The court shall grant the obligor's motion if it determines that there is no default.

#### Sec. 17. REPEALER.

Sections 1 to 16 are repealed on the date a waiver is received by the commissioner of human services under United States Code, title 42, section 666(d). The commissioner of human services shall seek such a waiver immediately after enactment of sections 1 to 16.

Approved April 21, 1988

## CHAPTER 594—S.F.No. 1608

An act relating to the city of Minneapolis; updating references in its development laws; authorizing small business loans; amending Laws 1980, chapter 595, section 3, subdivisions 1, as amended, 3, 6, and 7; and section 4.

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

Section 1. Laws 1980, chapter 595, section 3, subdivision 1, as amended by Laws 1985, chapter 194, section 29, is amended to read:

Subdivision 1. Notwithstanding any contrary law or provision of the Minneapolis city charter, the city council may exercise the powers presently, or hereafter granted to a governmental agency or subdivision by Minnesota Statutes, Chapters 458 and 462 sections 469.001 to 469.068 except the power to operate and maintain public housing as provided in Minnesota Statutes, Chapter 462. The city council shall not exercise the powers contained in Minnesota Statutes, Chapter 462 sections 469.001 to 469.047 prior to the initial adoption of an ordinance provided for in section 2, subdivision 1, or this subdivision. Notwithstanding any contrary law or provision of the Minneapolis city charter, the agency or the Minneapolis housing and redevelopment authority or the Minneapolis industrial development commission may after approval by the city council by ordinance exercise any of the powers presently or hereafter granted to a governmental subdivision by Minnesota Statutes, Chapters 458, 462, 472, 472A, and 474 sections 469.001 to 469.068, 469.109 to 469.134, and 469.152 to 469.165. The city council or the agency or the Minneapolis housing and redevelopment authority or the Minneapolis industrial development commission may exercise the powers granted by this subdivision and any other development or redevelopment powers authorized by other laws, independently or in conjunction with each other as though all of the powers had been granted to a single entity, provided, however, that any project undertaken pursuant to authority granted by Minnesota Statutes, Chapter 458, 462, 472, 472A, sections 3 to 7, or 474 sections 469.001 to 469.068, 469.109 to 469.134, 469.136 to 469.140, and 469.152 to 469.165 is subject to all of the limitations contained within that chapter those sections.

#### New language is indicated by underline, deletions by strikeout.

Sec. 2. Laws 1980, chapter 595, section 3, subdivision 3, is amended to read:

Subd. 3. The city council may, upon the request of the department, levy a general ad valorem tax for any purpose for which a housing and redevelopment authority pursuant to Minnesota Statutes, Chapter 462 sections 469.001 to 469.047 may levy an ad valorem tax. The agency may levy a general ad valorem tax upon all taxable property in the city of Minneapolis for any economic development, housing, or redevelopment purpose for which the city council may levy a tax, or for which a housing and redevelopment authority pursuant to Minnesota Statutes, Chapter 462 sections 469.001 to 469.047 may levy a tax. The levy of this tax shall be in the same manner as for a tax levied by the city council. The tax levied by the agency pursuant to this subdivision shall not exceed three mills levied upon all taxable property in the city of Minneapolis, provided that this limitation shall not apply to any levy for the repayment of bonds or obligations of the agency.

Sec. 3. Laws 1980, chapter 595, section 3, subdivision 6, is amended to read:

Subd. 6. Notwithstanding any contrary law or provision of the Minneapolis city charter, the city council may, by resolution, transfer the control, authority, and operation of any project as defined in Minnesota Statutes, section 273.73 469.174, Subdivision 8, or any other program or project authorized by Minnesota Statutes, Chapter 462 sections 469.001 to 469.047, for the purpose of rehabilitation of housing units or for the purpose of providing public housing as provided in Minnesota Statutes, Chapter 462 sections 469.001 to 469.047, located within the city of Minneapolis, from the governmental agency or subdivision which established the project to any other governmental agency or subdivision established in whole or in part for the purpose of economic development housing or redevelopment within the city of Minneapolis, including the city council. The city council may also require acceptance of control, authority, and operation of the project by the governmental entity to which the transfer is intended. The governmental agency or subdivision to which the control, authority, and operation of the project is transferred, may exercise all of the powers and only the powers which the governmental unit which established the project could exercise with respect to the project.

