

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 1354
Version: As introduced

DATE: March 13, 2009

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Subject: Nonprofit Housing Bonds

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Overview

This bill allows the Minnesota Housing Finance Agency to issue nonprofit housing bonds.

Section

- 1** **Authorization for other purposes.** Amends § 462A.36, by adding subd. 2a. Allows the agency to issue up to \$100 million of nonprofit housing bonds in one or more series to which the payments made under this section may be pledged. Allows the housing bonds to be issued for the purpose of making loans, on terms and conditions the agency deems appropriate, to local governments and 501(c)(3) nonprofit organizations to acquire land and to predesign, design, construct, renovate, furnish, and equip affordable rental housing and to acquire vacant or foreclosed residential property to renovate and sell at affordable prices. Also allows the bonds to be used to make loans to neighborhood land trusts to acquire land for affordable housing.
- 2** **Appropriation for other purposes; payment.** Amends § 462A.36, by adding subd. 5. Requires the agency to certify annually to the commissioner of finance the actual amount of annual debt service on each series of bonds issued under section 1. Specifies requirements for the commissioner of finance to follow if any nonprofit housing bonds remain outstanding beginning in 2010. Appropriates from the general fund to the commissioner of finance the amounts necessary to make the transfers. Allows the agency to pledge to the payment of the nonprofit housing bonds the payments to be made by the state under this section.