

CHAPTER 459

MUNICIPAL ACTIVITIES

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459.01 EMPLOYMENT BUREAUS.

Any city of the first class may establish and conduct an employment bureau, and provide by ordinance or otherwise for its regulation and maintenance by the city.

History: RL s 760 (1408)

459.02 BONDS FOR MUNICIPAL MARKET.

The governing body of any city of the first class in this state, now or hereafter existing, which city owns, maintains, and operates its own municipal market, is hereby authorized and empowered, for the purposes herein designated, to issue from time to time as needed the negotiable bonds of their respective cities to an amount in the aggregate not exceeding \$200,000; these bonds to be in such denominations and payable at such places and at such times, not exceeding 30 years from the date thereof, as may be deemed best. The bonds shall be in serial form and bear interest at a rate not to exceed six percent per annum, payable semiannually, at such place or places as shall be designated therein, and such governing body is further authorized to negotiate and sell such bonds from time to time to the highest bidder or bidders therefor; and upon the best terms that can be obtained therefor; provided, that no such bonds shall be sold for a less amount than the par value thereof and accrued interest thereon.

History: 1935 c 284 s 1 (1630-2 1/2r)

459.03 LIMITATIONS NOT TO APPLY.

The bonds authorized by section 459.02, or any portion thereof, may be issued and sold by any such city notwithstanding any limitation contained in the charter of such city or in any law of this state prescribing or fixing any limit upon the bonded indebtedness of such city. The governing body of any such city issuing these bonds shall set aside annually from the revenues of the operation of projects for which the bond issue herein is authorized, a sufficient amount to pay the interest on the bonds and the principal of any such bonds maturing in any such year; and in the event such revenue is insufficient for this purpose, the governing body of any such city issuing these bonds shall include in the tax levy a sufficient amount for the payment of such interest as it accrues and for the accumulation of a sinking fund for the redemption of such bonds at their maturity.

History: 1935 c 284 s 2 (1630-2 1/2s)

459.04 USE OF PROCEEDS.

The proceeds of any and all bonds issued or sold under the authority of sections 459.02 to 459.05 shall be used for the purchase or condemnation of a site or sites for the expansion, improvement and equipment of such municipal market, owned, maintained, and operated by any such city; provided, that no bonds in excess of the sum of \$200,000 shall be issued for such purposes.

History: 1935 c 284 s 3 (1630-2 1/2t)

459.05 ADDITIONAL POWERS.

The authority granted in sections 459.02 to 459.05 is in addition to all existing power and authority of any city operating under a home rule charter adopted in pursuance of the Constitution of the State of Minnesota, Article 4, Section 36.

History: 1935 c 284 s 4 (1630-2 1/2u)

459.06 MUNICIPAL AND MEMORIAL FORESTS.

Subdivision 1. **Accept donations.** Any county, city, or town in this state, by resolution of the governing body thereof, may accept donations of land that such governing body may deem to be better adapted for the production of timber and wood than for any other purpose, for a forest, and may manage the same on forestry principles. The donor of not less than 100 acres of any such land shall be entitled to have the same perpetually bear his or her name. The governing body of any city, or town in this state, when funds are available or have been levied therefor, may, when authorized by a majority vote by ballot of the voters voting at any general or special city election or town meeting where such question is properly submitted, purchase or obtain by condemnation proceedings, and preferably at the sources of streams, any tract of land for a forest which is better adapted for the production of timber and wood than for any other purpose, and which is conveniently located for the purpose, and manage the same on forestry principles; the selection of such lands and the plan of management thereof shall have the approval of the director of lands and forestry. Such city or town is authorized to levy and collect an annual tax of not exceeding one and two-thirds mills on the dollar of its assessed real estate valuation, in addition to all other taxes authorized or permitted by law, to procure and maintain such forests.

Subd. 2. **Tax forfeited lands.** Any county may by resolution of the county board set aside tax forfeited land which is more suitable for forest purposes than for any other purpose and dedicate said lands as a memorial forest and manage the same on forestry principles. Any moneys received as income from the land so dedicated and set aside may be expended from the forfeited tax fund for the development and maintenance of the dedicated forest.

