CHAPTER 548—S.F.No.1878

[Not Coded]

An act authorizing the city of Hopkins to create development districts within the corporate boundaries of the city; to acquire, construct, reconstruct, improve, alter, extend, operate, maintain and promote development programs to be carried out in each of the districts created; to authorize the city to issue bonds to carry out such development programs; to authorize the city and the county auditor to use the tax increment created in the development districts to pay off the principal and interest on such bonds; to authorize the city to operate pedestrian systems and special lighting and similar systems; to authorize the city to assess the cost of operations against the development districts; to authorize the city to lease space in structures and to lease or sell air rights over structures and to lease or sell property for private development.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **HOPKINS, CITY OF; DEVELOPMENT PROGRAM; PURPOSE.** In a mature city such as Hopkins, it is found that there is a need for new development in areas of the city which are already built up. This new development is crucial in providing employment opportunities for Hopkins citizens, in improving the tax base for the community, and in improving the general economy for the metropolitan area. Under this act, the city of Hopkins would be authorized to develop a program for improving a district of the city in such ways as providing impetus for commerical development, providing increased employment, protecting pedestrians from vehicle traffic and inclement weather, providing the necessary linkage between peripheral parking facilities and places of employment and shopping; providing off-street parking to serve the shoppers and employees of the district; providing open space relief within the district; and providing such other facilities as are outlined in the development program adopted by the governing body. It is hereby declared by the legislature of the state of Minnesota that the actions required to assist the implementation of such development programs are a public purpose and that the execution and financing of such programs are a public purpose.

Sec. 2. **DEFINITIONS.** Subdivision 1. The terms defined in this section shall have the meanings given them unless otherwise provided or indicated by the context.

Subd. 2. A "development district" is a specific area within the corporate limits of the city of Hopkins which has been designated by the city council as a development district. Each district so designated shall be given a separate development district number.

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Subd. 3. A "development program" is a statement of objectives of the city of Hopkins for improvement of a development district. Such development program shall contain a complete statement as to the public facilities to be constructed within the district, the open space to be created, the environmental controls to be applied, the proposed reuse of private property, and the proposed operations of the district after the capital improvements within the district have been completed.

Subd. 4. "Pedestrian skyway system" means any system of providing for pedestrian traffic circulation, mechanical or otherwise, elevated aboveground, within and without the public right of way, and through or above private property and buildings, and includes overpasses, bridges, passageways, walkways, concourses, hallways, corridors, arcades, courts, plazas, elevators, escalators, heated canopies, and accesses and all fixtures, furniture, signs, equipment, facilities, services, and appurtenances which in the judgment of the city council of the city of Hopkins will enhance the movement, safety, security, convenience and enjoyment of pedestrians and benefit the city and adjoining properties.

Subd. 5. "Special lighting systems" means lights or light displays of any type located within or without the public right of way.

Subd. 6. "Parking structure" shall mean any building the principal use of which is designed for and intended for parking of motor vehicles. Open air parking on parking lots shall also be construed as parking structures for the purpose of this act.

Subd. 7. "Maintenance and operation" shall include all activities necessary to maintain facilities after they have been developed and all activities necessary to operate the facilities including but not limited to informational and educational programs, and safety and surveillance activities.

Sec. 3. **AUTHORITY GRANTED.** The city of Hopkins may after recommendation from its planning agency and after public hearings, notice of which shall have been published in a newspaper of general distribution, adopt development districts within the boundaries of the city of Hopkins. Within said districts, the city may adopt a development program consistent with which the city may acquire, construct, reconstruct, improve, alter, extend, operate, maintain, and promote developments aimed at improving the physical facilities, quality of life and quality of transportation. The city may acquire land or easements through negotiation or through powers of eminent domain. The city council may adopt ordinances regulating traffic in pedestrian skyway systems, public parking structures, and other facilities constructed within the development district. The city council may pass ordinances regulating access to pedestrian skyway systems and the conditions under which such access is allowed.

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Traffic regulations may include but shall not be limited to direction and speed of traffic, policing of pedestrianways, hours that pedestrianways are open to the public, kinds of service activities that will be allowed in arcades, parks and plazas, fares to be charged on the people movers, and rates to be charged in the parking structures. The city shall have the power to require private developers to construct buildings so as to accommodate and support such pedestrian systems which are part of the program for the development district. When the city requires the developer to construct columns, beams or girders with greater strength than required for normal building purposes, the city shall reimburse the developer for the added expense. The city shall have the authority to install special lighting systems, special street signs and street furniture, special landscaping of streets and public property. The city shall have the authority to install special snow removal systems. The city shall have the power to acquire property for any and all purposes outlined in the development program for the district. The city shall have the power to lease air rights over public buildings and to spend public funds for constructing the foundations and columns in the public buildings strong enough to support the buildings to be constructed on air rights. The city shall have the authority to lease all or portions of basement, ground and second floors of the public buildings constructed in the district. The city shall have the authority to negotiate the sale or lease of property for private development if such development is consistent with the development program for the district.

