

Notwithstanding Minnesota Statutes, sections 94.09 to 94.16, or any other law to the contrary, the commissioner of administration may sell certain property to the city of Hastings in accordance with this section before January 1, ~~1986~~ 1987.

The property referred to in this section must be sold for a consideration of the commissioner of administration's appraised value, plus the cost of ~~survey and appraisal~~ incurred as a result of Laws 1985, chapter 61, section 1, and this act. The commissioner shall have the property surveyed and appraised, in the manner provided in Minnesota Statutes, section 94.10, to determine its value and exact legal description. The appraisal must be based on the property being agricultural property and being continued in agricultural use rather than being used for industrial development. The conveyance must be by quitclaim deed in a form approved by the attorney general.

The property is approximately ~~67.8~~ 74.3 acres of land located in the northeast quarter of section 34, and the northwest quarter of section 35, township 115, range 17, in Dakota county.

The property has always been used for agricultural purposes and was surplus farm land at the Minnesota veterans home in Hastings. The property was originally conveyed by the city of Hastings to the state for the use of the veterans home. The city of Hastings has immediate industrial use for the land.

Sec. 2. **EFFECTIVE DATE.**

Section 1 is effective the day following final enactment.

Approved March 24, 1986

CHAPTER 427—H.F.No. 2051

An act relating to the city of St. Paul; permitting the establishment of special service districts in the city and providing taxing and other authority.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **DEFINITIONS.**

Subdivision 1. For the purpose of this act the terms defined in this section have the following meanings.

Subd. 2. "City" means the city of St. Paul.

Subd. 3. "Special services" means:

(1) the promotion and management of a special service district as a trade or shopping area; and

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(2) the repair, maintenance, and operation of improvements and replacement of minor improvements within the boundaries of special service districts established under section 2, subdivision 1.

Special services do not include services that are provided throughout the city from general tax revenues of the city except to the extent of an increased level of service provided in the special service district.

Subd. 4. "Special service district" means a defined area within the city where special services are rendered and their costs are paid from revenues collected from a special service tax imposed within the area.

Subd. 5. "Assessed value" means the assessed value as most recently certified by the commissioner of revenue on the effective date of an ordinance or resolution adopted pursuant to section 2 or 4.

Subd. 6. "Land area" means the land area located within the district that is subject to property taxation.

Sec. 2. ESTABLISHMENT OF SPECIAL SERVICE DISTRICT.

Subdivision 1. ORDINANCE. The governing body of the city may adopt ordinances establishing special service districts:

- (1) in the area of Grand Avenue between Oakland and Cretin Avenues;
- (2) in the area of Cleveland Avenue between Bayard and Bohland Avenues and Ford Parkway between Howell Street and East Mississippi River Boulevard; and
- (3) in the area of University Avenue and Snelling Avenue between Summit Avenue and Como Avenue.

The ordinance shall describe with particularity the areas to be included in the district and the special service to be furnished. The ordinance may not be adopted until after a public hearing on the question. Notice of the hearing shall include:

- (1) the time and place of the hearing;
- (2) a map showing the boundaries of the proposed district;
- (3) a statement that all persons owning property in the proposed district will be given an opportunity to be heard at the hearing;
- (4) a description of the proposed special services to be provided and the estimated taxes to be levied in the district; and
- (5) a statement of the landowner's rights to object and to appeal pursuant to section 3.

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Subd. 2. NOTICE. Notice of the hearing shall be given by publication in two issues of a newspaper of general circulation in the city. The two publications shall be a week apart and the hearing shall be held no sooner than three days after the last publication. Not less than ten days before the hearing, notice shall also be mailed to the owner of each parcel of real estate proposed to be included in the district. For the purpose of giving mailed notice, owners shall be those shown on the records of the county auditor. Other records may be used to supply necessary information. For properties which are subject to taxation on a gross earning basis in lieu of property tax and are not listed on the records of the county auditor, the owners shall be ascertained by any practicable means and mailed notice given them. At the public hearing, any person who owns property in a proposed district or any interested party may be heard orally in respect to the proposed district. The hearing may be adjourned from time to time and the ordinance establishing a district may be adopted at any time within six months after the date of the conclusion of the hearing, and after the determination of all objections under section 3.