Subd. 3. **Withdrawal of tax forfeited lands.** Any tax forfeited land which has been included in a memorial forest established in any county under the provisions of subdivision 2, and which is found more suitable for other purposes may by resolution of the county board be withdrawn from the forest for disposal as tax forfeited land if the commissioner of natural resources approves the sale of such land.

History: 1913 c 211 s 1; 1945 c 347 s 1; 1959 c 187 s 1; 1967 c 905 s 5; 1969 c 1129 art 10 s 2; 1973 c 123 art 5 s 7; 1973 c 773 s 1 (1933)

NOTE: See section 282.38.

459.07 CITIES MAY ESTABLISH MUNICIPAL FOREST.

Any city of the first class operating under the Constitution of the State of Minnesota, Article 4, Section 36, by resolution of the governing body thereof, may

purchase or obtain by condemnation proceedings, any tract or tracts of land bordering any lake, for a municipal forest and manage the same on forestry principles and may reserve any part of such land for use as a public bathing beach. The selection of such lands and the plans of management thereof, shall have the approval of the director of lands and forestry.

History: 1935 c 203 s 1; 1967 c 905 s 9 (1630-2 3/4)

459.08 [Repealed, 1976 c 44 s 70]

459.09 [Repealed, 1976 c 44 s 70]

459.10 [Repealed, 1976 c 44 s 70]

459.11 [Repealed, 1976 c 44 s 70]

459.12 [Repealed, 1976 c 44 s 70]

459.13 [Repealed, 1976 c 44 s 70]

459.14 AUTOMOBILE PARKING FACILITIES.

Subdivision 1. **Acquisition of property.** Any city of the second, third, or fourth class, however organized, and any statutory city may acquire by gift, lease, purchase or condemnation proceedings any real property within or without the corporate limits, or any interest therein, deemed by its governing body to be needed for improving the municipality's regulation and control of traffic on its streets, alleys and public grounds by providing, regulating and operating on-street or off-street parking lanes or areas, and may acquire by purchase or lease parking meters or other parking or traffic control devices and may devote any property already owned by the municipality and devoted to other purposes to be used as a parking lane or area and may construct, or otherwise provide, equip, maintain and operate automobile parking facilities and may expend municipal funds for these purposes. Where all the bonds issued for a given project are wholly payable from the net revenue of all such operations, the proceeds of such bonds may be used for the acquisition, construction or improvement of automobile parking facilities by a resolution adopted by the governing body without an election notwithstanding any charter or statutory provision to the contrary. The term "automobile parking facilities" as used in this section includes lots, lanes, garages, ramps or other structures and accessories, including such meters and devices; such facilities may be surface facilities above or under the ground. Provided that no product or service other than the parking of vehicles and the delivery thereof shall be dispensed or furnished at or in connection with any such parking facility. Provided, further, that the municipality shall not convert to a parking facility any land conveyed to it on a condition restricting its use to some other purpose.

Subd. 1a. **Minneapolis, application.** The provisions of this section shall apply in all respects to the city of Minneapolis, except that the authority granted thereby may be exercised by such a city only within its corporate limits.

Subd. 1b. **St. Paul, application.** The provisions of this section shall apply in all respects to the city of Saint Paul, except that the authority granted thereby may be exercised by such city only within its corporate limits.

Subd. 2. **Financing.** Any such municipality may pay for any portion of the cost of providing automobile parking facilities by:

(a) Appropriating moneys therefor as authorized in subdivision 1;

(b) Levying a tax, not exceeding one-sixth of one mill in any one year, on all taxable property in the municipality;

(c) Levying special assessments against benefited property;

(d) Appropriating any or all net revenues derived from the operation of its parking facilities;

(e) Classifying the users of such facilities as a subject for taxation, and imposing taxes thereon computed according to the extent of use of the facilities;

(f) Imposing reasonable rates, rents, fees and charges for the use of any on-street or off-street parking privilege or facility, which may be in excess of actual cost of operation, maintenance, regulation and supervision of parking at the particular location where the privilege is exercised;

(g) Leasing any off-street facilities at specified or determinable rents to be paid to the municipality under a lease made as hereinafter authorized and limited;

(h) Borrowing money and issuing bonds as authorized and limited by subdivision 3; or

(i) Any combination of all or any of the foregoing.

