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appeal from the action of the public service commission in any such matter may be taken as provided by sections 216.24 and 216.25.

[For text of subds 5 to 11, see M.S.1978]

[1979 c 50 s 58.59]

CHAPTER 462. HOUSING, REDEVELOPMENT, PLANNING, ZONING

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462.357 Procedure for plan effectuation; zoning.

Subdivision 1. Authority for zoning. For the purpose of promoting the public health, safety, morals and general welfare, a municipality may by ordinance regulate the location, height, bulk, number of stories, size of buildings and other structures, the percentage of lot which may be occupied, the size of yards and other open spaces, the density and distribution of population, the uses of buildings and structures for trade, industry, residence, recreation, public activities, or other purposes, and the uses of land for trade, industry, residence, recreation, agriculture, forestry, soil conservation, water supply conservation, conservation of shorelands, as defined in section 105,485, access to direct sunlight for solar energy systems as defined in section 116H.02, flood control or other purposes, and may establish standards and procedures regulating such uses. No regulation may prohibit earth sheltered construction as defined in section 116H.02, subdivision 3, that complies with all other zoning ordinances promulgated pursuant to this section. The regulations may divide the municipality into districts or zones of suitable numbers, shape and area. The regulations shall be uniform for each class or kind of buildings, structures or land and for each class or kind of use throughout such district, but the regulations in one district may differ from those in other districts. The ordinance embodying these regulations shall be known as the zoning ordinance and shall consist of text and maps. A city may by ordinance extend the application of its zoning regulations to unincorporated territory located within two miles of its limits in any direction, but not in a county or town which has adopted zoning regulations; provided that where two or more noncontiguous municipalities have boundaries less than four miles apart, each is authorized to control the zoning of land on its side of a line equidistant between the two noncontiguous municipalities unless a town or county in the affected area has adopted zoning regulations. Any city may thereafter enforce such regulations in the area to the same extent as if such property were situated within its corporate limits, until the county or town board adopts a comprehensive zoning regulation which includes the area.

[For text of subds 2 to 5, see M.S.1978]

- Subd. 6. Appeals and adjustments. Appeals to the board of appeals and adjustments may be taken by any affected person upon compliance with any reasonable conditions imposed by the zoning ordinance. The board of appeals and adjustments has the following powers with respect to the zoning ordinance:
- (1) To hear and decide appeals where it is alleged that there is an error in any order, requirement, decision, or determination made by an administrative officer in the enforcement of the zoning ordinance.
- (2) To hear requests for variances from the literal provisions of the ordinance in instances where their strict enforcement would cause undue hardship because of circumstances unique to the individual property under consideration, and to grant such variances only when it is demonstrated that such actions will be in keeping with the spiriand intent of the ordinance. Undue hardship includes, but is not limited to, inadequate access to direct sunlight for solar energy systems. Variances shall be granted for earth sheltered construction as defined in section 116H.02, subdivision 3, when in harmony

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with the ordinance. The board of appeals and adjustments or the governing body as the case may be, may not permit as a variance any use that is not permitted under the ordinance for property in the zone where the affected person's land is located. The board or governing body as the case may be, may permit as a variance the temporary use of a one family dwelling as a two family dwelling. The board or governing body as the case may be may impose conditions in the granting of variances to insure compliance and to protect adjacent properties.

[For text of subds 7 and 8, see M.S.1978]

[Ex1979 c 2 s 42,43]

462.425 Municipal housing and redevelopment authority.

[For text of subds 1 to 5, see M.S.1978]

Subd. 6. Appointment; approval; term; vacancy. The commissioners constituting an authority shall be appointed by the mayor, with the approval of the governing body. Those initially appointed shall be appointed for terms of one, two, three, four, and five years, respectively. Thereafter all commissioners shall be appointed for five-year terms. Each vacancy in an unexpired term shall be filled in the same manner in which the original appointment was made. Any member of the governing body of a municipality may be appointed and may serve as a commissioner of the authority in and for the municipality. The council of any municipality which appoints members of the city council as commissioners may set the terms of office of the commissioner to coincide with his term of office as a council member.

[For text of subd 7, see M.S.1978]

[1979 c 180 s 1]

462.445 Powers, duties.

[For text of subds 1 to 4, see M.S.1978]

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Subd. 5. Exercise of powers. An authority may exercise all or any part or combination of the powers granted by sections 462.415 to 462.711 within its area of operation. Any two or more authorities may join or cooperate with one another in the exercise, either jointly or otherwise, of any or all of their powers for the purpose of financing, including the issuance of bonds, notes, or other obligations and giving security therefor, planning, undertaking, owning, constructing, operating, or contracting with respect to a housing project or projects located within the area of operation of any one or more of said authorities. For such purpose an authority may by resolution prescribe and authorize any other housing authority or authorities, so joining or cooperating with it, to act on its behalf with respect to any or all powers, as its agent or otherwise, in the name of the authority or authorities so joining or cooperating or in its own name.

