

blank to be filled out by the person, firm, or corporation, for a license therefor, which shall require the applicant to state the full name and address of the owner of the building, structure, or enclosure, the lessee and manager of the hotel, motel, restaurant, lodging house, boarding house, or resort, or place of refreshment, the location of the same, the name under which the business is to be conducted, and any other information as may be required therein by the state commissioner of health to complete the application for license. The application shall be accompanied by a license fee as hereinafter provided.

For hotels, motels, lodging houses, and resorts the license fee may be graduated according to the number of sleeping rooms and the amount of the fees shall be prescribed by the state commissioner of health pursuant to section 144.122.

For restaurants, places of refreshment, and boarding houses the license fee may be based on the average number of employees. If the license fee is so computed, the commissioner shall consider each full time employee as one employee and each part time employee as that fraction of one employee as the number of months in which he is employed is to the 12 months of the year. Employees shall include all persons, except children of the licensee under the age of 18, at work in any capacity, either voluntary or paid, and whether or not reported under the labor laws of this state.

If the license fee is based upon the average number of employees, every licensee shall, at the time of application, certify as to the number of his employees on forms provided by the state commissioner of health and the state commissioner of health shall have access, on demand, to any and all employment records for purposes of substantiating or correcting numbers of declared employees.

License fees for restaurants, places of refreshment, and boarding houses shall be in an amount prescribed by the state commissioner of health pursuant to section 144.122.

No school, as defined in sections 120.05 and 120.10, subdivision 2, may be required to pay a license fee.

Approved May 2, 1984

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#### CHAPTER 633 — S.F.No. 1880

*An act relating to government services; clarifying references to federal relocation law; changing provisions relating to housing and redevelopment authorities; changing allocation of certain qualified mortgage bonds; providing conditions for certain municipal improvements; changing certain powers of municipalities or redevelopment agencies; providing for financing of county and county regional jails; granting certain powers to the town of Blue Hill; making*

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*changes in the authority for certain municipal housing programs; amending Minnesota Statutes 1982, sections 117.52; 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivision 2; 429.101, subdivision 1; 462.441; 462.461, subdivisions 1, 2, and 3; 462C.09, by adding a subdivision; 641.24; 641.264, subdivision 1; Minnesota Statutes 1983 Supplement, section 474.03, subdivision 3.*

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

Section 1. Minnesota Statutes 1982, section 117.52, is amended to read:

**117.52 UNIFORM RELOCATION ASSISTANCE.**

Subdivision 1. LACK OF FEDERAL FUNDING. In all acquisitions undertaken by any acquiring authority and in all voluntary rehabilitation carried out by a person pursuant to acquisition or as a consequence thereof, in which, due to the lack of federal financial participation, relocation assistance, services, payments and benefits under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 84 Stat. 1894 (1971), 42 United States Code, Section 4601, et seq., are not available, the acquiring authority, as a cost of acquisition, shall provide all relocation assistance, services, payments and benefits required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and ~~any~~ those regulations adopted pursuant thereto by the United States department of housing and urban development, ~~except that in effect as of January 1, 1984.~~

Subd. 2. ACQUISITIONS FOR HIGHWAY PURPOSES. ~~Despite subdivision 1,~~ with respect to acquisitions for highway purposes or acquisitions for which the state department of transportation performs relocation assistance services for the department of administration, the regulations of the United States department of transportation may be applied, ~~as of the date of enactment of sections 117.50 to 117.56,~~ to all displaced persons who would otherwise be eligible for such relocation assistance, services, payments and benefits thereunder but for the lack of federal financial participation.

Subd. 3. EXCEPTION. This section shall not apply in the case where federal financial participation for provision of relocation assistance, services, payments and benefits in connection with an acquisition has been procured or committed pursuant to section 117.51 and has then been withdrawn by the United States, unless the acquiring authority subsequently determines to proceed with the acquisition in question using non-federal funds.

Sec. 2. Minnesota Statutes 1982, section 429.021, subdivision 1, is amended to read:

Subdivision 1. **IMPROVEMENTS AUTHORIZED.** The council of a municipality shall have power to make the following improvements:

(1) To acquire, open, and widen any street, and to improve the same by constructing, reconstructing, and maintaining sidewalks, pavement, gutters,

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curbs, and vehicle parking strips of any material, or by grading, graveling, oiling, or otherwise improving the same, including the beautification thereof and including storm sewers or other street drainage and connections from sewer, water or similar mains to curb lines.