Subd. 3. Bonds. Any municipality to which this section applies may issue bonds for the acquisition, construction, or improvement of automobile parking facilities. Any such bonds shall be authorized and issued and sold in the manner prescribed by the laws of this state or the charter of the municipality for the issuance and authorization of bonds thereof for public purposes generally, except as in this section otherwise provided. The amount of all bonds issued by any such municipality under this section shall not be included in the net indebtedness of the municipality or in any computation of the outstanding indebtedness of the municipality for the purpose of determining the limit of its net indebtedness. Bonds so authorized and issued may be made payable wholly from general ad valorem taxes levied in sufficient amounts upon all taxable properties in the municipality, or wholly from special assessments levied upon properties within one or more parking, benefit districts, or wholly from the net revenues of operations of on-street and off-street facilities, not exceeding the portion of such net revenue available therefor under the charter of the municipality, or such bonds may be made payable from any combination of such sources of income, as specified and defined in the resolution or ordinance authorizing their issuance; provided that bonds may be issued pledging the faith and credit of the municipality for the payment without the prior approval of a majority of the voters of the municipality voting thereon at an election ordered by the governing body if special assessments have been or will be levied in an amount not less than 50 percent of the amount of such bonds; and provided further that where such bonds are payable wholly from the net revenues of all such operations, the bonds may be authorized, issued, and sold by a resolution adopted by the governing body without an election notwithstanding any charter or statutory provision to the contrary.

Subd. 4. Lease, rental charges. The governing body of any municipality providing automobile parking facilities under this section may make such other provisions for their operation and management as it may deem necessary, and it may lease and rent all or any off-street facilities to persons, firms or corporations to be used for purposes of automobile parking and fix the rentals to be charged therefor, and when so leased to regulate the rates and charges to be exacted for the services so provided, and which lease shall prohibit the sale or offer for sale by the lessee of any merchandise or supplies, including gasoline or oil, or the cleaning, repair or furnishing of services other than parking and delivery of automobiles. Such lease may require the lessee to make improvements to become the property of the municipality upon expiration or termination of the lease. The governing body may, in the alternative, employ any person, firm or corporation as operating manager and agent for the municipality to operate and maintain any such facility or facilities in behalf of the municipality under a contract defining the terms of such employment.

Subd. 5. **Licenses.** In event of establishment of parking facilities at or near the municipality's boundaries, the governing body may provide and regulate by licensing or by its own operations, transportation between the same and business centers.

Subd. 6. **Powers, how exercised.** Except as otherwise specified in this section, any and all powers granted or confirmed by this section may be exercised by the governing body by ordinance or resolution. Any municipal action regulating or prohibiting parking or traffic on streets, alleys or other public highways, or which establishes rates, fees, charges or taxes for on-street parking, or penalties for violation of such regulations or prohibitions, shall be by ordinance. Any such ordinance may provide that the presence of a vehicle in or upon any public street, alley or highway in the municipality, stopped, standing or parked in violation of such ordinance, shall be prima facie evidence that the person in whose name such vehicle is registered as owner committed or authorized the commission of such violation.

Subd. 7. **Special assessments, hearing.** An automobile parking facility is a local improvement within the meaning of sections 429.011 to 429.091 and, except as otherwise provided in this section, may be financed in whole or in part by special assessments levied in accordance with those sections. In apportioning such special assessments, the governing body shall take into consideration the improvements on the land and the present and potential use of the respective lots, pieces or parcels during the anticipated period of usefulness of the facility providing the benefits. If the governing body in levying such assessments determines that all or part of the benefited property is benefited to a lesser extent than other property, it may establish separate benefit districts for an improvement each comprising property benefited to a like extent, whether or not contiguous, and may provide either a different rate of assessment or, in lieu thereof, a different number of installments payable at such times as the governing body shall determine, subject only to the condition that the assessments for such benefit districts be made payable at such times as will permit the use thereof for payment of principal of and interest on any bonds issued for the improvement with respect to which they are levied. Interest on the unpaid balance of assessments levied under this subdivision shall be payable semiannually with other taxes levied on such property.

