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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 1574

02/21/2019 Authored by Hornstein, Jurgens and Her The bill was read for the first time and referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to housing; maximizing the state's investment; preventing displacement;
1.3 requiring rental housing projects financed at least in part by the Housing Finance
1.4 Agency to be affordable for at least 30 years; amending Minnesota Statutes 2018,
1.5 section 462A.05, by adding a subdivision.

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

1.7 Section 1. Minnesota Statutes 2018, section 462A.05, is amended by adding a subdivision
1.8 to read:

1.9 Subd. 42. 30-year affordability covenants. The agency may impose rent, income, or
1.10 rent and income restrictions on a multifamily rental housing development as a condition of
1.11 agency financing as required in this chapter, or as a condition of an allocation or award of
1.12 federal low-income housing tax credits. If the agency imposes rent, income, or rent and
1.13 income restrictions on a multifamily rental housing development, the rent, income, or rent
1.14 and income restrictions must be contained in a covenant running with the land for at least
1.15 30 years. The agency may waive this requirement if it determines a waiver is necessary to
1.16 finance an affordable multifamily rental housing development that furthers the policies in
1.17 this chapter.

1.18 EFFECTIVE DATE. This section is effective July 1, 2020, and applies on or after that
1.19 date to any multifamily rental housing development for which the agency allocates
1.20 low-income housing tax credits or funding, or with which the agency enters into a financing
1.21 or grant agreement.