

MUNICIPAL GOVERNMENT

CHAPTER 488

HOUSE BILL NO. 1394
(Sorensen)

ORGANIZATION OF CITY GOVERNMENTS PARTICIPATION

AN ACT to create and enact a new section to chapter 40-01 and a new subsection to section 40-05-01 of the North Dakota Century Code, relating to an organization of city governments.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 40-01 of the North Dakota Century Code is hereby created and enacted to read as follows:

Authorization to organize and participate in an organization of city governments.

1. Cities incorporated under the statutes of North Dakota are hereby authorized upon motion of the city governing body to organize and participate in an organization of city governments.
2. The organization or organizations authorized hereunder must be organized pursuant to chapters 10-24 through 10-28.

SECTION 2. A new subsection to section 40-05-01 of the 1987 Supplement to the North Dakota Century Code is hereby created and enacted to read as follows:

To expend city funds for the purpose of participating in an organization of city governments under section 1 of this Act.

CHAPTER 489

SENATE BILL NO. 2351
(Maxson)

JURY TRIAL WAIVER AND TRANSFER

AN ACT to amend and reenact section 40-18-15.1 of the North Dakota Century Code, relating to transfer of municipal ordinance violation cases to county court.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Section 40-18-15.1 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-18-15.1. Transfer to county court if jury trial not waived - Expenses of prosecution - Division of funds between city and county. If within ~~fourteen~~ twenty-eight days after arraignment a defendant has not waived in writing the defendant's right to a jury trial in a case where it otherwise exists, the matter must be transferred to the county court for trial. The city shall provide a prosecuting attorney and, in the case of any indigent defendant, a defense attorney. The city may contract with the county or any individual or entity for prosecution or defense services. If the city and the county do not otherwise agree by resolutions of the respective governing bodies, the city is entitled to sixty-five percent and the county is entitled to thirty-five percent of all fees, fines, costs, forfeitures, and any other monetary consideration collected from cases transferred under this section. The share of fees, fines, costs, forfeitures, and any other monetary consideration due to the city must be paid to the city treasury at least once each quarter, while the share due to the county must be paid to the county general fund at least once each quarter. At the time of payment, the county court shall account under oath to the city auditor for all money collected.

Approved March 22, 1989
Filed March 23, 1989

* NOTE: Section 40-18-15.1 was also amended by section 1 of Senate Bill No. 2442, chapter 490.

CHAPTER 490

SENATE BILL NO. 2442
(Senator Stenehjem)
(Representative Wentz)

DIVISION OF COLLECTIONS FROM TRANSFERRED CASES

AN ACT to amend and reenact section 40-18-15.1 of the North Dakota Century Code, relating to the division of funds between cities and counties that contract for prosecution and defense services.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Section 40-18-15.1 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-18-15.1. Transfer to county court if jury trial not waived - Expenses of prosecution - Division of funds between city and county. If within fourteen days after arraignment a defendant has not waived in writing the defendant's right to a jury trial in a case where it otherwise exists, the matter must be transferred to the county court for trial. The city shall provide a prosecuting attorney and, in the case of any indigent defendant, a defense attorney. The city may contract with the county or any individual or entity for prosecution or defense services. ~~If~~ In the contract, the city and the county ~~do not otherwise may~~ agree by resolutions of the respective governing bodies, ~~the city is entitled to sixty-five percent and the county is entitled to thirty-five percent to a division of all fees, fines, costs, forfeitures, and any other monetary consideration collected from cases transferred under this section. The share of fees, fines, costs, forfeitures, and any other monetary consideration due to the city must be paid to the city treasury at least once each quarter, while the share due to the county must be paid to the county general fund at least once each quarter. At the time of payment, the county court shall account under oath to the city auditor for all money collected.~~

Approved March 28, 1989
Filed March 28, 1989

* NOTE: Section 40-18-15.1 was also amended by section 1 of Senate Bill No. 2351, chapter 489.

CHAPTER 491

HOUSE BILL NO. 1667

(R. Berg)

(Approved by the Committee on Delayed Bills)

SPECIAL ASSESSMENT NOTICE

AN ACT to amend and reenact sections 40-23-09, 40-23-10, and 40-23.1-07 of the North Dakota Century Code, relating to preparation of assessment lists and methods of notice of assessments of benefits for improvements by special assessment.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 40-23-09 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-23-09. Assessment list to be prepared - Contents - Certificate attached to assessment list. The commission shall make or cause to be made a complete list of the benefits and assessments setting forth, by legal description or street address or both, each lot or tract of land assessed, the amount each lot or tract is benefited by the improvement, and the amount assessed against each. There shall be attached to the list of assessments a certificate signed by a majority of the members of the commission certifying that the same is a true and correct assessment of the property therein described to the best of their judgment, and stating the several items of expense included in the assessment.

SECTION 2. AMENDMENT. Section 40-23-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-23-10. Publication Notice of assessment list assessments and notice of hearing of objections to list. The

1. Unless otherwise provided under this section, the commission shall cause the assessment list, which list shall not include the amount each lot or tract is benefited by the improvement, to be published once each week for two consecutive weeks in the official newspaper of the municipality; together with a notice of the time when and the place where the commission will meet to hear objections made to any assessment by any interested party, his agent, or attorney; provided, that in lieu of publication of an assessment list, if it.
2. If the assessment list includes more than five thousand lots or tracts, the commission may cause it to be filed and made available for public inspection at all times after the first publication of the notice, during reasonable business hours, at such place as shall be designated in the published notice.
3. As an alternative to the notice procedures provided in subsections 1 and 2 of this section, the commission must send a

letter to all property owners of record on the assessment list stating their assessments. The letter may be sent by certified mail or by regular mail attested by an affidavit of mailing signed by the city auditor. When notice is provided under this subsection, the commission shall cause publication of a map outlining the assessment district with a notification stating that if an individual has not yet received a letter regarding that individual's assessment, the individual should furnish the city auditor's office with the individual's present address and the auditor will then mail a copy of the individual's assessments.

