

Minnesota Attorney General: Administrative Rules Proceedings

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Version 3
August 20, 2018

Our File No. 1258 05.0009.0450.

RULE REVIEW CHECKLIST

DATE RULE RECEIVED 3-4-86
DATE FOR REVIEW 3-13-86
DATE DUE 3-18-86

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

Approved 3/12/86 Disapproved _____ Returned to Agency _____

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

Date filed w/Secretary of State 3-19-86 Revisor approved 3.4.86 disapproved _____

✓ Rule as Adopted

_____ Rule as Proposed

✓ Order Adopting 2.27.86 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
1.3.86 At least 30 days prior to ~~hearing~~/adoption

✓ Mailing list Certificate

✓ Publication in State Register
1.6.86 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

_____ Statement of Need and Reasonableness statement of no direct effect on small biz

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-00006-03

STATE MINNESOTA

DEPARTMENT ATTORNEY GENERAL

Office Memorandum

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

DATE: 3/19/86

ATTN: KARL J. HERMAN
Special Assistant Attorney General

FROM: J. MICHAEL MILES JMM
Assistant Attorney General

PHONE: 296-6555

SUBJECT: In the Matter of the Proposed Rules Relating to Shared Housing Program

The above-referenced rule has been approved as to its legality by the Attorney General on March 18, 1986.

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.

JMM:pmf

Enclosures

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

Duane Harves
Chief Administrative Law Judge
Office of Administrative Hearings

RR1258

AG. copy

Minnesota Housing Finance Agency

Adopted Rules Relating to Shared Housing Program

Rules as Adopted

4900.1804 SCOPE.

Parts 4900.1804 to 4900.1808 govern the implementation of the shared housing program.

4900.1805 DEFINITIONS.

Subpart 1. **Scope.** The terms used in parts 4900.1804 to 4900.1808 have the meanings given them in this part.

Subp. 2. **Agency.** "Agency" means the Minnesota Housing Finance Agency.

Subp. 3. **Applicant.** "Applicant" means one or more persons or entities who submit an application to the agency for a shared housing grant or loan.

Subp. 4. **Application.** "Application" means a submittal requesting a grant or loan to pay the cost of acquisition, construction, or rehabilitation of a structure into a shared housing facility for occupancy by low and moderate income elderly.

Subp. 5. **Low and moderate income elderly or elderly.** "Low and moderate income elderly" or "elderly" means persons 55 years of age and older with incomes which do not exceed the greater of 80 percent of the statewide or area median household income as estimated by the United States Department of Housing and Urban Development.

Subp. 6. **Shared housing program or program.** "Shared housing program" or "program" means the agency's plan and procedures designed to provide grants or loans to housing sponsors for the acquisition, construction, or conversion of existing structures into shared housing facilities that contain from three to 12 private sleeping rooms, with shared cooking facilities and common space, for occupancy by low and moderate income elderly.

Subp. 7. **Structure.** "Structure" means a building to be acquired, constructed, or rehabilitated for use as shared housing.

Subp. 8. **Shared housing.** "Shared housing" means a structure for occupancy by the elderly that contains from three to 12 private sleeping rooms, shared cooking facilities, and common space.

4900.1806 APPLICANT ELIGIBILITY.

To be eligible for selection as a recipient of a grant or loan, an applicant must satisfy the following requirements:

A. The applicant must be a housing sponsor as defined in part 4900.0010, subpart 13.

B. The applicant must provide a comprehensive plan for providing a shared housing structure, and document the ability to successfully maintain the structure in accordance with its intended use for a period of time specified by the agency. At a minimum this plan must include:

(1) documentation of the need and desirability of the proposed shared housing;

(2) a description of the applicant's goals and objectives for meeting the special needs of the population to be served;

(3) a detailed budget for the acquisition, construction, or rehabilitation of the proposed structure;

(4) documentation of an ability to successfully match potential tenants in the shared housing facility;

(5) documentation of an ability to provide any required support and services for the tenants in the shared housing facility; and

(6) documentation of fiscal responsibility and the ability to complete the acquisition, construction, or rehabilitation of the structure and to maintain the structure in accordance with its intended use for a period of time specified by the agency.

4900.1807 STRUCTURE ELIGIBILITY.

To be eligible for selection for a grant or loan, a proposed shared housing facility must satisfy the following requirements:

A. The structure must contain from three to 12 private sleeping rooms, shared cooking facilities, and shared common space.