(2) To acquire, develop, construct, reconstruct, extend and maintain storm and sanitary sewers and systems, including outlets, holding areas and ponds, treatment plants, pumps, lift stations, service connections, and other appurtenances of a sewer system, within and without the corporate limits.

(3) To construct, reconstruct, extend and maintain steam heating mains.

(4) To install, replace, extend and maintain street lights and street lighting systems and special lighting systems.

(5) To acquire, improve, construct, reconstruct, extend and maintain water works systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants, and other appurtenances of a water works system, within and without the corporate limits.

(6) To acquire, improve and equip parks, open space areas, playgrounds and recreational facilities within or without the corporate limits.

(7) To plant trees on streets and provide for their trimming, care and removal.

(8) To abate nuisances and to drain swamps, marshes and ponds on public or private property and to fill the same.

(9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

(10) To construct, reconstruct, extend and maintain retaining walls and area walls.

(11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain and promote a pedestrian skyway system. Such improvement may be made upon a petition pursuant to section 429.031, subdivision 3.

(12) To acquire, construct, reconstruct, extend, operate, maintain and promote underground pedestrian concourses.

(13) To acquire, construct, improve, alter, extend, operate, maintain and promote public malls, plazas or courtyards.

(14) To construct, reconstruct, extend, and maintain district heating systems.

(15) To construct, reconstruct, alter, extend, operate, maintain and promote fire protection systems in existing buildings, but only upon a petition pursuant to section 429.031, subdivision 3.

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Sec. 3. Minnesota Statutes 1982, section 429.031, subdivision 3, is amended to read:

Subd. 3. **PETITION BY ALL OWNERS.** Whenever all owners of real property abutting upon any street named as the location of any improvement shall petition the council to construct the improvement and to assess the entire cost against their property, the council may, without a public hearing, adopt a resolution determining such fact and ordering the improvement. The validity of the resolution shall not be questioned by any taxpayer or property owner or the municipality unless an action for that purpose is commenced within 30 days after adoption of the resolution as provided in section 429.036. Nothing herein prevents any property owner from questioning the amount or validity of the special assessment against his property pursuant to section 429.081. In the case of a petition for the installation of a fire protection or a pedestrian skyway system, the petition must contain or be accompanied by an undertaking satisfactory to the city by the petitioner that the petitioner will grant the municipality the necessary property interest in the building to permit the city to enter upon the property and the building to construct, maintain, and operate the fire protection or pedestrian skyway system. In the case of a petition for the installation of a fire protection or pedestrian skyway system which will be privately owned, the petition shall also contain the plans and specifications for the improvement, the estimated cost of the improvement and a statement indicating whether the city or the owner will contract for the construction of the improvement. If the owner is contracting for the construction of the improvement, the city shall not approve the petition until it has reviewed and approved the plans, specifications, and cost estimates contained in the petition. The construction cost financed under section 429.091 shall not exceed the amount of the cost estimate contained in the petition. In the case of a petition for the installation of a fire protection or a pedestrian skyway system, the petitioner may request abandonment of the improvement at any time after it has been ordered pursuant to subdivision 1 and before contracts have been awarded for the construction of the improvement under section 429.041, subdivision 2. If such a request is received, the city council shall abandon the proceedings but in such case the petitioner shall reimburse the city for any and all expenses incurred by the city in connection with the improvement.

Sec. 4. Minnesota Statutes 1982, section 429.091, subdivision 2, is amended to read:

Subd. 2. **TYPES OF OBLIGATIONS PERMITTED.** Except for bonds issued for a pedestrian skyway system, the council may by resolution adopted prior to the sale of obligations pledge the full faith, credit, and taxing power of the municipality for the payment of the principal and interest. Such obligations shall be called improvement bonds and the council shall pay the principal and interest out of any fund of the municipality when the amount credited to the specified fund is insufficient for the purpose and shall each year levy a sufficient

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amount to take care of accumulated or anticipated deficiencies, which levy shall not be subject to any statutory or charter tax limitation. Obligations for the payment of which the full faith and credit of the municipality is not pledged shall be called improvement warrants or, in the case of bonds for fire protection or pedestrian skyway systems, revenue bonds and shall contain a promise to pay solely out of the proper special fund or funds pledged to their payment. It shall be the duty of the municipal treasurer to pay maturing principal and interest on warrants or revenue bonds out of funds on hand in the proper special fund funds and not otherwise.

