

Minnesota Attorney General: Administrative Rules Proceedings

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Version 3
August 20, 2018

Our File No. 1421

05.0009.0450

RULE REVIEW CHECKLIST

DATE RULE RECEIVED 12-20-85
DATE FOR REVIEW 12-30-85
DATE DUE 1-3-86

Adopted w/a hearing _____
Adopted w/o hearing ✓
Temporary rule _____

Approved 12.30-85 MJC Disapproved _____ Returned to Agency _____

Resubmitted _____ Due _____
Approved _____ Disapproved _____ Returned to Agency _____

Date filed w/Secretary of State _____ Revisor approved 12.23.85
disapproved _____

✓ Rule as Adopted

✓ Rule as Proposed

✓ Order Adopting 12.19.85 . Date

_____ Notice of Intent to Solicit Outside Opinion

✓ Order for rulemaking
N/A date of Hearing

✓ Certificate of Board's Authorizing Resolution

✓ Notice of rulemaking
✓ Sufficiency

✓ Affidavit of Mailing Notice or rulemaking
11.8.85 At least 30 days prior to ~~hearing~~/adoption

✓ Mailing list Certificate

✓ Publication in State Register
11.11.85 At least 30/~~20~~ days prior to ~~hearing~~/adoption

N/A Hearing Examiner's Report

_____ Chief Hearing Examiner's Report(s)
_____ Approving H.E.'s Report
_____ Approving agency action

_____ Agency's Findings of Fact

✓ LCRAR Report or agency Affidavit

✓ Certificate of Board's Resolution Adopting Rules

N/A Order Approving Incorporation by Reference

✓ Statements of Need and Reasonableness

N/A Petition for Adoption of a Rule

✓ Record (includes transcript or tape, exhibits, comments received by agency, requests for a hearing, and other relevant materials)

✓ Certificate of Compliance w/Rulemaking Procedures

N/A Affidavit of Mailing Notice of Submission to Attorney General

✓ Notice of Submission to the Attorney General

SF-00006-02

STATE OF MINNESOTA

Office Memorandum

DEPARTMENT: ATTORNEY GENERAL

DATE: 12/30/85

ATTN: TO : JAMES J. SOLEM, Executive Director
Minnesota Housing Finance Agency

KARL J. HERMAN
Special Assistant Attorney General

FROM : MARTHA J. CASSERLY MJC
Special Assistant Attorney General

PHONE: 296-4692

SUBJECT: In the Matter of the Proposed Rules Relating to Income Limits for Limited Unit Developments and Eligibility for the Homeownership Assistance Fund

The above-referenced rule has been approved as to its legality by the Attorney General on December 30, 1985.

Enclosed is the agency's copy of the approved rule. This office has already filed two copies of the approved rule with the Secretary of State, who will forward one copy to the Revisor of Statutes. The fourth copy is being retained by this division of the Attorney General's Office for its records.

Also enclosed are any petitions, requests, submission or comments received by the agency and any extra copies of documents which the agency submitted to the Attorney General.

In order for a permanent rule without a hearing to become effective, your agency must publish a notice of adoption in the State Register in accordance with Minn. Stat. § 14.27. An emergency rule becomes effective five working days after approval by the Attorney General; however, the agency must publish a notice in the State Register in accordance with Minn. Stat. § 14.34.

If you have any questions in this regard, please contact me.

MJC:pmf

Enclosures

cc: Maryanne Hruby
Executive Director
Legislative Commission to Review
Administrative Rules

Duane Harves
Chief Administrative Law Judge
Office of Administrative Hearings

RR1237

Housing Finance Agency

Adopted Rules Relating to Income Limits for Limited Unit Developments and Eligibility for the Homeownership Assistance Fund

Rules as Adopted

4900.0010 DEFINITIONS.

Subpart 1. to 22. [Unchanged.]

Subp. 23. Persons and families of low and moderate income. "Persons and families of low and moderate income" means:

A. With respect to limited-unit mortgage loans pursuant to parts 4900.0310 to 4900.0360, except for loans issued under parts 4900.0370 and 4900.0380, development cost loans pursuant to parts 4900.0210 to 4900.0240, planning grants pursuant to parts 4900.0410 and 4900.0420, and American Indian housing loans pursuant to parts 4900.0900 to 4900.1080, which loans and grants are intended for a limited-unit development, or a dwelling unit in a planned unit development or a condominium, those persons and families whose adjusted income does not exceed the amounts set forth in the following tables or such lower amount as shall be required to assure that the interest on obligations of the agency will be exempt from federal income taxation.

(1) Maximum adjusted income for loans for new construction:

(a) in the counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington, and Wright:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$35,000
10.01-10.50%	$36,000
10.51-11.00%	$37,000
11.01-11.50%	$38,000
11.51% and over	$39,000

(b) in the counties of Benton, Blue Earth, Clay, Nicollet, Olmsted, St. Louis, Sherburne, and Stearns:

Mortgage	Maximum

Interest Rate	Adjusted Income
0-10.00%	$28,000
10.01-10.50%	$29,000
10.51-11.00%	$30,000
11.01-11.50%	$31,000
11.51% and over	$32,000

(c) in all other counties:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$26,000
10.01-10.50%	$27,000
10.51-11.00%	$28,000
11.01-11.50%	$29,000
11.51% and over	$30,000

(2) Maximum adjusted income for loans for existing construction:

(a) in the counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington, and Wright:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$31,000
10.01-10.50%	$32,000
10.51-11.00%	$33,000
11.01-11.50%	$34,000
11.51% and over	$35,000

(b) in the counties of Benton, Blue Earth, Clay, Nicollet, Olmsted, St. Louis, Sherburne, and Stearns:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$24,000
10.01-10.50%	$25,000
10.51-11.00%	$26,000
11.01-11.50%	$27,000
11.51% and over	$28,000

(c) in all other counties:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$21,000
10.01-10.50%	$22,000
10.51-11.00%	$23,000
11.01-11.50%	$24,000
11.51% and over	$25,000

B. [See repealer.]

C. to E. [Unchanged.]

4900.1330 HOME OWNERSHIP ASSISTANCE FUND.

Subpart 1. **Monthly assistance.** The agency may provide eligible recipients with interest-free monthly assistance loans in the form of monthly payments of a portion of the principal and interest installment due on the limited-unit development

mortgage on qualifying property. Such payments shall not exceed $100 per month and shall decrease by $10 per month or $120 per year each year. The maximum amount of monthly assistance to which a recipient is originally entitled shall be determined by the agency from time to time on the basis of the percentage of income which may reasonably be spent on mortgage payments, the interest rate charged for limited-unit development mortgage loans, and general housing and construction costs in the state of Minnesota, provided however, that the initial maximum monthly assistance which the agency shall determine to be available shall not exceed the following amounts for persons and families within the following annual adjusted income ranges as set forth in subparts 2, 3, and 4 for various potential interest rates to be charged by the agency on its limited-unit development mortgage loans.

Subp. 2. **Designated central counties.** The following table applies to eligible recipients whose qualifying property is in Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington, and Wright counties.