B. The structure must provide shared housing for low and moderate income elderly.

C. The structure must provide a physical environment that is responsive to the needs of the population to be served.

D. The structure must comply with applicable state and local codes, zoning ordinances, land use provisions and laws.

E. The structure must be located in Minnesota.

4900.1808 SELECTION CRITERIA.

The agency will take the following criteria into consideration when determining which applications will be funded:

A. The amount of experience of the applicant in establishing and maintaining shared housing facilities.

B. The extent to which the grant or loan funds are combined with other funds from private or public sources.

C. The ability of the applicant to proceed promptly with the acquisition, construction, or rehabilitation of the structure.

D. The suitability of the proposed structure for its intended use, including its location within the community, its homelike qualities, and its image and attractiveness.

E. The documented need for shared housing in the proposed location.

F. The ability of the applicant to maintain the facility for its intended use for a period of time specified by the agency.

G. The reasonableness of the cost of acquisition, construction, or rehabilitation of the structure.

H. The location of the proposed facility, so as to allow for a reasonable distribution of facilities throughout the

state.

I. The extent of community support documented for the proposed facility.

J. The extent to which the applicant uses innovative, cost effective techniques in providing the shared housing structure and in maintaining it as a desirable place for the elderly to reside.

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
MAR 19 1986
Joan Anderson Growe
Secretary of State

2:09 PM

APPROVED AS TO FORM AND LEGALITY
3/18 1986
HUBERT H. HUMPHREY, III
ATTORNEY GENERAL
BY _____
ASSISTANT ATTORNEY GENERAL

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed
Rules Relating to
Shared Housing Program
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 January 6, 1986 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 January 3, 1986. 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 Shared Housing Program are adopted this 27th day of February, 1986 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 Shared Housing Program

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

It is ordered this 19th day of December, 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 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 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 Shared Housing Program 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 19th day of December, 1985.

Robert A. Worthington

Chairman

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules Relating to Shared Housing Program

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: January 3, 1986

James J. Solem
Executive Director

Minnesota Housing Finance Agency

Proposed Rules Relating to Shared Housing Program

Rules as Proposed (all new material)

4900.1804 SCOPE.

Parts 4900.1804 to 4900.1808 govern the implementation of the shared housing program.

4900.1805 DEFINITIONS.

Subpart 1. **Scope.** The terms used in parts 4900.1804 to 4900.1808 have the meanings given them in this part.

Subp. 2. **Agency.** "Agency" means the Minnesota Housing Finance Agency.

Subp. 3. **Applicant.** "Applicant" means one or more persons or entities who submit an application to the agency for a shared housing grant or loan.

Subp. 4. **Application.** "Application" means a submittal requesting a grant or loan to pay the cost of acquisition, construction, or rehabilitation of a structure into a shared housing facility for occupancy by low and moderate income elderly.

Subp. 5. **Low and moderate income elderly or elderly.** "Low and moderate income elderly" or "elderly" means persons 55 years of age and older with incomes which do not exceed the greater of 80 percent of the statewide or area median household income as estimated by the United States Department of Housing and Urban Development.

Subp. 6. **Shared housing program or program.** "Shared housing program" or "program" means the agency's plan and procedures designed to provide grants or loans to housing sponsors for the acquisition, construction, or conversion of existing structures into shared housing facilities that contain from three to 12 private sleeping rooms, with shared cooking facilities and common space, for occupancy by low and moderate income elderly.

APPROVED IN THE REVISOR OF STATUTES

Subp. 7. **Structure.** "Structure" means a building to be acquired, constructed, or rehabilitated for use as shared housing.

Subp. 8. **Shared housing.** "Shared housing" means a structure for occupancy by the elderly that contains from three to 12 private sleeping rooms, shared cooking facilities, and common space.

4900.1806 APPLICANT ELIGIBILITY.

To be eligible for selection as a recipient of a grant or loan, an applicant must satisfy the following requirements:

A. The applicant must be a housing sponsor as defined in part 4900.0010, subpart 13.

B. The applicant must provide a comprehensive plan for providing a shared housing structure, and document the ability to successfully maintain the structure in accordance with its intended use for a period of time specified by the agency. At a minimum this plan must include:

(1) documentation of the need and desirability of the proposed shared housing;

(2) a description of the applicant's goals and objectives for meeting the special needs of the population to be served;

(3) a detailed budget for the acquisition, construction, or rehabilitation of the proposed structure;

(4) documentation of an ability to successfully match potential tenants in the shared housing facility;

(5) documentation of an ability to provide any required support and services for the tenants in the shared housing facility; and

(6) documentation of fiscal responsibility and the ability to complete the acquisition, construction, or rehabilitation of the structure and to maintain the structure in accordance with its intended use for a period of time specified by the agency.