A county or municipality may join or cooperate with any authority to permit the authority, on behalf of the county or municipality, to plan, undertake, administer, and carry out a leased existing housing assistance payments program, pursuant to Section 8 of the United States Housing Act of 1937 as amended, 42 United States Code Section 1437 f. A municipality may so join or cooperate with an authority unless there is an authority in the municipality which has been authorized by resolution under section 462.425 to transact business or exercise powers. A county may so join or cooperate with an authority unless (a) there is a county authority which has been authorized by resolution under section 462.426 to transact business or exercise powers, or the county is a member of a multicounty authority, and (b) the authority has initiated or has in progress an active program or has applied for federal assistance in a public housing or redevelopment program within 12 months after its establishment.

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[For text of subds 6 to 8, see M.S.1978]

Subd. 9. Rehabilitation loans and grants. An authority may develop and administer a housing rehabilitation loan and grant program with respect to property located anywhere within its boundaries, which property is owned by persons of low and moderate income, on such terms and conditions as it determines.

[1979 c 51 s 1; 1979 c 180 s 2]

462.545 Public redevelopment cost; proceeds; financing.

[For text of subds 1 to 4, see M.S.1978]

Subd. 5. Special benefit tax fund. In the event the authority shall issue bonds or other obligations to finance a redevelopment project, the authority may, in its discretion, with the consent of the governing body obtained at the time of the approval of the redevelopment plan as required in section 462.521, notify the county treasurer to set aside in a special fund, for the retirement of such bonds and interest thereon, all or part of the real estate tax revenues derived from the real property in the redevelopment area which is in excess of the tax revenue derived therefrom in the tax year immediately preceding the acquisition of such property by the authority, and it shall be the duty of the county treasurer so to do. Such setting aside of funds shall continue until the bonds or other obligations have been retired. The provisions of this subdivision shall not apply with respect to any property which the governing body has not by resolution designated for inclusion in a project prior to August 1, 1979.

[For text of subds 6 and 7, see M.S.1978]

[1979 c 322 s 12]

462.581 Municipality, powers as to projects.

For the purpose of aiding and cooperating in the planning, undertaking, construction, or operation of projects of authorities located within the area in which an authority is authorized to act, any state public body may upon such terms, with or without consideration, as it may determine:

- (1) Dedicate, sell, convey, or lease any of its interests in any property, or grant easements, licenses, or any other rights or privileges therein to an authority. Except in cities of the first class having a population of less than 200,000, the public body may pay the bonds of or make loans or contributions for redevelopment projects, and the receipt or expenditure of any moneys expended hereunder by such state public body shall not be included within the definition of any limitation imposed on per capita taxing or spending in the charter of such state public body; provided that no state public body may use any revenues or money of that state public body to pay the bonds of or make any loans or contributions to any public housing project; except that,
- (i) This proviso shall not be applicable to any public low-rent housing project for which financial assistance is provided by the federal government or any agency or instrumentality thereof which requires a municipality or other local public body to use its revenues or money for a direct loan or grant to such project as a condition for federal financial assistance where such local financial assistance for such project is authorized by resolution of the governing body of the municipality.
- (2) Cause parks, playgrounds, recreational, community, education, water, sewer or drainage facilities, or any other works which it is otherwise empowered to undertake, to be furnished adjacent to or in connection with such projects;
- (3) Approve (through its governing body or through an agency designated by it for the purpose) redevelopment plans, plan or replan, zone or rezone its parks; in the case of a city or town, make changes in its map; the governing body of any municipality may waive any building code requirements in connection with the development of projects;

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- (4) Cause services to be furnished to the authority of the character which it is otherwise empowered to furnish;
- (5) Enter into agreements with respect to the exercise by it of its powers relating to the repair, closing, or demolition of unsafe, unsanitary or unfit buildings;
- (6) Do any and all things necessary or convenient to aid and cooperate in the planning, undertaking, construction, or operation of such projects;
- (7) Incur the entire expense of any public improvements made by it in exercising the powers granted in sections 462.415 to 462.711;
- (8) Enter into agreements (which may extend over any period, notwithstanding any provision or rule of law to the contrary) with an authority respecting action to be taken by the state public body pursuant to any of the powers granted by sections 462.415 to 462.711; and
- (9) Furnish funds available to it from any source, including the proceeds of bonds, to an authority to pay all or any part of the cost to the authority of the activities authorized by section 462.445, subdivision 1, clause (7).

