Section 1 is effective May 1, 1991.

Presented to the governor April 12, 1990

Signed by the governor April 12, 1990, 10:50 a.m.

## CHAPTER 451-S.F.No. 1087

An act relating to landlord and tenant relations; providing standing for certain associations to bring an action for tenant remedies; providing for actions against certain unoccupied buildings; amending Minnesota Statutes 1988, sections 504.23; 566.18, subdivision 7, and by adding a subdivision; 566.19; 566.20, subdivision 1; 566.25; 566.28; and 566.29, subdivision 3; Minnesota Statutes 1989 Supplement, section 566.29, subdivisions 1 and 4.

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

Section 1. Minnesota Statutes 1988, section 504.23, is amended to read:

### 504.23 CODE VIOLATIONS, DISCLOSURE.

All code violation records pertaining to a particular parcel of real property and the buildings, improvements and dwelling units located thereon kept by any state, county or city agency charged by the governing body of the appropriate political subdivision with the responsibility for enforcing a state, county or city health, housing, building, fire prevention or housing maintenance code shall be available to all persons having a reasonable need for the information contained in the records relating to the premises, at reasonable times and upon reasonable notice to the custodian of the records, for inspection, examination, abstracting or copying at the expense of the person obtaining the information. The persons to whom the records shall be available under this section include but are not limited to the following persons and their representatives:

(a) any person having any legal or beneficial interest in the premises, including a tenant;

(b) any person considering in good faith the lease or purchase of the premises; and

(c) any person authorized to request an inspection under section 566.19; and

(d) a party to any action related to the premises, including actions maintained pursuant to sections 504.18 and 566.18 to 566.33.

Sec. 2. Minnesota Statutes 1988, section 566.18, subdivision 7, is amended to read:

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# Subd. 7. BUILDING. "Building" means:

(a) any building used in whole or in part as a dwelling, including single family homes, multiple family units such as apartments, and structures containing both dwelling units and units used for nondwelling purposes, and also includes a manufactured home park, or

(b) any unoccupied building which was previously used in whole or in part as a dwelling and which constitutes a nuisance under section 561.01.

Sec. 3. Minnesota Statutes 1988, section 566.18, is amended by adding a subdivision to read:

<u>Subd.</u> 9. NEIGHBORHOOD ORGANIZATION. <u>"Neighborhood organization" means a nonprofit corporation incorporated under chapter 317 that satisfies clauses (1) and (2).</u>

The corporation shall:

(1) designate in its articles of incorporation or bylaws a specific geographic community to which its activities are limited; and

(2) be formed for the purposes of promoting community safety, crime prevention, and housing guality in a nondiscriminatory manner.

For purposes of this chapter, an action taken by a neighborhood organization with the written permission of a tenant means, with respect to a building with multiple dwelling units, an action taken by the neighborhood organization with the written permission of the tenants of a majority of the units.

Sec. 4. Minnesota Statutes 1988, section 566.19, is amended to read:

566.19 INSPECTION, NOTICE.

Subdivision 1. Upon demand by a tenant, <u>neighborhood organization with</u> the written permission of a tenant or, if a building is <u>unoccupied</u>, by a <u>neighborhood organization</u>, an inspection shall be made by the local authority charged with enforcing the code claimed to be violated.

Subd. 2. After an inspection of a building has been made upon demand by a tenant <u>or neighborhood organization with the written permission of a tenant</u>, the owner or the owner's agent and the complaining tenant <u>or neighborhood</u> <u>organization</u> shall be informed in writing by the inspector of any code violations discovered and a reasonable period of time shall be allowed in which to correct the violations.

Subd. 3. Where an inspection has been made, no action shall be brought pursuant to sections 566.18 to 566.33 except on expiration of the time thus granted without satisfactory repairs being accomplished to remove the code

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violations unless the tenant <u>or neighborhood organization with the written per-</u><u>mission of a tenant</u> shall allege the time is excessive.