4. The date set for such hearing shall be not less than fifteen days after the first publication of the notice.
5. A copy of the notice ~~shall~~ must be mailed to each public utility having property on the assessment list at least ten days before the hearing to its address shown on the tax rolls.
6. Any notice under this section must include the time and place of a commission meeting to hear objections to assessments from an interested party or an interested party's agent or attorney.

SECTION 3. AMENDMENT. Section 40-23.1-07 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-23.1-07. Assessment list to be prepared - Contents - Certificate attached to assessment list. The city auditor shall make or cause to be made a complete list of the benefits and assessments setting forth, by legal description or street address or both, each lot, tract, or parcel benefited by the improvement, and the amount assessed against each. There shall be attached to the list of assessments a certificate signed by the city auditor certifying that the same is a true and correct assessment of the property therein described to the best of just judgment, and stating the several items of expense included in the assessment.

Approved April 10, 1989
Filed April 11, 1989

CHAPTER 492

HOUSE BILL NO. 1263
(Graba, Haugen)

SIDEWALK SPECIAL ASSESSMENTS

AN ACT to amend and reenact sections 40-29-03, 40-29-05, and 40-29-10 of the North Dakota Century Code, relating to assessment of special assessments for sidewalk construction, rebuilding, or repair against the owners of property benefited by the sidewalk.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 40-29-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-29-03. Notice to construct, rebuild, or repair sidewalks. Except as otherwise provided in this chapter, if the governing body deems it necessary to construct, rebuild, or repair any sidewalk in the municipality, it shall notify each owner of record at the last address shown in the office of the register of deeds or the county treasurer or occupant of any lot or parcel of land adjoining that would be benefited by the sidewalk to construct, rebuild, or repair the same at his own expense and subject to the approval of the street commissioner or city engineer, within the time designated in the notice. The notice shall be directed in the manner hereinbefore provided to the owner of record or occupant and shall set forth what work is to be done, the character of the same as specified in the ordinance, and the time within which he is required to do the work. The work shall be done to the satisfaction of the street commissioner or city engineer. The notice may be general as to the owner of record or occupant but shall be specific as to the description of the lot or parcel of ground adjacent to where to be benefited by the sidewalk that is to be built or repaired. The street commissioner or city engineer shall serve such notice by certified mail or delivering a copy thereof to the occupant or owner of record of each lot or parcel of occupied land described in the notice, or as to the occupant by leaving a copy thereof at the dwelling house upon such lot or parcel of land with some person over the age of fourteen years residing therein. If any lot or parcel of land is not occupied and service by mail is deemed impractical, the commissioner or city engineer may serve the notice by posting a copy thereof in a conspicuous place therein or immediately in front thereof. If such sidewalk is not repaired within the time fixed in such notice, the street commissioner or city engineer, as soon as practicable, shall repair the same and certify the cost thereof, with his return of service of the notice, to the city auditor, and the cost of such repairs shall be paid out of the sidewalk special fund.

SECTION 2. AMENDMENT. Section 40-29-05 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-29-05. Assessment of expense. The expense of constructing, repairing, or rebuilding sidewalks shall be assessed against the lots or

parcels of land ~~properly chargeable therewith~~, benefited by the sidewalk by the city engineer, or by the street commissioner in cities having no city engineer, who shall return the assessment and file it in the office of the city auditor. The city auditor shall cause such assessment, together with a notice of the time when and place where the governing body will meet to consider the approval thereof, to be published in one issue of the official newspaper of the city at least ten days prior to the meeting of the governing body at which the approval of the assessment will be considered.

SECTION 3. AMENDMENT. Section 40-29-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-29-10. Review of assessments - Assessment book. The city auditor shall keep in his office a book called "sidewalk assessment book" and shall enter therein the cost certified by the street commissioner or the governing body as an assessment against the lots or parcels of land ~~adjoining any benefited by a~~ sidewalk constructed, repaired, or rebuilt under the provisions of this chapter, and the name of the owners of such lots or parcels of land, if the same are known to him. The governing body shall review all assessments and hear all complaints against the same and approve the same as finally adjusted.

Approved March 14, 1989

Filed March 15, 1989

CHAPTER 493

HOUSE BILL NO. 1463
(R. Anderson)

PARK BOARD MEMBER CONTRACTS

AN ACT to amend and reenact section 40-49-10 of the North Dakota Century Code, relating to the interest in contracts of members of the park board.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 40-49-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-49-10. Members of board of park commissioners may receive compensation - Interest in contracts ~~prohibited~~ restricted. The members of the board of park commissioners shall receive such compensation for their services as may be prescribed by the governing body of the municipality ~~and~~. No park board member shall not be directly or indirectly interested in any contract entered into by the board requiring the expenditure of park district funds unless the contract has been approved by two-thirds of the park board. Before the contract is approved, a motion must be made and approved that the service or property is not readily available elsewhere at equal cost. Regardless of this section, any park board, by resolution duly adopted, may contract with park board members for minor supplies or incidental expenses.

Approved March 29, 1989
Filed March 30, 1989

CHAPTER 494

HOUSE BILL NO. 1366
(Representative Wentz)
(Senators Maxson, Robinson)

PARK DISTRICT LEVY FOR COMPREHENSIVE HEALTH CARE

AN ACT to create and enact a new subsection to section 40-49-12 and a new subsection to section 57-15-12.2 of the North Dakota Century Code, relating to a tax levy by park districts for comprehensive health care benefits.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new subsection to section 40-49-12 of the North Dakota Century Code is hereby created and enacted to read as follows:

Levy taxes upon all the property within the district, subject to the limitations of section 57-15-12.2, for the purpose of funding a comprehensive health care program for district employees.