Sec. 3. OBJECTION.

Subdivision 1. FILING. On or before the adoption of the ordinance, any affected landowner may file written objection with the city clerk objecting to:

(1) the inclusion of the landowner's property in the district;

(2) levy of the tax on the landowner's property; or

(3) the fact that the use of the landowner's property is not substantially benefited by the proposed special service;

and asserting that the landowner's property should not be subjected to the special service tax. The governing body of the city shall hold a public hearing on the objection within 30 days of the filing of the objection and shall make a determination on the objection.

Subd. 2. APPEAL TO DISTRICT COURT. Within 30 days after the adoption of the ordinance, any person aggrieved, who is not precluded by failure to object prior to or at the hearing, or whose failure to so object is due to a reasonable cause, may appeal to the district court by serving a notice upon the mayor or clerk of the municipality. The notice shall be filed with the clerk of the district court within ten days after its service. The municipal clerk shall furnish appellant a certified copy of the findings and determination of the governing body. The appeal shall be placed upon the calendar of the next general term commencing more than five days after the date of serving the notice and shall be tried as other appeals in such cases. The court shall either affirm the matter objected to or modify or deny it. If appellant does not prevail upon the appeal, the costs incurred shall be taxed by the court and judgment entered therefor. All objections shall be deemed waived unless presented on appeal. This section provides the exclusive method of appeal from an action taken pursuant to this act.

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Sec. 4. TAXING AUTHORITY; NOTICE AND HEARING REQUIREMENTS.

Subdivision 1. TAXES; HEARING. Upon a finding of public purpose and subject to any determination under section 3, a special service tax based upon property value, square footage, or front footage or allocated by another fair method determined by the governing body may be levied on real properties within zoning districts classified by the city of St. Paul as: OS-1, B-1, B-2, B-2C, B-3, I-1 and P-1, found within the special district at a rate or amount sufficient to produce revenues required to provide the special services within the district. If the property value method is used, taxable property or value shall be determined without regard to captured or original assessed value under Minnesota Statutes, section 273.76, or to the distribution or contribution value under Minnesota Statutes, section 473F.08. A special service tax may not be imposed on the receipts from the sale of intoxicating liquor, food, or lodging. Before the levy of special service taxes in a district, notice shall be given and a hearing held pursuant to section 2 or 3. For purposes of this section the notice shall include:

(1) a statement that the owners of all taxable property included in the proposed district will be given an opportunity to be heard at the hearing regarding the proposed special service tax;

(2) the estimated cost of special services to be paid for in whole or part by the special service tax imposed under this section, the estimated cost of operating and maintaining improvements and providing other special services during the first year after their completion, the proposed method and source of financing, and the annual cost of repairing, operating, maintaining, and replacing improvements and providing other special services; and

(3) the proposed rate or amount and duration of special service taxes to be levied in the district during the calendar year and the nature and character of special services to be rendered in the district during the calendar year.

Within six months of the public hearing and determination by the governing body of all objections under section 3, the city may adopt a resolution levying a special service tax within the district that does not exceed the amount or rate stated in the notice issued pursuant to this section.

Any amendment increasing the amount of a special service tax from that estimated in the notice shall only be considered after further notice in accordance with this subdivision.

Subd. 2. EXEMPTION OF CERTAIN PROPERTIES FROM TAXES. Property exempt from taxation by Minnesota Statutes, section 272.02, and property used exclusively for residential purposes is exempt from any tax imposed pursuant to this act.

Subd. 3. LEVY LIMIT EXEMPTIONS. A special service tax imposed pursuant to this act shall be included in the calculation of levies or limits on levies provided by other law or home rule charter.

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Subd. 4. EXCLUSION FROM HOMESTEAD CREDIT. A special service tax levied under this section shall not be reduced pursuant to Minnesota Statutes, section 273.13, subdivision 22.

Sec. 5. ENLARGEMENT OF SPECIAL SERVICE DISTRICTS.