[1979 c 180 s 3]

462.585 Agreements respecting tax increments and equivalents; pledge for bonds.

[For text of subd 1, see M.S.1978]

- Subd. 2. Original taxable value. Upon or after approval of a redevelopment project of any housing and redevelopment authority under section 462.521, the auditor of the county in which it is situated shall upon request of the authority certify the assessed valuation of all taxable real property within the project area as then most recently determined, which is referred to in this section as the "original taxable value", and shall certify to the authority in each year thereafter the amount by which the original taxable value has increased or decreased, and the proportion which any such increase bears to the total assessed valuation of the real property for that year or the proportion which any such decrease bears to the original taxable value. The provisions of this subdivision shall not apply with respect to any redevelopment project, certification of which is requested subsequent to August 1, 1979.
- Subd. 3. Tax increments. In each subsequent year the county auditor shall include no more than the original taxable value of such real property in the assessed valuation upon which he computes the mill rates of all taxes levied by the state, the county, the municipality or town, the school district and every other taxing district in which the project area is situated; but he shall extend all mill rates so determined against the entire assessed valuation of such real property for that year. In each year for which the assessed valuation exceeds the original taxable value, the county treasurer shall remit to the authority, instead of the taxing districts, that proportion of all taxes paid that year on the real property in the project area which such excess valuation bears to the total assessed valuation. The amount so remitted each year is referred to in this section as the "tax increment" for that year. Tax increments received with respect to any redevelopment project shall be segregated by the authority receiving them in a special account on its official books and records until the public redevelopment cost of the project, including interest on all money borrowed therefor, has been fully paid, and the municipality or other public body in which the project is situated has been fully reimbursed from the tax increments or revenues of the project for any principal and interest on general obligation bonds which it has issued for the project and has paid from taxes levied on other property within its corporate limits. Such payment shall be reported to the county auditor, who shall thereafter include the entire assessed valuation of the project area in the assessed valuations upon which tax mill rates are computed and extended and taxes are remitted to all taxing districts. The provisions of this subdivision shall not apply with respect to any redevelopment project, certification of which is requested subsequent to August 1, 1979.
- Subd. 4. Tax increment financing. The authority may pledge and appropriate any part or all of the tax increments received for any redevelopment project, and any part or all of the revenues received from lands in the project area while owned by the

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authority, for the payment of the principal of and interest on bonds issued in aid of the project pursuant to sections 462.551, 462.581, or chapter 474, by the authority or by the governing body of the municipality or other state public body within whose corporate limits the project area is situated. Any such pledge for the payment of bonds issued by the governing body shall be made by written agreement executed on behalf of the authority and the governing body and filed with the county auditor. The estimated collections of the tax increments and any other revenues so pledged may be deducted from the taxes otherwise required to be levied before the issuance of the bonds under section 475.61, subdivision 1, or the collections thereof may be certified annually to reduce or cancel the initial tax levies in accordance with section 475.61, subdivision 3. When such an agreement is made and filed, the bonds may be issued by the governing body in the same manner and subject only to the same conditions as those provided in chapter 475 for bonds financing improvement costs reimbursable from special assessments. Bonds shall not be issued nor tax increments or other revenues pledged pursuant to this subdivision subsequent to August 1, 1979.

[1979 c 322 s 13-15]

CHAPTER 462A, HOUSING FINANCE AGENCY LAW OF 1971

Sec.		Sec.	
462A.02	Policy.	462A.09	Bonds and notes; resolutions authorizing,
462A.04	Housing finance agency.		additional terms, sale.
462A.05	Specific powers of the agency.	462A.21	Housing development fund; advances, use
462A.07	Additional powers and duties of the agen-		repayment.
	cy.	462A.22	Bond fund.

462A.02 Policy.

[For text of subds 1 to 9, see M.S.1978]

Subd. 10. It is further declared that supplies of conventional energy resources are rapidly depleting in quantity and rising in price and that the burden of these occurrences falls heavily upon persons of low and moderate income. These conditions are adverse to the health, welfare, and safety of the citizens of this state. It is further declared that it is a public purpose to ensure the availability of financing to be used by low and moderate income people to install in their dwellings reasonably priced energy conserving systems using alternative energy resources and equipment.

[Ex1979 c 2 s 44]

462A.04 Housing finance agency.

[For text of subds 1 to 8, see M.S.1978]

Subd. 8a. The approved complement of the Minnesota housing finance agency may be increased up to three unclassified positions for the purposes of Laws 1979, Chapter 306, Sections 1 to 16.

[For text of subd 9, see M.S.1978]

[1979 c 306 s 15]

462A.05 Specific powers of the agency.

[For text of subds 1 and 2, see M.S.1978]

Subd. 2a. It may make grants to sponsors or builders of multi-unit residential housing for occupancy by persons and families of low and moderate income. The grants shall only be made for the construction or rehabilitation of three bedroom apartment units or townhouse units of four bedrooms or more for large low and moderate income families. No grant shall exceed the amount of \$5,000 per unit. In making grants, the agency shall determine the circumstances under which and the terms and conditions