Upon the transfer of a project or program, the receiving agency or body shall covenant and pledge to perform the terms, conditions, and covenants of bond indenture or other agreement executed for the security of any bonds issued by the governmental subdivision which initiated the project or program. The receiving governmental subdivision is granted by this act all powers necessary to perform the terms, conditions, and covenants of any indenture or other agreement executed for the security of bonds on which it shall become obligated by operation of this subdivision.

The powers authorized by this subdivision may be exercised only after

New language is indicated by <u>underline</u>, deletions by strikeout.

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either (a) the city council adopts the first ordinance exercising the powers granted pursuant to section 2, subdivision 1, or (b) the city council adopts the first ordinance granting to the Minneapolis housing and redevelopment authority or the Minneapolis industrial development commission powers authorized pursuant to section 3, subdivision 1.

Sec. 4. Laws 1980, chapter 595, section 3, subdivision 7, is amended to read:

Subd. 7. Notwithstanding any contrary law or provision of the Minneapolis city charter, the city council may, by resolution, require any governmental subdivision which is conducting a project as defined in Minnesota Statutes, section 273.73 469.174, Subdivision 8, or any other program or project authorized by Minnesota Statutes, Chapter 462 sections 469.001 to 469.047, for the purpose of rehabilitation of housing units or for the purpose of providing public housing as provided in Minnesota Statutes, Chapter 462 sections 469.001 to 469.047, within the city of Minneapolis, to contract for services for administration of the project or any portion of the project with any other governmental subdivision established in whole or in part for the purpose of economic development or redevelopment or housing within the city of Minneapolis, including the city council. The city council may also require the acceptance of the contract for services by the governmental subdivision intended to provide the service for administration.

The powers authorized by this subdivision may be exercised only after either (a) the city council adopts the first ordinance exercising the powers granted pursuant to section 2, subdivision 1, or (b) the city council adopts the first ordinance granting to the Minneapolis housing and redevelopment authority or the Minneapolis industrial development commission powers authorized pursuant to section 3, subdivision 1.

Sec. 5. Laws 1980, chapter 595, section 4, is amended to read:

Sec. 4. LIMITATIONS. The city council may, by ordinance, impose the following limitations upon the actions of the agency:

(a) That the sale of any or all bonds or obligations issued by the agency be approved before issuance by the city council by resolution.

(b) That the agency must follow the budget process for city departments as provided in the Minneapolis city charter and as implemented by the city council and mayor.

(c) That all official actions of the agency be consistent with the adopted comprehensive plan of the city of Minneapolis, and any official controls implementing the comprehensive plan.

(d) That the agency submit to the city council for approval by resolution any proposed project as defined in Minnesota Statutes, Section  $\frac{273.73}{469.174}$ , Subdivision 8.

# New language is indicated by <u>underline</u>, deletions by strikeout.

(e) That the agency submit all planned activities for influencing the action of any other governmental agency, subdivision, or body to the city council for approval by resolution.

(f) That the agency submit its administrative structure and management practices to the city council for approval by resolution.

(g) That the levy of any tax by the agency be approved by the city council by ordinance prior to the levy of the tax.

(h) Any other limitation or control established by the city council by ordinance.

Limitations imposed pursuant to this section shall not be applied in a manner which impairs the security of any bonds issued prior to the imposition of the limitation. The city council shall not amend any limitations in effect at the time any bonds or obligations are issued pursuant to this act to the detriment of the holder of the bonds or obligations. A determination by the city council that the limitations imposed pursuant to this section have been complied with by the agency shall be conclusive.

# Sec. 6. SMALL BUSINESS LOANS.

The city council or the agency may make or guarantee working capital loans in an aggregate principal amount not exceeding \$450,000 outstanding at any time, subject to such terms and conditions as established by ordinance by the city, to expanding small businesses which are located in the city for the purpose of increasing the tax base and providing employment opportunities within the city. As used in this subdivision, the term "small business" has the meaning given it in Minnesota Statutes, section 645.445, subdivision 2. This section expires June 30, 1991.

Sec. 7. LOCAL APPROVAL.

<u>Upon compliance with Minnesota Statutes, section 645.021, subdivision 3,</u> by the governing body of the city of Minneapolis, this act takes effect August 1, 1987.

Approved April 21, 1988

### CHAPTER 595-S.F.No. 1610

An act relating to advertising devices; providing for specific service signs relating to rural agricultural businesses and places of worship to be displayed along highways; amending Minnesota Statutes 1986, sections 160.292, subdivisions 2 and 10; 160.293, subdivisions 1 and 3; and 160.295, by adding a subdivision.

New language is indicated by underline, deletions by strikeout.

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