

ployee, including a nurse's aide or an orderly, who is assigned by the director of nursing to provide or assist in the provision of nursing or nursing-related services under the supervision of a registered nurse. "Nursing assistant" includes nursing assistants employed by nursing pool companies but does not include a licensed health professional. ~~The commissioner of health may, by rule, establish categories of nursing assistants who are not required to comply with the educational requirements of this section and section 144A.611.~~

Sec. 2. Minnesota Statutes 1998, section 144A.61, subdivision 3a, is amended to read:

Subd. 3a. **COMPETENCY EVALUATION PROGRAM.** The commissioner of health shall approve the competency evaluation program. A competency evaluation must be administered to ~~nursing assistants~~ persons who desire to be listed in the nursing assistant registry and who have done one of the following: (1) ~~completed an approved training program;~~ or (2) ~~are enrolled in a licensed nurse education program.~~ The tests may only be administered by technical colleges, community colleges, or other organizations approved by the department of health. The commissioner of health shall approve a nursing assistant for the registry without requiring a competency evaluation if the nursing assistant is in good standing on a nursing assistant registry in another state.

Sec. 3. EVALUATION OF MODIFICATIONS IN COMPETENCY EVALUATION PROGRAM.

After one year of implementation, the commissioner of health shall evaluate the impact of allowing persons to take a nursing assistant competency evaluation test without first completing an approved training program or enrolling in a licensed nurse education program. The evaluation must include a determination of the positive and negative impact, if any, of allowing persons to qualify as nursing assistants without completing a training program. The result of the evaluation must be reported to the chairs of the house health and human services committee and the senate health and family security committee by December 1, 2000.

Presented to the governor May 21, 1999

Signed by the governor May 24, 1999, 9:55 a.m.

CHAPTER 211—S.F.No. 1821

An act relating to housing; modifying provision for amending zoning ordinance by cities of the first class; modifying housing finance agency provisions; authorizing agency to make equity take-out loans to owners of federally subsidized housing under certain circumstances; allowing participants to receive rental assistance for family stabilization for up to 60 months; clarifying purposes for which community rehabilitation funds may be used; establishing account to provide homeownership opportunities for disabled; modifying low-income housing credits; amending Minnesota Statutes 1998, sections 462.357, subdivision 5; 462A.05, subdivision 14; 462A.073, subdivisions 2 and 4; 462A.205, subdivisions 1, 2, 4, 5, 6, and 9; 462A.206, subdivision 2; 462A.21, by adding a subdivi-

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tion; 462A.222, subdivision 3; and 462A.223, subdivision 2; repealing Minnesota Statutes 1998, section 462A.073, subdivision 3.

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

Section 1. Minnesota Statutes 1998, section 462.357, subdivision 5, is amended to read:

Subd. 5. **AMENDMENT; CERTAIN CITIES OF THE FIRST CLASS.** The provisions of this subdivision apply to cities of the first class, except a city of the first class in which a different process is provided through the operation of the city's home rule charter. In such cities a city to which this subdivision applies, amendments to a zoning ordinance shall be made in conformance with this section but only after there shall have been filed in the office of the city clerk a written consent of the owners of two-thirds of the several descriptions of real estate situate within 100 feet of the total contiguous descriptions of real estate held by the same owner or any party purchasing any such contiguous property within one year preceding the request, and after the affirmative vote in favor thereof by a majority of the members of the governing body of any such city. The governing body of such city may, by a two-thirds vote of its members, after hearing, adopt a new zoning ordinance without such written consent whenever the planning commission or planning board of such city shall have made a survey of the whole area of the city or of an area of not less than 40 acres, within which the new ordinance or the amendments or alterations of the existing ordinance would take effect when adopted, and shall have considered whether the number of descriptions of real estate affected by such changes and alterations renders the obtaining of such written consent impractical, and such planning commission or planning board shall report in writing as to whether in its opinion the proposals of the governing body in any case are reasonably related to the overall needs of the community, to existing land use, or to a plan for future land use, and shall have conducted a public hearing on such proposed ordinance, changes or alterations, of which hearing published notice shall have been given in a daily newspaper of general circulation at least once each week for three successive weeks prior to such hearing, which notice shall state the time, place and purpose of such hearing, and shall have reported to the governing body of the city its findings and recommendations in writing.