Subd. 4. No action may be commenced pursuant to sections 566.18 to 566.33 by a tenant of a building in which a violation as defined in section 566.18, subdivision 6, clauses (b) or (c)<sub>4</sub> is alleged to exist or by a <u>neighborhood</u> organization with the written permission of a tenant of a building in which a violation as defined in section 566.18, subdivision 6, clause (b), is alleged to exist unless the owner is informed in writing of the alleged violation at least 14 days prior to the commencement of the action. The notice requirement may be waived upon a finding by the court that the owner cannot be located despite diligent efforts.

Sec. 5. Minnesota Statutes 1988, section 566.20, subdivision 1, is amended to read:

Subdivision 1. An action may be brought in county district court, or municipal court in the counties of Hennepin, Ramsey or St. Louis, by any tenant of a building in which a violation, as defined in section 566.18, subdivision 6, is alleged to exist, or by any <u>neighborhood organization with the written permission of a tenant of a building in which a violation, as defined in section 566.18, subdivision 6, clause (a) or (b), is alleged to exist, or by a neighborhood organization that has within its geographical area an unoccupied building in which a violation, as defined in section 566.18, subdivision 6, clause (a) or (b), is alleged to exist, or state, county or local department, or authority, charged with the enforcement of codes relating to health, housing, or building maintenance.</u>

Sec. 6. Minnesota Statutes 1988, section 566.25, is amended to read:

### 566.25 JUDGMENT.

Upon finding the complaint proved, the court may, in its discretion, do any or all of the following, either alone or in combination:

(a) Order the owner to remedy the violation or violations found by the court to exist if the court is satisfied that corrective action will be undertaken promptly; or

(b) Order the tenant to remedy the violation or violations found by the court to exist and deduct the cost from the rent subject to the terms as the court determines to be just; or

(c) Appoint an administrator with powers as set out in section 566.29, and

(1) direct that rents due:

(i) on and from the day of entry of judgment, in the case of petitioning tenants or <u>neighborhood</u> organizations, and

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(ii) on and from the day of service of the judgment on all other tenants and commercial tenants of the building, if any, shall be deposited with the administrator appointed by the court, and

(2) direct that the administrator use the rents collected for the purpose of remedying the violations found to exist by the court paying the debt service, taxes and insurance, and providing the services necessary to the ordinary operation and maintenance of the building which the owner is obligated to provide but fails or refuses to provide; or

(d) Find the extent to which any uncorrected violations impair the tenants' use and enjoyment of the premises contracted for and order the rent abated accordingly. Should the court choose to enter judgment under this paragraph the parties shall be informed and the court shall find the amount by which the rent shall be abated; and

(e) After termination of administration, continue the jurisdiction of the court over the building for a period of one year and order the owner to maintain the building in compliance with all applicable state, county, and city health, safety, housing, building, fire prevention, and housing maintenance codes; and

(e) (f) Grant any other relief the court deems just and proper, including a judgment against the owner for reasonable attorney fees, not to exceed \$500, in the case of a prevailing tenant or neighborhood organization. The \$500 limitation does not apply to awards made under section 549.21 or other specific statutory authority.

Sec. 7. Minnesota Statutes 1988, section 566.28, is amended to read:

## 566.28 EVICTION PROCEEDINGS BY OWNER LIMITED.

A tenant may not be evicted, nor may the tenant's obligations under a rental agreement be increased nor the services decreased, if the eviction or increase of obligations or decrease of services is intended as a penalty for the tenant's <u>or neighborhood organization's</u> complaint of a violation. The burden of proving otherwise shall be on the owner if said eviction or increase of obligations or decrease of services occurs within 90 days after the filing of the complaint, unless it is found that the complaint was not made in good faith. After 90 days the burden of proof shall be on the tenant.

Sec. 8. Minnesota Statutes 1989 Supplement, section 566.29, subdivision 1, is amended to read:

Subdivision 1. ADMINISTRATOR. The administrator may be a person, local government unit or agency, other than an owner of the building, the inspector, the complaining tenant or any person living in the complaining tenant's dwelling unit. If a state or court agency is authorized by statute, ordinance or regulation to provide persons or neighborhood organizations to act as admin-

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istrators under this section, the court may appoint such persons or <u>neighborhood</u> organizations as administrators to the extent they are available.