SECTION 2. A new subsection to section 57-15-12.2 of the 1987 Supplement to the North Dakota Century Code is hereby created and enacted to read as follows:

A park district levying a tax for a comprehensive health care program for district employees in accordance with section 40-49-12 may levy a tax not exceeding one mill.

Approved March 17, 1989
Filed March 17, 1989

CHAPTER 495

SENATE BILL NO. 2186
(Committee on Finance and Taxation)
(At the request of the State Board of Equalization)

NEW INDUSTRY TAX EXEMPTION APPROVAL

AN ACT to amend and reenact sections 40-57.1-03, 40-57.1-04.1, and 40-57.1-05 of the North Dakota Century Code, relating to the approval of tax exemptions for new industries.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 40-57.1-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-57.1-03. Municipalities' authority to grant tax exemption - Notice to competitors - Limitations. Municipalities are hereby authorized and empowered, in their discretion, as limited hereafter, to grant, after negotiation with a potential project operator, partial or complete exemption from ad valorem taxation on all tangible property used in or necessary to the operation of a project for a period not exceeding five years from the date of commencement of project operations, ~~which date shall be determined by the tax commissioner.~~ Provided, however, that the exemption granted under this chapter shall apply only to the valuation over and above the taxable valuation placed upon the property for the last assessment period immediately preceding the date of application for exemption. Negotiations with potential project operators for tax exemption shall be carried on by the city council or commission if the project is proposed to be located within the boundaries of a city, and by the board of county commissioners if such project is proposed to be located outside the corporate limits of any city. A partial exemption shall be stated as a percentage of the total ad valorem taxes assessed against the property. The potential project operator shall publish two notices, the form of which shall be prescribed by the ~~state board of equalization tax commissioner,~~ to competitors of ~~such the~~ application for tax exemption in the official newspaper of the municipality at least one week apart. ~~Such~~ The publications shall be completed not less than fifteen nor more than thirty days before the governing body of the municipality is to consider ~~such the~~ application. The municipality shall, ~~before granting any such exemption, make application to the state board of equalization for approval, and the board shall, if it finds that such exemption will not result in unfair tax reduction competition between political subdivisions of this state, determine whether the granting of the exemption is in the best interest of the people of North Dakota municipality, and if it so determines, shall give its approval. The board shall, after making the determination, certify the findings back to the municipality and to the tax commissioner.~~

* SECTION 2. AMENDMENT. Section 40-57.1-04.1 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

* NOTE: Section 40-57.1-04.1 was also amended by section 1 of Senate Bill No. 2518, chapter 496, and section 1 of House Bill No. 1528, chapter 497.

40-57.1-04.1. Ad valorem and income tax exemption for existing structures - Requirements. Notwithstanding any other provision of this chapter, a project operator who otherwise qualifies under this chapter may, upon application consistent with the provisions of this chapter, receive a partial or complete exemption from income taxation and ad valorem taxation on any existing structure used in or necessary to the operation of the project for a period not exceeding five years from the date of commencement of project operations in the structure, ~~which date shall be determined by the tax commissioner.~~ No structure shall qualify for this exemption unless it has been vacant for at least the twelve months prior to the commencement of project operations.

SECTION 3. AMENDMENT. Section 40-57.1-05 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-57.1-05. Reapplication for tax exemption - Discretion of board of equalization. The ~~state board of equalization may~~ municipality, in its discretion, upon the presentation of additional facts and circumstances which were not presented or discovered at the time of the original application for tax exemption under the provisions of this chapter, accept reapplications from project operators at any time if ~~such~~ the project operators first ~~negotiate with the municipality and~~ publish notice of application for tax exemption as required by this chapter.

Approved March 9, 1989
Filed March 9, 1989

CHAPTER 496

SENATE BILL NO. 2518
(Richard, Wogsland)

(Approved by the Committee on Delayed Bills)

NEW INDUSTRY IN GOVERNMENT BUILDINGS

AN ACT to amend and reenact section 40-57.1-04.1 of the North Dakota Century Code, relating to the period for which tax exemptions for new industries may be granted; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Section 40-57.1-04.1 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-57.1-04.1. Ad valorem and income tax exemption for existing structures - Requirements. Notwithstanding any other provision of this chapter, a project operator who otherwise qualifies under this chapter may, upon application consistent with the provisions of this chapter, receive a partial or complete exemption from income taxation and ad valorem taxation on any existing structure used in or necessary to the operation of the project for a period not exceeding five years from the date of commencement of project operations in the structure, which date shall be determined by the tax commissioner. No structure shall qualify for this exemption unless it has been vacant for at least the twelve months prior to the commencement of project operations. Notwithstanding the vacancy requirement, for taxable years beginning after December 31, 1988, the governing body of a municipality may grant additional exemptions of property under this section during a period not exceeding ten years from the date of commencement of project operations in the structure if the structure is owned by the United States, the state, or a political subdivision of the state and leased to the project operator. The project operator shall apply to the governing body of the municipality annually for the exemption and the governing body of the municipality may grant the exemption for only one year at a time.

SECTION 2. EFFECTIVE DATE. This Act is effective for taxable years beginning after December 31, 1988, and applies to projects for which exemptions were granted before that date.

Approved April 14, 1989
Filed April 17, 1989

* NOTE: Section 40-57.1-04.1 was also amended by section 1 of House Bill No. 1528, chapter 497, and section 2 of Senate Bill No. 2186, chapter 495.