Sec. 2. Minnesota Statutes 1998, section 462A.05, subdivision 14, is amended to read:

Subd. 14. **REHABILITATION LOANS.** It may agree to purchase, make, or otherwise participate in the making, and may enter into commitments for the purchase, making, or participation in the making, of eligible loans for rehabilitation to persons and families of low and moderate income, and to owners of existing residential housing for occupancy by such persons and families, for the rehabilitation of existing residential housing owned by them. The loans may be insured or uninsured and may be made with security, or may be unsecured, as the agency deems advisable. The loans may be in addition to or in combination with long-term eligible mortgage loans under subdivision 3. They may be made in amounts sufficient to refinance existing indebtedness secured by the property, if refinancing is determined by the agency to be necessary to permit the owner to meet the owner's housing cost without expending an unreasonable portion of the owner's income thereon. No loan for rehabilitation shall be made unless the agency determines that the loan will be used primarily to make the housing more desirable to live in, to increase the

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market value of the housing, for compliance with state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing, or to accomplish energy conservation related improvements. In unincorporated areas and municipalities not having codes and standards, the agency may, solely for the purpose of administering the provisions of this chapter, establish codes and standards. Except for accessibility improvements under this subdivision and subdivisions 14a and 24, clause (1), no secured loan for rehabilitation of any property shall be made in an amount which, with all other existing indebtedness secured by the property, would exceed 110 percent of its market value, as determined by the agency. No loan under this subdivision shall be denied solely because the loan will not be used for placing the residential housing in full compliance with all state, county, or municipal building, housing maintenance, fire, health, or similar codes and standards applicable to housing. Rehabilitation loans shall be made only when the agency determines that financing is not otherwise available, in whole or in part, from private lenders upon equivalent terms and conditions. Accessibility rehabilitation loans authorized under this subdivision may be made to eligible persons and families without limitations relating to the maximum incomes of the borrowers if:

- (1) the borrower or a member of the borrower's family requires a level of care provided in a hospital, skilled nursing facility, or intermediate care facility for persons with mental retardation or related conditions;
- (2) home care is appropriate; and
- (3) the improvement will enable the borrower or a member of the borrower's family to reside in the housing.

Sec. 3. Minnesota Statutes 1998, section 462A.073, subdivision 2, is amended to read:

Subd. 2. **LIMITATION; ORIGINATION PERIOD.** During the first ten months of an origination period, the agency may make loans financed with proceeds of mortgage bonds for the purchase of existing housing. Loans financed with the proceeds of mortgage bonds for new housing in the metropolitan area may be made during the first ten months of an origination period only if at least one of the following conditions is met:

- (1) the new housing is located in a redevelopment area;
- (2) the new housing is replacing a structurally substandard structure or structures;
- (3) the new housing is part of a housing affordability initiative, other than those financed with the proceeds from the sale of bonds, in which federal, state, or local assistance is used to substantially improve the terms of the financing or to substantially write down the purchase price of the new housing; or
- (4) the new housing is accessible housing and the borrower or a member of the borrower's family is a person with a disability. For the purposes of this clause, "accessible housing" means a dwelling unit with the modifications necessary to enable a person with a disability to function in a residential setting. "A person with a disability" means a person who has a permanent physical condition which is not correctable and which substantially reduces the person's ability to function in a residential setting. A person with a physical condition which does not require the use of a device to increase mobility must be deemed a person with a disability upon written certification of a licensed physician that the physical condition substantially limits the person's ability to function in a residential setting; or

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(5) the new housing is part of an effort to meet the affordable housing goals negotiated under section 473.254.

Upon expiration of the first ten-month period, the agency may make loans financed with the proceeds of mortgage bonds for the purchase of new and existing housing.

Sec. 4. Minnesota Statutes 1998, section 462A.073, subdivision 4, is amended to read:

Subd. 4. **LIMITATION; COMMITMENTS AND LOANS TO BUILDERS AND DEVELOPERS.** The agency may not make available, provide set-asides, or commit to make available proceeds of mortgage bonds for the exclusive use of builders or developers for loans to eligible purchasers for new housing except for new housing described in subdivision 2, ~~clauses (1) and (2).~~ This prohibition is in effect for the total origination period.

