTRICTIVE COVENANT AFFECTING PROTECTED CLASSES

212.21 Pursuant to Minnesota Statutes, section 507.18, any restrictive covenant affecting a  
212.22 protected class, including covenants which were placed on the property with the intent of  
212.23 restricting the use, occupancy, ownership, or financing because of a person's race, ethnicity,  
212.24 or religious beliefs, is discharged and released from the land described herein.

212.25 I/we, \_\_\_\_\_, solemnly swear that  
212.26 the contents of this form are true to the best of my/our knowledge, except as to those matters  
212.27 stated on information and belief, and that as to those matters I/we believe them to be true.

212.28 Name and Address of Owner(s) \_\_\_\_\_

212.29 The real property owned by owner(s) is located in \_\_\_\_\_ County,  
212.30 Minnesota, and is legally described as follows:

213.1 OWNER(s), \_\_\_\_\_, swears and affirms  
213.2 that Owner(s) is/are 18 years of age or older and is/are not under any legal incapacity and



213.3 that the information provided in this form is true and correct based on the information  
213.4 available and based on reasonable information and belief.

213.5 (1) a restrictive covenant which had the intent to restrict the use, occupancy, ownership,  
213.6 or financing of this property based on a protected class, including race, ethnicity, or religion,  
213.7 existed at one time related to the property described in this form;

213.8 (2) restrictive covenants relating to or affecting protected classes are unenforceable and  
213.9 void pursuant to Minnesota Statutes, sections 507.18 and 363A.09, the United States  
213.10 Constitution, and the Minnesota Constitution;

213.11 (3) Minnesota Statutes, section 507.18, allows for the discharge of a restrictive covenant  
213.12 of the nature described herein through the use of this statutory form to permanently discharge  
213.13 such covenants from the land described herein and release the current and future landowner(s)  
213.14 from any such restrictive covenant related to or affecting protected classes;

213.15 (4) any covenant not related to protected classes but related to the real property described  
213.16 herein shall have full force in all other respects; and

213.17 (5) the filing of this form does not alter or change the duration or expiration of covenants,  
213.18 conditions, or restrictions under Minnesota Statutes, section 500.20.

213.19 The affiant(s) know(s) the matters herein stated are true and make(s) this affidavit for  
213.20 the purpose of documenting the discharge of the illegal and unenforceable restrictive  
213.21 covenants affecting protected classes.

213.22 .....

213.23 Affiant (Owner(s) Signature)

213.24 Signed and sworn before me on  
213.25 ..... (Date), by

213.26 ..... (Affiant/Owner)

213.27 .....

213.28 Signature of Notary

213.29 Stamp

213.30 My commission expires .....

214.1 Sec. 33. Laws 2014, chapter 312, article 2, section 14, as amended by Laws 2016, chapter  
214.2 189, article 7, section 8, and Laws 2017, chapter 94, article 6, section 17, is amended to  
214.3 read:  
214.4 Sec. 14. **ASSIGNED RISK TRANSFER.**

214.5 (a) By June 30, 2015, if the commissioner of commerce determines on the basis of an  
214.6 audit that there is an excess surplus in the assigned risk plan created under Minnesota  
214.7 Statutes, section 79.252, the commissioner of management and budget shall transfer the  
214.8 amount of the excess surplus, not to exceed \$10,500,000, to the general fund. This transfer  
214.9 occurs prior to any transfer under Minnesota Statutes, section 79.251, subdivision 1,  
214.10 paragraph (a), clause (1). This is a onetime transfer.

214.11 (b) By June 30, 2015, and each year thereafter, if the commissioner of commerce  
214.12 determines on the basis of an audit that there is an excess surplus in the assigned risk plan  
214.13 created under Minnesota Statutes, section 79.252, the commissioner of management and  
214.14 budget shall transfer the amount of the excess surplus, not to exceed \$4,820,000 each year,  
214.15 to the Minnesota minerals 21st century fund under Minnesota Statutes, section 116J.423.  
214.16 This transfer occurs prior to any transfer under Minnesota Statutes, section 79.251,  
214.17 subdivision 1, paragraph (a), clause (1), but after the transfers authorized in paragraphs (a)  
214.18 and (f). The total amount authorized for all transfers under this paragraph must not exceed  
214.19 \$24,100,000. This paragraph expires the day following the transfer in which the total amount  
214.20 transferred under this paragraph to the Minnesota minerals 21st century fund equals  
214.21 \$24,100,000.

214.22 (c) By June 30, 2015, if the commissioner of commerce determines on the basis of an  
214.23 audit that there is an excess surplus in the assigned risk plan created under Minnesota  
214.24 Statutes, section 79.252, the commissioner of management and budget shall transfer the  
214.25 amount of the excess surplus, not to exceed \$4,820,000, to the general fund. This transfer  
214.26 occurs prior to any transfer under Minnesota Statutes, section 79.251, subdivision 1,  
214.27 paragraph (a), clause (1), but after any transfers authorized in paragraphs (a) and (b). If a  
214.28 transfer occurs under this paragraph, the amount transferred is appropriated from the general  
214.29 fund in fiscal year 2015 to the commissioner of labor and industry for the purposes of section  
214.30 15. Both the transfer and appropriation under this paragraph are onetime.

