

Sec. 2. Minnesota Statutes 1978, Section 116.18, Subdivision 4, is amended to read:

Subd. 4. **BOND AUTHORIZATION.** For the purpose of providing money appropriated in subdivision 1 for expenditure from the Minnesota state water pollution control fund through grants to municipalities and agencies of the state for the acquisition and betterment of public land, buildings, and improvements of a capital nature needed for the prevention, control, and abatement of water pollution, the commissioner of finance is authorized upon request of the pollution control agency to sell and issue Minnesota state water pollution control bonds in the amount of ~~\$124,000,000~~ \$144,000,000, in the manner and upon the conditions prescribed in section 116.17 and in the Constitution, Article 11, Sections 4 to 7. The proceeds of such bonds, except as provided in section 116.17, subdivision 5, are appropriated and shall be credited to the Minnesota state water pollution control fund. The amount of bonds issued pursuant to this authorization shall not exceed at any time the amount needed to produce a balance in the water pollution control fund equal to the aggregate amount of grants then approved and not previously disbursed, plus the amount of ~~such~~ grants to be approved in the current and the following fiscal year, as estimated by the pollution control agency.

Approved May 30, 1979.

CHAPTER 286—H.F.No.1236

An act relating to the town of Forest Lake; exempting it from certain tax levy limitations.

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

Section 1. The town of Forest Lake is exempt from the tax levy limits set forth in Minnesota Statutes, Sections 275.10 and 275.32.

Sec. 2. This act is effective upon approval by the town board of the town of Forest Lake and compliance with Minnesota Statutes, Section 645.021.

Approved May 30, 1979.

CHAPTER 287—S.F.No.549

An act relating to local government; requiring additional local participation in consolidation procedures; providing for referenda on adoption of the state building code; amending Minnesota Statutes 1978, Section 414.041.

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

Section 1. Minnesota Statutes 1978, Section 414.041, is amended to read:

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414.041 CONSOLIDATION OF TWO OR MORE MUNICIPALITIES.

Subdivision 1. **INITIATING THE PROCEEDING.** Two or more municipalities may be the subject of a single proceeding provided that each municipality abuts at least one of the included municipalities. The proceeding shall be initiated by submitting to the executive director a resolution of a municipality, a petition signed by five percent or more of the resident voters of the municipality who voted for governor at the last general election or the proceeding may be initiated by the board of its own motion: in one of the following ways:

(a) Submitting to the executive director a resolution of the city council of each affected municipality;

(b) Submitting to the executive director a petition signed by five percent or more of the resident voters of a municipality who voted for governor at the last general election;
or

(c) By the board on its own motion.

The petition or resolution shall set forth the following information about each included municipality: name, description of boundaries, the reasons for requesting the consolidation and the names of all parties entitled to mailed notice under section 414.09. The party initiating the proceeding shall serve copies of the petition or resolution on all of the included municipalities.

Subd. 2. APPOINTMENT OF CONSOLIDATION COMMISSION. Upon receipt of a petition or a resolution requesting consolidation or upon the board's own motion, the board shall appoint a consolidation commission from a list of ten candidates submitted by each affected city council. The commission shall be composed of not fewer than five members from each affected municipality. From a separate list of three persons submitted by each affected city council, the board shall appoint a commission chairperson who is not a resident of an affected municipality but who resides in an affected county.

No person is disqualified from serving on a consolidation commission by reason of holding other elected or appointed office. Consolidation commission members shall hold office until a consolidation report has been issued by the commission. The board shall fill vacancies in the commission by appointment. The consolidation commission shall make rules with reference to its operation and procedures including quorum requirements with reference to its operations and procedures.

Subd. 3. COMMISSION'S HEARING AND REPORT. The consolidation commission shall conduct hearings regarding the proposed consolidation. The hearings shall include, but are not limited to, the following subjects:

(a) The contents of any city charter for the proposed consolidated city or the form of government of the proposed consolidated city;

(b) Analysis of whether a ward system shall be included in the form of government of the proposed consolidated city; and

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(c) Each factor considered by the board under subdivision 5, clauses (a) to (i).

Based on these factors and upon other matters which come before the consolidation commission, the commission shall issue a report to the municipal board with findings and recommendations within two years from the date of the board's initial appointment of the commission.

