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**CHAPTER 619-H.F.No.1790**

*An act relating to public employment labor relations; allowing employees alternate remedies in grievance proceedings or civil service appeals; amending Minnesota Statutes 1976, Section 179.70, Subdivision 1.*

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

Section 1. Minnesota Statutes 1976, Section 179.70, Subdivision 1, is amended to read:

179.70 **CONTRACTS; GRIEVANCES; ARBITRATION.** Subdivision 1. A written contract or memorandum of contract containing the agreed upon terms and conditions of employment and such other matters as may be agreed upon by the employer and exclusive representative shall be executed by the parties. The duration of the contract shall be negotiable except in no event shall contracts be for a term exceeding three years. Any contract between employer school board and an exclusive representative of teachers shall in every instance be for an initial term of one year commencing on July 1, 1974, through June 30, 1975, and thereafter for a term of two years beginning on July 1 of each odd-numbered year. All contracts shall include a grievance procedure which shall provide compulsory binding arbitration of grievances. In the event that the parties cannot reach agreement on the grievance procedure, they shall be subject to the grievance procedure promulgated by the director pursuant to section 179.71, subdivision 5, clause (i). Employees covered by civil service systems created pursuant to Minnesota Statutes, Chapters 44, 375, 387, or 419 may pursue a redress of their grievances through the grievance procedure established pursuant to this section. When the resolution of a grievance is also within the jurisdiction of appeals boards or appeals procedures created by Minnesota Statutes, Chapters 44, 375, 387, or 419 the grieving employee shall have the option of pursuing redress through the grievance procedure or the civil service appeals procedure, but once a written grievance or appeal has been properly filed or submitted by the employee or on the employee's behalf with his consent the employee's right to pursue redress in the alternative manner is terminated. This section does not require employers or employee organizations to negotiate on matters other than terms and conditions of employment as defined in section 179.63, subdivision 18.

Sec. 2. This act is effective the day following final enactment.

Approved March 28, 1978.

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**CHAPTER 620-H.F.No.1803**

[Coded]

*An act relating to taxation; property tax; providing for delay in increased valuation on*  
**Changes or additions indicated by underline deletions by ~~strikeout~~**

*certain rehabilitation projects.*

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

Section 1. ~~[273.1105]~~ **DELAYED VALUATION OF CERTAIN IMPROVEMENTS.** Subdivision 1. Notwithstanding other provisions of law dealing with assessed valuation of real property, there shall be no increase in the assessed valuation of a multiple unit residential building based on the improvements made during rehabilitation of the building during the rehabilitation year or any of the five years following the rehabilitation if the building meets the criteria set forth in subdivision 2. After the fifth year following rehabilitation, the building will be valued as are other buildings in the same property class in that taxing district.

Subd. 2. To qualify for valuation pursuant to subdivision 1, the owner of a building shall apply to the assessor prior to commencing a rehabilitation project. The assessor shall approve treatment pursuant to subdivision 1 for a building if: (a) the building is more than 25 years old; (b) the anticipated rehabilitation costs, which are those expenses incurred in the process of renovation, including labor, materials, and management costs, exceed 60 percent of the estimated market value of the building at the time when the application is made; (c) the rehabilitation is completed within one year and prior to the January 2 assessment date; (d) the building contains more than three rental units; (e) the building is not used as a hotel or motel in which the rental units are used by tenants for rental periods of less than 30 days; (f) the property is not classified pursuant to Minnesota Statutes, Section 273.13, Subdivisions 17, 17a or 17b; (g) not more than 25 percent of the residential units in the building are subsidized through section 8 of the U.S. Housing Act of 1937, 42 USC 1437(f); and (h) limits the rehabilitation to the original structure.

Subd. 3. Any increase in value of a building approved for treatment pursuant to subdivision 1 which results from a general rise in value of similar buildings of the same class throughout the taxing district or from improvements made to the building which were not part of the rehabilitation program submitted to the assessor for his approval shall be added to the assessed valuation of the building.

Subd. 4. Each assessor who grants the delayed assessment treatment provided in this section shall maintain records of the location and number of the buildings which qualify and the amount of value added by the rehabilitation. The governing body of each municipality in which qualifying property is located shall review that information and evaluate the impact of the program in the municipality, particularly with respect to its effect on the municipality's tax base and mill rate during the course of the program and its completion. This review shall be completed within six months after the delayed assessment of all property subject to the provisions of this section in the municipality has terminated.

Sec. 2. ~~[273.1105]~~ **[Subd. 5.] EFFECTIVE DATE.** This act is effective for taxes levied in 1978 and thereafter, payable in 1979 and thereafter, and shall expire for taxes levied in 1983, payable in 1984 and thereafter; provided that any project approved prior to the expiration of this section shall continue to receive treatment pursuant to subdivision 1 until the end of the fifth year following the rehabilitation year.

Approved March 28, 1978.

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