CHAPTER 497

HOUSE BILL NO. 1528
(Melby)

NEW INDUSTRY EXEMPTION IN SMALLER CITIES

AN ACT to amend and reenact section 40-57.1-04.1 of the North Dakota Century Code, relating to the period of vacancy of existing structures for purposes of tax exemptions for new industries; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Section 40-57.1-04.1 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-57.1-04.1. Ad valorem and income tax exemption for existing structures - Requirements. Notwithstanding any other provision of this chapter, a project operator who otherwise qualifies under this chapter may, upon application consistent with the provisions of this chapter, receive a partial or complete exemption from income taxation and ad valorem taxation on any existing structure used in or necessary to the operation of the project for a period not exceeding five years from the date of commencement of project operations in the structure, which date shall be determined by the tax commissioner. No structure shall qualify for this exemption unless it has been vacant for at least the twelve months prior to the commencement of project operations, except that in cities with a population of three thousand or less the vacancy period does not apply and the project operator may occupy the structure immediately after it is vacated by the previous occupant.

SECTION 2. EFFECTIVE DATE. This Act is effective for taxable years beginning after December 31, 1988.

Approved March 22, 1989
Filed March 23, 1989

* NOTE: Section 40-57.1-04.1 was also amended by section 2 of Senate Bill No. 2186, chapter 495, and section 1 of Senate Bill No. 2518, chapter 496.

CHAPTER 498

HOUSE BILL NO. 1224
(Oban)

CITY LODGING AND RESTAURANT TAX RETURNS

AN ACT to amend and reenact section 40-57.3-04 of the North Dakota Century Code, relating to the due date for city lodging and restaurant tax returns; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 40-57.3-04 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-57.3-04. Payment of tax - Collection by tax commissioner - Administrative expenses allowed - Rules. The taxes imposed under this chapter are due and payable monthly at the same time the taxpayer is required to file a return under chapter 57-39.2 and must be collected monthly and administered by the state tax commissioner in accordance with the relevant provisions of chapter 57-39.2. The amount the tax commissioner remits monthly to each city as taxes collected for that city's visitors' promotion fund and visitors' promotion capital construction fund shall be reduced by three percent as an administrative fee necessary to defray the cost of collecting the taxes and the expenses incident to collection. The administrative fee must be deposited in the general fund in the state treasury. The tax commissioner shall adopt rules necessary for the administration of this chapter. The penalties and liabilities provided in sections 57-39.2-18 and 57-39.2-18.1 shall specifically apply to the filing of returns and administration of the taxes imposed under this chapter.

SECTION 2. EFFECTIVE DATE. This Act is effective for taxable periods beginning after June 30, 1989.

Approved March 14, 1989
Filed March 15, 1989

CHAPTER 499

SENATE BILL NO. 2042
(Legislative Council)
(Interim Jobs Development Commission)

TAX INCREMENT PROPERTY DEVELOPMENT

AN ACT to create and enact section 40-58-01.1 and a new section to chapter 40-58 of the North Dakota Century Code, relating to definitions concerning city development and renewal and the use of tax increment financing by cities for the development of certain industrial or commercial property; to amend and reenact sections 40-58-02, 40-58-03, 40-58-04, 40-58-05, 40-58-06, 40-58-07, 40-58-08, 40-58-09, 40-58-10, 40-58-12, 40-58-13, 40-58-15, 40-58-16, 40-58-17, 40-58-18, and 40-58-20 of the North Dakota Century Code, relating to city development and renewal; and to repeal sections 40-58-01 and 40-58-19 of the North Dakota Century Code, relating to the short title and definitions under the urban renewal law.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 40-58 of the North Dakota Century Code is hereby created and enacted to read as follows:

Use of tax increment financing for the development of certain industrial or commercial property - Public hearing - Eligible costs of development.

1. The governing body of a municipality may use the tax increment financing method authorized by section 40-58-20 to assist a project developer in the development of industrial or commercial property, as limited by this section, pursuant to an agreement between the municipality and the project developer.
2. Prior to entering into an agreement with a project developer under subsection 1, the governing body of the municipality shall consider the agreement at a public hearing, which may be held in conjunction with the public hearing required by subsection 3 of section 40-58-06, after providing written notice of the hearing at least fifteen days prior to the hearing to potential competitors of the prospective industrial or commercial enterprise, and may enter into the agreement only if it determines that the agreement will not result in unfair competition and that the agreement is in the best interests of the municipality as a whole.
3. For the purpose of determining costs of development of industrial or commercial property to be reimbursed by tax increments under section 40-58-20, only the following public costs necessarily incurred, by either the municipality or the project developer, for the purpose of preparing the property for private development by

the project developer may be included in the agreement as reimbursable public costs of development:

- a. The cost of acquiring, or the market value, of all or a part of the industrial or commercial property;
- b. Costs of demolition, removal, or alteration of buildings and improvements on the industrial or commercial property, including the cost of clearing and grading land;
- c. Costs of installation, construction, or reconstruction of streets, utilities, parks, and other public works or improvements necessary for carrying out the development or renewal plan; and
- d. All interest and redemption premiums paid on bonds, notes, or other obligations issued by the municipality to provide funds for the payment of eligible public costs of development.

SECTION 2. Section 40-58-01.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

40-58-01.1. Definitions. In this chapter, unless the context otherwise requires:

1. "Area of operation" means the area within the corporate limits of the municipality and the area within five miles [8.05 kilometers] of those limits, except that the term does not include any area that lies within the territorial boundaries of another incorporated city unless a resolution is adopted by the governing body of the other city declaring a need for the inclusion.
2. "Blighted area" means an area other than a slum area which by reason of the presence of a substantial number of slums, deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of these factors, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use.
3. "Board" or "commission" means a board, commission, department, division, office, body, or other unit of the municipality.
4. "Bonds" means any bonds including refunding bonds, notes, interim certificates, certificates of indebtedness, debentures, or other obligations.
5. "Clerk" means the clerk or other official of a municipality who is the custodian of the official records of the municipality.