Sec. 5. Minnesota Statutes 1998, section 462A.205, subdivision 1, is amended to read:

Subdivision 1. **FAMILY STABILIZATION DEMONSTRATION PROJECT.** The agency, in consultation with the department of human services, may establish a rent assistance for family stabilization demonstration project. The purpose of the project is to provide rental assistance to families who, at the time of initial eligibility for rental assistance under this section, were receiving public assistance, and had a caretaker parent participating in a self-sufficiency program who was complying with the parent's job search support plan or employment plan and at least one minor child and to provide rental assistance to families who, at the time of initial eligibility for rental assistance under this section, were receiving public assistance, and had a caretaker parent who had earned income and with at least one minor child. The demonstration project is limited to counties with high average housing costs. The program must offer two options: a voucher option and a project-based voucher option. The funds may be distributed on a request for proposal basis.

Sec. 6. Minnesota Statutes 1998, section 462A.205, subdivision 2, is amended to read:

Subd. 2. **DEFINITIONS.** For the purposes of this section, the following terms have the meanings given them.

(a) "Caretaker parent" means a parent, relative caretaker, or minor caretaker as defined by the aid to families with dependent children program, sections 256.72 to 256.87, or its successor program.

(b) "County agency" means the agency designated by the county board to implement financial assistance for current public assistance programs and for the Minnesota family investment program statewide.

(c) "Counties with high average housing costs" means counties whose average federal section 8 fair market rents as determined by the Department of Housing and Urban Development are in the highest one-third of average rents in the state.

(d) "Designated rental property" is rental property (1) that is made available by a self-sufficiency program for use by participating families and meets federal section 8 ex-

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isting quality standards, or (2) that has received federal, state, or local rental rehabilitation assistance since January 1, 1987, and meets federal section 8 existing housing quality standards.

(e) "Earned income" for a family receiving rental assistance under this section means cash or in-kind income earned through the receipt of wages, salary, commissions, profit from employment activities, net profit from self-employment activities, payments made by an employer for regularly accrued vacation or sick leave, and any other profit from activity earned through effort or labor.

(f) "Employment and training service provider" means a provider as defined in chapter 256J.

(g) "Employment plan" means a plan as defined in chapter 256J.

(h) "Family or participating family" means a family that at the time it begins receiving rent assistance has at least one member who is a recipient of public assistance, and:

(1) a family with a caretaker parent who is participating in a self-sufficiency program complying with the parent's job search support plan or employment plan and with at least one minor child;

(2) a family that, at the time it began receiving rent assistance under this section, had a caretaker parent participating in a self-sufficiency program complying with the parent's job search support plan or employment plan and had at least one minor child;

(3) a family with a caretaker parent who is receiving public assistance and has earned income and with at least one minor child; or

(4) a family that, at the time it began receiving rent assistance under this section, had a caretaker parent who had earned income and at least one minor child.

~~(g)~~ (i) "Gross family income" for a family receiving rental assistance under this section means the gross amount of the wages, salaries, social security payments, pensions, workers' compensation, reemployment insurance, the cash assistance portion of public assistance payments, alimony, and child support, and income from assets received by the family.

~~(h)~~ (j) "Local housing organization" means the agency of local government responsible for administering the Department of Housing and Urban Development's section 8 existing voucher and certificate program or a nonprofit or for-profit organization experienced in housing management.

~~(i)~~ (k) "Public assistance" means aid to families with dependent children, or its successor program, family general assistance, or its successor program, or family work readiness, or its successor program.

(l) "Self-sufficiency program" means a program operated by an employment and training service provider as defined in chapter 256J, an employability program administered by a community action agency, or courses of study at an accredited institution of higher education pursued with at least half-time student status.

Sec. 7. Minnesota Statutes 1998, section 462A.205, subdivision 4, is amended to read:

Subd. 4. **AMOUNT AND PAYMENT OF RENT ASSISTANCE.** (a) This subdivision applies to both the voucher option and the project-based voucher option.

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(b) Within the limits of available appropriations, eligible families may receive monthly rent assistance for a ~~36-month~~ 60-month period starting with the month the family first receives rent assistance under this section. The amount of the family's portion of the rental payment is equal to at least 30 percent of gross income.

(c) The rent assistance must be paid by the local housing organization to the property owner.

(d) Subject to the limitations in paragraph (e), the amount of rent assistance is the difference between the rent and the family's portion of the rental payment.

(e) In no case:

(1) may the amount of monthly rent assistance be more than \$250 for housing located within the metropolitan area, as defined in section 473.121, subdivision 2, or more than \$200 for housing located outside of the metropolitan area;

(2) may the owner receive more rent for assisted units than for comparable unassisted units; nor

(3) may the amount of monthly rent assistance be more than the difference between the family's portion of the rental payment and the fair market rent for the unit as determined by the Department of Housing and Urban Development.

