

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 2617
Version: As introduced

DATE: April 19, 2010

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Subject: Housing improvement districts; veto and petition changes

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Overview

H.F. 2617 increases the required percentage of housing unit owners to petition for a public hearing and to propose a fee from 25 percent to 50 percent. Also increases the percentage of residents and the percentage of ownership interest required to veto a fee increase from 35 percent to 45 percent. Effective for petitions filed beginning July 1, 2010.

Section

- 1** **Petition required.** Increases the required percentage of owners of housing units needed (i) to file a petition requesting a public hearing, and (ii) to take action proposing a fee, from 25 percent to 50 percent.

Effective for petitions filed beginning July 1, 2010.

- 2** **Requirements for veto.** Increases the percentage of residents from 35 percent to 45 percent, and the percentage of owners of the housing units (based on housing units' net tax capacity) from 35 percent to 45 percent, that are required to veto a fee increase and file an objection with the city clerk before the effective date of the resolution.

Effective beginning July 1, 2010.

Background: A housing improvement area (HIA) is a defined area in a city in which housing improvements in condominium or townhome complexes may be financed with the assistance of the city, or the city's economic development authority (EDA) or housing and redevelopment authority (HRA). Improvements made under this law include improvements to the common elements in a development such as roofing, siding, landscaping, roadways, and walkways. An HIA can only be established at the request of the owners of the housing units in the proposed area.

There is no easy way to know precisely how many HIAs have been established. However,

as of 2009, we are aware of at least seven cities known to have adopted HIA ordinances, and many of these cities have established multiple districts.