6. "Development" includes the construction of new buildings, structures, or improvements; the demolition, alteration, remodeling, repair, or reconstruction of existing buildings, structures, or improvements; the acquisition of equipment; and the clearing and grading of land on industrial or commercial property in a development or renewal area. However, for the purpose of determining amounts to be reimbursed by tax increments under section 40-58-20, only those eligible public costs of development enumerated under section 1 of this Act are reimbursable for that purpose.
7. "Development or renewal area" means industrial or commercial property, a slum or blighted area, or a combination of these properties or areas that the local governing body designates as appropriate for a development or renewal project.
8. "Development or renewal plan" means a plan for a development or renewal project which:
 - a. Conforms to the general plan for the municipality as a whole; and
 - b. Is sufficiently complete to indicate any land acquisition, development, demolition and removal of structures, redevelopment, improvements, or rehabilitation as may be proposed to be carried out in the development or renewal area, zoning and planning changes, if any, land uses, maximum densities, building requirements, and the plan's relationship to definite local objectives relating to appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements.
9. "Development or renewal project" may include authorized undertakings or activities of a municipality in a development or renewal area for the development of commercial or industrial property or for the elimination and prevention of the development or spread of slums and blight.
10. "Dwelling" means any building, or structure, or part of a building or structure used and occupied for human habitation or intended to be so used, and includes any appurtenances to the building or structure.
11. "Federal government" means the United States of America or any agency or instrumentality, corporate or otherwise, of the United States of America.
12. "Governing body" means the city council, the board of city commissioners, or the board of township supervisors.
13. "Housing authority" means a housing authority created by and established pursuant to the housing authorities law.
14. "Industrial or commercial property" means unused or underutilized real property that is zoned or used as an industrial or commercial site.

15. "Mayor" means the mayor of a municipality or other officer or body having the duties customarily imposed upon the executive head of a municipality.
16. "Municipality" means any incorporated city in the state.
17. "Obligee" includes any bondholder, agents or trustees for any bondholder, or lessor demising to the municipality property used in connection with a development or renewal project, or any assignee or assignees of the lessor's interest or any part thereof, and the federal government when it is a party to any contract with the municipality.
18. "Person" means any individual, firm, partnership, corporation, company, association, joint stock association, or body politic and includes any trustee, receiver, assignee, or other person acting in a similar representative capacity.
19. "Public body" means the state or any municipality, township, board, commission, authority, district, or any other political subdivision or public body of the state.
20. "Public officer" means any officer who is in charge of any department or branch of the government of the municipality relating to health, fire, building regulations, or to other activities concerning dwellings in the municipality.
21. "Real property" includes all lands, including improvements and fixtures on the land, and property of any nature appurtenant to the land, or used in connection with the land, and every estate, interest, right and use, legal or equitable, in the land, including terms for years and liens by way of judgment, mortgage, or otherwise.
22. "Rehabilitation" or "conservation" includes the restoration and renewal of all or a part of a slum or blighted area, in accordance with a development or renewal plan, by:
 - a. Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements.
 - b. Acquisition of real property and demolition or removal of buildings and improvements on the real property if necessary to eliminate unhealthful, unsanitary, or unsafe conditions, lessen density, reduce traffic hazards, eliminate obsolete or other uses detrimental to the public welfare, or to otherwise remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities.
 - c. Installation, construction, or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out the purposes of this chapter.
 - d. The disposition of any property acquired in the development or renewal area including sale, initial leasing, or retention by the municipality at its fair value for uses in accordance with the development or renewal plan.

23. "Slum area" means an area in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of these factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals, or welfare.
24. "Slum clearance and redevelopment" may include:
- a. Acquisition of all or part of a slum area or a blighted area.
 - b. Demolition and removal of buildings and improvements.
 - c. Installation, construction, or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out the development or renewal plan.
 - d. Making the land available for development or redevelopment by private enterprise or public agencies including sale, initial leasing, or retention by the municipality at its fair value for uses in accordance with the development or renewal plan.
25. "Urban renewal agency" means a public agency created pursuant to section 40-58-16.

SECTION 3. AMENDMENT. Section 40-58-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-02. Findings and declarations of necessity.

1. It is hereby found and declared that there exist in municipalities of the state slum and blighted areas ~~(as herein defined)~~ which constitute a serious and growing menace, injurious to the public health, safety, morals, and welfare of the residents of the state; that the existence of ~~such~~ these areas contributes substantially and increasingly to the spread of disease and crime, constitutes an economic and social liability, substantially impairs or arrests the sound growth of municipalities, retards the provision of housing accommodations, aggravates traffic problems, and substantially impairs or arrests the elimination of traffic hazards and the improvement of traffic facilities; and that the prevention and elimination of slums and blight is a matter of state policy and state concern in order that the state and its municipalities ~~shall~~ do not continue to be endangered by areas which are focal centers of disease, promote juvenile delinquency, and, while contributing little to the tax income of the state and its municipalities, consume an excessive proportion of its revenues because of the extra services required for police, fire, accident, hospitalization, and other forms of public protection, services, and facilities. It is further found and declared that certain slum or blighted areas, or portions thereof, may require acquisition, clearance, and disposition subject to use restrictions, as provided in this chapter, since the prevailing condition of decay may make

impracticable the reclamation of the area by conservation or rehabilitation; that other areas or portions thereof may, through the means provided in this chapter, be susceptible of conservation or rehabilitation in such a manner that the conditions and evils ~~hereinbefore enumerated~~ described in this section may be eliminated, remedied, or prevented; and that to the extent feasible salvable slum and blighted areas should be conserved and rehabilitated through voluntary action and the regulatory process.

2. It is further found and declared that there exist in municipalities of the state conditions of unemployment, underemployment, and joblessness detrimental to the economic growth of the state economy; that it is appropriate to implement economic development programs both desirable and necessary to eliminate the causes of unemployment, underemployment, and joblessness for the benefit of the state economy; and that tax increment financing is an economic development program designed to facilitate projects that create economic growth and development.
3. It is further found and declared that the powers conferred by this chapter are for public uses and purposes for which public money may be expended and the power of eminent domain exercised; and that the necessity in the public interest for the provisions herein enacted is hereby declared as a matter of legislative determination.