Sec. 8. Minnesota Statutes 1998, section 462A.205, subdivision 5, is amended to read:

Subd. 5. **VOUCHER OPTION.** At least one-half of the appropriated funds must be made available for a voucher option. Under the voucher option, the Minnesota housing finance agency, in consultation with the department of human services, will award a number of vouchers to ~~self-sufficiency program administrators~~ employment and training service providers for participating families and to county agencies for participating families with earned income. Families may use the voucher for any rental housing that is certified by the local housing organization as meeting section 8 existing housing quality standards.

Sec. 9. Minnesota Statutes 1998, section 462A.205, subdivision 6, is amended to read:

Subd. 6. **PROJECT-BASED VOUCHER OPTION.** A portion of the appropriated funds must be made available for a project-based voucher option. Under the project-based voucher option, the Minnesota housing finance agency, in consultation with the department of human services, will award a number of vouchers to ~~self-sufficiency program administrators and to county agencies~~ employment and training service providers for participating families who live in designated rental property that is certified by a local housing organization as meeting section 8 existing housing quality standards.

Sec. 10. Minnesota Statutes 1998, section 462A.205, subdivision 9, is amended to read:

Subd. 9. **VOUCHERS FOR FAMILIES WITH A CARETAKER PARENT WITH EARNED INCOME.** (a) Applications to provide the rental assistance for families with a caretaker parent with earned income under either the voucher or project-based option must be submitted jointly by a local housing organization and a county agency an

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employment and training service provider. The application must include a description of how the caretaker parent participants will be selected.

(b) County agencies Employment and training service providers awarded vouchers must select the caretaker parents with earned income whose families will receive the rental assistance. The county agency employment and training service provider must notify the local housing organization and the agency if:

(1) at the time of annual recertification, the caretaker parent no longer has earned income and is not in compliance with the caretaker parent's employment plan or job search plan; and

(2) for a period of six months after the annual recertification, the caretaker parent has no earned income and has failed to comply with the job search support plan or employment plan.

(c) The county agency local housing organization must provide the caretaker parent who, at the time of annual recertification, has no earned income and is not in compliance with the job search support plan or employment plan with the notice specified in Minnesota Rules, part 4900.3379. The county agency local housing organization must send a subsequent notice to the caretaker parent, ~~the local housing organization,~~ and the Minnesota housing finance agency 60 days before the termination of rental assistance.

(d) If the local housing organization receives notice from a county agency an employment and training service provider that a caretaker parent whose initial eligibility for rental assistance was based on the receipt of earned income no longer has earned income and for a period of six months after the termination of earned income annual recertification has failed to comply with the caretaker parent's job search plan or employment plan, the local housing organization must notify the property owner that rental assistance may terminate and notify the caretaker parent of the termination of rental assistance under Minnesota Rules, part 4900.3380.

(e) The county agency employment and training service provider awarded vouchers for families with a caretaker parent with earned income must comply with the provisions of Minnesota Rules, part 4900.3377.

(f) For families whose initial eligibility for rental assistance was based on the receipt of earned income, rental assistance must be terminated under any of the following conditions:

(1) the family is evicted from the property for cause;

(2) the caretaker parent no longer has earned income and, after six months after an annual recertification, is not in compliance with the parent's job search or employment plan;

(3) 30 percent of the family's gross income equals or exceeds the amount of the housing costs for two or more consecutive months;

(4) the family has received rental assistance under this section for a ~~36-month~~ 60-month period; or

(5) the rental unit no longer meets federal section 8 existing housing quality standards, the owner refused to make necessary repairs or alterations to bring the rental unit

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into compliance within a reasonable time, and the caretaker parent refused to relocate to a qualifying unit.

(g) If a county agency an employment and training service provider determines that a caretaker parent no longer has earned income and is not in compliance with the parent's job search or employment plan, the county agency employment and training service provider must notify the caretaker parent of that determination. The notice must be in writing and must explain the effect of not having earned income or failing to be in compliance with the job search or employment plan will have on the rental assistance. The notice must:

(1) state that rental assistance will end six months after earned income has ended an annual recertification;

(2) specify the date the rental assistance will end;

(3) explain that after the date specified, the caretaker parent will be responsible for the total housing costs;

(4) describe the actions the caretaker parent may take to avoid termination of rental assistance; and

(5) inform the caretaker parent of the caretaker parent's responsibility to notify the county agency employment and training service provider if the caretaker parent has earned income.