Mortgage Interest Rate		Initial Maximum Monthly Assistance				
		$100	$80	$60	$40	$20
0-10.00%	Adj. Hshld. Income	0-19,000	19,001-20,000	20,001-21,000	21,001-22,000	22,001-23,000
10.01-10.50%	Adj. Hshld. Income	0-20,000	20,001-21,000	21,001-22,000	22,001-23,000	23,001-24,000
10.51-11.00%	Adj. Hshld. Income	0-21,000	21,001-22,000	22,001-23,000	23,001-24,000	24,001-25,000
11.01-11.50%	Adj. Hshld. Income	0-22,000	22,001-23,000	23,001-24,000	24,001-25,000	25,001-26,000
11.51%-and Up	Adj. Hshld. Income	0-23,000	23,001-24,000	24,001-25,000	25,001-26,000	26,001-27,000

Subp. 3. **Designated outstate counties.** The following table applies to eligible recipients whose qualifying property is in Benton, Blue Earth, Clay, Nicollet, Olmsted, St. Louis, Sherburne, and Stearns counties.

Mortgage Interest Rate		Initial Maximum Monthly Assistance				
		$100	$80	$60	$40	$20
0-10.00%	Adj. Hshld. Income	0-15,000	15,001-16,000	16,001-17,000	17,001-18,000	18,001-19,000

10.01-	Adj. Hshld.	0-	16,001-	17,001-	18,001-	19,001-
10.50%	Income	16,000	17,000	18,000	19,000	20,000
10.51-	Adj. Hshld.	0-	17,001-	18,001-	19,001-	20,001-
11.00%	Income	17,000	18,000	19,000	20,000	21,000
11.01-	Adj. Hshld.	0-	18,001-	19,001-	20,001-	21,001-
11.50%	Income	18,000	19,000	20,000	21,000	22,000
11.51%	Adj. Hshld.	0-	19,001-	20,001-	21,001-	22,001-
and Up	Income	19,000	20,000	21,000	22,000	23,000

Subp. 4. **All other counties.** The following table applies to eligible recipients whose qualifying property is in any county not named in subparts 2 and 3.

Mortgage Interest Rate		Initial Maximum Monthly Assistance $100	$80	$60	$40	$20
0-	Adj. Hshld.	0-	13,001-	14,001-	15,001-	16,001-
10.00%	Income	13,000	14,000	15,000	16,000	17,000
10.01-	Adj. Hshld.	0-	14,001-	15,001-	16,001-	17,001-
10.50%	Income	14,000	15,000	16,000	17,000	18,000
10.51-	Adj. Hshld.	0-	15,001-	16,001-	17,001-	18,001-
11.00%	Income	15,000	16,000	17,000	18,000	19,000
11.01-	Adj. Hshld.	0-	16,001-	17,001-	18,001-	19,001-
11.50%	Income	16,000	17,000	18,000	19,000	20,000
11.51%-	Adj. Hshld.	0-	17,001-	18,001-	19,001-	20,001-
and Up	Income	17,000	18,000	19,000	20,000	21,000

REPEALER. Minnesota Rules, part 4910.0010, subpart 23, item B is repealed.

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
DEC 31 1985
Joan Anderson Growe
Secretary of State
10:15 AM

APPROVED AS TO FORM AND LEGALITY
December 30 1985
HUBERT H. HUMPHREY, III
ATTORNEY GENERAL
BY MJ Cassedy
SPECIAL ASSISTANT ATTORNEY GENERAL

STATE OF MINNESOTA

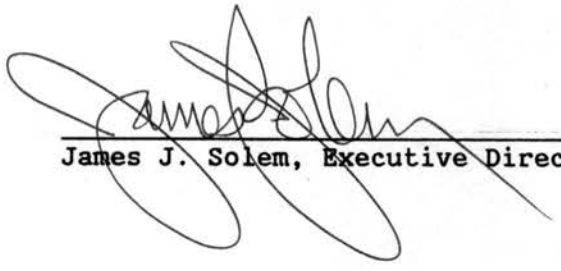
MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules Relating to Income Limits for Limited Unit Developments and Eligibility for the Homeownership Assistance Fund Without a Public Hearing

ORDER ADOPTING RULES

Notice of the Agency's intent to adopt the above-entitled rules without a public hearing was published in the State Register on November 11, 1985 and was sent by United States mail to all persons on the list maintained by the Agency pursuant to Minnesota Statutes Section 14.14 Subdivision 1 on November 8, 1985. After affording interested and affected persons an opportunity to submit comments for 30 days, receiving fewer than twenty-five written requests for a public hearing within the 30 day comment period, reviewing and considering the comments, supplying notice to all persons requesting notice of the date of submission of the proposed rules to the Attorney General for review, and determining the need for and reasonableness of the above-captioned rules.

NOW, THEREFORE, IT IS ORDERED that these rules identified as Rules of the Minnesota Housing Finance Agency Relating to Income Limits for Limited Unit Developments and Eligibility for the Homeownership Assistance Fund are adopted this 19th day of December, 1985 pursuant to authority vested in the Agency by Minnesota Statutes 462A.06, Subdivisions 4 and 11.



James J. Solem, Executive Director

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules
Relating to Income Limits
for Limited Unit Developments
and Eligibility for the
Homeownership Assistance Fund

ORDER FOR NOTICE OF
INTENT TO ADOPT RULES
WITHOUT A PUBLIC HEARING

It is ordered this 24th day of October, 1985 that a Notice of Intent to Adopt Rules Without a Public Hearing in the above-entitled matter be given to all persons who have registered their names with the Minnesota Housing Finance Agency for that purpose and be published in the State Register.

MINNESOTA HOUSING FINANCE AGENCY

James J. Solem, Executive Director

CERTIFICATE OF AGENCY'S

AUTHORIZING RESOLUTION

I, Robert A. Worthington, do hereby certify that I am Chairman of the Minnesota Housing Finance Agency, an Agency duly authorized under the laws of the State of Minnesota, and that the following is a true, complete, and correct copy of a resolution adopted at a meeting of the Agency and properly called and held on the 24th day of October, 1985, that a quorum was present at said meeting, that a majority of those present voted for the resolution and that said resolution is set forth in the minutes of said meeting and has not been rescinded or modified.

> "RESOLVED, that James J. Solem, Executive Director of the Minnesota Housing Finance Agency, be and he hereby is authorized and directed to give public notice for the purpose of promulgating rules of the Minnesota Housing Finance Agency without a public hearing, said rules relating to Income Limits for Limited Unit Developments and Eligibility for the Homeownership Assistance Fund as well as to perform any and all acts incidental thereto, including the signing of a notice of intent to adopt rules without a public hearing."

IN WITNESS WHEREOF, I have hereunto subscribed my name this 24th day of October, 1985.

Chairman

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules Relating to Income Limits for Limited Unit Developments and Eligibility for the Homeownership Assistance Fund

NOTICE OF INTENT TO ADOPT RULES WITHOUT A PUBLIC HEARING

Notice is hereby given that the Minnesota Housing Finance Agency ("agency") proposes to adopt the above-entitled rules without a public hearing. The agency has determined that the proposed adoption of these rules will be noncontroversial in nature and has elected to follow the procedures set forth in Minn. Stat. Sec. 14.21 to 14.28.

Persons interested in these rules shall have 30 days to submit comments in support of or in opposition to the proposed rules within the 30-day comment period. Such comments are encouraged, and should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed. The proposed rule may be modified as the result of comments received if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change in the proposed language. Unless twenty-five or more persons submit written requests for a public hearing on the proposed rule within the 30-day comment period, a public hearing will not be held. In the event a public hearing is required, the agency will proceed according to the provisions of Minn. Stat. Sec. 14.14 et. seq. Any person requesting a public hearing should state his or her name and address, and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed.