History: 1919 c 281 s 1; 1947 c 621 s 1; 1953 c 675 s 1; 1955 c 259 s 1; 1955 c 873 s 1,2; 1965 c 877 s 6; 1967 c 288 s 1,2; 1967 c 669 s 1; 1973 c 123 art 5 s 7; 1973 c 292 s 1; 1973 c 773 s 1; 1980 c 509 s 167 (1933-3)

459.15 PUBLIC REST ROOMS.

All statutory cities and cities of the fourth class in the state may, at the discretion of their respective governing bodies, provide and maintain in or near the business center of the city a public rest room; such rest room shall be furnished with a suitable number of chairs and tables; shall be heated and lighted between the hours of ten o'clock in the forenoon and six o'clock in the afternoon; the entrance thereto shall be from a public street and there shall be placed on or over the entrance thereto a sign bearing the words "PUBLIC REST ROOM."

History: 1921 c 294 s 1; 1933 c 169; 1973 c 123 art 5 s 7 (1933-5)

459.16 FACILITIES FOR WOMEN AND CHILDREN.

There shall be provided and at all times maintained in connection with such rest room suitable toilet facilities for women and children.

History: 1921 c 294 s 2 (1933-6)

459.17 FREE USE OF; DEFILING, DESTROYING; SANITARY CONDITION.

Such rest rooms, toilet, and lavatories shall be open to free use and enjoyment by the public subject to such reasonable rules and regulations as may be prescribed by the city council. The city council is hereby authorized to provide by ordinance for the punishment of any person wilfully defiling any such premises or injuring or destroying any property used in connection with such rest room. Such rest room and the toilets and lavatories and the accessories thereto shall at all times be kept and maintained in a clean, neat, and sanitary condition.

History: 1921 c 294 s 3; 1973 c 123 art 5 s 7 (1933-7)

459.18 LOCATION IN HOTEL OR OTHER PUBLIC BUILDING.

It shall be deemed a compliance with the provisions of sections 459.15 to 459.18 for any city to make arrangements with the proprietor of any hotel or any other public building for the furnishing by the latter to the public without charge of the facilities hereinbefore specified by permitting the public to use the hotel lobby or other public room as a rest room and likewise permitting the public to use the toilet and lavatory facilities of such hotel. In such case there shall be placed on or near the entrance of any such hotel in plain and conspicuous words a sign reading "PUBLIC REST ROOM" and the premises, toilet, and lavatories shall in such case be kept and maintained in a neat, clean, and sanitary condition and the rest room shall be lighted and warmed as specified in section 459.17.

History: 1921 c 294 s 4; 1973 c 123 art 5 s 7 (1933-8)

459.20 AUTHORITY OVER PUBLIC WATERS.

The governing body of any home rule charter or statutory city or town in the state has, with respect to any body of water situated wholly within its boundaries, all the powers to improve and regulate the use of such body of water as are conferred on county boards by sections 378.31 and 378.32, and to establish and administer lake improvement districts under sections 378.41 to 378.57. With respect to any body of water situated wholly within the contiguous boundaries of two or more home rule charter or statutory cities or towns or any combination thereof, the city councils and town boards may, under the provisions of section 471.59, jointly exercise such powers to improve and regulate the use of the body of water as are conferred on county boards by sections 378.31 and 378.32, and to establish and administer lake improvement districts as provided under sections 378.41 to 378.57, provided that, no home rule charter or statutory city or town may establish and administer a lake improvement district or exercise any of the powers granted in this section if a lake improvement district covering the same territory has been created by a county board under sections 378.41 to 378.57. References in sections 378.31 to 378.35 and 378.41 to 378.57 to the county board shall be construed to refer to the governing body of a home rule charter or statutory city or the board of supervisors of a town.