Subd. 2. **4. BOARD'S HEARING AND NOTICE.** Upon receipt of a ~~petition or resolution for consolidation or upon motion of the board made pursuant to subdivision 1~~ the commission's report, the executive director shall designate a time and a place for a hearing in accordance with section 414.09.

Subd. 3. **5. BOARD'S ORDER.** In arriving at its decision, the board shall consider the following factors:

(a) Present population, past population growth and projected population of the included municipalities;

(b) Quantity of land within the included municipalities; and natural terrain including general topography, major watersheds, soil conditions, and such natural features as rivers, lakes and major bluffs;

(c) Degree of contiguity of the boundaries between the included municipalities;

(d) Analysis of whether present planning and physical development in the included municipalities indicates that the consolidation of these municipalities will benefit planning and land use patterns in the area; the present transportation network and potential transportation issues, including proposed highway development;

(e) Analysis of whether consolidation of the included municipalities is consistent with comprehensive plans for the area;

(f) Analysis of whether governmental services now available in the included municipalities can be more effectively or more economically provided by consolidation;

(g) Analysis of whether there are existing or potential environmental problems and whether municipal consolidation will help ~~ameliorate~~ improve such conditions;

(h) Analysis of tax and governmental aid issues involved in the consolidation of the included municipalities; and

(i) Analysis of the effect of consolidation on area school districts.

(j) Analysis of the applicability of the state building code.

~~Based on these factors, the board shall order the consolidation if it finds that consolidation will be for the best interests of the municipalities. In all cases, the board shall set forth the factors which are the basis for the decision.~~

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The order ~~The board shall consider and may accept, amend, return to the commission for amendment or further study, or reject the commission's findings and recommendations based upon the board's written determination of what is in the best interests of the affected municipalities.~~

The board shall order the consolidation if it finds that consolidation will be for the best interests of the municipalities. In all cases, the board shall set forth the factors which are the basis for the decision.

If the board orders consolidation, it shall provide for election of new municipal officers in accordance with section 414.09. If the most populous of the included municipalities is a statutory city, the new municipality shall be a statutory city and the plan of government shall be Optional Plan A, provided that an alternate plan may be adopted pursuant to section 412.551, at any time. If the most populous of the included municipalities is a home rule charter city or organized under a statute other than chapter 412, the new municipality shall be governed by its home rule charter or the statutory form under which it is governed except that any ward system for the election of councilmen shall be inoperable. If the commission's findings and recommendations include a proposed home rule charter for the new municipality, the board may in its order combine the issue of the adoption of the charter and the vote on approval of the order for consolidation into one question on the ballot, and shall submit it in a special or general election as provided in Minnesota Statutes 1978, Section 410.10. The ordinances of all of the included municipalities shall continue in effect within their former boundaries until repealed by the governing body of the new municipality.

Notwithstanding any other provision of law to the contrary, the board may in its order establish a ward system in the new municipality, in which event it shall establish not less than three nor more than seven wards, each of which shall elect one councilman. When more than two years have elapsed after consolidation, the governing body may, by a four-fifths vote, abolish the ward system.

The new municipality shall assume the name of the most populous municipality unless previous to the election another name is chosen by joint resolution of a majority of the included municipalities or by the consolidation commission.

The number of license privileges existing in the included municipalities prior to consolidation and pursuant to state law shall not be diminished as a result of the consolidation.

If the consolidation is denied or defeated in a referendum, no proceeding for the consolidation of the same municipalities may be initiated within two years from the date of the board's order unless authorized by the board.

Subd. 4. 6. FINAL APPROVAL OF THE CONSOLIDATION. ~~Notwithstanding any other provision of law to the contrary, no consolidation order of the board involving existing municipalities shall become effective unless adopted by the council of each affected municipality by a majority vote and unless the consolidation order of the board is approved by the qualified voters of the affected municipalities at a general or special~~

