

504B.445 ADMINISTRATOR.

Subdivision 1. **Appointment.** The administrator may be a person, local government unit or agency, other than a landlord of the building, the inspector, the complaining residential tenant, or a person living in the complaining residential 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 administrators under this section, the court may appoint them to the extent they are available.

Subd. 2. **Posting bond.** A person or neighborhood organization appointed as administrator shall post bond to the extent of the rents expected by the court to be necessary to be collected to correct the violation or violations. Administrators appointed from governmental agencies shall not be required to post bond.

Subd. 3. **Expenses.** The court may allow a reasonable amount for the services of administrators and the expense of the administration from rent money. When the administration terminates, the court may enter judgment against the landlord in a reasonable amount for the services and expenses incurred by the administrator.

Subd. 4. **Powers.** The administrator may:

(1) collect rents from residential and commercial tenants, evict residential and commercial tenants for nonpayment of rent or other cause, enter into leases for vacant dwelling units, rent vacant commercial units with the consent of the landlord, and exercise other powers necessary and appropriate to carry out the purposes of sections 504B.381 and 504B.395 to 504B.471;

(2) contract for the reasonable cost of materials, labor, and services including utility services provided by a third party necessary to remedy the violation or violations found by the court to exist and for the rehabilitation of the property to maintain safe and habitable conditions over the useful life of the property, and disburse money for these purposes from funds available for the purpose;

(3) provide services to the residential tenants that the landlord is obligated to provide but refuses or fails to provide, and pay for them from funds available for the purpose;

(4) petition the court, after notice to the parties, for an order allowing the administrator to encumber the property to secure funds to the extent necessary to cover the costs described in clause (2), including reasonable fees for the administrator's services, and to pay for the costs from funds derived from the encumbrance; and

(5) petition the court, after notice to the parties, for an order allowing the administrator to receive funds made available for this purpose by the federal or state governing body or the municipality to the extent necessary to cover the costs described in clause (2) and pay for them from funds derived from this source.

The municipality shall recover disbursements under clause (5) by special assessment on the real estate affected, bearing interest at the rate determined by the municipality, but not to exceed the rate established for finance charges for open-end credit sales under section 334.16, subdivision 1, clause (b). The assessment, interest, and any penalties shall be collected as are special assessments made for other purposes under state statute or municipal charter.

Subd. 5. **Termination of administration.** At any time during the administration, the administrator or any party may petition the court after notice to all parties for an order terminating the administration on the ground that the funds available to the administrator are insufficient to

effect the prompt remedy of the violations. If the court finds that the petition is proved, the court shall terminate the administration and proceed to judgment under section 504B.425, paragraph (e).

Subd. 6. **Residential building repairs and services.** The administrator must first contract and pay for residential building repairs and services necessary to keep the residential building habitable before other expenses may be paid. If sufficient funds are not available for paying other expenses, such as tax and mortgage payments, after paying for necessary repairs and services, the landlord is responsible for the other expenses.

Subd. 7. **Administrator's liability.** The administrator may not be held personally liable in the performance of duties under this section except for misfeasance, malfeasance, or nonfeasance of office.

Subd. 8. **Dwelling's economic viability.** In considering whether to grant the administrator funds under subdivision 4, the court must consider factors relating to the long-term economic viability of the dwelling, including:

- (1) the causes leading to the appointment of an administrator;
- (2) the repairs necessary to bring the property into code compliance;
- (3) the market value of the property; and
- (4) whether present and future rents will be sufficient to cover the cost of repairs or rehabilitation.

History: 1999 c 199 art 1 s 68; 2004 c 275 s 3