

Minnesota Attorney General: Administrative Rules Proceedings

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Version 3
August 20, 2018

RULE REVIEW CHECKLIST

File No. 1434
DATE RECEIVED 12/23/87
REVIEW DATE 1/4/88
DUE DATE 1/6/88 OK

APPROVED 1-4-88 MJC
DISAPPROVED
WITHDRAWN

Docket No. 05.0009.0450
ADOPTED W/O HEARING X
EMERGENCY RULE

REVISOR APPROVED 12:30
REVISOR DISAPPROVED
FIELD W/SEC.STATE
RETURNED TO AGENCY

✓ Rule as adopted (4 copies)

~~Notice~~ to Solicit Outside Information/Opinion
- Date published in State Register
- Comments

~~Petition for~~ Adoption of a Rule

✓ Board's Authorizing Resolution

✓ Proposed rule

✓ Revisor's Certificate

✓ Notice of Intent to Adopt Rule

462A.06, subd 4+11 Statutory Authority

no Small Business Statement

no Expenditure of public money statement

no Signature

✓ Statement of Need and Reasonableness

yes Small Business Statement

no Fees - § 16A.128

✓ Affidavit of Mailing Notice of Intent to Adopt Rule

11-6-87 Date 30/25 days before adoption

✓ Publication in State Register

11.9.87 Date 30/25 days before adoption

✓ Resolution Adopting

Findings of Fact, Conclusions & Order Adopting

12.17.87 Date

Not rec'd Written requests, submissions or comments

✓ Declaration of attorney

Karl Hartman Name of SAAG representing agency

N/A Notice of Submission to Attorney General

N/A Affidavit of Mailing Notice to Attorney General

Order Adopting
Order for Notice

SF-00006-05 (4/86)

STATE OF MINNESOTA

Office Memorandum

DEPARTMENT : ATTORNEY GENERAL

DATE : January 4, 1988

TO : KATHLEEN J. JOHNSON
Legal Division
Minnesota Housing Finance Agency

FROM :
MARTHA CASSERLY
Special Assistant
Attorney General

PHONE :
6-6204

SUBJECT :
In the Matter of the Adopted Rule Relating to
Definition of Capital Contributionof Investors

The above-referenced rule has been approved as to its legality by the Attorney General on January 4, 1988.

Enclosed is the agency's copy of the approved rule. This office has already filed two copies with the Secretary of State, who will forward one copy to the Revisor of Statutes. The fourth 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:nah
Enclosures

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

Duane Harves
Chief Administrative Law Judge
Office of Administrative Hearings

Minnesota Housing Finance Agency

Adopted Permanent Rules Relating to the Definition of Capital Contribution of Investors

Rules as Adopted

4900.0010 DEFINITIONS.

Subpart 1. to 6. [Unchanged.]

Subp. 7. **Capital contribution of the investors.** "Capital contribution of the investors" means the excess of the value of the project at the times and in the manner determined by the agency, whether or not paid in cash, over the then current principal amount of the agency's loan for those developments which:

A. to F. [Unchanged.]

G. have a current waiting list equal to at least 1-1/2 times the annual turnover for the prior 24 months, but the requirements of this item are not applicable to developments that have reserves equal to or exceeding the sum that is the greater of $5,000 per dwelling unit or 30 percent of the outstanding principal balance of the mortgage;

H. to K. [Unchanged.]

For all other developments, "capital contribution of the investors" means the excess of the total development cost of the project as determined by the agency, whether or not paid in cash, over the original principal amount of the agency's loan.

Subp. 8. to 24. [Unchanged.]

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
JAN – 4 1988
Joan Anderson Growe
Secretary of State
12:50 PM

APPROVED AS TO FORM AND LEGALITY
January 4 19 88
HUBERT H. HUMPHREY, III
ATTORNEY GENERAL
BY MJ Cassidy
SPECIAL ASSISTANT ATTORNEY GENERAL

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 22nd day of October, 1987, 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, Commissioner 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 the Definition of Capitol Contributions of Investors 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 22nd day of October, 1987.

