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State of Minnesota

HOUSE OF REPRESENTATIVES

SPECIAL SESSION

H. F. No. 81

06/15/2020 Authored by Gomez, Hassan, Dehn, Her, Lee and others
The bill was read for the first time and referred to the Committee on Government Operations

1.1 A bill for an act
1.2 relating to local government; authorizing limited use of eminent domain; authorizing
1.3 a development moratorium in certain areas.

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

1.5 Section 1. LIMITED USE OF EMINENT DOMAIN.

1.6 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
1.7 the meanings given them.

1.8 (b) "City" means the cities included in Executive Order 20-64.

1.9 (c) "Events" mean the civil unrest that resulted in damaged property in the cities between
1.10 May 26, 2020, and June 10, 2020, that are the subject of Executive Order 20-64.

1.11 (d) "Event area" means an area directly adversely affected by the events and as designated
1.12 by resolution adopted by the city.

1.13 (e) "Property owner" includes all persons with any interest in the property subject to a
1.14 taking, whether as proprietors, tenants, life estate holders, encumbrancers, beneficial interest
1.15 holders, or otherwise.

1.16 Subd. 2. Authority. Notwithstanding any home rule charter provision, city ordinance,
1.17 or Minnesota Statutes, section 117.025, subdivision 11, paragraph (b), a city may use eminent
1.18 domain to acquire real property or interests in real property for the purposes of this section.

1.19 Subd. 3. Public purpose. It is a public purpose for a city to use the power of eminent
1.20 domain to acquire real property or an interest in real property in an event area, and then
1.21 resell the property subject to redevelopment agreements in order to support the ability of

2.1 the businesses and uses directly and adversely affected by the events to be reestablished
 2.2 consistent with the needs of the neighborhoods and property owners.

2.3 Subd. 4. **Debt financing.** For the purposes of this section, the city may issue obligations
 2.4 under Minnesota Statutes, chapter 475, without an election, and not subject to debt limitations
 2.5 in the home rule charter or in statute.

2.6 Subd. 5. **Resale of property acquired by eminent domain.** Any property acquired by
 2.7 the city by eminent domain under this section may be sold to private parties, subject to the
 2.8 redevelopment agreement. The redevelopment agreement must include reasonable limitations
 2.9 on the use of the property and must be approved by a redevelopment oversight committee
 2.10 established by the city.

2.11 Subd. 6. **Effective date; expiration.** This section is effective the day following final
 2.12 enactment and expires December 31, 2022.

2.13 Sec. 2. **REDEVELOPMENT MORATORIUM.**

2.14 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
 2.15 the meanings given them.

2.16 (b) "City" means the cities included in Executive Order 20-64.

2.17 (c) "Events" mean the civil unrest that resulted in damaged property in the cities between
 2.18 May 26, 2020, and June 10, 2020, that are the subject of Executive Order 20-64.

2.19 (d) "Event area" means an area directly adversely affected by the events and as designated
 2.20 by resolution adopted by the city.

2.21 (e) "Property owner" includes all persons with any interest in the property, whether as
 2.22 proprietors, tenants, life estate holders, encumbrancers, beneficial interest holders, or
 2.23 otherwise.

2.24 Subd. 2. **Purpose.** In order to provide time for property owners to determine whether
 2.25 and how to redevelop property damaged or destroyed during the events, a city may impose
 2.26 a moratorium on redevelopment in the event areas.

2.27 Subd. 3. **Moratorium.** Notwithstanding the home rule charter, ordinances, or local
 2.28 comprehensive plan, the city may impose a moratorium on redevelopment in the event area.
 2.29 The moratorium ordinance may be adopted by the city after ten days' public notice and must
 2.30 specify the type of redevelopment included in the moratorium. The moratorium may exclude
 2.31 actions to reopen commercial and industrial businesses and rental housing at substantially

3.1 the same level and rents as before the events. The moratorium may apply to all permits and
3.2 applications submitted to the city on or after May 26, 2020.

3.3 Subd. 4. **Effective date; expiration.** This section is effective the day following final
3.4 enactment and expires December 31, 2021.