Persons who wish to submit comments or a written request for a public hearing should submit such comments or request to:

Kathleen J. Johnson
Legal Division
Minnesota Housing Finance Agency
Suite 300
400 Sibley Street
St. Paul, Minnesota 55101
Telephone: 612/296-9793

Authority for the adoption of these rules is contained in Minn. Stat. Sec. 462A.06, Subd. 4 and 11. Additionally, a Statement of Need and Reasonableness that describes the need for and reasonableness of each provision of the proposed rules, and that identifies the data and information relied upon to support the proposed rules has been prepared and is available from Kathleen J. Johnson upon request.

Upon adoption of the final rules without a public hearing, the proposed rules, this notice, the Statement of Need and Reasonableness, all written comments received, and the final rules as adopted will be delivered to a designee of the Attorney General for review as to form and legality, including the issue of substantial change, and to determine whether the agency has the authority to adopt the rules and

whether the record demonstrates a rational basis for the need for and reasonableness of the proposed rules. Persons who wish to receive notice of the date of submission of these rules to the Attorney General for review, or who wish to receive a free copy of the final rules as adopted, should make such requests to Kathleen J. Johnson.

A copy of the proposed rule is attached to this notice. Additional copies may be obtained by contacting Kathleen J. Johnson.

Please be advised that Minn. Stat. Ch. 10A.03 requires each lobbyist to register with the State Ethical Practices Board within five (5) days after he or she commences lobbying. A lobbyist is defined in Minn. Stat. Sec. 10A.01, Subd. 11 as any individual:

(a) Engaged for pay or other consideration, or authorized by another individual or association to spend money, who spends more than five hours in any month or more than $250.00, not including his own travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials; or

(b) Who spends more than $250.00, not including his own traveling expenses and membership dues, in any year for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials.

The statute provides certain exceptions. Questions should be directed to the Ethical Practices Board, 41 State Office Building, St. Paul, Minnesota 55155 (612) 296-5615.

Dated: November 8, 1985

James J. Solem
Executive Director

Housing Finance Agency

Proposed Rules Relating to Income Limits for Limited Unit Developments and Eligibility for the Homeownership Assistance Fund

Rules as Proposed

4900.0010 DEFINITIONS.

Subpart 1. to 22. [Unchanged.]

Subp. 23. Persons and families of low and moderate income. "Persons and families of low and moderate income" means:

A. With respect to limited-unit mortgage loans pursuant to parts 4900.0310 to 4900.0360, except for loans issued under parts 4900.0370 and 4900.0380, development cost loans pursuant to parts 4900.0210 to 4900.0240, planning grants pursuant to parts 4900.0410 and 4900.0420, and American Indian housing loans pursuant to parts 4900.0900 to 4900.1080, which loans and grants are intended for a limited-unit development, or a dwelling unit in a planned unit development or a condominium, those persons and families whose adjusted income does not exceed the amounts set forth in the following ~~exhibits~~ tables or such lower amount as shall be required to assure that the interest on obligations of the agency will be exempt from federal income taxation. ~~"Metropolitan area" has the meaning given it in Minnesota Statutes, section 473.121, subdivision 2.~~

(1) Maximum adjusted income for loans for new construction:

~~--Mortgage Interest Rate~~	~~Nonmetropolitan Area Maximum Adjusted Income~~	~~Metropolitan Area Maximum Adjusted Income~~
~~0-10.00%~~	~~$26,000~~	~~$34,000~~
~~10.01-10.50%~~	~~$27,000~~	~~$35,000~~
~~10.51-11.00%~~	~~$28,000~~	~~$36,000~~
~~11.01-11.50%~~	~~$29,000~~	~~$37,000~~
~~11.51%-and over~~	~~$30,000~~	~~$38,000~~

(a) in the counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington, and Wright:

Mortgage	Maximum

APPROVED IN THE REVISOR OF STATUTES OFFICE BY:

Interest Rate	Adjusted Income
0-10.00%	$35,000
10.01-10.50%	$36,000
10.51-11.00%	$37,000
11.01-11.50%	$38,000
11.51% and over	$39,000

(b) in the counties of Benton, Blue Earth, Clay, Nicollet, Olmsted, St. Louis, Sherburne, and Stearns:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$28,000
10.01-10.50%	$29,000
10.51-11.00%	$30,000
11.01-11.50%	$31,000
11.51% and over	$32,000

(c) in all other counties:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$26,000
10.01-10.50%	$27,000
10.51-11.00%	$28,000
11.01-11.50%	$29,000
11.51% and over	$30,000

(2) Maximum adjusted income for loans for existing construction:

~~Mortgage Interest Rate~~	~~Nonmetropolitan Area Maximum Adjusted Income~~	~~Metropolitan Area Maximum Adjusted Income~~
~~0-10.00%~~	~~$21,000~~	~~$31,000~~
~~10.01-10.50%~~	~~$22,000~~	~~$32,000~~
~~10.51-11.00%~~	~~$23,000~~	~~$33,000~~
~~11.01-11.50%~~	~~$24,000~~	~~$34,000~~
~~11.51% and over~~	~~$25,000~~	~~$35,000~~

(a) in the counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington, and Wright:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$31,000
10.01-10.50%	$32,000
10.51-11.00%	$33,000
11.01-11.50%	$34,000
11.51% and over	$35,000

(b) in the counties of Benton, Blue Earth, Clay, Nicollet, Olmsted, St. Louis, Sherburne, and Stearns:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$24,000
10.01-10.50%	$25,000
10.51-11.00%	$26,000
11.01-11.50%	$27,000
11.51% and over	$28,000

(c) in all other counties:

Mortgage	Maximum

APPROVED IN THE REVISOR OF STATUTES BY:

Interest Rate	Adjusted Income
0-10.00%	$21,000
10.01-10.50%	$22,000
10.51-11.00%	$23,000
11.01-11.50%	$24,000
11.51% and over	$25,000

B. [See repealer.]

C. to E. [Unchanged.]

4900.1330 HOME OWNERSHIP ASSISTANCE FUND.

Subpart 1. Monthly assistance. The agency may provide eligible recipients with interest-free monthly assistance loans in the form of monthly payments of a portion of the principal and interest installment due on the limited-unit development mortgage on qualifying property. Such payments shall not exceed $100 per month and shall decrease by $10 per month or $120 per year each year. The maximum amount of monthly assistance to which a recipient is originally entitled shall be determined by the agency from time to time on the basis of the percentage of income which may reasonably be spent on mortgage payments, the interest rate charged for limited-unit development mortgage loans, and general housing and construction costs in the state of Minnesota, provided however, that the initial maximum monthly assistance which the agency shall determine to be available shall not exceed the following amounts for persons and families within the following annual adjusted income ranges as set forth in subparts 2 ~~and~~, 3, and 4 for various potential interest rates to be charged by the agency on its limited-unit development mortgage loans.

Subp. 2. ~~Metropolitan-area~~ Designated central counties. The following ~~exhibit~~ table applies to eligible recipients whose qualifying property is in ~~the-metropolitan-area-as-defined-in Minnesota-Statutes,-section-473.121,-subdivision-2~~ Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington, and Wright counties.

