

HOUSING AND REDEVELOPMENT AUTHORITY (HRA)

Enabling Legislation and Powers

Housing and Redevelopment Authorities, authorized under Minnesota Statutes Chapter 469, are a primary mechanism used by cities and counties to address housing and redevelopment issues.

1. **MN Statute §469.001 – 469.047** conveys authority to HRAs. However, to use the authority, the City or County must formally establish an HRA.
2. **Purpose of an HRA:** (MN Statutes 469.003 – 469.004)
 - Provide adequate, safe, and sanitary dwellings.
 - Clear and redevelop blighted areas.
 - Perform these duties according to comprehensive plans.
 - Remedy a shortage of housing for LMI residents.

3. **Establishing an HRA:** Any Minnesota city or county may create an HRA. (MN Statutes 469.003 – 469.004)

Process for establishing a City HRA:

- Publish notification and hold a public hearing.
- Adopt and publish a resolution finding that, within the city, either
 - a. substandard, slum, or blighted areas exist which cannot be redeveloped without government assistance;
 - or**
 - b. there is a shortage of available decent, safe, and sanitary dwelling accommodations.
- File a certified copy of the resolution with the Commissioner of MN DEED.

A city HRA may not be created within the operating area of a county HRA without explicit concurrence of the county HRA and the MN DEED Commissioner. (*Not applicable to HRAs created prior to June 8, 1971 under MN Statutes 1969, chapter 462.*) (MN Statutes 469.004, Subdivision 5)

Process for establishing a county HRA:

- Consider the need for a county authority to function based on: (1) the governing body's own motion; or (2) the filing of a petition signed by 25 qualified voters of the county asserting there is a need for a county authority to function in the county and requesting
- Publish notification and hold a public hearing.
- Adopt and publish resolution finding that, within the county, either
 - a. substandard, slum, or blighted areas exist which cannot be redeveloped without government assistance;
 - or**
 - b. there is a shortage of available decent, safe, and sanitary dwelling accommodations.
- File a certified copy of the resolution with the Commissioner of MN DEED.

A county HRA cannot undertake projects within the boundaries of any city which has not adopted a resolution declaring there is a need for the county to exercise its powers in that city. (*A county HRA may operate a Section 8 program or public housing scattered site project in any city without this resolution.*) (Minnesota Statutes 469.005, Subdivision 2)

4. **Appointment of HRA Commissioners:**

In the case of city HRAs, the mayor - with approval of the city's governing board - appoints up to seven commissioners who are residents of the City. (Minnesota Statutes 469.003, Subdivision 5)

For county HRA's, the county governing body appoints five persons or the number of commissioners, plus up to two additional commissioners. (Minnesota Statutes 469.006, Subdivision 1)

For city and county HRAs that are also Public Housing Agencies (PHAs), additional governing board requirements in **CFR, Title 24, Part 964** may apply.

5. HRA Powers / Duties / Programs:

MN Statute §459.001 – 469.047, grant the authority necessary to for HRAs to carry out the powers listed below.