A special service district may be enlarged only after hearing and notice as provided in section 2 and section 3. Notice shall be served on property owners in the original district and in the area proposed to be added to the district. Property added to the district shall be subject to all special service taxes levied within the district after the property becomes a part of the district. The petition requirement in section 6 and the veto power in section 7 shall only apply to owners of property in the area proposed to be added to the district.

Sec. 6. PETITION REQUIRED.

No public hearing may be held pursuant to section 2 unless owners of 35 percent or more of the land area subject to the proposed tax and owners of 35 percent or more of the assessed value of the proposed district file a petition with the city clerk requesting the hearing. No public hearing may be held pursuant to section 4 to impose a special service tax unless owners of 35 percent or more of the land area subject to the proposed tax and owners of 35 percent or more of the assessed value subject to the proposed tax file a petition with the city clerk requesting the hearing. If the boundaries of a proposed district or the land area of assessed value subject to a tax are changed, a petition meeting the requirements of this section must be filed with the city clerk before the ordinance establishing the district or resolution imposing the tax may become effective.

Sec. 7. VETO POWER OF OWNERS.

Subdivision 1. NOTICE OF RIGHT TO FILE OBJECTIONS. Except as provided in section 8, the effective date of an ordinance or resolution adopted pursuant to sections 2 and 4 shall be at least 45 days after it is adopted. Within ten days after adoption of the ordinance or resolution, a copy of the ordinance or resolution shall be mailed to the owner of each parcel of real estate subject to the proposed tax included in the special service district in the same manner that notice is mailed pursuant to section 2. The mailing shall include a notice that owners subject to a special service tax have a right to veto the ordinance or resolution by filing the required number of objections with the city clerk before the effective date of the ordinance or resolution and their rights under section 3.

Subd. 2. REQUIREMENT FOR VETO. If owners of 25 percent of the land area subject to the special service tax in the district and owners of 25 percent of the assessed value in the district file a written objection to the ordinance adopted by the city pursuant to section 2 with the city clerk before the effective date of the ordinance, the ordinance shall not become effective. If owners of 25 percent of the land area subject to a tax and owners of 25 percent of the assessed value subject to a tax file an objection to the resolution adopted pursuant to section 4 with the city clerk before the effective date of the resolution, the resolution shall not become effective.

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Sec. 8. EXCLUSION FROM PETITION REQUIREMENTS AND VETO POWER.

The petition requirement of section 6 and the right of owners to veto a resolution in section 7 do not apply to the second or a subsequent year's application of a special service tax that is authorized to be in effect for more than one year pursuant to a resolution that has met the petition requirements of section 6 and has not been vetoed under section 7 for the first year's application. A resolution levying a special service tax shall not exceed three years and shall not be adopted unless the notice of public hearing required by section 4 and the notice mailed with the adopted resolution pursuant to section 7 include the maximum rate or amount of the special service tax to be levied in any year and the maximum number of years the tax will be levied.

The resolution may provide that the maximum amount of a special service tax to be levied in any year will increase or decrease from the maximum amount authorized in the preceding year based on a statistical indicator, increased cost, or a percentage established by the resolution.

Sec. 9. COLLECTION OF TAXES.

Special service taxes levied within a special service district shall be collected like other property taxes but only from property described in the ordinance. Taxes collected pursuant to this act shall not be included in computations under Minnesota Statutes, section 273.76, chapter 473F, or any other law that applies to general property taxes.

Sec. 10. ADVISORY BOARD.

The governing body of the city may create and appoint an advisory board for each special service district in the city to advise the governing body in connection with the construction, maintenance, and operation of improvements, and the furnishing of all other special services in a district. The advisory board shall make recommendations to the governing body on the requests and complaints of owners, occupants, and users of property within the district and members of the public. Before the adoption of any proposal by the governing body to provide service or impose a special service tax within the district, the advisory board of the district must have an opportunity to review and comment upon the proposal.

Sec. 11. EFFECTIVE DATE.

Sections 1 to 10 are effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of St. Paul.

Approved March 24, 1986

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