

Laws 2025, Chapter 32 – Housing Omnibus (S.F. No. 2298)

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Article 1

Article 1 contains the budget for the Housing Finance Agency (agency) and other appropriations. See "<u>Housing Omnibus (SF 2298)</u>—<u>Conference Committee Agreement</u>" for more information.

Article 2

Article 2 contains the housing infrastructure bonds authorization and appropriation.

Section 1 (462A.37) adds a subdivision allowing the agency to issue up to \$50,000,000 in housing infrastructure bonds.

Section 2 (462A.37, subdivision 5) adds a statutory transfer to the housing infrastructure bond account to pay the debt service each year on the bonds issued under section 1.

Article 3

Article 3 contains policy provisions relating to the housing finance agency and its programs.

Section 1 (327C.095, subdivision 12) requires the agency to include information about available tax credits and notice requirements related to manufactured home park sales in the annual letter to manufactured home park owners. The agency may also include additional programs and resources available to manufactured home park residents and owners.

Section 2 (462A.051, subdivision 2) adds counties and cities that allocate low-income housing tax credits to the section relating to wage theft prevention and use of responsible contractors and makes a technical correction relating to multifamily housing.

Section 3 (462A.07) adds a new subdivision to the powers and duties of the agency requiring that the agency publish information on the rights and obligations of landlords and residential tenants on its website.

Section 4 (462A.2095, subdivision 2) modifies the definition of eligible household for the rent assistance program to state that income shall be recertified each year to determine the correct amount of rent assistance.

Section 5 (462A.2095, subdivision 3) allows the commissioner to determine a formula to determine award amounts for the rent assistance program and to redistribute unused funds among program administrators.

Section 6 (462A.33, subdivision 2) modifies eligibility for the Economic Development and Housing Challenge Program by adding contract alternative and Tribal contract schools to the eligible recipients subdivision.

Section 7 (462A.33, subdivision 9) amends the subdivision relating to grants to schools in the economic development and housing challenge program to allow a nonprofit organization contracted by a school, a contract alternative school, or a Tribal contract school to be awarded a grant.

Section 8 (462A.37, subdivision 2) modifies the authorized use of housing infrastructure bonds to include financing adaptive reuse projects.

Section 9 (Laws 2023, chapter 37, article 1, section 2, subdivision 20) modifies the community-based first-generation homebuyers down payment assistance program to remove the requirement that any funds recaptured by MMCDC be remitted to the agency after the three-year program period.

Section 10 (Laws 2023, chapter 37, article 1, section 2, subdivision 21) modifies the local housing trust fund grants to require the grantee to use the funds within five years of receipt.

Section 11 (Laws 2023, chapter 37, article 2, section 9) modifies the community-based first-generation homebuyers assistance program so (1) it is no longer a pilot project, (2) eligibility is based on an eligible homebuyer rather than a household, (3) assistance can increase to up to ten percent of the median home sales price, (4) the forgivable loan accrues no interest, (5) MMCDC may retain up to ten percent of each year's appropriation for administrative costs, and (6) the annual report requires information about the numbers of each type of housing as well as the mean and median price of each type.

Section 12 (Laws 2023, chapter 37, article 2, section 10) amends the high-rise sprinkler system grant program to allow loans and amends the definition of eligible building to include those seven stories or more and those serving households at or below 60 percent of the area median income.

Section 13 requires the agency to award up to five additional percent of the points available in a competitive development program, where practicable, to proposals located in a jurisdiction where certain barriers to affordable housing development have been reduced or removed.

Section 14 requires the agency to develop a preservation framework for the targeted stabilization of regulated affordable rental housing, working with members of the affordable housing industry, and to submit the framework to the legislature.

Section 15 requires the agency to report to the legislature on the financial stability of the agency's asset management portfolio for the next two years.

Section 16 requires the agency to submit a report on the state's Olmstead Plan activities related to affordable and accessible housing for persons with disabilities.

Article 4

Article 4 contains policy provisions related to housing.

Section 1 (462C.16, subdivision 1) modifies the definition of local government in the housing trust funds for local housing development to include a housing and redevelopment authority.

Section 2 (477A.35, subdivision 5) specifies that any income generated by funds received through local affordable housing aid must be reinvested in qualified housing projects.

Section 3 (477A.36, subdivision 5) specifies that any income generated by funds received through statewide local housing aid must be reinvested in qualified housing projects.

Section 4 (504B.161, subdivision 1) modifies landlord requirements to specify that heat must be provided in all places intended for habitation.

Section 5 (504B.206, subdivision 2) modifies the statute relating to the right of victims of violence to terminate a lease to clarify that a landlord must not disclose information, even if a tenant signed a release of information form.

Section 6 (504B.385, subdivision 1) modifies the rent escrow action to include additional violations as defined in chapter 504B.

Section 7 (504B.395, subdivision 4) modifies the tenant remedies procedure that requires a landlord to be informed when violations are alleged to include additional violations as defined in chapter 504B.

Section 8 (507.18, subdivision 5) allows a property owner to record a statutory form with the county to discharge a restrictive covenant related to a protected class from the title at no cost. This section is effective the day following final enactment.

Section 9 (507.18, subdivision 6) makes a conforming change that counties may not require a recording fee for filing a discharge of a restrictive covenant relating to protected classes and is effective the day following final enactment.

Section 10 (Laws 2023, chapter 52, article 19, section 90) modifies the effective date for certain tenant rights provisions, clarifying that they apply to leases "entered into, renewed, or

extended" on or after January 1, 2026, and that estates at will are deemed to be renewed or extended at the beginning of each rental period.

Section 11 (Laws 2023, chapter 52, article 19, section 102) modifies the effective date for certain lease termination provisions, clarifying that they apply to leases "entered into, renewed, or extended" on or after January 1, 2026, and that estates at will are deemed to be renewed or extended at the beginning of each rental period.

Section 12 (Laws 2024, chapter 96, article 1, section 91) modifies the effective date for the Minnesota Cooperative Housing Act to August 1, 2026.

Section 13 (Laws 2024, chapter 96, article 2, section 13) makes a conforming change to the effective date for the cross-reference updates relating to the Minnesota Cooperative Housing Act in section 12, so the cross-references are effective at the same time as the act.

Section 14 allows an allocating agency to require that developers receiving low-income housing tax credits pay the wood frame carpenter work prevailing wage rate. This section expires December 31, 2027.

Section 15 requires the commissioner of management and budget to report to the legislature on options for public housing authorities to participate in federal repositioning programs while remaining eligible for state general obligation bond funding.



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