SECTION 4. AMENDMENT. Section 40-58-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-03. Encouragement of private enterprise. A municipality, to the greatest extent it determines to be feasible in carrying out ~~the provisions of~~ this chapter, shall afford maximum opportunity, consistent with the sound needs of the municipality as a whole, to the development, rehabilitation, or redevelopment of the urban development or renewal area by private enterprise. A municipality shall give consideration to this objective in exercising its powers under this chapter, including the formulation of a workable program, the approval of ~~urban development or renewal~~ plans consistent with the general plan for the municipality, the adoption and enforcement of ordinances as provided for in section 40-58-18, the exercise of its zoning powers, the enforcement of other laws, codes, and regulations relating to the use of land and the use and occupancy of buildings and improvements, the disposition of any property acquired, and the provision of necessary public improvements.

SECTION 5. AMENDMENT. Section 40-58-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-04. Workable program. A municipality for the purposes of this chapter may formulate a workable program for utilizing appropriate private and public resources including those specified in section 40-58-18 to facilitate the development of industrial or commercial properties, eliminate, and prevent the development or spread of, slums and urban blight, to encourage needed urban rehabilitation, to provide for the redevelopment of slum and blighted areas, or to undertake such of the aforesaid these activities or other feasible municipal activities as may be suitably employed to achieve the objectives of such the workable program. Such The workable program may include, ~~without limitation,~~ provision for: the

1. The development of industrial or commercial properties;

2. The prevention of the spread of blight into areas of the municipality which are free from blight through diligent enforcement of housing, zoning, and occupancy controls and standards; ~~the~~
3. The rehabilitation or conservation of slum and blighted areas or portions ~~thereof~~ of those areas by replanning, removing congestion, providing parks, playgrounds, and other public improvements, by encouraging voluntary rehabilitation and by compelling the repair and rehabilitation of deteriorated or deteriorating structures; and ~~the~~
4. The clearance and redevelopment of slum areas or portions ~~thereof~~ of those areas.

SECTION 6. AMENDMENT. Section 40-58-05 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-05. Finding of necessity by ~~local~~ governing body. ~~No~~ A municipality ~~shall~~ may not exercise any of the powers ~~hereafter~~ conferred upon municipalities by this chapter until ~~after~~ its ~~local~~ governing body ~~shall have adopted~~ adopts a resolution finding that:

1. One or more slum or blighted areas or industrial or commercial properties exist in ~~such~~ the municipality; and
2. The development, rehabilitation, conservation, or redevelopment, or a combination thereof, of ~~such~~ the area or ~~areas~~ properties necessary in the interest of the public economy, health, safety, morals, or welfare of the residents of ~~such~~ the municipality.

SECTION 7. AMENDMENT. Section 40-58-06 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-06. Preparation and approval of urban development or renewal plans.

1. A municipality ~~shall~~ may not approve an urban a development or renewal plan for an urban a development or renewal area unless the governing body ~~has~~ by resolution ~~determined~~ such determines that the area to be is a slum or blighted area or a blighted area consists of industrial or commercial property, or a combination thereof of those areas or properties, and ~~designated~~ such designates the area or properties as appropriate for an urban a development or renewal project. The local governing body ~~shall~~ may not approve an urban a development or renewal plan until a general plan for the municipality ~~has been~~ is prepared. For this purpose and other municipal purposes, ~~authority is hereby vested in every a~~ municipality to may prepare, to adopt, and to revise from time to time, a general plan for the physical development of the municipality as a whole giving due regard to the environs and metropolitan surroundings, to establish and maintain a planning commission for such this purpose and related municipal planning activities, and to make available and to appropriate necessary funds ~~therefor~~ for these purposes. A municipality ~~shall~~ may not acquire real property for an urban a development or renewal project

- unless the ~~local~~ governing body ~~has approved~~ approves the urban development or renewal plan in accordance with subsection 4.
2. The municipality may ~~itself~~ prepare or cause to be prepared an urban a development or renewal plan, or any person or agency, public or private, may submit ~~such~~ a development or renewal plan to a municipality. Prior to its approval of an urban a development or renewal plan, the ~~local~~ governing body shall submit ~~such the~~ plan to the planning commission of the municipality, if any, for review and recommendations as to its conformity with the general plan for the development of the municipality as a whole. However, if the development or renewal plan relates only to proposed development of industrial or commercial property, the governing body is not required to submit the plan to the planning commission unless the proposed development is not consistent with the comprehensive city plan. The planning commission shall submit its written recommendations with respect to the proposed urban development or renewal plan to the ~~local~~ governing body within thirty days after receipt of the plan for review. Upon receipt of the recommendations of the planning commission, ~~or, if no recommendations are received within said thirty days, then without such recommendations the thirty-day period,~~ the ~~local~~ governing body may proceed with the hearing on the proposed urban development or renewal plan prescribed by subsection 3.
 3. The ~~local~~ governing body shall hold a public hearing on an urban a development or renewal plan or substantial modification of an approved urban plan, after public notice ~~thereof~~ of the hearing is provided by publication in a newspaper having a general circulation in the area of operation of the municipality. The notice ~~shall~~ must describe the time, date, place, and purpose of the hearing, ~~shall~~ shall generally identify the urban development or renewal area covered by the plan, and ~~shall~~ shall outline the general scope of the urban development or renewal project under consideration.
 4. Following ~~such the~~ hearing, the ~~local~~ governing body may approve an urban a development or renewal plan if it finds that:
 - a. A feasible method exists for the location of families who will be displaced from the urban development or renewal area in decent, safe, and sanitary dwelling accommodations within their means and without undue hardship to ~~such those~~ families;
 - b. The urban development or renewal plan conforms to the general plan of the municipality as a whole; and
 - c. The urban development or renewal plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the development, rehabilitation, or redevelopment of the urban development or renewal area by private enterprise.
 5. An urban A development or renewal plan may be modified at any time; provided, that if modified after the lease or sale by the municipality of real property in the urban development or renewal project area, ~~such the~~ modification ~~shall be~~ is subject to ~~such the~~ rights at law or in equity as a lessee or purchaser, or ~~his~~ the

lessee's or purchaser's successor or successors in interest may be, is entitled to assert. Any proposed modification which will substantially change the urban development or renewal plan as previously approved by the ~~local~~ governing body shall be is subject to the requirements of this section, including the requirement of a public hearing, before it may be approved.