Mortgage Interest Rate		Initial Maximum Monthly Assistance $100	$80	$60	$40	$20
0-10.00%	Adj. Hshld. Income	0-19,000	19,001-20,000	20,001-21,000	21,001-22,000	22,001-23,000
10.01-	Adj. Hshld.	0-	20,001-	21,001-	22,001-	23,001-

APPROVED IN THE REVISOR OF STATUTES

10.50%	Income	20,000	21,000	22,000	23,000	24,000
10.51-11.00%	Adj. Hshld. Income	0-21,000	21,001-22,000	22,001-23,000	23,001-24,000	24,001-25,000
11.01-11.50%	Adj. Hshld. Income	0-22,000	22,001-23,000	23,001-24,000	24,001-25,000	25,001-26,000
11.51%- and Up	Adj. Hshld. Income	0-23,000	23,001-24,000	24,001-25,000	25,001-26,000	26,001-27,000

Subp. 3. ~~Nonmetropolitan-area~~ Designated outstate counties. The following ~~exhibit~~ table applies to eligible recipients whose qualifying property is ~~not~~ in ~~the-metropolitan-area-as-defined in-Minnesota-Statutes,-section-473.121,-subdivision-2~~ Benton, Blue Earth, Clay, Nicollet, Olmsted, St. Louis, Sherburne, and Stearns counties.

Mortgage Interest Rate		Initial Maximum Monthly Assistance				
		$100	$80	$60	$40	$20
0-10.00%	Adj. Hshld. Income	0-15,000	15,001-16,000	16,001-17,000	17,001-18,000	18,001-19,000
10.01-10.50%	Adj. Hshld. Income	0-16,000	16,001-17,000	17,001-18,000	18,001-19,000	19,001-20,000
10.51-11.00%	Adj. Hshld. Income	0-17,000	17,001-18,000	18,001-19,000	19,001-20,000	20,001-21,000
11.01-11.50%	Adj. Hshld. Income	0-18,000	18,001-19,000	19,001-20,000	20,001-21,000	21,001-22,000
11.51% and Up	Adj. Hshld. Income	0-19,000	19,001-20,000	20,001-21,000	21,001-22,000	22,001-23,000

Subp. 4. All other counties. The following table applies to eligible recipients whose qualifying property is in any county not named in subparts 2 and 3.

Mortgage Interest Rate		Initial Maximum Monthly Assistance				
		$100	$80	$60	$40	$20
0-10.00%	Adj. Hshld. Income	0-13,000	13,001-14,000	14,001-15,000	15,001-16,000	16,001-17,000
10.01-10.50%	Adj. Hshld. Income	0-14,000	14,001-15,000	15,001-16,000	16,001-17,000	17,001-18,000
10.51-11.00%	Adj. Hshld. Income	0-15,000	15,001-16,000	16,001-17,000	17,001-18,000	18,001-19,000
11.01-11.50%	Adj. Hshld. Income	0-16,000	16,001-17,000	17,001-18,000	18,001-19,000	19,001-20,000
11.51%- and Up	Adj. Hshld. Income	0-17,000	17,001-18,000	18,001-19,000	19,001-20,000	20,001-21,000

REPEALER. Minnesota Rules, part 4910.0010, subpart 23, item B is repealed.

APPROVED IN THE REVISOR OF STATUTES OFFICE BY:

OFFICE OF THE REVISOR OF STATUTES

Proposed Rule

RD858

Agency: Housing Finance Agency

Division:

Agency Contact: Kathy Johnson, 296-9793

Minnesota Rules: Parts 4900.0010; 4900.1330

Title: Proposed Rules Relating to Income Limits for Limited Unit Developments and Eligibility for the Home Ownership Assistance Fund

Type of Rules: Permanent

Incorporations by Reference: None

Steven C. Cross
Revisor of Statutes

David S. Niss
Assistant Revisor
Phone: 297-2948

Date: October 23, 1985

STATE OF MINNESOTA

COUNTY OF RAMSEY

In the Matter of the Proposed Rules Relating to Income Limits for Limited Unit Developments and Eligibility for the Homeownership Assistance Fund Without a Public Hearing

AFFIDAVIT OF MAILING

Kathleen J. Johnson, being first duly sworn, deposes and says:

That on the 8th day of November, 1985, at the City of St. Paul, County of Ramsey, State of Minnesota, she served the attached Notice of Intent to Adopt Rules Without a Public Hearing by depositing in the United States mail at said City of St. Paul, a copy thereof, properly enveloped, with postage prepaid to all persons and associations who have requested that their names be placed on file with the Minnesota Housing Finance Agency for the purpose of receiving notice of the proposed adoption of rules by this Agency.

Kathleen J. Johnson

Kathleen J. Johnson

Subscribed and sworn to before me this 8th day of November, 1985.

Susan K. Noren

Notary Public

SUSAN K. NOREN
NOTARY PUBLIC-MINNESOTA
RAMSEY COUNTY
MY COMMISSION EXPIRES APRIL 8, 1991

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules Relating to Income Limits for Limited Unit Developments and Eligibility for the Homeownership Assistance Fund

NOTICE OF INTENT TO ADOPT RULES WITHOUT A PUBLIC HEARING

Notice is hereby given that the Minnesota Housing Finance Agency ("agency") proposes to adopt the above-entitled rules without a public hearing. The agency has determined that the proposed adoption of these rules will be noncontroversial in nature and has elected to follow the procedures set forth in Minn. Stat. Sec. 14.21 to 14.28.

Persons interested in these rules shall have 30 days to submit comments in support of or in opposition to the proposed rules within the 30-day comment period. Such comments are encouraged, and should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed. The proposed rule may be modified as the result of comments received if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change in the proposed language. Unless twenty-five or more persons submit written requests for a public hearing on the proposed rule within the 30-day comment period, a public hearing will not be held. In the event a public hearing is required, the agency will proceed according to the provisions of Minn. Stat. Sec. 14.14 et. seq. Any person requesting a public hearing should state his or her name and address, and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed.

Persons who wish to submit comments or a written request for a public hearing should submit such comments or request to:

Kathleen J. Johnson
Legal Division
Minnesota Housing Finance Agency
Suite 300
400 Sibley Street
St. Paul, Minnesota 55101
Telephone: 612/296-9793

Authority for the adoption of these rules is contained in Minn. Stat. Sec. 462A.06, Subd. 4 and 11. Additionally, a Statement of Need and Reasonableness that describes the need for and reasonableness of each provision of the proposed rules, and that identifies the data and information relied upon to support the proposed rules has been prepared and is available from Kathleen J. Johnson upon request.

Upon adoption of the final rules without a public hearing, the proposed rules, this notice, the Statement of Need and Reasonableness, all written comments received, and the final rules as adopted will be delivered to a designee of the Attorney General for review as to form and legality, including the issue of substantial change, and to determine whether the agency has the authority to adopt the rules and

whether the record demonstrates a rational basis for the need for and reasonableness of the proposed rules. Persons who wish to receive notice of the date of submission of these rules to the Attorney General for review, or who wish to receive a free copy of the final rules as adopted, should make such requests to Kathleen J. Johnson.

A copy of the proposed rule is attached to this notice. Additional copies may be obtained by contacting Kathleen J. Johnson.

Please be advised that Minn. Stat. Ch. 10A.03 requires each lobbyist to register with the State Ethical Practices Board within five (5) days after he or she commences lobbying. A lobbyist is defined in Minn. Stat. Sec. 10A.01, Subd. 11 as any individual:

(a) Engaged for pay or other consideration, or authorized by another individual or association to spend money, who spends more than five hours in any month or more than $250.00, not including his own travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials; or

(b) Who spends more than $250.00, not including his own traveling expenses and membership dues, in any year for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials.

The statute provides certain exceptions. Questions should be directed to the Ethical Practices Board, 41 State Office Building, St. Paul, Minnesota 55155 (612) 296-5615.

Dated: November 8, 1985

James J. Solem
Executive Director

Housing Finance Agency

Proposed Rules Relating to Income Limits for Limited Unit Developments and Eligibility for the Homeownership Assistance Fund

Rules as Proposed

4900.0010 DEFINITIONS.

Subpart 1. to 22. [Unchanged.]

