

1ST READING: 8/11/2000
REFERRED TO (NAME OF) COMMITTEE: CD
PUBLIC HEARING:
2ND READING AND FINAL PASSAGE: 9-15-2000

2000-07-081

AN ORDINANCE of the CITY OF MINNEAPOLIS

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Goodman and Niland

presents the following ordinance:

Amending Title 12 of the Minneapolis Code of Ordinances relating to Housing, by adding a new Chapter 252 relating to Establishing Housing Improvement Area No. 1 (1200 on the Mall).

The City Council of The City of Minneapolis do ordain as follows:

Section 1. That the Minneapolis Code of Ordinances be amended by adding thereto a new Chapter 252 to read as follows:

CHAPTER 252. ESTABLISHING HOUSING IMPROVEMENT AREA NO. 1

252.10. Establishment. Pursuant to this authority granted by the Legislature as set forth in Minnesota Statutes 1998, Sections 428A.11 to 428A.21 as amended to Laws of 1999, Chapter 11, Article 3 Sections 13, 14, (the "Act") is hereby established a Housing Improvement Area No. 1 in the area located within the City of Minneapolis, Hennepin County, legally described as follows and commonly known as 1200 on the Mall Condominiums:

Lot 1, Block 4, LORING PARK DEVELOPMENT FIRST ADDITION, except that part lying Southerly of the following described line: Commencing at the most Southerly corner of said Lot 1, thence on an assumed bearing North 30 degrees, 47 minutes, 05 seconds East along the most Southeasterly line of said Lot 1, a distance of 9.84 feet to the actual point of beginning of the line to be described; thence North 59 degrees, 40 minutes, 23 seconds West, a distance of 39.16 feet, thence North 30 degrees, 19 minutes, 37 seconds East, a distance of 0.34 of a foot; thence North 59 degrees, 40 minutes, 23 seconds West, a distance of 181.70 feet, thence South 75 degrees, 21 minutes, 02 seconds West, a distance of 72.59 feet, thence South 30 degrees, 20 minutes, 56 seconds West, a distance of 60.68 feet, thence North 59 degrees, 59 minutes, 38 seconds West, a distance of 64.15 feet to a point on the line between Lots 1 and 2 in said Block 4, distant 15.43 feet Southeasterly from the most Westerly corner of said Lot 1 and there terminating.

252.20. Findings.

(a) In accordance with Minnesota Statutes, Section 428A.12 the owner of twenty-five (25) percent or more of the housing units that would be subject to fees in proposed Housing Improvement Area No. 1, have filed a petition with the City Clerk requesting a public hearing on the establishment of such housing improvement area.

(b) The city council has on September 5, 2000 conducted a public hearing, duly noticed in accordance with the Act, regarding the adoption of this ordinance, at which all persons, including persons within Housing Improvement Area No. 1, were given an opportunity to be heard.

(c) That without the adoption of this ordinance establishing Housing Improvement Area No. 1, the housing improvements (as hereinafter defined) could not be made by the 1200 on the Mall Condominium Association or the housing unit owners of the 1200 on the Mall Condominiums, as a housing improvement area is necessary in order to maintain and preserve the housing units within such housing improvement area.

252.30. Housing improvement defined. (a) For the purposes of this ordinance and Housing Improvement Area No. 1, the term "Housing Improvements" shall mean the following improvements to the housing units, garages and common units within Housing Improvement Area No. 1:

- (1) Exterior building repairs including LaSalle Avenue wall, courtyard brick repairs and penthouse.
- (2) Balcony repairs.
- (3) Replacement of roof (nine story building).
- (4) Installation of membrane on parking ramp deck.

(b) Housing improvements shall also be deemed to include:

- (1) All costs of architectural and engineering services in connection with the improvements described in Section 252.30 (a).
- (2) All administrative, legal and consultant costs in connection with Housing Improvement Area No. 1.
- (3) Cost of issuance of bonds issued by the city to finance the Housing Improvements, subject to the provisions of Section 252.50 hereof.

252.40. Housing improvement fee. (a) The city may, by resolution adopted in accordance with the petition, hearing and notice procedures required under the Act, impose a fee on the housing units within Housing Improvement Area No. 1 at a rate, term or amount sufficient to produce revenues required to provide the Housing Improvements (hereinafter referred to as the "Housing Improvement Fee"), subject to the terms and conditions set forth in this section.