MN Statute 469.012, Subdivision 1a	Sue and be sued.
MN Statute 469.012, Subdivision 1b	Employ an executive director, technical experts, officers, agents, and employees.
MN Statute 469.012, Subdivision 1d	Undertake, prepare, carry out, and operate projects and provide for the construction, reconstruction, improvement, extension, alteration, or repair of any project.
MN Statute 469.012, Subdivision 1e	Give, sell, transfer, convey, or otherwise dispose of real or personal property or any interest therein and execute leases, deeds, conveyances, negotiable instruments, purchase agreements, and other contracts or instruments
MN Statutes 469.012, Subdivision 1f	Take any action necessary/convenient to carry out purposes of the Statute.
MN Statutes 469.012, Subdivision 1g	Acquire real or personal property or any interest in real or personal property by gifts, grant, purchase, exchange, lease, transfer, bequest, devise, or through eminent domain <i>(Only as deemed necessary - must follow prescribed processes).</i>
MN Statutes 469.012, Subdivision 1h	Acquire and dispose of real property. Demolish, remove, rehabilitate, or reconstruct the buildings and improvements – or construct new buildings and improvements – or otherwise prepare the site for improvements. <i>(Buildings or improvements must be substandard.)</i>
MN Statutes 469.012, Subdivision 1j	Provide relocation payments and assistance in federally assisted projects.
MN Statutes 469.012, Subdivision 1j	Provide exemption from property taxes in the case of public housing. <i>(Payment in lieu of taxes will be made).</i>
MN Statutes 469.012, Subdivision 1l	Purchase, lease, manage, or otherwise take over any housing project owned and operated by the federal government.
MN Statutes 469.012, Subdivision 1m	Make plans to carry out a program of voluntary repair and rehabilitation of buildings/improvements.
MN Statutes 469.012, Subdivision 1m	Make plans for the enforcement of laws, codes, and regulations related to land-use, use and occupancy of buildings and improvements.
MN Statutes 469.012, Subdivision 1m	Make plans for compulsory repair, rehabilitation, demolition, or removal of buildings & improvements.
MN Statutes 469.012, Subdivision 1n	Develop and carry out activities for the prevention and elimination of slum and blight.
MN Statutes 469.012, Subdivision 1o	Borrow money, accept contributions, grants, services, other assistance from public and private sources.
MN Statutes 469.012, Subdivision 1o	Incorporate into any contract for financial assistance with the federal government the conditions the federal government may attach to its financial assistance in the event of default, including conveyance of the project for which federal assistance was provided, as well as the authority of the federal government to operate, manage, lease, convey or otherwise deal with the project until defaults are cured.
MN Statutes 469.012, Subdivision 1q	Issue bonds for any of its corporate purposes. Secure the bonds by mortgages upon property held or to be held by it or by pledge of its revenues, including grants and contributions.
MN Statutes 469.012, Subdivision 1r	Invest funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in property or securities.
MN Statutes 469.012, Subdivision 1s	Determine areas of blight and unsafe, unsanitary or overcrowded housing.
MN Statutes 469.012, Subdivision 1t	Carry out studies of housing and redevelopment needs.
MN Statutes 469.012, Subdivision 1u	Make or commission a plan to be used as a guide in housing and redevelopment areas. <i>(Only if no local planning agency – or - no comprehensive/general community development plan exists.)</i>

MN Statutes 469.012, Subdivision 1v	Lease or rent dwellings, accommodations, lands, building, structures, or facilities included in any project. <i>(Subject to rental dwelling limitations established in MN Statutes 469.001 – 469.047.)</i>
MN Statutes 469.012, Subdivision 1w	Own, hold, improve, sell, lease, exchange, transfer, assign, pledge, or dispose of any real property or any interest in real property.
MN Statutes 469.012, Subdivision 1x	Insure or provide for insurance against any risks or hazards.
MN Statutes 469.012, Subdivision 2	Issue or provide for the insurance or guarantees of payments of any bonds issued by an authority. Pay premiums on insurance.
MN Statutes 469.012, Subdivision 2a	Make expenditures necessary to carry out purposes of HRA Statutes.
MN Statutes 469.012, Subdivision 2b	Enter into agreement(s) with a state public body to provide information service and relocation assistance to persons or nonprofit organizations displaced by activities of a state public body.
MN Statutes 469.012, Subdivision 2c	Catalog all vacant, open, and undeveloped land, or land which contains substandard buildings and improvements that is owned by the authority.
MN Statutes 469.012, Subdivision 2d	Make recommendations concerning enforcement of applicable health, housing, building, fire prevention, and housing maintenance code requirements as related to residential dwelling structures being rehabilitated LMI persons.
MN Statutes 469.012, Subdivision 2e	Recommend initiation of municipal powers against certain real properties related to repair, closing, condemnation, or demolition of unsafe, unsanitary, hazardous, and unfit buildings.
MN Statutes 469.012, Subdivision 2f	Sell any note, mortgage, lease, sublease, lease purchase, or other instrument or obligation made for the purpose of economic development, job creation, redevelopment or community revitalization.
MN Statutes 469.012, Subdivision 2g	Acquire and sell subsidized affordable housing.
MN Statutes 469.012, Subdivision 2h	Administer and carry out a Section 8 program.
MN Statutes 469.012, Subdivision 2i	Secure a mortgage or loan for a rental housing project through assignments of rents and profits.
MN Statutes 469.012, Subdivision 2j	Become a member or shareholder in an LLP, LLC, or corporation for purposes of developing, constructing, rehabilitating, managing, supporting, or preserving housing projects and housing development projects.
MN Statutes 469.012, Subdivision 6, 7, and 13	Develop & administer Housing Rehab, Interest Reduction, and Downpayment Assistance Programs.
MN Statutes 469.012, Subdivision 12	Operate and maintain public parking facilities in connection with any HRA projects.
MN Statute 459.152 - 459.1651.	Exercise powers granted to redevelopment agencies in MN Statute §459.152 - 459.1651.