Sec. 11. Minnesota Statutes 1998, section 462A.206, subdivision 2, is amended to read:

Subd. 2. **AUTHORIZATION.** The agency may make grants or loans to cities or nonprofit organizations for the purposes of construction, acquisition, rehabilitation, demolition, permanent financing, refinancing, construction financing, gap financing of single or ~~multifamily~~ housing, or full cycle home ownership services, as defined in section 462A.209, subdivision 2. Gap financing is financing for the difference between the cost of the improvement of the blighted property, including acquisition, demolition, rehabilitation, and construction, and the market value of the property upon sale. The agency shall take into account the amount of money that the city or nonprofit organization leverages from other sources in awarding grants and loans. The agency shall also consider the extent to which the grant or loan recipient will coordinate use of the funds with its other housing-related efforts or other housing-related efforts in the recipient's geographic area. The city or nonprofit organization must indicate in its application how the proposed project is consistent with the consolidated housing plan. Not less than ten days before submitting its application to the agency, a nonprofit organization must notify the city in which the project will be located of its intent to apply for funds. The city may submit to the agency its written comments on the nonprofit organization's application and the agency shall consider the city's comments in reviewing the application. Cities and nonprofit organizations may use the grants and loans to establish revolving loan funds and to provide grants and loans to eligible mortgagors. The city or nonprofit organization may determine the terms and conditions of the grants and loans. An agency loan may only be used by a city or nonprofit organization to make loans.

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Sec. 12. Minnesota Statutes 1998, section 462A.21, is amended by adding a subdivision to read:

Subd. 25. CONSUMER-OWNED HOUSING REVOLVING ACCOUNT. The agency may create a consumer-owned housing revolving account: (1) to assist in paying delinquent mortgage payments of persons participating in the federal National Mortgage Association pilot program for homeownership of persons with disabilities; or (2) for other activities that support homeownership activities for persons with disabilities.

Sec. 13. Minnesota Statutes 1998, section 462A.222, subdivision 3, is amended to read:

Subd. 3. **ALLOCATION PROCEDURE.** (a) Projects will be awarded tax credits in ~~three~~ two competitive rounds on an annual basis. The date for applications for each round must be determined by the agency. No allocating agency may award tax credits prior to the application dates established by the agency.

(b) Each allocating agency must meet the requirements of section 42(m) of the Internal Revenue Code of 1986, as amended through December 31, 1989, for the allocation of tax credits and the selection of projects.

(c) For projects that are eligible for an allocation of credits pursuant to section 42(h)(4) of the Internal Revenue Code of 1986, as amended, tax credits may only be allocated if the project satisfies the requirements of the allocating agency's qualified allocation plan. For projects that are eligible for an allocation of credits pursuant to section 42(h)(4) of the Internal Revenue Code of 1986, as amended, for which the agency is the issuer of the bonds for the project, or the issuer of the bonds for the project is located outside the jurisdiction of a city or county that has received reserved tax credits, the applicable allocation plan is the agency's qualified allocation plan.

(d) For applications submitted for the first round, an allocating agency may allocate tax credits only to the following types of projects:

(1) in the metropolitan area:

(i) new construction or substantial rehabilitation of projects in which, for the term of the extended use period, at least 75 percent of the total tax credit units are single-room occupancy, efficiency, or one bedroom units and which are affordable by households whose income does not exceed 30 percent of the median income;

(ii) new construction or substantial rehabilitation family housing projects that are not restricted to persons who are 55 years of age or older and in which, for the term of the extended use period, at least 75 percent of the tax credit units contain two or more bedrooms and at least one-third of the 75 percent contain three or more bedrooms; or

(iii) substantial rehabilitation projects in neighborhoods targeted by the city for revitalization;

(2) outside the metropolitan area, projects which meet a locally identified housing need and which are in short supply in the local housing market as evidenced by credible data submitted with the application;

(3) projects that are not restricted to persons of a particular age group and in which, for the term of the extended use period, a percentage of the units are set aside and rented to persons:

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(i) with a serious and persistent mental illness as defined in section 245.462, subdivision 20, paragraph (c);

(ii) with a developmental disability as defined in United States Code, title 42, section 6001, paragraph (5), as amended through December 31, 1990;