History: 1973 c 123 art 5 s 7; 1973 c 702 s 24; 1975 c 311 s 1; 1978 c 726 s 17

459.31 PROGRAMS FOR MUNICIPAL COMMERCIAL REHABILITATION LOANS.

Subdivision 1. Findings and purpose. The legislature of the state of Minnesota finds that in many cities within the state there are small and medium sized commercial buildings which are physically deteriorating and in need of rehabilitation; that there is a need for city programs for the rehabilitation of these commercial buildings; that some owners of small and medium sized commercial buildings are

unable to afford rehabilitation loans in the private mortgage market and that the health, safety and general welfare and the preservation of the quality of life of the residents of Minnesota cities are dependent upon the preservation and rehabilitation of these commercial buildings.

Subd. 2. Authorization. To accomplish the purposes specified in subdivision 1, the governing body of any city, however organized, may, by ordinance, establish and provide for the administration of a commercial building loan program to rehabilitate and preserve small and medium sized commercial buildings located within its boundaries, upon making the following findings:

(1) that commercial buildings in the city are physically deteriorating, underused, economically inefficient or functionally obsolete, and in need of rehabilitation to meet applicable building codes;

(2) that there is a need for a comprehensive program for the rehabilitation of the buildings to prevent economic and physical blight and deterioration, to increase the municipal tax base, and, if the city has adopted a comprehensive plan, to assist in the implementation of the comprehensive plan of the municipality;

(3) that some owners of small and medium sized commercial buildings in the city are unable to afford rehabilitation loans on terms available in the private mortgage market or to obtain rehabilitation loans on any terms because the private mortgage market is severely restricted; and

(4) that the health, safety and general welfare and the preservation of the quality of life of the residents of the city are dependent upon the preservation and rehabilitation of the small and medium sized commercial buildings. In no case shall any governing body include the making of grants as a part of a program authorized by this section. The program may include provisions for loans for rehabilitation and preservation purposes, secured by mortgages on the property with respect to which the loans are made, or by other security acceptable to the governing body of the city. Except as hereinafter provided, the loans may be made on terms and conditions as authorized in the program. In approving applications for loans from a program, the following factors shall be considered:

(a) The availability and affordability of private mortgage credit;

(b) The availability and affordability of other governmental programs;

(c) Whether the building is required, pursuant to any court order, statute or ordinance, to be repaired, improved or rehabilitated; and

(d) Whether the proposed improvements will result in conformance with building and zoning codes and improvement of the aesthetic quality of existing commercial areas.

Subd. 3. Limitations. A loan program shall be operated within the following limitations:

(1) The terms and conditions of all loans made under the program shall be fixed so that the sum of all repayments of principal and interest on them, not then delinquent, and all fees and charges collected, together with other sums to be contributed by the city, shall, over the duration of the program, be estimated to be equal to or greater than the sum of all estimated costs of the program, as determined by the program administrator and approved by the governing body of the city, including administrative costs, mortgage foreclosure costs, and principal and interest payments on bonds issued to finance the program to the extent not paid from bond proceeds;

(2) No loan shall be made for a period exceeding 20 years;

(3) No loan shall exceed 80 percent of the estimated market value of the property to be rehabilitated upon completion of the rehabilitation, less the principal

balance of any prior mortgage existing on the property at the time the loan is made; and

(4) No loan shall be made in excess of \$200,000 for the rehabilitation of any particular small or medium sized commercial building.

Subd. 4. **Administration.** The municipality may administer the program directly or may contract with any qualified public or private nonprofit agency or enterprise for some or all of the services required. The ordinance establishing the program shall provide for the adoption of program regulations which shall include a definition of "small and medium sized commercial buildings", loan eligibility and loan priority criteria, loan amount limitations and other provisions as deemed necessary.

History: 1982 c 590 s 1

459.32 HOUSING AND REDEVELOPMENT AUTHORITY ACTING ON BEHALF OF CITY.

A housing and redevelopment authority of a city or county may exercise any or all of the powers conferred by sections 459.31 to 459.33 on behalf of a city, if the city by ordinance authorizes it.