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(b) Except as otherwise provided in Paragraph (d) of this Section 252.40, the housing improvement fee shall be imposed on the basis of each housing unit's percent of ownership in the Association, as described in the Declaration of Apartment Ownership (Condominium) of the 1200 on the Mall Association (the "Association"), which is on file in the office of the City Clerk and which is incorporated herein by reference.

(c) The housing improvement fee shall be imposed and payable for a period no greater than ten (10) years after the first installment is due and payable.

(d) The housing improvement fee shall be prepayable in full by housing unit owners within five (5) days after the effective date of the resolution setting the housing improvement fee, after which five (5) day period the housing improvement fee shall not be prepayable, except as the City Council may otherwise provide by resolution.

(e) As set forth in Paragraph (b) above, the housing improvement fee shall be imposed on the basis of the percentage of ownership in the Association of each housing unit within the housing improvement area. It shall be collected at the same time and in the same manner as provided for payment and collection of ad valorem taxes, in accordance with Minnesota Statutes, Sections 428A.15 and 428.05. As set forth in Minnesota Statutes, Section 428A.14 Subdivision 2, the housing improvement fee is not included in the calculation of levies or limits on levies imposed under any law or chapter.

(f) The housing improvement fee shall not exceed the amount specified in the notice of public hearing regarding the approval of such fee; provided, however, that the housing improvement fee may be reduced after approval of the resolution setting the housing improvement fee, in the manner specified in such resolution.

252.50. Issuance of bonds. At any time after a contract with the 1200 on the Mall Association for construction of all or part of the housing improvements has been entered into or the work has been ordered, and the five (5) day period for prepayment of the housing improvement fee has expired as described in Section 252.40 (d) hereof, the council may issue bonds in the principal amount necessary to finance the cost of the housing improvements that have not been prepaid, fund a reserve and pay the costs of issuance of the bonds. Such bonds shall be issued pursuant to and in accordance with Section 428A.16 of the Act, provided however, that the bonds so issued shall be payable solely out of the proceeds of the housing improvement fees, and the city shall not pledge its full faith and credit nor its taxing power to the payment of the principal or interest on such bonds. The 1200 on the Mall Association shall be required to indemnify the city to the extent of any sums by which the debt service on the bonds may exceed the revenues derived from the housing improvement fees.

252.60. Annual reports. (a) On August 15, 2001, and each August 15 thereafter until there are no longer any outstanding bonds (including refunding bonds) issued under the act in connection with Housing Improvement Area No. 1, the 1200 on the Mall Association (and any successor interest) shall submit to the city clerk a copy of the association's audited financial statements.

(b) The association (and any successor in interest) shall also submit to the city any other reports or information at the time and as required by any contract entered into between the entity and the city.

252.70. Notice of right to file objections. Within five (5) days after the adoption of this ordinance, the city clerk is authorized and directed to mail to the owner of each housing unit in Housing Improvement Area No. 1: a summary of this ordinance; notice that owners subject to the proposed housing improvement fee have a right to veto this ordinance if owners of at least thirty-five (35) percent of the housing units within Housing Improvement Area No. 1 file an objection with the city clerk before the effective date of this ordinance; and notice that a copy of this ordinance is on file with the city clerk for public inspection.

252.80. Amendment. This ordinance may be amended by the city council upon compliance with the public hearing and notice procedure set forth in section 428A.13 of the act.

252.90. Effective date. This ordinance shall be effective forty-five (45) days after adoption hereof, or twenty (20) days after the date of publication of this ordinance, whichever is later.

RECORD OF COUNCIL VOTE (X INDICATES VOTE)

COUNCIL MEMBER	AYE	NAY	NOT VOTING	ABSENT	VOTE TO OVERRIDE	VOTE TO SUSTAIN	COUNCIL MEMBER	AYE	NAY	NOT VOTING	ABSENT	VOTE TO OVERRIDE	VOTE TO SUSTAIN
Ostrow	X						Thurber	X					
Campbell	X						McDonald	X					
Biernat				X			Mead	X					
Johnson	X						Colvin Roy	X					
Niland	X						Lane	X					
Goodman	X						President						
Herron	X						Cherryhomes	X					

PASSED SEP 15 2000 APPROVED NOT APPROVED - VETOED SEP 21 2000

[Signature] PRESIDENT OF COUNCIL *[Signature]* MAYOR

ATTEST *[Signature]* CITY CLERK