Robert A. Worthington

Chairman

Minnesota Housing Finance Agency

Proposed Permanent Rules Relating to the Definition of Capital Contribution of Investors

Rules as Proposed

4900.0010 DEFINITIONS.

Subpart 1. to 6. [Unchanged.]

Subp. 7. **Capital contribution of the investors.** "Capital contribution of the investors" means the excess of the value of the project at the times and in the manner determined by the agency, whether or not paid in cash, over the then current principal amount of the agency's loan for those developments which:

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Subp. 8. to 24. [Unchanged.]

Approved by Revisor DSN

Office of the Revisor of Statutes

Administrative Rules

TITLE: Proposed Permanent Rules Relating to the Definition of Capital Contribution of Investors

AGENCY: Housing Finance Agency

MINNESOTA RULES: Chapter 4900

The attached rules are approved for publication in the State Register

David S. Niss
Assistant Revisor

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules Relating to the Definition of Capitol Contributions of Investors

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: 612/296-9794

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 6, 1987

James J. Solem
Commissioner

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed
Adoption of Permanent Rules of
the Minnesota Housing Finance
Agency Relating to the Definition
of Capital Contributions of
Investors

Statement of Need and Reasonableness

The Minnesota Housing Finance Agency Law, § 462A.03, Subd. 13, reads in part as follows:

> "* * * The return to a limited dividend entity shall not exceed ten percent of the capital contribution of the investors or such lesser percentage as the agency shall establish in its rules. * * *"

The Agency previously amended the definition of "capital contribution of the investors", referred to above and in subpart 7 of part 4900.0010 of its rules, in order to recognize the value of the investors' capital contribution to an economically secure development, and to provide sufficient inducements in the form of an increased dividend to obtain the investors' agreement to preserve the stock of low income housing, and to control the cost of operating this housing. The criteria for measuring economically secure developments and the conditions which must be agreed to in order to increase the return to a limited dividend entity were set forth in paragraphs A - K.

The Agency proposes to amend paragraph G of the existing regulation to encourage owners of developments without waiting lists of the size described in the existing regulation, but which are otherwise secure by reason of the reserve level described in the amending language, to retain the housing for the benefit of low and moderate income tenants for the longest possible term. It is both reasonable and necessary to make the desired change to enable the maximum number of developments to participate in the program while affording the Agency a high degree of security for its loans.

The Agency is cognizant of the provisions of § 14.115 of Minnesota Statutes, entitled "Small Business Considerations in Rulemaking"; however, the proposed amendment to the existing rules does not establish any new or additional compliance or reporting requirements, or design or operational standards not currently affecting the way any business must operate, but, rather, expands the eligibility of existing agency-financed developments for participation in the Agency's redefined equity program. Therefore, the provisions contained in Minn. Stat. Section 14.115 (1987) do not apply to the proposed rules discussed herein.

STATE OF MINNESOTA

COUNTY OF RAMSEY

In the Matter of the Proposed
Rules Relating to
the Definition of Capitol Contributions of Investors
Without a Public Hearing

AFFIDAVIT
OF MAILING

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

That on the 6th day of November, 1987, 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 6th day of November,
1987.

Notary Public

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

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

MAILING LIST CERTIFICATE

In the Matter of the Proposed
Rules Relating to
the Definition of Capitol Contributions of Investors
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 6th day of November, 1987.

Kathleen J. Johnson

Kathleen J. Johnson

Fire Marshal's Office, the Minnesota Department of Health, the Minnesota Department of Labor and Industry (O.S.H.A.), and other departmental rules having the force of law.

Subp. 4. **Plan for daily inspection.** The facility administrator shall establish a plan for the daily inspection of housekeeping, sanitation, and plant maintenance when the facility is occupied.