Subp. 23. **Persons and families of low and moderate income.** "Persons and families of low and moderate income" means:

A. With respect to limited-unit mortgage loans pursuant to parts 4900.0310 to 4900.0360, except for loans issued under parts 4900.0370 and 4900.0380, development cost loans pursuant to parts 4900.0210 to 4900.0240, planning grants pursuant to parts 4900.0410 and 4900.0420, and American Indian housing loans pursuant to parts 4900.0900 to 4900.1080, which loans and grants are intended for a limited-unit development, or a dwelling unit in a planned unit development or a condominium, those persons and families whose adjusted income does not exceed the amounts set forth in the following ~~exhibits~~ tables or such lower amount as shall be required to assure that the interest on obligations of the agency will be exempt from federal income taxation. ~~"Metropolitan area" has the meaning given it in Minnesota Statutes, section 473.121, subdivision 2.~~

(1) Maximum adjusted income for loans for new construction:

~~--Mortgage Interest Rate~~	~~Nonmetropolitan Area Maximum Adjusted Income~~	~~Metropolitan Area Maximum Adjusted Income~~
~~0-10.00%~~	~~$26,000~~	~~$34,000~~
~~10.01-10.50%~~	~~$27,000~~	~~$35,000~~
~~10.51-11.00%~~	~~$28,000~~	~~$36,000~~
~~11.01-11.50%~~	~~$29,000~~	~~$37,000~~
~~11.51%-and-over~~	~~$30,000~~	~~$38,000~~

(a) in the counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington, and Wright:

Mortgage	Maximum

APPROVED IN THE REVISOR OF STATUTES OFFICE BY:

Interest Rate	Adjusted Income
0-10.00%	$35,000
10.01-10.50%	$36,000
10.51-11.00%	$37,000
11.01-11.50%	$38,000
11.51% and over	$39,000

(b) in the counties of Benton, Blue Earth, Clay, Nicollet, Olmsted, St. Louis, Sherburne, and Stearns:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$28,000
10.01-10.50%	$29,000
10.51-11.00%	$30,000
11.01-11.50%	$31,000
11.51% and over	$32,000

(c) in all other counties:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$26,000
10.01-10.50%	$27,000
10.51-11.00%	$28,000
11.01-11.50%	$29,000
11.51% and over	$30,000

(2) Maximum adjusted income for loans for existing construction:

Mortgage Interest Rate	Nonmetropolitan Area Maximum Adjusted Income	Metropolitan Area Maximum Adjusted Income
0-10.00%	$21,000	$31,000
10.01-10.50%	$22,000	$32,000
10.51-11.00%	$23,000	$33,000
11.01-11.50%	$24,000	$34,000
11.51%-and-over	$25,000	$35,000

(a) in the counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington, and Wright:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$31,000
10.01-10.50%	$32,000
10.51-11.00%	$33,000
11.01-11.50%	$34,000
11.51% and over	$35,000

(b) in the counties of Benton, Blue Earth, Clay, Nicollet, Olmsted, St. Louis, Sherburne, and Stearns:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$24,000
10.01-10.50%	$25,000
10.51-11.00%	$26,000
11.01-11.50%	$27,000
11.51% and over	$28,000

(c) in all other counties:

Mortgage	Maximum

Interest Rate	Adjusted Income
0-10.00%	$21,000
10.01-10.50%	$22,000
10.51-11.00%	$23,000
11.01-11.50%	$24,000
11.51% and over	$25,000

B. [See repealer.]

C. to E. [Unchanged.]

4900.1330 HOME OWNERSHIP ASSISTANCE FUND.

Subpart 1. Monthly assistance. The agency may provide eligible recipients with interest-free monthly assistance loans in the form of monthly payments of a portion of the principal and interest installment due on the limited-unit development mortgage on qualifying property. Such payments shall not exceed $100 per month and shall decrease by $10 per month or $120 per year each year. The maximum amount of monthly assistance to which a recipient is originally entitled shall be determined by the agency from time to time on the basis of the percentage of income which may reasonably be spent on mortgage payments, the interest rate charged for limited-unit development mortgage loans, and general housing and construction costs in the state of Minnesota, provided however, that the initial maximum monthly assistance which the agency shall determine to be available shall not exceed the following amounts for persons and families within the following annual adjusted income ranges as set forth in subparts 2 and, 3, and 4 for various potential interest rates to be charged by the agency on its limited-unit development mortgage loans.

Subp. 2. ~~Metropolitan-area~~ Designated central counties. The following ~~exhibit~~ table applies to eligible recipients whose qualifying property is in ~~the-metropolitan-area-as-defined-in Minnesota-Statutes,-section-473.121,-subdivision-2~~ Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington, and Wright counties.

Mortgage Interest Rate		Initial Maximum Monthly Assistance $100	$80	$60	$40	$20
0-10.00%	Adj. Hshld. Income	0-19,000	19,001-20,000	20,001-21,000	21,001-22,000	22,001-23,000
10.01-	Adj. Hshld.	0-	20,001-	21,001-	22,001-	23,001-

APPROVED IN THE REVISOR OF STATUTES OFFICE

10.50%	Income	20,000	21,000	22,000	23,000	24,000
10.51-11.00%	Adj. Hshld. Income	0-21,000	21,001-22,000	22,001-23,000	23,001-24,000	24,001-25,000
11.01-11.50%	Adj. Hshld. Income	0-22,000	22,001-23,000	23,001-24,000	24,001-25,000	25,001-26,000
11.51%-and Up	Adj. Hshld. Income	0-23,000	23,001-24,000	24,001-25,000	25,001-26,000	26,001-27,000

Subp. 3. ~~Nonmetropolitan-area~~ Designated outstate counties. The following ~~exhibit~~ table applies to eligible recipients whose qualifying property is ~~not~~ in ~~the-metropolitan-area-as-defined in-Minnesota-Statutes,-section-473.121,-subdivision-2~~ Benton, Blue Earth, Clay, Nicollet, Olmsted, St. Louis, Sherburne, and Stearns counties.

Mortgage Interest Rate		Initial Maximum Monthly Assistance				
		$100	$80	$60	$40	$20
0-10.00%	Adj. Hshld. Income	0-15,000	15,001-16,000	16,001-17,000	17,001-18,000	18,001-19,000
10.01-10.50%	Adj. Hshld. Income	0-16,000	16,001-17,000	17,001-18,000	18,001-19,000	19,001-20,000
10.51-11.00%	Adj. Hshld. Income	0-17,000	17,001-18,000	18,001-19,000	19,001-20,000	20,001-21,000
11.01-11.50%	Adj. Hshld. Income	0-18,000	18,001-19,000	19,001-20,000	20,001-21,000	21,001-22,000
11.51% and Up	Adj. Hshld. Income	0-19,000	19,001-20,000	20,001-21,000	21,001-22,000	22,001-23,000

Subp. 4. All other counties. The following table applies to eligible recipients whose qualifying property is in any county not named in subparts 2 and 3.

