

TASK FORCE ON LONG-TERM SUSTAINABILITY OF AFFORDABLE HOUSING.

Subdivision 1.

Establishment.

A task force is established to evaluate issues and provide recommendations relating to affordable housing sustainability, including displacement of tenants, preservation of housing previously developed with public financing, and long-term sustainability of new housing developments.

Subd. 2.

Membership.

(a) The task force consists of the following members:

(1) three members appointed by the commissioner of housing;

(2) one member with expertise in insurance regulation appointed by the commissioner of commerce;

(3) one member from a county that participates in the Interagency Stabilization Group appointed by the Association of Minnesota Counties;

(4) one member from a greater Minnesota county appointed by the Association of Minnesota Counties;

(5) one member with experience developing affordable rental housing appointed by the Metropolitan Consortium of Community Developers;

(6) one member with experience in operating affordable rental housing appointed by the Metropolitan Consortium of Community Developers;

(7) one member of the Minnesota Housing Partnership who has experience developing affordable rental housing;

(8) one member of the Minnesota Housing Partnership who has experience operating affordable rental housing;

(9) one member of the Minnesota Housing Partnership who has experience developing and operating affordable rental housing in greater Minnesota;

(10) one member with experience developing or operating for-profit affordable housing appointed by the Minnesota Multi-Housing Association;

(11) one member appointed by the Family Housing Fund;

(12) one member appointed by the Greater Minnesota Housing Fund;

(13) one member with experience in multifamily affordable housing lending appointed by the Minnesota Bankers Association;

(14) one member appointed by the Insurance Federation of Minnesota;

(15) one member appointed by the Twin Cities United Way;

(16) one member appointed by the speaker of the house;

(17) one member appointed by the house minority leader;

(18) one member appointed by the senate majority leader; and

(19) one member appointed by the senate minority leader.

(b) The appointing authorities must make the appointments by June 15, 2024.

Subd. 3.

Duties.

(a) The task force must assess underlying financial challenges to develop, operate, and preserve safe, affordable, and dignified housing, including:

(1) factors that are leading to increasing operating costs for affordable housing providers, including insurance availability and rates, labor costs, and security costs;

(2) factors that are leading to declining revenues for affordable housing providers, such as loss of rent and vacancy issues; and

(3) the potential impact of the loss of housing units under current conditions, including preservation needs of federally rent-assisted properties and tax credit developments with expiring contracts.

(b) The task force must evaluate current financing and administrative tools to develop, operate, and preserve safe and affordable housing, including:

(1) public and private financing programs, and the availability of funding as it relates to overall needs; and

(2) administrative tools including underwriting standards used by public and private housing funders and investors.

(c) The task force must evaluate financial or asset management practices of affordable housing providers and support for asset management functions by funder organizations.

(d) The task force must recommend potential solutions to develop and preserve safe and affordable housing, including:

(1) additional funding for existing programs and administrative tools;

(2) any new financial tools necessary to meet current financial challenges that cannot be met by existing state and local government or private program and administrative tools, including new uses, modified implementation, or other improvements to existing programs; and

(3) best practices for changes to financial or asset management practices of affordable housing providers and funders.

(e) The task force may address other topics as identified by task force members during the course of its work.

(f) The task force shall consult with other organizations that have expertise in affordable rental housing, including entities engaging in additional external stakeholder input from those with lived experience and administrators of emergency assistance, including Minnesota's Tribal nations.

Subd. 4.

Meetings.

(a) The Legislative Coordinating Commission must ensure the first meeting of the task force convenes no later than July 1, 2024, and must provide accessible physical or virtual meeting space as necessary for the task force to conduct its work.

(b) At its first meeting, the task force must elect a chair or co-chairs by a majority vote of those members present and may elect a vice-chair as necessary.

(c) The task force must establish a schedule for meetings and meet as necessary to accomplish the duties under subdivision 3.

(d) The task force is subject to the Minnesota Open Meeting Law under Minnesota Statutes, chapter 13D.

Subd. 5.

Report required.

By February 1, 2025, the task force must submit a report to the commissioner of the Minnesota Housing Finance Agency, the Interagency Stabilization Group, and the chairs and ranking minority members of the legislative committees having jurisdiction over housing finance and policy. At a minimum, the report must:

(1) summarize the activities of the task force;

(2) provide findings and recommendations adopted by the task force; and

(3) include any draft legislation to implement the recommendations.

Subd. 6.

Expiration.

The task force expires upon submission of the final recommendations required under subdivision 5.

EFFECTIVE DATE.

This section is effective the day following final enactment.