

**HOUSE OF REPRESENTATIVES****EIGHTY-EIGHTH SESSION****H. F. No. 2112**

02/25/2014 Authored by Clark, Sawatzky, Kahn, Sundin, Isaacson and others  
The bill was read for the first time and referred to the Committee on Housing Finance and Policy  
03/28/2014 Adoption of Report: Amended and re-referred to the Committee on Ways and Means  
04/04/2014 Adoption of Report: Amended and Placed on the General Register  
Read Second Time

1.1 A bill for an act  
1.2 relating to housing; creating the Housing Opportunities Made Equitable (HOME)  
1.3 pilot project.

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

1.5 Section 1. **HOUSING OPPORTUNITIES MADE EQUITABLE (HOME) PILOT**  
1.6 **PROJECT.**

1.7 (a) The Housing Opportunities Made Equitable (HOME) pilot project is established to  
1.8 support closing the disparity gap in affordable homeownership for all communities of color  
1.9 and American Indians in Minnesota and increase housing opportunities for specific groups  
1.10 while closing the disparity gap that exists in Minnesota. The pilot project may also support  
1.11 the redevelopment and rebuilding of challenged neighborhoods affected by the foreclosure  
1.12 crisis. The Minnesota Housing Finance Agency shall collaborate with the Chicano Latino  
1.13 Affairs Council, Council on Asian-Pacific Minnesotans, Council on Black Minnesotans,  
1.14 and Minnesota Indian Affairs Council in designing the implementation of the pilot project.

1.15 (b) If funds are available to the Minnesota Housing Finance Agency, the  
1.16 commissioner may use the available funds to: support the capacity of several local  
1.17 community nonprofit housing and service providers to administer the HOME pilot project  
1.18 under this section, support providers that assist families to attain sustainable, affordable  
1.19 homeownership as described in paragraph (c), and make first mortgage loans as described  
1.20 in paragraph (d).

1.21 (c) Assistance to attain sustainable affordable homeownership may include  
1.22 long-term financial education, training, case management, credit mending, homebuyer  
1.23 education, and foreclosure prevention mitigation services. The Minnesota Housing  
1.24 Finance Agency shall choose providers of the assistance described in this paragraph that

2.1 have proven track records of assisting culturally diverse groups of people with long-term  
2.2 education services and that have historically resulted in sustainable affordable housing  
2.3 opportunities for culturally diverse groups.

2.4 (d) Funds may be used to make first mortgage financing to homebuyers who have the  
2.5 financial resources to pay a mortgage but are unable to access a mortgage that meets their  
2.6 needs. The mortgage loans will be originated by qualified providers. A qualified provider is  
2.7 a provider that has a proven track record of assisting culturally diverse groups of people in  
2.8 attaining sustainable affordable homeownership and that, at a minimum, is in good standing  
2.9 with the Minnesota Department of Commerce, is licensed to originate mortgage loans, and  
2.10 has demonstrated an ability to underwrite to FHA or conventional underwriting guidelines.  
2.11 Qualified providers may be paid an origination fee, a service release premium, and a  
2.12 standard fee set in order to expand capacity to assist more families with purchasing a home.