214.31 (d) By June 30, 2016, if the commissioner of commerce determines on the basis of an  
214.32 audit that there is an excess surplus in the assigned risk plan created under Minnesota  
214.33 Statutes, section 79.252, the commissioner of management and budget shall transfer the  
214.34 amount of the excess surplus, not to exceed \$4,820,000, to the general fund. This transfer  
215.1 occurs prior to any transfer under Minnesota Statutes, section 79.251, subdivision 1,  
215.2 paragraph (a), clause (1), but after the transfers authorized in paragraphs (a) and (b). If a  
215.3 transfer occurs under this paragraph, the amount transferred is appropriated from the general  
215.4 fund in fiscal year 2016 to the commissioner of labor and industry for the purposes of section  
215.5 15. Both the transfer and appropriation under this paragraph are onetime.

345.17 Sec. 43. ADVANCES TO THE MINNESOTA MANUFACTURED HOME  
345.18 RELOCATION TRUST FUND.

345.19 (a) Until June 30, 2020, the Minnesota Housing Finance Agency or Department of  
345.20 Management and Budget as determined by the commissioner of management and budget,  
345.21 is authorized to advance up to \$400,000 from state appropriations or other resources to the  
345.22 Minnesota manufactured home relocation trust fund established under Minnesota Statutes,  
345.23 section 462A.35, if the account balance in the Minnesota manufactured home relocation  
345.24 trust fund is insufficient to pay the amounts claimed under Minnesota Statutes, section  
345.25 327C.095, subdivision 13.

345.26 (b) The Minnesota Housing Finance Agency or Department of Management and Budget  
345.27 shall be reimbursed from the Minnesota manufactured home relocation trust fund for any  
345.28 money advanced by the agency under paragraph (a) to the fund. Approved claims for payment  
345.29 to manufactured home owners shall be paid prior to the money being advanced by the agency  
345.30 or the department to the fund.

346.1 Sec. 44. HOUSING AFFORDABILITY FUND; 2019 ALLOCATIONS.

346.2 Allocations from the Housing Finance Agency's housing affordability fund, pool 3, in  
346.3 2019, shall include a set-aside of ten percent for single-family home ownership development

215.6 (e) Notwithstanding Minnesota Statutes, section 16A.28, the commissioner of  
215.7 management and budget shall transfer to the general fund, any unencumbered or unexpended  
215.8 balance of the appropriations under paragraphs (c) and (d) remaining on June 30, 2016, or  
215.9 the date the commissioner of commerce determines that an excess surplus in the assigned  
215.10 risk plan does not exist, whichever occurs earlier.

215.11 (f) By June 30, ~~2017~~ 2018, and each year thereafter, if the commissioner of commerce  
215.12 determines on the basis of an audit that there is an excess surplus in the assigned risk plan  
215.13 created under Minnesota Statutes, section 79.252, the commissioner of management and  
215.14 budget shall transfer the amount of the excess surplus, not to exceed ~~\$2,000,000~~ \$3,000,000  
215.15 each year, to the ~~rural policy and development center fund under Minnesota Statutes, section~~  
215.16 ~~16J.4221~~ Minnesota manufactured home relocation trust fund established in Minnesota  
215.17 Statutes, section 462A.35, subdivision 1. This transfer occurs prior to any transfer under  
215.18 paragraph (b) or under Minnesota Statutes, section 79.251, subdivision 1, paragraph (a),  
215.19 clause (1). The total amount authorized for all transfers under this paragraph must not exceed  
215.20 ~~\$2,000,000~~ \$3,000,000. This paragraph expires the day following the transfer in which the  
215.21 total amount transferred under this paragraph to the ~~rural policy and development center~~  
215.22 ~~fund~~ Minnesota manufactured home relocation trust fund equals ~~\$2,000,000~~ \$3,000,000.

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

215.24 Sec. 34. ADVANCES TO THE MINNESOTA MANUFACTURED HOME  
215.25 RELOCATION TRUST FUND.

215.26 (a) Until June 30, 2020, the Minnesota Housing Finance Agency is authorized to advance  
215.27 up to \$400,000 from available resources to the Minnesota manufactured home relocation  
215.28 trust fund established under Minnesota Statutes, section 462A.35, if the account balance in  
215.29 the Minnesota manufactured home relocation trust fund is insufficient to pay the amounts  
215.30 claimed under Minnesota Statutes, section 327C.095, subdivision 13.

215.31 (b) The Minnesota Housing Finance Agency shall be reimbursed from the Minnesota  
215.32 manufactured home relocation trust fund for any money advanced by the agency under  
215.33 paragraph (a) to the fund.

346.4    and rental housing for up to a four-plex in municipalities with a population under 10,000,

346.5    or for manufactured housing projects. The set-aside shall remain until June 1, 2019, after

346.6    which any money remaining in the set-aside shall be available to all eligible projects.

346.7    Sec. 45. **REPORT; COSTS OF LOCAL ACTIONS ON AFFORDABLE HOUSING.**

346.8        By January 15, 2019, the commissioner of the Housing Finance Agency shall report to

346.9    the members of the legislative policy and finance committees with jurisdiction over housing

346.10   on the effects of local regulatory, fee, and zoning decisions that raise the cost of development

346.11   of affordable housing.

216.1    Sec. 35. **REPEALER.**

216.2        Minnesota Statutes 2016, section 471.9996, subdivision 2, is repealed.

216.3    Sec. 36. **EFFECTIVE DATE.**

216.4        Except as otherwise noted, sections 12 to 29 are effective the day following final

216.5    enactment.