Sec. 5. Minnesota Statutes 1982, section 429.101, subdivision 1, is amended to read:

Subdivision 1. **ORDINANCES.** In addition to any other method authorized by law or charter, the governing body of any municipality may provide for the collection of unpaid special charges for all or any part of the cost of

(a) snow, ice, or rubbish removal from sidewalks,

(b) weed elimination from streets or private property,

(c) removal or elimination of public health or safety hazards from private property, excluding any structure included under the provisions of sections 463.15 to 463.26,

(d) installation or repair of water service lines, street sprinkling or other dust treatment of streets,

(e) the trimming and care of trees and the removal of unsound trees from any street,

(f) the treatment and removal of insect infested or diseased trees on private property, the repair of sidewalks and alleys, or

(g) the operation of a street lighting system, or

(h) the operation and maintenance of a fire protection or a pedestrian skyway system,

as a special assessment against the property benefited. The council may by ordinance adopt regulations consistent with this section to make this authority effective, including, at the option of the council, provisions for placing primary responsibility upon the property owner or occupant to do the work himself (except in the case of street sprinkling or other dust treatment, alley repair, tree trimming, care, and removal or the operation of a street lighting system) upon notice before the work is undertaken, and for collection from the property owner or other person served of the charges when due before unpaid charges are made a special assessment.

Sec. 6. Minnesota Statutes 1982, section 462.441, is amended to read:

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**462.441 POWERS; QUORUM; OFFICERS; MEETING; COMPENSATION; EXPENSES.**

The powers of each authority shall be vested in the commissioners thereof in office at any time; a majority of whom shall constitute a quorum for all purposes. Each authority shall select a chairman and a secretary from among its commissioners and shall adopt such bylaws and other rules for the conduct of its affairs as it deems appropriate. The regular meetings of an authority shall be held in a fixed place and shall be open to the public. Each commissioner shall be entitled to receive necessary expenses, including traveling expenses, incurred in the performance of his duties. Each commissioner may be paid for attending meetings of the authority, regular and special ~~\$25~~ \$35 per meeting, the aggregate of all payments to each such commissioner for any one year not to exceed, however, ~~\$1,500~~ \$2,500.

Sec. 7. Minnesota Statutes 1982, section 462.461, subdivision 1, is amended to read:

Subdivision 1. All construction work, and work of demolition or clearing, and every purchase of equipment, supplies, or materials, necessary in carrying out the purposes of sections 462.415 to 462.705, that shall involve the expenditure of ~~\$5,000~~ \$15,000 or more shall be awarded by contract as hereinafter provided. Before receiving bids under the provisions of these sections the authority shall publish, once a week for two consecutive weeks in an official newspaper of general circulation in the community a notice that bids will be received for that construction work, or that purchase of equipment, supplies, or materials, stating the nature of the work and the terms and conditions upon which the contract is to be let, naming therein a time and place where bids will be received, opened and read publicly, which time shall be not less than seven days after the date of the last publication. After the bids have been duly received, opened and read publicly and recorded, the authority shall award the contract to the lowest responsible bidder, the authority reserving the right, however, to reject any or all bids, each such contract to be duly executed in writing, and the person to whom the contract is awarded shall give sufficient bond to the authority for its faithful performance. If no satisfactory bid is received, the authority may readvertise. The authority shall have the right to set up reasonable qualifications to determine the fitness and responsibility of bidders and to require bidders to meet such qualifications before bids are accepted.

Sec. 8. Minnesota Statutes 1982, section 462.461, subdivision 2, is amended to read:

Subd. 2. If the authority by an affirmative vote of four-fifths of its members shall declare that an emergency exists requiring the immediate purchase of any equipment or material or supplies at a cost in excess of ~~\$5,000~~ \$15,000, but not exceeding ~~\$10,000~~ \$30,000 in amount, or making of emergency repairs, it shall not be necessary to advertise for bids, but the material, equipment, or

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supplies may be purchased in the open market at the lowest price obtainable, or the emergency repairs may be contracted for or performed without securing formal competitive bids. An emergency, as considered in sections 462.415 to 462.705, shall be understood to be unforeseen circumstances or conditions which result in the placing in jeopardy of human life or property.