Subp. 5. **Policies and procedures to detect deterioration of building and equipment.** The facility administrator shall develop policies and procedures designed to detect building and equipment deterioration, safety hazards, and unsanitary conditions. Policies and procedures must include:

A. a requirement that facility staff report unsanitary and unsafe conditions as well as physical plant and equipment repairs and replacement needs (mandatory);

B. a process for prioritizing work requests and reporting to the governing body in an expedient manner; and

C. a records system for review of budget and work requests, expenditures, dates and actions pursuant to detection of need, submission of work orders, and completion of requests.

Subp. 6. **Elimination of conditions conducive to vermin (mandatory).** A condition in the facility conducive to harborage or breeding of insects, rodents, or other vermin must be eliminated immediately.

Subp. 7. **Fire inspection (mandatory).** Fire inspections of the facility must be conducted on an annual basis by a state fire marshal or local fire official. Documentation of the inspection and any resulting orders must be maintained and available for inspection by the regulatory authority. Failure to comply with fire safety requirements will result in a denial of approval to continue facility operations.

Minnesota Housing Finance Agency

Proposed Permanent Rules Relating to the Definition of Capital Contribution of Investors

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 procedure set forth in *Minnesota Statutes* 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 *Minnesota Statutes* 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 addresesd, 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: 612/296-9794

Authority for the adoption of these rules is contained in *Minnesota Statutes* 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 *Minnesota Statutes* 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 *Minnesota Statutes* 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: 6 November 1987

James J. Solem
Commissioner

Rules as Proposed

4900.0010 DEFINITIONS.

Subpart 1. to 6. [Unchanged.]

Subp. 7. **Capital contribution of the investors.** "Capital contribution of the investors" means the excess of the value of the project at the times and in the manner determined by the agency, whether or not paid in cash, over the then current principal amount of the agency's loan for those developments which:

A. to F. [Unchanged.]

G. have a current waiting list equal to at least 1-1/2 times the annual turnover for the prior 24 months, but the requirements of this item are not applicable to developments that have reserves equal to or exceeding the sum that is the greater of $5,000 per dwelling unit or 30 percent of the outstanding principal balance of the mortgage;

H. to K. [Unchanged.]

For all other developments, "capital contribution of the investors" means the excess of the total development cost of the project as determined by the agency, whether or not paid in cash, over the original principal amount of the agency's loan.

Subp. 8. to 24. [Unchanged.]

Minnesota Housing Finance Agency

Proposed Permanent Rules Relating to the Definition of Federally Subsidized Mortgages

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 *Minnesota Statutes* 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

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
the Definition of Capitol
Contributions of Investors
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 17th day of December, 1987, 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 the Definition of Capitol Contributions of Investors 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, Commissioner 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 17th day of December, 1987.

Chairman

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Adoption of the Rule of the Minnesota Housing Finance Agency Relating to the Definition of Capitol Contributions of Investors	FINDINGS OF FACT, CONCLUSIONS, AND ORDER ADOPTING RULE WITHOUT PUBLIC HEARING

Notice of the Board's intent to adopt the above-entitled rule was published in the State Register on November 9, 1987 and was sent by United States mail to all persons on the list maintained by the agency pursuant to Minnesota Statutes, sections 14.14, subdivision 1a and 14.22 on November 6, 1987. The statement of need and reasonableness was prepared before the notice of intent to adopt a rule without a public hearing was mailed to all persons on the rulemaking mailing list and published in the State Register and was available to the public.

All persons were given the opportunity to submit comment on the rule for 30 days after notice of proposed rulemaking. No requests for a public hearing on the rule were received by the agency.

No submissions or comments on the rule were received by the agency. No requests for notice of submission to the attorney general were received by the agency.

Based on the comments and evidence in the record before the agency, I find the following:

The above-captioned rule is needed and reasonable.

NOW, THEREFORE, IT IS ORDERED that the rules identified as 4900.0010; and related to the Definition of Capitol Contributions of Investors are adopted this 17th day of December, 1987, pursuant to authority vested in me by Minnesota Statutes, sections 462A.06 subd. 3 and 11 and by a resolution of the Board of the Minnesota Housing Finance Agency dated the 17th day of December, 1987.

