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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH  
SESSION

HOUSE FILE No. **2702**

February 4, 2010

Authored by Benson, Clark, Gunther, Hornstein, Davnie and others  
The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act  
1.2 relating to housing; authorizing the sale and issuance of nonprofit housing bonds  
1.3 for community land trusts; amending Minnesota Statutes 2008, section 462A.36,  
1.4 by adding subdivisions.

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

1.6 Section 1. Minnesota Statutes 2008, section 462A.36, is amended by adding a  
1.7 subdivision to read:

1.8 Subd. 2a. Authorization for other purposes. The agency may issue up to  
1.9 \$5,000,000 of nonprofit housing bonds in one or more series to which the payments  
1.10 made under this section may be pledged. The nonprofit housing bonds authorized in this  
1.11 subdivision may be issued for the purpose of making grants, on terms and conditions the  
1.12 agency deems appropriate, to neighborhood land trusts authorized under section 462A.31,  
1.13 to acquire land for affordable housing. Grants to acquire land made under this subdivision  
1.14 are considered a supplement to be used by the agency with other funding for construction  
1.15 and rehabilitation of affordable housing and the agency must consider the award of a  
1.16 grant under this subdivision when making decisions under other funding programs for  
1.17 long-term affordable housing through land leases.

1.18 Sec. 2. Minnesota Statutes 2008, section 462A.36, is amended by adding a subdivision  
1.19 to read:

1.20 Subd. 5. Appropriation for other purposes; payment. (a) The agency must certify  
1.21 annually to the commissioner of management and budget the actual amount of annual debt  
1.22 service on each series of bonds issued under subdivision 2a.

2.1           (b) Each July 15, beginning in 2011 and through 2033, if any nonprofit housing  
2.2 bonds issued under subdivision 2a remain outstanding, the commissioner of management  
2.3 and budget must transfer to the nonprofit housing bond account established under section  
2.4 462A.21, subdivision 32, the amount certified under paragraph (a), not to exceed \$420,000  
2.5 annually. The amounts necessary to make the transfers are appropriated from the general  
2.6 fund to the commissioner of management and budget.

2.7           (c) The agency may pledge to the payment of the nonprofit housing bonds the  
2.8 payments to be made by the state under this section.