Mortgage Interest Rate		Initial Maximum Monthly Assistance				
		$100	$80	$60	$40	$20
0-10.00%	Adj. Hshld. Income	0-13,000	13,001-14,000	14,001-15,000	15,001-16,000	16,001-17,000
10.01-10.50%	Adj. Hshld. Income	0-14,000	14,001-15,000	15,001-16,000	16,001-17,000	17,001-18,000
10.51-11.00%	Adj. Hshld. Income	0-15,000	15,001-16,000	16,001-17,000	17,001-18,000	18,001-19,000
11.01-11.50%	Adj. Hshld. Income	0-16,000	16,001-17,000	17,001-18,000	18,001-19,000	19,001-20,000
11.51%-and Up	Adj. Hshld. Income	0-17,000	17,001-18,000	18,001-19,000	19,001-20,000	20,001-21,000

REPEALER. Minnesota Rules, part 4910.0010, subpart 23, item B is repealed.

APPROVED IN THE REVISOR OF STATUTES OFFICE BY:

OFFICE OF THE REVISOR OF STATUTES

Proposed Rule

RD858

Agency: Housing Finance Agency

Division:

Agency Contact: Kathy Johnson, 296-9793

Minnesota Rules: Parts 4900.0010; 4900.1330

Title: Proposed Rules Relating to Income Limits for Limited Unit Developments and Eligibility for the Home Ownership Assistance Fund

Type of Rules: Permanent

Incorporations by Reference: None

Steven C. Cross
Revisor of Statutes

David S. Niss
Assistant Revisor
Phone: 297-2948

Date: October 23, 1985

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

MAILING LIST CERTIFICATE

In the Matter of the Proposed
Rules Relating to
Income Limits for Limited
Unit Developments and Eligibility
for the Homeownership Assistance Fund
Without a Public Hearing

I hereby certify that the list of persons, associations and other interested groups who have requested, pursuant to Minnesota Statutes Section 14.14 Subdivision 1, that their names be placed on file with and maintained by the Minnesota Housing Finance Agency for the purpose of receiving notice of the proposed adoption of rules by this Agency is accurate and complete this 8th day of November, 1985.

Kathleen J. Johnson

forth in part 4900.0780, subpart 2, and (4) qualify as a person or family of low or moderate income, which shall be considered to mean, for the purpose of this item, a person or family whose adjusted income as defined in part 4900.0010, subpart 3, does not exceed $38,000 for residences in the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2, or whose adjusted income for residences in the nonmetropolitan area as defined in this item does not exceed $30,000.

Subp. 2. **Ownership.** The loan recipient shall comply with the ownership requirements of part 4900.0630, subpart 2.

Subp. 3. **Structure.** The structure to be improved shall be an existing dwelling located within the state of Minnesota, shall be used primarily for residential purposes, and shall contain no more than two dwelling units, one of them occupied by the recipient.

4900.0770 DISTRIBUTION OF ACCESSIBILITY DEFERRED LOANS.

Subpart 1. **Availability.** Accessibility deferred loans shall be available in the form of deferred loans.

Subp. 2. **Combined with other aid.** When an accessibility deferred loan is combined with assistance from other agency loan or grant programs, the requirements of those programs shall be met.

Subp. 3. **Limit on aid.** In no case shall the accessibility deferred loan for accessibility improvements, technical assistance, and related repairs inclusively exceed $10,000 for a single structure.

Subp. 4. **Five-year limitation.** No property shall be eligible for an accessibility deferred loan if it has been improved through such assistance within the five-year period next preceding the date on which the application for such assistance is made, except in extraordinary circumstances relating to damage to the property as a result of events beyond the control of the recipient.

4900.0780 REPAYMENT.

The recipient of a deferred loan shall enter into an agreement with the agency for repayment of the loan, as provided in subparts 1 and 2.

Subpart 1. **Household loan.** If the recipient qualifies for a loan under the provisions of part 4900.0760, subpart 1, item A, the agreement shall provide that the recipient shall repay the entire amount of the deferred loan only in the event the property upon which the improvement is located is sold, transferred, or otherwise conveyed, or ceases to be the recipient's principal place of residence, within five years after the date upon which the application for an accessibility deferred loan was approved. The agreement for the repayment of the loan shall be secured by a lien for the benefit of the agency on the property improved.

Subp. 2. **Foster care loan.** If the recipient qualifies for a loan under the provisions of part 4900.0760, subpart 1, item B, the agreement shall provide that the recipient shall repay the entire amount of the deferred loan only in the event that the recipient voluntarily withdraws the improved property from use as a foster care residence, or refuses to accept handicapped foster care residents, within five years after the date upon which the application for an accessibility loan was approved. Agreements under this subpart need not be secured by a lien for the benefit of the agency on the property improved.

Housing Finance Agency

Proposed Rules Relating to Income Limits for Limited Unit Developments and Eligibility for the Homeownership Assistance Fund

Notice of Intent to Adopt Rules without a Public Hearing

Notice is hereby given that the Minnesota Housing Finance Agency ("agency") proposes to adopt the above-entitled rules without a public hearing. The agency has determined that the proposed adoption of these rules will be noncontroversial in nature and has elected to follow the procedures set forth in Minn. Stat. Sec. 14.21 to 14.28.

Persons interested in these rules shall have 30 days to submit comments in support of or in opposition to the proposed rules within the 30-day comment period. Such comments are encouraged, and should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed. The proposed rule may be modified as the result of comments received if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change in the proposed language.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." ADOPTED RULES SECTION — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Unless twenty-five or more persons submit written requests for a public hearing on the proposed rule within the 30-day comment period, a public hearing will not be held. In the event a public hearing is required, the agency will proceed according to the provisions of Minn. Stat. Sec. 14.14 *et. seq.* Any person requesting a public hearing should state his or her name and address, and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed.

Persons who wish to submit comments or a written request for a public hearing should submit such comments or request to:

Kathleen J. Johnson
Legal Division
Minnesota Housing Finance Agency
Suite 300
400 Sibley Street
St. Paul, Minnesota 55101
Telephone: 612/296-9793

Authority for the adoption of these rules is contained in Minn. Stat. Sec. 462A.06, Subd. 4 and 11. Additionally, a Statement of Need and Reasonableness that describes the need for and reasonableness of each provision of the proposed rules, and that identifies the data and information relied upon to support the proposed rules has been prepared and is available from Kathleen J. Johnson upon request.

Upon adoption of the final rules without a public hearing, the proposed rules, this notice, the Statement of Need and Reasonableness, all written comments received, and the final rules as adopted will be delivered to a designee of the Attorney General for review as to form and legality, including the issue of substantial change, and to determine whether the agency has the authority to adopt the rules and whether the record demonstrates a rational basis for the need for and reasonableness of the proposed rules. Persons who wish to receive notice of the date of submission of these rules to the Attorney General for review, or who wish to receive a free copy of the final rules as adopted, should make such requests to Kathleen J. Johnson.

A copy of the proposed rule is attached to this notice. Additional copies may be obtained by contacting Kathleen J. Johnson.

Please be advised that Minn. Stat. Ch. 10A.03 requires each lobbyist to register with the State Ethical Practices Board within five (5) days after he or she commences lobbying. A lobbyist is defined in Minn. Stat. Sec. 10A.01, Subd. 11 as any individual:

(a) Engaged for pay or other consideration, or authorized by another individual or association to spend money, who spends more than five hours in any month or more than $250.00, not including his own travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials; or

(b) Who spends more than $250.00, not including his own traveling expenses and membership dues, in any year for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials.

The statute provides certain exceptions. Questions should be directed to the Ethical Practices Board, 41 State Office Building, St. Paul, Minnesota 55155 (612) 296-5615.

November 8, 1985

James J. Solem
Executive Director

Rules as Proposed

4900.0010 DEFINITIONS.

Subpart 1. to 22. [Unchanged.]