Sec. 9. Minnesota Statutes 1988, section 566.29, subdivision 3, is amended to read:

Subd. 3. The court may allow a reasonable amount for the services of administrators, and the expense of the administration from any rent moneys, or upon termination of administration, may enter judgment against the owner in a reasonable amount for the services and expenses incurred by the administrator.

Sec. 10. Minnesota Statutes 1989 Supplement, section 566.29, subdivision 4, is amended to read:

Subd. 4. POWERS. The administrator is authorized to:

(a) Collect rents from tenants and commercial tenants, evict tenants and commercial tenants for nonpayment of rent or other cause, rent enter into leases for vacant dwelling units on a month to month basis, rent vacant commercial units with the consent of the owner and exercise all other powers necessary and appropriate to carry out the purposes of Laws 1973, chapter 611;

(b) Contract for the reasonable cost of materials, labor and services necessary to remedy the violation or violations found by the court to exist and for the rehabilitation of the property in order to maintain safe and habitable conditions over the useful life of the property, and make disbursements for payment therefor from funds available for the purpose;

(c) Provide any services to the tenants which the owner is obligated to provide but refuses or fails to provide, and pay for them from funds available for the purpose;

(d) Petition the court, after notice to the parties, for an order allowing the administrator to encumber the premise to secure funds to the extent necessary to cover the cost of materials, labor, and services, <u>including reasonable fees for the administrator's services</u>, necessary to remedy the violation or violations found by the court to exist and for rehabilitation of the property in order to maintain safe and habitable conditions over the useful life of the property, and to pay for them from funds derived from the encumbrance; and

(e) Petition the court, after notice to the parties, for an order allowing the administrator to receive funds made available for this purpose by the municipality to the extent necessary to cover the cost of materials, labor, and services necessary to remedy the violation or violations found by the court to exist and for rehabilitation of the property in order to maintain safe and habitable conditions over the useful life of the property, and pay for them from funds derived from the municipal sources. The municipality shall recover disbursements by special assessment on the real estate affected, bearing interest at the rate deter-

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mined by the municipality, not exceeding the rate established for finance charges for open-end credit sales under section 334.16, subdivision 1, clause (b), with the assessment, interest and any penalties to be collected the same as special assessments made for other purposes under state statute or municipal charter.

Presented to the governor April 12, 1990

Signed by the governor April 16, 1990, 4:37 p.m.

## CHAPTER 452-S.F.No. 2489

An act relating to state lands; regulating certain leases and sales; authorizing the sale of certain tax-forfeited land in Koochiching, Lincoln, Otter Tail, and Pine counties; authorizing the private sale of certain state lands in Becker, Scott, Hubbard, and Fillmore counties; appropriating proceeds of the Scott county conveyance; authorizing the sale of certain surplus land in Lake county; authorizing the sale of certain trust fund land in St. Louis county; authorizing the sale of surplus land in Grant county for recreational purposes; authorizing the sale of certain wildlife land in Washington county to independent school district No. 834; amending Minnesota Statutes 1988, sections 92.46, subdivision 1; and 92.67, subdivisions 1 and 4.

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

Section 1. Minnesota Statutes 1988, section 92.46, subdivision 1, is amended to read:

Subdivision 1. PUBLIC CAMPGROUNDS. (a) The director may designate suitable portions of the state lands withdrawn from sale and not reserved, as provided in section 92.45, as permanent state public campgrounds. The director may have the land surveyed and platted into lots of convenient size, and lease them for cottage and camp purposes under terms and conditions the director prescribes, subject to the provisions of this section.

(b) A lease may not be for a term more than 20 years. The lease may allow renewal, from time to time, for additional terms of no longer than 20 years each. The lease may be canceled by the commissioner 90 days after giving the person leasing the land written notice of violation of lease conditions. The lease rate shall be based on the appraised value of leased land as determined by the commissioner of natural resources and shall be adjusted by the commissioner at the fifth, tenth, and 15th anniversary of the lease, if the appraised value has increased or decreased. For leases that are renewed in 1991 and following years, the lease rate shall be five percent of the appraised value of the leased land. The appraised value shall be the value of the leased land without any private improvements and must be comparable to similar land without any improvements within the same county. The minimum appraised value that the commissioner assigns

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