Sec. 4. **TAX STATUS.** The pedestrian skyway system, underground pedestrian concourse, the people mover system, and public parking structures are all declared to be public property to be used for essential public and governmental purposes and such property shall be exempt from all taxes and special assessments of city, county, state, or any political subdivision thereof. Taxes do not include charges for utilities and special services such as heat, water, electricity, gas, sewage disposal, or garbage removal.

Sec. 5. **GRANTS.** The city of Hopkins may accept grants or other financial assistance from the government of the United States or any other entity to do studies, construct and operate the pedestrian skyway system, underground pedestrian concourses, people mover systems, and other public improvements authorized under this act.

Sec. 6. **ISSUANCE OF BONDS.** The city council of the city of Hopkins may issue bonds to finance all public improvements within the development districts together with all relocation costs incidental therewith in accordance with Minnesota Statutes, Chapter 475, Sections 475.53, 475.54, 475.55, 475.56, 475.61, 475.62, 475.63, 475.65, 475.66, 475.69, 475.70, and 475.71. Such bonds shall not be included when computing the city's net debt.

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Sec. 7. **TAX INCREMENTS TO PAY CAPITAL IMPROVE-MENT COSTS.** The city of Hopkins, if it exercises the powers of this act, shall certify to the auditor of Hennepin county each development district created under the act, giving the following information: a) legal description; b) total cost of bonds issued to develop the district; c) interest rate on bonds.

If the development program is carried out in stages, the city of Hopkins may amend the statement on bonds issued and interest rate being paid from time to time as required.

The county auditor shall distribute taxes from the affected property to each of the taxing authorities as follows:

(a) If the current taxable value is less than or the same as the original taxable value at the time the district was created, taxes as determined by the current levy;

(b) If the current taxable value exceeds the original taxable value at the time the district was created, taxes shall be distributed according to the original taxable value;

(c) The residue of taxes as collected, if any, shall be paid by the county auditor to the city of Hopkins. Said moneys shall be kept in a special account for the development district involved. Payments to the development district fund shall continue until total costs as indicated above have been paid into the fund. When the total costs have been paid into the development district fund, taxes shall be distributed according to the then current levies.

Sec. 8. **MAINTENANCE AND OPERATION.** Maintenance and operation of the pedestrian systems, special lighting systems, parking structures, and other public improvements constructed under provisions of this act shall be under the supervision of the administrator as designated in section 9 of this act. The cost of maintenance and operation of the nonrevenue facilities together with the excess costs of operation and maintenance of revenue producing facilities, if any, shall be charged against the development district in which it is located. The amount of assessment against each property within the district shall be in proportion to the benefit to the several properties within the district. By July 1 of each year, the administrator of the development districts shall submit to the city council the maintenance and operating budget for the following year, and the prorata share of the budget to be charged to each property in the district. The city council shall certify such assessments to the county auditor for collection.

Sec. 9. **ADMINISTRATION.** The city council of the city of Hopkins shall create within the city council's chief administrative office a department to administer all districts authorized under this

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act.   The head of this department shall under such rules as may be adopted by the city council have the following powers:

(a) To acquire property or easements through negotiation;

(b) To enter into operating contracts on behalf of the city for operation of any of the facilities authorized to be constructed under this act;

(c) To lease space to private individuals or corporations within the buildings constructed under the terms of this act;

(d) To lease or sell land and to lease or sell air rights over structures constructed under the authority of this act;

(e) To enter into contracts for construction of the several facilities or portion thereof authorized under this act;

(f) Contract with the housing and redevelopment authority in and for the city of Hopkins for relocation services;

(g) Certify to the city council for acquisition through eminent domain property that cannot be acquired by negotiation, but is required for implementation of the development program;

(h) Certify to the city council the amount of funds, if any, which must be raised through sale of bonds to finance the program for development districts;

(i) Apply for grants from the United States of America;

(j) Apply for grants from other sources.

Sec. 10.   **ADVISORY BOARD.** In its discretion, the city council may create and appoint an advisory board consisting of seven persons.   At least a majority of the members shall be owners or occupants of property located in the development district which they serve.   Such an advisory board would advise the city council and the administrator on the construction and implementation of the development program and maintenance and operation of the district after the development program has been completed.

Sec. 11.   **EFFECTIVE DATE.** This act is effective upon approval of the governing body of the city of Hopkins, and upon compliance with Minnesota Statutes, Section 645.021.

Sec. 12.   **SEVERABILITY CLAUSE.** If any provision, clause, or phrase of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be separable.

Approved May 26, 1971.

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