4900.1807 STRUCTURE ELIGIBILITY.

APPROVED IN THE ... STATUTES

To be eligible for selection for a grant or loan, a proposed shared housing facility must satisfy the following requirements:

A. The structure must contain from three to 12 private sleeping rooms, shared cooking facilities, and shared common space.

B. The structure must provide shared housing for low and moderate income elderly.

C. The structure must provide a physical environment that is responsive to the needs of the population to be served.

D. The structure must comply with applicable state and local codes, zoning ordinances, land use provisions and laws.

E. The structure must be located in Minnesota.

4900.1808 SELECTION CRITERIA.

The agency will take the following criteria into consideration when determining which applications will be funded:

A. The amount of experience of the applicant in establishing and maintaining shared housing facilities.

B. The extent to which the grant or loan funds are combined with other funds from private or public sources.

C. The ability of the applicant to proceed promptly with the acquisition, construction, or rehabilitation of the structure.

D. The suitability of the proposed structure for its intended use, including its location within the community, its homelike qualities, and its image and attractiveness.

E. The documented need for shared housing in the proposed location.

F. The ability of the applicant to maintain the facility for its intended use for a period of time specified by the agency.

G. The reasonableness of the cost of acquisition, construction, or rehabilitation of the structure.

H. The location of the proposed facility, so as to allow for a reasonable distribution of facilities throughout the

APPROVED BY THE REVISOR OF STATUTES OFFICE

state.

I. The extent of community support documented for the proposed facility.

J. The extent to which the applicant uses innovative, cost effective techniques in providing the shared housing structure and in maintaining it as a desirable place for the elderly to reside.

APPROVED BY THE REVISOR OF STATUTES OFFICE BY:

OFFICE OF THE REVISOR OF STATUTES

Proposed Rule

RD883

Agency: Minnesota Housing Finance Agency

Division:

Agency Contact: Kathy Johnson, 296-9793

Minnesota Rules: Parts 4900.1804 to 4900.1808

Title: Proposed Rules Relating to Shared Housing Program

Type of Rules: Permanent

Incorporations by Reference: None

Steven C. Cross
Revisor of Statutes

David S. Niss
Assistant Revisor
Phone: 297-2948

Date: December 18, 1985

STATE OF MINNESOTA

COUNTY OF RAMSEY

In the Matter of the Proposed
Rules Relating to
Shared Housing Program
Without a Public Hearing

AFFIDAVIT
OF MAILING

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

That on the 3rd day of January, 1986, 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

Subscribed and sworn to before
me this 3rd day of January,
1986.

Notary Public

ROSEANN M. KORAN
NOTARY PUBLIC—MINNESOTA
RAMSEY COUNTY
My Commission Expires Mar. 31, 1986

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

MAILING LIST CERTIFICATE

In the Matter of the Proposed
Rules Relating to
Shared Housing Program
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 3rd day of January, 1986.

Kathleen J. Johnson

4900.1803 SELECTION CRITERIA.

The agency will take the following criteria into consideration when determining whether an applicant will receive a grant or loan under the program:

A. The prior experience of the applicant in establishing and maintaining a home sharing or similar program.

B. The extent to which grant or loan funds are combined with other funds from private or public sources to make the program economically feasible.

C. The ability of the applicant to proceed expeditiously with the program.

D. The documented need for the home sharing program in the proposed location.

E. The geographic area to be served, to the end that a reasonable distribution of programs throughout the state can be achieved.

F. The extent of community support for the project.

Housing Finance Agency

Proposed Rules Relating to Shared Housing Program

Rules as Proposed (all new material)

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.

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Legal Division
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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.

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.

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.

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January 3, 1986

James J. Solem
Executive Director

Rules as Proposed (all new material)

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B. The structure must provide shared housing for low and moderate income elderly.

C. The structure must provide a physical environment that is responsive to the needs of the population to be served.

D. The structure must comply with applicable state and local codes, zoning ordinances, land use provisions and laws.

E. The structure must be located in Minnesota.

4900.1808 SELECTION CRITERIA.

The agency will take the following criteria into consideration when determining which applications will be funded:

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C. The ability of the applicant to proceed promptly with the acquisition, construction, or rehabilitation of the structure.

