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S.F. No. 3232 – Cooperative manufactured housing infrastructure grant program bond issue and appropriation – 1st Engrossment.

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Section 1 [Cooperative Manufactured Housing Infrastructure Grant Program; 462A.2036] creates a grant program to be administered by the Minnesota Housing Finance Agency (MHFA).

Subd. 1 [Grant program established] authorizes MHFA to award grants to counties and cities for up to 50 percent of the capital costs of housing infrastructure necessary for an eligible cooperative manufactured housing development project. MHFA must prioritize grants if nonstate resources are committed to complete the project. The nonstate contribution can be cash or in kind.

Subd. 2 [Definition] defines “housing infrastructure” as publicly owned physical infrastructure necessary to support cooperative manufactured housing development projects. Housing infrastructure includes sewers, water supply systems, utility extensions, streets, wastewater treatment systems, storm water management systems, and facilities to pretreat wastewater for phosphorus.

Subd. 3 [Eligible projects] specifies that eligible housing infrastructure must serve manufactured housing cooperatives.

Subd. 4 [Application] requires MHFA to develop forms and procedures for soliciting, reviewing, and prioritizing applications. The city or county may include a resolution certifying that the project has the required commitment of nonstate funds. Requires MHFA to evaluate projects on two criteria: 1) whether the project is needed to increase sites available for housing development for the current and future workforce; and 2) the increased work force housing will result in substantial public and private capital investment. Specifies that the MHFA determination of grant recipients is discretionary and not subject to judicial review, unless MHFA abuses its discretion.

Subd. 5 [Maximum grant amount] limits the maximum grant to \$60,000 per manufactured housing lot.

Subd. 6 [Cancellation of grant; return of grant money] requires an agency to cancel a grant if the project has not proceeded within five years in a timely manner and the grant recipient must return the grant money.

Subd. 7 [Appropriation] returned grant money is appropriated to MHFA for grants under this program.

Section 2. [Housing Infrastructure Grant Program] appropriates \$10,000,000 from the bond proceeds fund to MHFA for grants under the housing infrastructure grant program. Authorizes the sale and issuance of state bonds.