James J. Solem, Commissioner

STATE OF MINNESOTA

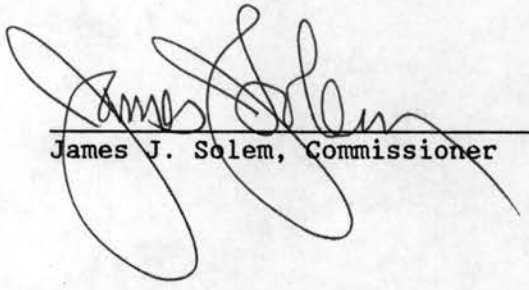
MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed
Rules Relating to
the Definition of Capitol
Contributions of Investors
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 9, 1987 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 6, 1987. 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 the Definition of Capitol Contributions of Investors are adopted this 17th day of December, 1987 pursuant to authority vested in the Agency by Minnesota Statutes 462A.06, Subdivisions 4 and 11.



James J. Solem, Commissioner

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules Relating to the Definition of Capitol Contributions of Investors Without a Public Hearing

ORDER ADOPTING RULES

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NOW, THEREFORE, IT IS ORDERED that these rules identified as Rules of the Minnesota Housing Finance Agency Relating to the Definition of Capitol Contributions of Investors are adopted this 17th day of December, 1987 pursuant to authority vested in the Agency by Minnesota Statutes 462A.06, Subdivisions 4 and 11.

James J. Solem, Commissioner

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules Relating to the Definition of Capitol Contributions of Investors

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

It is ordered this 22nd day of October, 1987 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, Commissioner

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules Relating to the Definition of Capitol Contributions of Investors

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: 12/18/87

Karl J. Herman
Special Assistant Attorney General

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules Relating to the Definition of Capitol Contributions of Investors

NOTICE OF INTENT TO ADOPT RULES WITHOUT A PUBLIC HEARING

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(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 6, 1987

James J. Solem
Commissioner

Minnesota Housing Finance Agency

Proposed Permanent Rules Relating to the Definition of Capital Contribution of Investors

Rules as Proposed

4900.0010 DEFINITIONS.

Subpart 1. to 6. [Unchanged.]

Subp. 7. **Capital contribution of the investors.** "Capital contribution of the investors" means the excess of the value of the project at the times and in the manner determined by the agency, whether or not paid in cash, over the then current principal amount of the agency's loan for those developments which:

A. to F. [Unchanged.]

G. have a current waiting list equal to at least 1-1/2 times the annual turnover for the prior 24 months, but the requirements of this item are not applicable to developments that have reserves equal to or exceeding the sum that is the greater of $5,000 per dwelling unit or 30 percent of the outstanding principal balance of the mortgage;

H. to K. [Unchanged.]

For all other developments, "capital contribution of the investors" means the excess of the total development cost of the project as determined by the agency, whether or not paid in cash, over the original principal amount of the agency's loan.

Subp. 8. to 24. [Unchanged.]

Approved by Revisor

Office of the Revisor of Statutes

Administrative Rules

TITLE: Proposed Permanent Rules Relating to the Definition of Capital Contribution of Investors

AGENCY: Housing Finance Agency

MINNESOTA RULES: Chapter 4900

The attached rules are approved for publication in the State Register

David S. Niss
Assistant Revisor

MINNESOTA HOUSING FINANCE AGENCY

December 18, 1987

Ms. Rita Desmond
Room 204 Administration Building
50 Sherburne Avenue
St. Paul, Minnesota 55155

RE: In the Matter of the Proposed Rules Relating to the Definition of Capitol Contributions of Investors Without a Public Hearing

Dear Ms. Desmond:

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;

Findings of Fact, Conclusions, and Order Adopting Rule Without Public Hearing;

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
Commissioner

JJS/kjj

Encs.