D. The suitability of the proposed structure for its intended use, including its location within the community, its homelike qualities, and its image and attractiveness.

E. The documented need for shared housing in the proposed location.

F. The ability of the applicant to maintain the facility for its intended use for a period of time specified by the agency.

G. The reasonableness of the cost of acquisition, construction, or rehabilitation of the structure.

H. The location of the proposed facility, so as to allow for a reasonable distribution of facilities throughout the state.

I. The extent of community support documented for the proposed facility.

J. The extent to which the applicant uses innovative, cost effective techniques in providing the shared housing structure and in maintaining it as a desirable place for the elderly to reside.

ADOPTED RULES

The adoption of a rule becomes effective after the requirements of Minn. Stat. § 14.14-14.28 have been met and five working days after the rule is published in *State Register*, unless a later date is required by statutes or specified in the rule.

If an adopted rule is identical to its proposed form as previously published, a notice of adoption and a citation to its previous *State Register* publication will be printed.

If an adopted rule differs from its proposed form, language which has been deleted will be printed with strikeouts and new language will be underlined. The rule's previous *State Register* publication will be cited.

An emergency rule becomes effective five working days after the approval of the Attorney General as specified in Minn. Stat. § 14.33 and upon the approval of the Revisor of Statutes as specified in § 14.36. Notice of approval by the Attorney General will be published as soon as practicable, and the adopted emergency rule will be published in the manner provided for adopted rules under § 14.18.

Department of Commerce

Adopted Rules Governing Discrimination Because of Blindness

The rules proposed and published at *State Register*, Volume 10, Number 13, pages 674-675, September 23, 1985 (10 S.R. 674) are adopted as proposed.

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
Shared Housing Program
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 27th day of February, 1986, 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 Shared Housing Program 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 27th day of February, 1986.

Robert A. Worthington
Chairman

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed
Adoption of Rules of the Minnesota Housing Finance Agency
Governing the Shared Housing
Program

Statement of Need and Reasonableness

4900.1804

This part describes the scope of parts 4900.1804 to 4900.1808.

4900.1805

This part sets forth definitions for the purposes of parts 4900.1804 to 4900.1808.

Subpart 1.

This subpart sets forth the scope of the definitions contained in part 4900.1805.

Subpart 2.

A single word reference to the Minnesota Housing Finance Agency is incorporated for brevity.

Subpart 3.

A definition of Applicant is utilized for conciseness of presentation.

Subpart 4.

A definition of Application is also utilized for brevity.

Subpart 5.

The definition of Low and Moderate Income Elderly or Elderly is necessary to clarify the meaning of those words when used in the context of the rules. It is reasonable to use age 55 or over to define Elderly, in that this is the age used by AARP (the American Association of Retired Persons) as the threshold age for membership in their organi-

zation, the largest association of elderly persons in the United States. It is reasonable to use HUD's definition of Low and Moderate Income, in that it is widely used and generally considered to be well-founded.

Subpart 6.

The definition of Shared Housing Program or Program provides a description of the purpose of the Agency's program and a brief outline of how the program functions and for whom it is intended. It is necessary that this program format be set forth in conformity with the statute authorizing the Program.

Subpart 7.

A definition of Structure is necessary to clarify its meaning in the context of these rules.

Subpart 8.

The definition of Shared Housing follows the definition found in the statute authorizing the Shared Housing Program, and is both reasonable and necessary because it is unique to the Program.

4900.1806

This part specifies the Agency requirements for eligibility for a Program loan or grant. These requirements are necessary to ensure that the recipients will be able to utilize the funds properly and carry out the purposes of the Program.

Item A requires that applicants be housing sponsors as defined in the Agency's rules and contemplated by the statute. It is reasonable to permit individuals, nonprofit entities, limited dividend entities and cooperatives to apply for grants or loans under this Program, since rental fees may be charged the tenants to allow for a reasonable profit to the developers.

Item B requires applicants to provide a written comprehensive plan for providing a Shared Housing Program, and documentation of their ability to establish and maintain such a program. The specific requirements in subitems 1 through 6 describe the exact information to be submitted. This is reasonable to enable Agency staff to properly evaluate each submittal, based upon complete data submitted according to uniform criteria.

Subitem (1) requires a documentation of need, which is reasonable to ensure that programs are funded only in areas of the greatest need.

Subitem (2) requires a description of the applicant's goals and objectives, which is necessary to permit Agency staff to evaluate the feasibility of the stated goals.