Sec. 9. Minnesota Statutes 1982, section 462.461, subdivision 3, is amended to read:

Subd. 3. Bonds shall be required from contractors for any works of construction as provided in and subject to all the provisions of Minnesota Statutes 1945, sections 574.26 to 574.31. Sections 574.21 to 574.31 and this subdivision do not apply to contracts entered into by an authority for an expenditure of less than \$15,000.

Sec. 10. Minnesota Statutes 1982, section 462C.09, is amended by adding a subdivision to read:

Subd. 2a. [1985 CITY ALLOCATION.] Notwithstanding the allocation provisions of subdivision 2, this subdivision applies to the January 1985 allocations. Unless otherwise authorized by law, a city that intends to issue during the calendar year 1985 mortgage revenue bonds that are subject to the volume limitation imposed by section 103A(g) of the Internal Revenue Code of 1954, as amended through March 1, 1983, shall by January 2, 1985 submit to the Minnesota housing finance agency a program that will use a portion of the state mortgage revenue bond ceiling. The total amount of bonds included in all programs submitted pursuant to this subdivision by a city may not exceed \$10,000,000. Each program shall be accompanied by a certificate from the city that states that the revenue bond issue is feasible. By February 1, the Minnesota housing finance agency shall review each program pursuant to section 462C.04, subdivision 2. The Minnesota housing finance agency shall approve all programs that the agency determines are consistent with this chapter, and that meet the following conditions:

(a) all of the loans must be reserved for a period of not less than six months for persons and families whose adjusted family income is below 80 percent of the limits on adjusted gross income provided in section 462C.03, subdivision 2; and

(b) loans must be made only to finance homes that are serviced by municipal water and sewer utilities; provided that if the approval of all programs would result in an allocation to cities in excess of 27-1/2 percent of the state ceiling for the calendar year 1985, reduced by the amount of bonds that are allocated by law to specified cities, the Minnesota housing finance agency shall approve programs that are submitted by a city which meets any of the following three criteria: (1) a city of the first class, or (2) a city that did not receive an allocation under this subdivision during the preceding two calendar years, or (3) a

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group of cities that plan to jointly issue bonds for the program provided further that if approval of all of the programs submitted by cities that meet one or more of the criteria in (1), (2), or (3) would result in a total allocation to cities in excess of the portion of the state ceiling available for allocation, then from among those programs the agency shall select by lot the programs to be approved. If a portion of the state ceiling remains unallocated after the agency has approved all programs submitted by cities that meet one or more of the criteria in (1), (2), or (3), the Minnesota housing finance agency shall select by lot from among the remaining programs the programs to be approved. The Minnesota housing finance agency shall determine if a program meets the conditions in clauses (a) and (b) based solely upon the program with accompanying information submitted to the agency. Approval of a program shall constitute an allocation of a portion of the state ceiling for mortgage revenue bonds equal to the proposed bond issue or issues contained in the program, provided that the allocation for the last selected program that receives an allocation may be equal to or less than the amount of the bond issue or issues proposed in the program.

If a city which received an allocation pursuant to this subdivision, or which has been allocated a portion of the state ceiling by law and has received approval of one or more programs, has not issued bonds by September 1 in an amount equal to the allocation, and the city intends to issue mortgage revenue bonds prior to the end of the calendar year, the city shall by September 1 submit to the Minnesota housing finance agency for each program a letter that states the city's intent to issue the mortgage revenue bonds prior to the end of the calendar year. If the Minnesota housing finance agency does not receive the letter from the city, then the allocation of the state ceiling for that program shall expire on September 1, and the applicable limit for the Minnesota housing finance agency shall be increased by an amount equal to the unused portion of the allocation to the city. A city referred to in subdivision 1, clause (i), shall not be required to apply under this subdivision with respect to bonds allocated by law to any such city. Nothing in this subdivision shall prevent any such city from applying for an additional allocation of bonds under this subdivision.

Sec. 11. Minnesota Statutes 1983 Supplement, section 474.03, subdivision 3, is amended to read:

Subd. 3. **REVENUE BONDS.** It may issue revenue bonds, in anticipation of the collection of revenues of the a project to be situated within the state, whether wholly or partially within or without the municipality or redevelopment agency, to finance, in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension thereof.