History: 1982 c 590 s 2

459.33 BONDS FOR MUNICIPAL COMMERCIAL REHABILITATION LOAN PROGRAM.

Subdivision 1. **Revenue bonds.** Notwithstanding any contrary provision of other law or charter, the governing body of any city operating a program under section 459.31 may, by resolution, authorize, issue and sell revenue bonds or obligations payable solely from all or a portion of the revenues derived from or other contributions to the program. The bonds or obligations shall mature as determined by resolution of the governing body of the city in accordance with the limitations of section 459.31, subdivision 3.

The bonds or obligations may

- (a) be issued in one or more series,
- (b) bear a date or dates,
- (c) bear interest at a rate or rates,
- (d) be in the denomination or denominations,
- (e) be either coupon or registered,
- (f) carry conversion or registration privileges,
- (g) have rank or priority,
- (h) be executed in the manner,
- (i) be payable at the place or places, and
- (j) be subject to the terms of redemption, with or without premium,

as the resolution, its trust indenture or mortgage may provide. The bonds or obligations may be sold at public or private sale at the price or prices the governing body of the city by resolution shall determine, and notwithstanding any contrary provision of any other law, shall be fully negotiable. In any suit, action, or proceedings involving the validity or enforceability of any bonds or obligations of the city or their security, any bond reciting in substance that it has been issued by the city to aid in financing a commercial rehabilitation loan program shall be conclusively deemed to have been issued for that purpose, and the program shall be conclusively deemed to have been authorized, established and carried out in accordance with the purposes and provisions of section 459.31. Neither the city nor

any council member, board member, director, commissioner, officer, employee or agent of the governing body of the city nor any person executing the bonds shall be liable personally on the bonds by reason of their issuance. The bonds or obligations may be further secured by a pledge or mortgage on the property with respect to which loans are made and in aid of which the bonds are issued and by covenants as the governing body of the city shall deem to be necessary and proper to secure payment of the bonds. The bonds or obligations, and they shall so state on their face, shall not be payable from nor charged upon any funds other than the revenues and properties pledged or mortgaged to their payment, nor shall the issuing city be subject to any liability on them or have the powers to obligate itself to pay or pay the bonds from funds other than the revenues and properties pledged and mortgaged and no holder of the bonds or obligations shall ever have the right to compel any exercise of any taxing power of the issuing city or any other public body to pay the principal of or interest on the bonds or obligations, nor to enforce payment of them against any property of the city or other public body other than that expressly pledged or mortgaged for their payment.

Subd. 2. Use of bond proceeds. The proceeds of the revenue bonds or obligations may be used

- (a) to make loans in accordance with a program,
- (b) to establish a fund from which loans may be made in accordance with a program,
- (c) to establish reserves for the payment of the bonds and interest on them,
- (d) to pay all of the interest coming due on the bonds until the money derived from loan repayments is sufficient for the purpose, and
- (e) to pay costs of issuance.

Subd. 3. Security for bonds. The city may pledge any mortgages securing loans made under the program and all principal and interest payments to be received under them to the payment of revenue bonds or obligations issued under this section, may make other covenants with respect to them, future mortgages or other matters as deemed necessary for the security of the revenue bonds or obligations, and may assign all of its rights under the mortgages to a trustee for bond holders and enter into an indenture of trust for this purpose, containing other terms and provisions and conferring powers on the trustee as considered necessary for the security of the bonds or obligations.

Subd. 4. Additional security for bonds. The governing body of the city shall not amend the regulations adopted by ordinance and in effect at the time any bonds or obligations authorized by sections 459.31 to 459.33 are issued, to the detriment of the holder of the bonds or obligations.

History: 1982 c 590 s 3

459.34 OTHER LEGISLATION.

The authority granted in sections 459.31 to 459.33 is in addition to all existing power and authority of any city.

History: 1982 c 590 s 4

459.35 FEDERAL LIMITATION ACT.

Sections 474.16 to 474.23 apply to any issuance of obligations under chapter 459 which are subject to limitation under a federal limitation act as defined in section 474.16, subdivision 5.

History: 1984 c 582 s 10

NOTE: This section is repealed effective January 1, 1986. See Laws 1984, chapter 582, section 23.