Subp. 23. **Persons and families of low and moderate income.** "Persons and families of low and moderate income" means:

A. With respect to limited-unit mortgage loans pursuant to parts 4900.0310 to 4900.0360, except for loans issued under parts 4900.0370 and 4900.0380, development cost loans pursuant to parts 4900.0210 to 4900.0240, planning grants pursuant to parts 4900.0410 and 4900.0420, and American Indian housing loans pursuant to parts 4900.0900 to 4900.1080, which loans and grants are intended for a limited-unit development, or a dwelling unit in a planned unit development or a condominium, those persons and families whose adjusted income does not exceed the amounts set forth in the following ~~exhibits~~ tables or such lower amount as shall be required to assure that the interest on obligations of the agency will be exempt from federal income taxation. ~~"Metropolitan area" has the meaning given it in Minnesota Statutes, section 473.121, subdivision 2.~~

(1) Maximum adjusted income for loans for new construction:

~~Mortgage Interest Rate~~	~~Nonmetropolitan Area Maximum Adjusted Income~~	~~Metropolitan Area Maximum Adjusted Income~~
~~0-10.00%~~	~~$26,000~~	~~$34,000~~
~~10.01-10.50%~~	~~$27,000~~	~~$35,000~~
~~10.51-11.00%~~	~~$28,000~~	~~$36,000~~
~~11.01-11.50%~~	~~$29,000~~	~~$37,000~~
~~11.51% and over~~	~~$30,000~~	~~$38,000~~

(a) in the counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington, and Wright:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$35,000
10.01-10.50%	$36,000
10.51-11.00%	$37,000
11.01-11.50%	$38,000
11.51% and over	$39,000

(b) in the counties of Benton, Blue Earth, Clay, Nicollet, Olmsted, St. Louis, Sherburne, and Stearns:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$28,000
10.01-10.50%	$29,000
10.51-11.00%	$30,000
11.01-11.50%	$31,000
11.51% and over	$32,000

(c) in all other counties:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$26,000
10.01-10.50%	$27,000
10.51-11.00%	$28,000
11.01-11.50%	$29,000
11.51% and over	$30,000

(2) Maximum adjusted income for loans for existing construction:

~~Mortgage Interest Rate~~	~~Nonmetropolitan Area Maximum Adjusted Income~~	~~Metropolitan Area Maximum Adjusted Income~~
~~0-10.00%~~	~~$21,000~~	~~$31,000~~
~~10.01-10.50%~~	~~$22,000~~	~~$32,000~~
~~10.51-11.00%~~	~~$23,000~~	~~$33,000~~
~~11.01-11.50%~~	~~$24,000~~	~~$34,000~~
~~11.51% and over~~	~~$25,000~~	~~$35,000~~

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." ADOPTED RULES SECTION — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

(a) in the counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington, and Wright:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$31,000
10.01-10.50%	$32,000
10.51-11.00%	$33,000
11.01-11.50%	$34,000
11.51% and over	$35,000

(b) in the counties of Benton, Blue Earth, Clay, Nicollet, Olmsted, St. Louis, Sherburne, and Stearns:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$24,000
10.01-10.50%	$25,000
10.51-11.00%	$26,000
11.01-11.50%	$27,000
11.51% and over	$28,000

(c) in all other counties:

Mortgage Interest Rate	Maximum Adjusted Income
0-10.00%	$21,000
10.01-10.50%	$22,000
10.51-11.00%	$23,000
11.01-11.50%	$24,000
11.51% and over	$25,000

B. [See repealer.]

C. to E. [Unchanged.]

4900.1330 HOME OWNERSHIP ASSISTANCE FUND.

Subpart 1. **Monthly assistance.** The agency may provide eligible recipients with interest-free monthly assistance loans in the form of monthly payments of a portion of the principal and interest installment due on the limited-unit development mortgage on qualifying property. Such payments shall not exceed $100 per month and shall decrease by $10 per month or $120 per year each year. The maximum amount of monthly assistance to which a recipient is originally entitled shall be determined by the agency from time to time on the basis of the percentage of income which may reasonably be spent on mortgage payments, the interest rate charged for limited-unit development mortgage loans, and general housing and construction costs in the state of Minnesota, provided however, that the initial maximum monthly assistance which the agency shall determine to be available shall not exceed the following amounts for persons and families within the following annual adjusted income ranges as set forth in subparts 2 ~~and~~, 3, and 4 for various potential interest rates to be charged by the agency on its limited-unit development mortgage loans.

Subp. 2. ~~**Metropolitan area**~~ **Designated central counties.** The following ~~exhibit~~ table applies to eligible recipients whose qualifying property is in ~~the metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2~~ Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington, and Wright counties.

Mortgage Interest Rate		Initial Maximum Monthly Assistance $100	$80	$60	$40	$20
0-10.00%	Adj. Hshld. Income	0-19,000	19,001-20,000	20,001-21,000	21,001-22,000	22,001-23,000
10.01-10.50%	Adj. Hshld. Income	0-20,000	20,001-21,000	21,001-22,000	22,001-23,000	23,001-24,000
10.51-11.00%	Adj. Hshld. Income	0-21,000	21,001-22,000	22,001-23,000	23,001-24,000	24,001-25,000
11.01-11.50%	Adj. Hshld. Income	0-22,000	22,001-23,000	23,001-24,000	24,001-25,000	25,001-26,000

11.51%-	Adj. Hshld.	0-	23,001-	24,001-	25,001-	26,001-
and Up	Income	23,000	24,000	25,000	26,000	27,000

Subp. 3. ~~**Nonmetropolitan area**~~ **Designated outstate counties.** The following ~~exhibit~~ table applies to eligible recipients whose qualifying property is ~~not~~ in ~~the metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2~~ Benton, Blue Earth, Clay, Nicollet, Olmsted, St. Louis, Sherburne, and Stearns counties.

Mortgage Interest Rate		Initial Maximum Monthly Assistance				
		$100	$80	$60	$40	$20
0-	Adj. Hshld.	0-	15,001-	16,001-	17,001-	18,001-
10.00%	Income	15,000	16,000	17,000	18,000	19,000
10.01-	Adj. Hshld.	0-	16,001-	17,001-	18,001-	19,001-
10.50%	Income	16,000	17,000	18,000	19,000	20,000
10.51-	Adj. Hshld.	0-	17,001-	18,001-	19,001-	20,001-
11.00%	Income	17,000	18,000	19,000	20,000	21,000
11.01-	Adj. Hshld.	0-	18,001-	19,001-	20,001-	21,001-
11.50%	Income	18,000	19,000	20,000	21,000	22,000
11.51%	Adj. Hshld.	0-	19,001-	20,001-	21,001-	22,001-
and Up	Income	19,000	20,000	21,000	22,000	23,000

Subp. 4. **All other counties.** The following table applies to eligible recipients whose qualifying property is in any county not named in subparts 2 and 3.

