

**Subject** Housing infrastructure bond modifications and authorizations

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**Date** March 1, 2024

## Overview

This bill would expand eligible uses of housing infrastructure bonds and allow the agency to issue an additional \$500,000,000 in housing infrastructure bonds.

## Summary

Section	Description
1	<p><b>Definitions.</b></p> <p>Defines terms for the purposes of housing infrastructure bonds, including defining “recapitalization” as financing to address financial needs and operational costs and “subsidized housing” as residential property owned by a nonprofit that is subject to an affordability agreement or that received a subsidy by the state for its initial construction or acquisition.</p>
2	<p><b>Authorization.</b></p> <p>Expands allowable uses of housing infrastructure bonds to include use on buildings that are not entirely comprised of supportive housing but that have at least 50 percent of the units used for supportive housing, to include recapitalization on these buildings and on federally assisted rental housing, low-income housing, and subsidized housing, and to include financing the acquisition or development of cooperatively owned housing. Requires the agency to prioritize recapitalization projects in fiscal years 2025 and 2026, to give equal weight to recapitalization and preservation projects in fiscal year 2027, and to consult with others when selecting project priorities. Entitles loan recipients to reasonable cash flow to cover ongoing costs of property management.</p>
3	<p><b>Additional authorization.</b></p> <p>Authorizes issuance of an additional \$500,000,000 in housing infrastructure bonds. Allows no more than \$250,000,000 to be spent in a fiscal year.</p>

Section	Description
4	<b>Additional appropriation.</b> Appropriates to the Minnesota Housing Finance Agency the amount necessary to pay the debt service on housing infrastructure bonds issued pursuant to the new authorization.
5	<b>Revisor instruction.</b> Requires the revisor's office to update the proposed authorization for use of housing infrastructure bonds on cooperative housing to reference the cooperative housing chapter proposed in H.F. 3800 if that bill, or a similar bill, is enacted.



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