6. Upon the approval of an urban a development or renewal plan by the municipality the provisions of said the plan with respect to the future use and building requirements applicable to the property covered by said the plan shall be controlling with respect thereto control the future use of and building on the property.

SECTION 8. AMENDMENT. Section 40-58-07 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-07. Powers. Every A municipality shall have has all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this chapter, including the following powers in addition to others herein granted power:

1. To authorize or undertake and carry out urban development or renewal projects within its area of operation; and to make and execute contracts and other instruments necessary or convenient to the exercise of its powers under this chapter; and to disseminate industrial or commercial development, slum clearance, and urban renewal information.
2. To provide or to, arrange, or contract for the furnishing or repair by any person or agency, public or private, of services, privileges, works, streets, roads, public utilities, or other facilities for or in connection with an urban a development or renewal project; to install, construct, and reconstruct streets, utilities, parks, playgrounds, and other public improvements; and to agree to any conditions that it may deem reasonable and appropriate attached to federal financial assistance and imposed pursuant to federal law relating to the determination of prevailing salaries or wages or compliance with labor standards, in the undertaking or carrying out of an urban a development or renewal project, and to include in any contract let in connection with such a the project, provisions to fulfill such of said those conditions as it may deem reasonable and appropriate.
3. Within its area of operation, to enter upon any building or property in any urban development or renewal area in order to make surveys, appraisals, soundings, or test borings, and to obtain an order for this purpose from a court of competent jurisdiction in the event entry is denied or resisted; to acquire by purchase, lease, option, gift, grant, bequest, devise, eminent domain, or otherwise, any real property or personal property for its administrative purposes together with any property improvements thereon; to hold, improve, clear, or prepare for development or redevelopment any such property; to mortgage, pledge, hypothecate, or otherwise encumber or dispose of any real property; to insure or provide for the insurance of any real or personal property or operations of the municipality against any risks or hazards,

including the power to pay premiums on any such for the insurance; and to enter into any contracts necessary to effectuate the purposes of this chapter; provided, however, that no statutory provision with respect to the acquisition, clearance, or disposition of property by public bodies ~~shall restrict~~ restricts a municipality or other public body exercising powers hereunder under this subsection, in the exercise of such those functions with respect to an urban a development or renewal project, unless the legislative assembly shall specifically so state.

4. To invest any urban development or renewal project funds held in reserves or sinking funds or any such of those funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control; to redeem such bonds as have been issued pursuant to section 40-58-10 at the established redemption price established therein or to purchase such bonds at less than redemption price, all such bonds so redeemed or purchased to be canceled.
5. To borrow money and to apply for and accept advances, loans, grants, contributions, and any other form of financial assistance from the federal government, the state, county, or other public body, or from any sources, public or private, for the purposes of this chapter, and to give such security as may be required and to enter into and carry out contracts in connection therewith. A municipality may include in any contract for financial assistance with the federal government for an urban a development or renewal project such any conditions imposed pursuant to federal law as the municipality may deem reasonable and appropriate and which are not inconsistent with the purposes of this chapter.
6. Within its area of operation, to make or cause to have made all plans necessary to the carrying out of the purposes of this chapter and to contract with any person, public or private, in making and carrying out such those plans and to adopt or approve, modify, and amend such those plans. Such The plans may include, without limitation:
 - a. A general plan for the locality as a whole.
 - b. Urban Development or renewal plans.
 - c. Plans for carrying out a program of voluntary or compulsory repair and rehabilitation of buildings and improvements.
 - d. Plans for the enforcement of state and local laws, codes, and regulations relating to the use of land and the use and occupancy of buildings and improvements and to the compulsory repair, rehabilitation, demolition, or removal of buildings and improvements.
 - e. Appraisals, title searches, surveys, studies, and other preliminary plans and work necessary to prepare for the undertaking of urban development or renewal projects. The municipality is authorized to may develop, test, and report methods and techniques, and carry out demonstrations and other activities, for the prevention and the elimination of slums and

urban blight, and to apply for, accept, and utilize grants of funds from the federal government for such purposes.

7. To prepare plans and provide reasonable assistance for the relocation of families displaced from an urban a development or renewal area.
8. To appropriate such funds and make such expenditures as may be that are necessary to carry out the purposes of this chapter, and to levy taxes and assessments for such those purposes; to close, vacate, plan, or replan streets, roads, sidewalks, ways, or other places; to plan or replan, zone or rezone any part of the municipality or make exceptions from building regulations; and to enter into agreements with a housing authority or an urban renewal agency vested with urban renewal project powers under section 40-58-15, which agreements may extend over any period, notwithstanding any provision or rule of law to the contrary, respecting action to be taken by such the municipality pursuant to any of the powers granted by this chapter.
9. Within its area of operation, to organize, coordinate, and direct the administration of the provisions of this chapter as they those provisions apply to such the municipality in order that the objective objectives of remedying slum and blighted areas and preventing the causes thereof of those areas and facilitating the development of industrial or commercial properties within such the municipality may be most effectively promoted and achieved, and to establish such new office or offices of the municipality or to reorganize existing offices in order to carry out such that purpose most effectively.
10. To exercise all or any part or combination of the powers herein granted by this section.