Mortgage Interest Rate		Initial Maximum Monthly Assistance				
		$100	$80	$60	$40	$20
0-	Adj. Hshld.	0-	13,001-	14,001-	15,001-	16,001-
10.00%	Income	13,000	14,000	15,000	16,000	17,000
10.01-	Adj. Hshld.	0-	14,001-	15,001-	16,001-	17,001-
10.50%	Income	14,000	15,000	16,000	17,000	18,000
10.51-	Adj. Hshld.	0-	15,001-	16,001-	17,001-	18,001-
11.00%	Income	15,000	16,000	17,000	18,000	19,000
11.01-	Adj. Hshld.	0-	16,001-	17,001-	18,001-	19,001-
11.50%	Income	16,000	17,000	18,000	19,000	20,000
11.51%-	Adj. Hshld.	0-	17,001-	18,001-	19,001-	20,001-
and Up	Income	17,000	18,000	19,000	20,000	21,000

REPEALER. Minnesota Rules, part 4910.0010, subpart 23, item B is repealed.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." ADOPTED RULES SECTION — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules Relating to Income Limits for Limited Unit Developments and Eligibility for the Homownership Assistance Fund Without a Public Hearing

CERTIFICATE OF BOARD'S RESOLUTION ADOPTING RULES

I, Robert A. Worthington, do hereby certify that I am Chairman of the Minnesota Housing Finance Agency, an agency duly authorized under the laws of the State of Minnesota, and that the following is a true, complete, and correct copy of a resolution adopted at a meeting of the Agency, duly and properly called and held on the 19th day of December, 1985, that a quorum was present at said meeting, that a majority of those present voted for the resolution and that said resolution is set forth in the minutes of said meeting and has not been rescinded or modified.

> "RESOLVED, that the rules relating to Income Limits for Limited Unit Developments and Eligibility for the Homeownership Assistance Fund attached hereto as Exhibit A be and they hereby are approved and adopted pursuant to authority vested in us by Minnesota Statutes Section 462A.06, Subdivisions 4 and 11 and that James J. Solem, Executive Director of the Agency, be and hereby is authorized to sign an order adopting these rules and further is authorized to perform the necessary acts to provide that these rules shall have the force and effect of law."

IN WITNESS WHEREOF, I have hereunto subscribed my name this 19th day of December, 1985.

Robert A. Worthington
Chairman

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed
Rules Relating to Eligibility for
the Homeownership Assistance Fund

Statement of Need and Reasonableness

Minnesota Rules 4900.1330

Minnesota Statutes Section 462A.21, Subdivision 8, authorizes the Minnesota Housing Finance Agency (MHFA) to establish a homeownership assistance fund (HAF) on terms and conditions it deems advisable, to assist persons and families of low and moderate income in paying installments of eligible loans for affordable housing and in providing the required equity investment enabling such persons to purchase an affordable home.

The present annual adjusted income limits and initial maximum monthly assistance were established in 1984. At the time that rule was promulgated, annual adjusted income limits and initial maximum monthly assistance were established only for the "Metropolitan area" as defined in Minnesota Statutes Section 473.121, Subdivision 2, and the nonmetropolitan area of the state. Pursuant to an analysis of individual real estate markets of the state performed pursuant to Minnesota Statutes 462A.05, Subdivision 3, the Agency proposes to increase to three the number of geographic areas for which there is a set of income limits. These geographic areas are specified in the rule as "designated central counties," which are Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington and Wright counties; "designated outstate counties," which are Benton, Blue Earth, Clay, Nicollet, Olmsted, St. Louis, Sherburne and Stearns counties, and "all other counties." Three distinct geographic areas are necessary to address the differences between the real estate markets of various counties of higher population, in which metropolitan centers are located and in which house prices are increasing, and other counties of the state in which there are no metropolitan centers and where house prices are stable or decreasing.

Under the proposed rule, MHFA continues to provide a set of income limits based on the Agency's cost of obtaining money, rather than one income limit. Uncertain bond market conditions make it difficult to implement a program based on one income limit, since income limits are a function of what interest rates must be charged to the mortgagor to meet MHFA's cost of money, as determined in each bond sale.

Under the proposed rule, the set of income limits and initial maximum monthly assistance levels in "designated central counties" are the same as the set of income limits and initial maximum monthly assistance levels established for the "Metropolitan area" under the previous rule. The only change is that Chisago, Isanti and Wright counties are now eligible under these income limits and initial maximum monthly assistance levels. Similarly, the set of income limits and initial maximum monthly assistance levels in "all other counties" are the same as the set of income limits and initial maximum assistance levels for the nonmetropolitan areas under the previous rule. A new set of income limits is proposed for "designated outstate counties" under the proposed rule; initial maximum monthly assistance levels are identical to those in "designated central counties" and "all other counties."

The adjusted income limits and initial maximum monthly assistance levels will allow a household to purchase a $60,000 home in the "designated central counties," a $45,600 home in the "designated outstate counties," and a $40,000 home in all other counties. These home purchase price levels are substantially below the purchase price limits established for the Single Family Mortgage Loan Program by the Agency ($83,000 in the "designated central counties," $67,000 in "designated outstate counties," and $63,000 in "all other counties," because the Agency believe that (a) households requiring a homeownership assistance fund subsidy need not purchase the highest priced house the Single Family Mortgage Loan Program would allow, and (b) the additional amount of subsidy needed to reach higher priced homes would be cost prohibitive and an ineffective use of public funds.

The Agency is cognizant of the provisions of Section 14.115 of Minnesota Statutes, entitled Small Business Considerations in Rulemaking, but since the direct recipients of the subsidy payments under the proposed regulation must be persons and families of low and moderate income, the regulation does not affect small businesses directly, and the said law, by its terms, is inapplicable to this proposed regulation. Further, to the extent that the subsidy payments which are the subject of this regulation may have an indirect effect on small businesses, the effect of the proposed rule is to make Agency loans more capable of feasible underwriting, and, consequently, more obtainable; and, as a result, the proposed rule has no negative effect on small businesses.

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules Relating to Income Limits for Limited Unit Developments and Eligibility for the Homeownership Assistance Fund

STATEMENT OF COMPLIANCE WITH THE RULEMAKING PROCEDURES

I, Special Assistant Attorney General, Karl J. Herman do hereby declare that I have examined the rules and all related documents and that, based on my examination and my personal familiarity with the applicable procedures, the Administrative Procedure Act, the rules of the Office of Administrative Hearings, and the rules of the Attorney General have been followed. Any exceptions are noted below.

Dated: 12/20/85

Karl J. Herman
Special Assistant Attorney General

MINNESOTA HOUSING FINANCE AGENCY

RECEIVED
DEC 20 1985
ATTORNEY GENERAL
ADMINISTRATIVE AGENCIES

December 20, 1985

Ms. Judith Wehrwein
Room 204 Administration Building
50 Sherburne Avenue
St. Paul, Minnesota 55155

RE: In the Matter of the Proposed Rules Relating to Income Limits for Limited Unit Developments and Eligibility for the Homeownership Assistance Fund Without a Public Hearing

Dear Ms. Wehrwein:

Enclosed please find for your review pursuant to Minnesota Statutes Sections 14.21 through 14.28, the adopted rules of the Minnesota Housing Finance Agency.

The following materials are submitted to you for your review pursuant to Minnesota Rules, Part 2000.0400:

Rule as Adopted;

Order Adopting;

Certificate of Board's Resolution Adopting the Rule;

Order of Notice to Adopt Rule Without a Public Hearing;

Certificate of Agency's Authorizing Resolution;

Notice of Intent to Adopt Rule Without a Public Hearing;

Affidavit of Mailing Notice of Intent to Adopt a Rule Without a Public Hearing;

Mailing List Certificate;

Rule as Proposed;

Statement of Need and Reasonableness; and

Certificate of Compliance with Rulemaking Procedures.

The Agency did not publish a Notice of Intent to Solicit Outside Opinion in connection with this rule. No requests for a hearing were received during the 30 day comment period. The Agency did not receive

any comments during the 30 day comment period, nor did it receive any requests from persons desiring notice of the date of submission of the proposed rule to the Attorney General. The Adopted rules are the same as the Proposed rules.

Sincerely,

James J. Solem
Executive Director

JJS/kjj

Encs.