Subitem (3) requires a detailed budget for the proposed program, which is necessary and reasonable to allow Agency staff to evaluate the financial feasibility of the application.

Subitem (4) requires documentation of the applicant's ability to successfully match potential tenants within the proposed facility, which is both reasonable and necessary to ensure the success of the program.

Subitem (5) requires documentation of the applicant's ability to provide any required support and services for the tenants in the shared housing facility. This is necessary because the health and well-being of the tenants may depend upon the availability and quality of support and services they require. It is reasonable to expect sponsors of such a facility to supply, or to provide for the supplying of these needed services.

Subitem (6) requires documentation of fiscal responsibility and the applicant's ability to complete the acquisition, construction or rehabilitation of the structure, and to maintain the structure in accordance with its intended use for a specified period of time. It is reasonable and necessary that such fiscal responsibility be verified before awarding a grant or a loan to an applicant, to minimize the necessity for termination of failing programs and the reprocessing of applications.

4900.1807

This part establishes the eligibility requirements for a structure which is to be used for shared housing. It is necessary that the Agency establish such requirements to ensure that the structures to be used for shared housing comply with the statute and with the intent of the Program. The reasonableness and necessity for each eligibility requirement is set forth below:

Subitems A and B set forth requirements for the physical characteristics of the structure, and for the income of the tenants. Both of these requirements are contained in the statute authorizing the Program, and are therefore both necessary and reasonable to require.

Subitem C requires that the structure provide a physical environment that is responsive to the needs of the tenants. This is reasonable to ensure that the Program is successful.

Subitem D requires that the structure comply with all state and local codes, zoning ordinances, land use provisions and laws, which is necessary to entitle the structure to occupancy.

Subitem E requires that the structure be located in Minnesota, which is reasonable since the Program is funded by state appropriations.

4900.1808

This part sets forth the criteria which the Agency will consider when determining which applicants will receive a grant or loan under the Program. This is reasonable so that applicants know on what basis their proposals will be evaluated, and necessary so that Agency staff can evaluate all proposals on the same basis.

Item A provides a criteria which will favor those applicants who have had prior experience in establishing and maintaining a similar program, which will assist in ensuring the success of new programs.

Item B provides a criteria which will favor those applicants who have access to other funds to combine with the Agency's grant or loan, which will make the program more feasible and affordable by lower income elderly.

Item C establishes a criteria which favors those applicants who can demonstrate their ability to proceed expeditiously with the program, thus ensuring timely utilization of the grant or loan funds.

Item D establishes criteria which gives preference to applications with proposed structures which are well located within the community and present attractive and homelike images, thereby helping ensure the acceptability of the program and its success.

Item E establishes a criteria which will favor those proposals which are to be located in the areas of the State where the need for such programs is the greatest, thereby providing for maximum utilization of available funds.

Item F establishes a criteria which favors those applicants who can maintain the facility for its intended use for a specified period of time, thereby ensuring that funds will be effectively used for ongoing programs.

Item G gives preference to those applicants who can provide structures at a reasonable cost, thereby maximizing the benefits of the appropriated funds.

Item H establishes a criteria which favors those proposals which will result in a resonable geographic distribution of programs throughout the State, and is necessary to demonstrate whether such programs are viable in both rural and urban areas.

Item I encourages selection of proposals which have strong community support, thereby improving their chances for success.

Item J establishes criteria encouraging innovative, cost-effective techniques in providing shared housing structures, and in maintaining them as a desirable place for the elderly to live. This is both reasonable and necessary to ensure maximum utilization of appropriated funds, and to encourage further private development of these types of facilities.

The Agency is cognizant of the provisions of Section 14.115 of the Minnesota Statutes, entitled Small Business Considerations in Rulemaking, however, the proposed rules do not establish any compliance or reporting requirements, design or operational standards, or directly affect the way any business must operate. Further, to the extent the proposed rules may have an indirect effect on small businesses, the effect is to make funds for shared housing for the low and moderate income elderly citizens of Minnesota more readily available, and, as a result, the proposed rule has no negative effect on small businesses. Therefore, the provisions contained in Minnesota Statutes § 14.115 (1983 Supp.) do not apply to the proposed rules discussed herein.

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules Relating to Shared Housing Program

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: 2/28/86

Karl J. Herman
Special Assistant Attorney General

MINNESOTA HOUSING FINANCE AGENCY

February 28, 1986

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

RE: In the Matter of the Proposed Rules Relating to Shared Housing Program 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.