Sec. 12. Minnesota Statutes 1982, section 641.24, is amended to read:

641.24 **LEASING.**

The county may, by resolution of the county board, enter into a lease agreement with any statutory or home rule charter city situated within the

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county, or a county housing and redevelopment authority established pursuant to chapter 462 or any special law whereby the city or county housing and redevelopment authority will construct a ~~county~~ jail in accordance with plans prepared by or at the request of the county board and approved by the commissioner of corrections and will finance it by the issuance of revenue bonds, and the county will may lease the jail site and improvements for a term and upon rentals sufficient to produce revenue for the prompt payment of the bonds and all interest accruing thereon and, upon completion of payment, will acquire title thereto. The real and personal property acquired for the jail shall constitute a project and the lease agreement shall constitute a revenue agreement as contemplated in chapter 474, and all proceedings shall be taken by the city or county housing and redevelopment authority and the county in the manner and with the force and effect provided in chapter 474; provided that:

- (1) No tax shall be imposed upon or in lieu of a tax upon the property;
- (2) The approval of the project by the commissioner of securities and real estate shall not be required;
- (3) The department of corrections shall be furnished and shall record such information concerning each project as it may prescribe, in lieu of reports required on other projects to the commissioner of energy, planning and development;
- (4) The rentals required to be paid under the lease agreement shall not exceed in any year four-tenths of one percent of the assessed value of property within the county, as last finally equalized before the execution of the agreement;
- (5) The county board shall provide for the payment of all rentals due during the term of the lease, in the manner required in section 641.264, subdivision 2; and
- (6) No mortgage on the jail property shall be granted for the security of the bonds, but compliance with clause (5) hereof may be enforced as a nondiscretionary duty of the county board; and
- (7) The county board may sublease any part of the jail property for purposes consistent with the maintenance and operation of a county jail.

Sec. 13. Minnesota Statutes 1982, section 641.264, subdivision 1, is amended to read:

Subdivision 1. **CAPITAL IMPROVEMENTS; BOND ISSUES AND LEASES.** The construction or acquisition, the equipping, and subsequent improvement of a county regional jail may be financed in whole or in part by the issuance of general obligation bonds of the cooperating counties in the manner provided in section 641.23 or by the issuance of revenue bonds of a city situated in one of the counties or with the approval of the board of county commissioners of each cooperating county a county housing and redevelopment authority

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established pursuant to chapter 462 or special law, secured by a lease agreement in the manner provided in chapter 474 and in sections 641.24 and 641.263, subdivision 2. Proceedings for the issuance of general obligation bonds shall be instituted by the board of county commissioners of each cooperating county. The regional jail board, with the approval of the county board of each cooperating county, shall fix the total amount necessary to be raised for the construction or acquisition, the equipping, and subsequent improvement of a regional jail, and shall apportion to each county in the manner provided in subdivision 2 the share of this amount, or of annual debt service or lease rentals required to pay this amount with interest, which is to be raised by the county.

**Sec. 14. BLUE HILL; POWERS.**

Subdivision 1. EXERCISE OF POWERS. The town of Blue Hill in Sherburne County may exercise the powers set out in Minnesota Statutes, section 368.01.

Subd. 2. EFFECTIVE DATE. This section is effective the day after the town board of Blue Hill complies with Minnesota Statutes, section 645.021, subdivision 3.

**Sec. 15. EFFECTIVE DATE.**

Sections 1 to 13 are effective the day following final enactment.

Approved May 2, 1984

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**CHAPTER 634 — S.F.No. 1007**

*An act relating to courts; permitting the establishment of compulsory nonbinding arbitration programs for use in civil proceedings; proposing new law coded in Minnesota Statutes, chapter 484.*

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

**Section 1. [484.73] JUDICIAL ARBITRATION.**

Subdivision 1. AUTHORIZATION. A majority of the judges of a judicial district may authorize the establishment of a system of mandatory, nonbinding arbitration within the district to assist the court in disposing of any controversy existing between two parties which is the subject of a civil action.

Subd. 2. EXCLUSIONS. Judicial arbitration may not be used to dispose of matters relating to guardianship, conservatorship, or civil commitment, matters within the juvenile court jurisdiction involving neglect, dependency, or delinquency, matters involving termination of parental rights under sections

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