

palities owning airports. All municipalities owning airports are authorized to enter into contracts for the construction of hangars, and contracts with the commissioner for the financing of such hangar construction for such amount and period of time as may be determined by the commissioner and municipality. All receipts from the financing contracts shall be deposited in the hangar construction revolving account and are hereby reappropriated for the purpose of financing construction of hangar buildings. The commissioner may pay from the hangar construction revolving account 80 percent of the cost of financing construction of hangar buildings. For purposes of this clause, the "construction" of hangars shall include their design.

(7) The commissioner may pay a portion of the purchase price of any airport maintenance and safety equipment and of the actual airport snow removal costs incurred by any municipality. The portion to be paid by the state shall not exceed ~~one-half~~ two-thirds of the cost of such purchase price or snow removal. To receive such aid such municipality must enter into an agreement of the type referred to in clause (5) above.

(8) This subdivision shall apply only to project costs or acquisition costs of municipally owned airports which are incurred after June 1, 1971.

Approved May 24, 1973.

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## CHAPTER 761—H.F.No.2087

[Not Coded]

*An act relating to the city of Duluth, authorizing the city of Duluth to create development districts within the city boundaries; 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.*

Changes or additions indicated by underline, deletions by ~~strikeout~~.

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

**Section 1. DULUTH, CITY OF; DEVELOPMENT DISTRICTS PROGRAM; PURPOSE.** The physical structure of Duluth has reached the stage of development where significant changes are desirable to insure that certain districts retain or improve their commercial value. These changes are necessary to the citizens of Duluth in that they will provide employment opportunities for the citizens of the Duluth area, improve the tax base of the community, and help improve the general economy in the Duluth area. Under the terms of this act, the city of Duluth could designate certain areas as development districts and formulate a program for the development of these areas as modern commercial areas including various means of protecting pedestrians from climate and weather; the provision of off-street parking and the securing of pedestrian routes from such parking areas; the provision of open-space relief in the area; and such other facilities and development as may be necessary for the commercial improvement of the area and outlined in the development program for the designated area. 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 Duluth which has been designated by the city council as a development district. Each district so designated shall be given a separate development district number. No less than 60 percent of the area of any such district shall consist of land which has been platted and developed. The area of such district shall not be enlarged after three years following the date of designation of such district. At the time of the adoption of the first development district in the municipality, the governing body shall by formal action adopt one of the three following alternative restrictive options. Once the choice is made, the municipality must use the same option for all succeeding development districts.

(a) The total acreage included in any one development district shall not exceed one percent of the total acreage of the municipality. At no time shall the total current acreage within development districts for which unrecovered cost of bonds remain exceed three percent of the total acreage of the municipality.

(b) The total market value of taxable real property of any one development district when adopted shall not exceed five percent of the total market value of taxable real property in the municipality

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as then most recently certified by the county auditor. At no time shall the current total market value of taxable real property within development districts for which unrecovered cost of bonds remain exceed ten percent of the total market value of taxable real property in the municipality as most recently certified by the county auditor.

(c) The governing body may adopt one development district which shall not exceed six acres in area. At no time shall another development district be adopted by the governing body until all cost of bonds for the previously adopted district has been paid.

Subd. 3. A "development program" is a statement of objectives of the city of Duluth 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, malls, 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 Duluth will enhance the movement, safety, security, convenience and enjoyment of pedestrians and benefit the city and adjoining properties. The use of a public street or public right of way for pedestrian travel only constitutes a public use and shall not require a vacation of the street or right of way.

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.

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Sec. 3. **AUTHORITY GRANTED.** The city of Duluth may after consultation with its planning agency and after public hearings, notice of which shall have been published in the official newspaper of the municipality, or if the municipality has no official newspaper, in a newspaper of general distribution, adopt development districts within the boundaries of the city of Duluth. 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. In all such acquisitions the acquiring authority shall provide as a cost of acquisition the relocation assistance, services, payments and benefits required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 84 Stat. 1894 (1971), 42 United States Code, Section 4601, et seq. 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. 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.

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**Sec. 4. TAX STATUS.** The pedestrian skyway system, underground pedestrian concourse, the people mover system, and publicly owned 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 Duluth 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 Duluth may authorize, issue, and sell bonds which shall mature within 30 years from date of issue to finance the acquisition and betterment of real and personal property needed to carry out the development program within the development district together with all relocation costs incidental hereto in accordance with Minnesota Statutes, Sections 475.51, 475.53, 475.54, 475.55, 475.56, 475.60, 475.61, 475.62, 475.63, 475.65, 475.66, 475.69, 475.70, and 475.71. All tax increments received by the municipality pursuant to section 7 shall be pledged for the payment of such bonds and used to reduce or cancel the taxes otherwise required to be extended for that purpose, and the bonds shall not be included when computing the municipality's net debt.

**Sec. 7. TAX INCREMENTS TO PAY CAPITAL IMPROVEMENT COSTS.** The city of Duluth, if it exercises the powers of this act, shall certify to the auditor of St. Louis 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 Duluth 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 same as the original taxable value at the time the district was created, taxes are 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

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in the proportion that the original taxable value bears to the current taxable value;

(c) The residue of taxes as collected, referred to herein as the tax increment, if any, shall be paid by the county auditor to the city of Duluth. 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.** Notwithstanding contrary provisions of state law, local law, or city charter, the city council of the city of Duluth shall create a department or designate an existing department or office to administer all districts authorized under this 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;

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(f) Contract with the housing and redevelopment authority in and for the city of Duluth 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 council of the city of Duluth, and upon compliance with Minnesota Statutes, Section 645.021.

Approved May 24, 1973.

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## CHAPTER 762—H.F.No.2093

[Coded in Part]

*An act relating to charitable organizations; solicitation; limitations and prohibitions; licensing and bonding of professional fund raisers; disclosures required; amending Minnesota Statutes 1971, Sections 309.50, Subdivisions 2, 3, 5, and by adding subdivisions; 309.52, Subdivision 1; 309.53, Subdivision 1; 309.54, Subdivision 1; 309.55, by adding subdivisions; 309.555; 309.56; 309.58; 309.60; and Chapter 309, by adding sections; repealing Minnesota Statutes 1971, Section 309.51.*

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

Section 1. Minnesota Statutes 1971, Section 309.50, Subdivision 2, is amended to read:

Changes or additions indicated by underline, deletions by ~~strikeout~~.