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election set according to law. The form of the ballot shall be fixed by the board; and, if a majority of the votes cast on the question in each municipality are in favor of its adoption, the order of the board shall become effective as provided herein. (a) If the consolidation was initiated by a petition of the resident voters of a municipality, the board's order for consolidation shall be final upon approval by resolution of the city councils in each of the affected municipalities unless ten percent or more of the resident voters of an affected municipality who voted for governor at the last general election petition the city council for a referendum on the consolidation. The petition must be submitted within 90 days of the final date of the board's order or the date of final approval of the board's order by the city councils, whichever is later. Upon receipt and verification of the petition, the board shall order the municipalities to conduct separate referenda at a general or special election in each municipality on the same day, and the referenda shall be held within six months of the receipt of the petition. Costs of the respective referenda shall be borne by the respective municipality. A majority of those voting in each city must approve the proposed consolidation. The results of the referenda shall be certified to the executive director of the municipal board by the chief election judge within ten days after the referenda. The executive director shall upon receipt of the certificate notify all parties of the election results.

(b) If the consolidation was initiated by a city council resolution of each affected municipality, the board's order for consolidation shall be final unless ten percent or more of the resident voters of an affected municipality petition for a referendum as provided in clause (a).

(c) If the consolidation was initiated by the board's own motion, no consolidation order of the board involving existing municipalities shall become effective unless adopted by the council of each affected municipality by a majority vote and unless the consolidation order of the board is approved by the qualified voters of the affected municipalities at a general or special election set according to law. The form of the ballot shall be fixed by the board; and, if a majority of the votes cast on the question in each municipality are in favor of its adoption, the order of the board shall become effective as provided herein.

(d) Notwithstanding a disapproval of the board's order for consolidation by a city council of an affected municipality required to approve the board's order in clause (a) or (c), the board's order for consolidation shall nevertheless be deemed approved by that city council if ten percent or more of the resident voters of that municipality who voted for governor at the last general election petition the city council for a referendum on the consolidation as provided in clause (a), and a majority of those voting in that municipality approve the board's order for consolidation.

Subd. 4~~a~~. 7. DIFFERENTIAL TAXATION. Where one municipality is receiving substantially fewer municipal services, the board may provide that the mill levy of such a municipality shall be increased in substantially equal proportions over a period of not more than five years to equality with the mill levy in the remainder of the new municipality, such period to be determined by the board on the basis of the period reasonably required effectively to provide substantially equal municipal services.

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Subd. 5. 8. EFFECTIVE DATE. The consolidation shall be effective upon the election and qualification of new municipal officers, or at such later date as set by the board in its order.

Sec. 2. [16.868] REFERENDA ON STATE BUILDING CODE IN NON-METROPOLITAN COUNTIES. Notwithstanding any other provision of law to the contrary, a county that is not a metropolitan county as defined by section 473.121, subdivision 4, may provide, by a vote of the majority of its electors residing outside of municipalities that have adopted the state building code prior to January 1, 1977, that no portion of the state building code except the building requirements for handicapped persons shall apply within its jurisdiction.

The county board may, and upon petition therefor signed by voters equal in number to at least five percent of those voting in the last general election shall submit to the voters at a regular or special election the question of adopting the building code. The question on the ballot shall be stated substantially as follows:

“ Shall the state building code be adopted in County? ”

If the majority of the votes cast on the proposition is in the negative, the state building code shall not apply in the subject county, outside home rule charter or statutory cities or towns that adopted the building code prior to January 1, 1977, except the building requirements for handicapped persons shall apply.

Nothing in this section shall preclude a home rule charter or statutory city or town that did not adopt the state building code prior to January 1, 1977, from adopting and enforcing the state building code within its jurisdiction.

Approved May 31, 1979.

CHAPTER 288—S.F.No.831

An act relating to Hennepin County; providing for the operation of the Hennepin County park reserve district; regulating its tax levies; providing for appointment and election of park commissioners; permitting certain residents of Hennepin County to request reconsideration of certain decisions of the environmental quality board affecting Hennepin County; amending Laws 1967, Chapter 721, Section 2, as amended; repealing Laws 1963, Chapter 883, Section 2.

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

Section 1. Laws 1967, Chapter 721, Section 2, as amended by Laws 1969, Chapter 885, Section 1; Laws 1971, Chapter 954, Section 1; and Laws 1973, Chapter 473, Section 1, is amended to read:

Sec. 2. HENNEPIN COUNTY; PARK RESERVE DISTRICT; TAX LEVY. To

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