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REPORT ON MINNESOTA MANUFACTURED HOUSING RELOCATION TRUST FUND ACTIVITY JULY 1, 2008 – JUNE 30, 2009 (FY 2009)

Minn. Stat. § 327C.095, Subd. 13 (h) requires the Minnesota Housing Finance Agency to submit a report on the Minnesota Manufactured Housing Relocation Trust Fund by January 15 of each year.

The Minnesota Manufactured Housing Relocation Trust Fund (Trust Fund) was established by Laws of Minnesota 2007, Chapter 141. Originally, the Act required owners of manufactured homes who rent lots in a manufactured housing park to make annual payments of \$12 to be deposited into the Trust Fund. Payments are collected by the manufactured housing park owner and forwarded to the Commissioner of Management and Budget. In 2009, the statue amended to provide for a different collection mechanism. (Laws of Minnesota 2009, chapter 78, article 8, Sec. 2.) Under the 2009 amendments, the Commissioner of Finance (sic) is directed to assess annually each manufactured park owner \$12.00 per licensed lot. The assessed amount is due by September 15 of each year. Park owners are authorized to recoup the \$12.00 fee from residents either in a lump sum or as part of the monthly rent. Information about each housing owner who remitted payment, as well as those who declined to make payment, must be submitted by the park owner to the Commissioner of Management and Budget with a copy to the Minnesota Housing Finance Agency. (Minn. Stat. § 327C.095, Subd. 12(c)

The Act requires park owners to make payments to the Trust Fund when a manufactured housing park is being closed or the land will no longer be used as a manufactured housing park. The Act sets caps on the amount paid by the park owner depending on whether a home will be moved or abandoned (Minn. Stat. § 327C. 095, Subd. 12 (a)). The municipality in which the closing manufactured home park is located is required to appoint a neutral third party to resolve questions or disputes regarding contributions to and disbursements from the Trust Fund (Minn. Stat. § 327C. 095, Subd. 4). Based on the neutral third party's decisions, the Minnesota Housing Finance Agency is charged with making payments out of the Trust Fund to home owners, moving and towing contractors and others.

The following is a summary of the Trust Fund receipts and disbursements for Fiscal Year 200. There was a 26% increase in the number of parks reporting and a

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negligible decrease (less than 1%) in the overall portion of residents in reporting parks who made payments to the Trust Fund compared to the previous year.

Number of Homeowners Making Annual Payment in FY 2009	15,884
Total Payments Received from Homeowners in FY 2009	\$190,609
Total Number of Parks Reporting	548
Percentage of Residents in Parks Reporting Who Paid the Annual Fee	48.12%
Number of Claims (applications) Filed	17
Number of Parks Closed with Residents Making Claims on the Fund	3
Payments to Claimants	\$82,633.11
Amount of Advances to the Trust Fund	\$0
Administrative Charges or expense deducted from the trust fund- MMB	\$18,150.04
Administrative Charges or expenses deducted from the trust fund- MHFA	\$1,612.22
Balance in Trust Fund	\$540,262.34

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Please note that the first report submitted on the Trust Fund activity provided information on calendar year 2007. Subsequent reports reflect activity during a fiscal year basis. Consequently, this report for FY 2009 does not reflect the change in the collections mechanism.

Questions may be directed to:

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