

Sec. 4. EFFECTIVE DATE.

Sections 2 and 3 are effective the day following final enactment. Section 1 is effective on the day temporary rules adopted pursuant to section 3 are effective.

Approved May 29, 1981

CHAPTER 327 — S.F.No. 1005

An act relating to local housing programs; authorizing certain combined multi-family housing and health care facility developments; providing an exemption from the limits on aggregate amount of bonds that may be issued; amending Minnesota Statutes 1980, Section 462C.05, Subdivision 1, and by adding a subdivision.

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

Section 1. Minnesota Statutes 1980, Section 462C.05, Subdivision 1, is amended to read:

Subdivision 1. A city may also plan, administer, and make or purchase a loan or loans to finance one or more multifamily housing developments within its boundaries, of the kind described in subdivision 2, 3, ~~or 4~~ or 7, and upon the conditions set forth in this section. A loan may be made or purchased for the acquisition and preparation of a site and the construction of a new development, or for the acquisition of an existing building and site and the rehabilitation thereof, provided that:

(a) The cost of rehabilitation of an existing building is estimated to equal at least \$5,000 per dwelling unit or 50 percent of the appraised value of the original building and site, whichever is less or if the rehabilitation is financed in part by proceeds from a program provided by the federal government pursuant to 24 C.F.R. Sections 882.401 to 882.519 or pursuant to section 312 of the Housing Act of 1964 (42 U.S.C. Section 1452b), the cost of rehabilitation of an existing building is estimated to equal at least \$2,000 per dwelling unit or 20 percent of the appraised value of the original building and site whichever is less;

(b) At least a substantial portion of such rehabilitation cost is estimated to be incurred for compliance with building codes or conservation of energy;

(c) Each development upon completion shall comply with all applicable code requirements;

(d) A loan or loans may be made or purchased for either the construction or the long term financing of a development, or both, including the

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

financing of the acquisition of dwelling units and interests in common facilities provided therein, by persons to whom such units and facilities may be sold as contemplated in chapter 515 or any supplemental or amendatory law thereof; and

(e) Substantially all of the proceeds of each loan shall be used to pay the cost of a multifamily housing development, including property functionally related and subordinate to it; but nothing herein prevents the construction of the development over, under, or adjacent to, and in conjunction with facilities to be used for purposes other than housing.

Sec. 2. Minnesota Statutes 1980, Section 462C.05, is amended by adding a subdivision to read:

Subd. 7. A development may consist of a combination of a multifamily housing development and a new or existing health care facility, as defined by section 474.02, if the following conditions are satisfied:

(a) The multifamily housing development is designed and intended to be used for rental occupancy;

(b) The multifamily housing development is designed and intended to be used primarily by elderly or physically handicapped persons; and

(c) Nursing, medical, personal care, and other health related assisted living services are available on a 24 hour basis in the development to the residents.

The limitations of section 462C.04, subdivision 2, clause (c), shall not apply to projects defined in this subdivision and approved by the Minnesota housing finance agency before July 1, 1983. The limitations of section 462C.07, subdivision 2, shall not apply to bonds issued for projects defined in this subdivision.

The Minnesota housing finance agency shall provide, in the annual report required by section 462C.04, subdivision 2, information on the costs incurred for the issuance of bonds for projects defined in this subdivision. The report shall also include the Minnesota housing finance agency's recommendations for the regulation of costs of issuance for future issues.

Approved May 29, 1981

CHAPTER 328 — S.F.No. 1074

An act relating to natural resources; extending the permissible term of agricultural leases of state peat lands; providing that certain lands may be sold; authorizing an easement on certain lands; amending Minnesota Statutes 1980, Section 92.50, Subdivision 1.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.