(iii) who have been assessed as drug dependent persons as defined in section 254A.02, subdivision 5, and are receiving or will receive care and treatment services provided by an approved treatment program as defined in section 254A.02, subdivision 2;

(iv) with a brain injury as defined in section 256B.093, subdivision 4, paragraph (a);
or

(v) with permanent physical disabilities that substantially limit one or more major life activities, if at least 50 percent of the units in the project are accessible as provided under Minnesota Rules, chapter 1340;

(4) projects, whether or not restricted to persons of a particular age group, which preserve existing subsidized housing, if the use of tax credits is necessary to prevent conversion to market rate use or to remedy physical deterioration of the project which would result in loss of existing federal subsidies; or

(5) projects financed by the Farmers Home Administration, or its successor agency, which meet statewide distribution goals.

(e) ~~Before the date for applications for the second final round, the allocating agencies other than the agency shall return all uncommitted and unallocated tax credits to the pool from which they were allocated, along with copies of any allocation or commitment. In the second round, the agency shall allocate the remaining credits from the regional pools to projects from the respective regions a unified pool for allocation by the agency on a statewide basis.~~

~~(f) In the third round, all unallocated tax credits must be transferred to a unified pool for allocation by the agency on a statewide basis.~~

~~(g) Unused portions of the state ceiling for low-income housing tax credits reserved to cities and counties for allocation may be returned at any time to the agency for allocation.~~

~~(h)~~ (g) If an allocating agency determines, at any time after the initial commitment or allocation for a specific project, that a project is no longer eligible for all or a portion of the low-income housing tax credits committed or allocated to the project, the credits must be transferred to the agency to be reallocated pursuant to the procedures established in paragraphs (e) to (g); provided that if the tax credits for which the project is no longer eligible are from the current year's annual ceiling and the allocating agency maintains a waiting list, the allocating agency may continue to commit or allocate the credits until not later than October 1 the date of applications for the final round, at which time any uncommitted credits must be transferred to the agency.

Sec. 14. Minnesota Statutes 1998, section 462A.223, subdivision 2, is amended to read:

Subd. 2. **DESIGNATED AGENCY.** The agency is designated as a housing credit agency to allocate the portion of the state ceiling for low-income housing tax credits (1)

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not reserved to cities and counties under section 462A.222; (2) not accepted for allocation by eligible cities and counties; (3) returned to the agency for allocation; and (4) not otherwise reserved to the agency for allocation under subdivision 1. Low-income housing tax credits shall be allocated by the agency as provided in section 462A.222. The agency shall make no allocation for projects located within the jurisdiction of the cities or counties that have received tax credits under section 462A.222, subdivision 1, except from the percentage set-aside for projects involving a qualified nonprofit organization as provided under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1989, until the amounts reserved to the cities and counties for allocation have been allocated or committed or returned to the agency for allocation. In order that all of a project's credits are allocated by a single allocating agency, the agency may reserve apportion additional tax credits to a city or county that has received tax credits under section 462A.222, subdivision 1, for a project that has already received a commitment or allocation of tax credits from an eligible city or county, if all of the tax credits reserved to the eligible city or county have been committed or allocated. A city or county that has received tax credits under section 462A.222, subdivision 1, may apportion tax credits to the agency for a project located within the jurisdiction of the city or county.

Sec. 15. **EQUITY TAKE-OUT LOANS.**

(a) The agency may make equity take-out loans to owners of federally assisted rental property who agree to participate in the federal assistance program but extend the low-income affordability restrictions on the housing for less than the maximum term of the federal assistance contract if:

- (1) fewer than 30 percent of the units in the rental property are federally assisted; and
- (2) the units, in the agency's judgment, are at risk of conversion to market rate housing.

(b) This section expires August 1, 2001.

Sec. 16. **REPORT.**

The agency must report annually to the legislature on loans made under Minnesota Statutes, section 462A.05, subdivision 14.

Sec. 17. **REPEALER.**

Minnesota Statutes 1998, section 462A.073, subdivision 3, is repealed.

Sec. 18. **EFFECTIVE DATE.**

Sections 3, 4, 13, 14, and 17 are effective the day after final enactment.

Presented to the governor May 21, 1999

Signed by the governor May 24, 1999, 9:55 a.m.

CHAPTER 212—S.F.No. 148

An act relating to commerce; providing for the protection of structured settlements; amending Minnesota Statutes 1998, section 176.175, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 549.

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