SECTION 9. AMENDMENT. Section 40-58-08 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-08. Eminent domain.

1. A municipality ~~shall have the right to~~ may acquire by condemnation any interest in real property, including a fee simple title ~~thereto~~, which it may deem necessary for or in connection with an urban a development or renewal project under this chapter. A municipality may exercise the power of eminent domain in the manner provided in housing authorities by law; and acts amendatory thereof or supplementary thereto; or it may exercise the power of eminent domain in the manner now or which may be hereafter provided by any other statutory provisions for the exercise of the power of eminent domain. ~~Property. Any property~~ already devoted to a public use may be acquired in a like manner; provided, that no real property belonging to the state, or any political subdivision thereof of this state, may be acquired without its consent.
2. In any proceeding to fix or assess compensation for damages for the taking or damaging of property, or any interest therein in the property, through the exercise of the power of eminent domain or condemnation, evidence or testimony bearing upon the following

matters ~~shall be~~ is admissible and ~~shall~~ must be considered in fixing ~~such the~~ compensation or damages, in addition to evidence or testimony otherwise admissible:

- a. Any use, condition, occupancy, or operation of ~~such the~~ property, which is unlawful or violative of, or subject to elimination, abatement, prohibition, or correction under, any law or in any ordinance or regulatory measure of the state, county, municipality, other political subdivision, or any agency thereof, in which ~~such the~~ property is located, as being unsafe, substandard, insanitary, or otherwise contrary to the public health, safety, or welfare.
 - b. The effect on the value of ~~such the~~ property, of any such use, condition, occupancy, or operation, or of the elimination, abatement, prohibition, or correction of any such use, condition, occupancy, or operation.
3. The foregoing testimony and evidence ~~shall be~~ is admissible notwithstanding that no action has been taken by any public body or public officer toward the abatement, prohibition, elimination, or correction of any such use, condition, occupancy, or operation. Testimony or evidence that any public body or public officer charged with the duty or authority so to do has rendered, made, or issued any judgment, decree, determination, or order for the abatement, prohibition, elimination, or correction of any such use, condition, occupancy, or operation ~~shall be~~ is admissible and ~~shall be~~ is prima facie evidence of the existence and character of such use, condition, or operation.

SECTION 10. AMENDMENT. Section 40-58-09 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-09. Disposal of property in urban development or renewal area.

1. A municipality may sell, lease, or otherwise transfer real property or any interest ~~therein~~ in real property acquired by it, and may enter into contracts with respect ~~thereto~~ to the real property, in ~~an urban a development or renewal area~~ for residential, recreational, commercial, industrial, or other uses or for public use, or may retain such the property or interest for public use, in accordance with the urban development or renewal plan, subject to such covenants, conditions, and restrictions, including covenants running with the land, as it may deem to be necessary or desirable to assist in preventing the development or spread of future slums or blighted areas, to facilitate the development of industrial or commercial properties, or to otherwise carry out the purposes of this chapter; provided, that such the sale, lease, other transfer, or retention, and any agreement relating thereto, may be made only after the approval of the urban development or renewal plan by the local governing body. The purchasers or lessees and their successors and assigns shall must be obligated to devote such the real property only to the uses specified in the urban development or renewal plan, and may be obligated to comply with such any other requirements as that the municipality may determine to be determines are in the public interest, including the obligation to begin within a reasonable time any improvements on such the real

property required by the urban development or renewal plan. Such The real property or interest shall must be sold, leased, otherwise transferred, or retained at not less than its fair value for uses in accordance with the urban development or renewal plan. In determining the fair value of real property for uses in accordance with the urban development or renewal plan, a municipality shall take into account and give consideration to the uses provided in such the plan; the restrictions upon, and the covenants, conditions, and obligations assumed by the purchaser or lessee or by the municipality retaining the property; and the objectives of such the plan for the development of industrial or commercial properties and the prevention of the recurrence of slum or blighted areas. The municipality in any instrument of conveyance to a private purchaser or lessee may provide that such the purchaser or lessee shall be without power to may not sell, lease, or otherwise transfer the real property without the prior written consent of the municipality until he the purchaser or lessee has completed the construction of any and all improvements which he has the purchaser or lessee is obligated himself to construct thereon on the real property. Real property acquired by a municipality which, in accordance with the provisions of the urban development or renewal plan, is to be transferred, shall must be transferred as rapidly as feasible in the public interest consistent with the carrying out of the provisions of the urban development or renewal plan. The inclusions inclusion in any such contract or conveyance to a purchaser or lessee of any such covenants, restrictions, or conditions, including the incorporation by reference therein of the provisions of an urban a development or renewal plan or any part thereof shall of the plan, does not prevent the filing of such the contract or conveyance in the land records of the register of deeds in such a manner as to afford that affords actual or constructive notice thereof of the contract or conveyance.

2. A municipality may dispose of real property in an urban a development or renewal area to private persons only under such reasonable competitive bidding procedures as it shall prescribe or as hereinafter provided in this subsection. A municipality may, by public notice by publication once each week for two consecutive weeks in a newspaper having a general circulation in the community prior to the execution of any contract to sell, lease, or otherwise transfer real property and prior to the delivery of any instrument of conveyance with respect thereto under the provisions of this section; invite proposals from and make available all pertinent information to private redevelopers or any persons interested in undertaking to redevelop or rehabilitate an urban renewal area; or any part thereof. Such notice shall identify the area, or portion thereof, and shall state that such further information as is available may be obtained at such office as shall be designated in said notice. The municipality shall consider all such redevelopment or rehabilitation proposals and the financial and legal ability of the persons making such proposals to carry them out; and may negotiate with any persons for proposals for the purchase, lease, or other transfer of any real property acquired by the municipality in the urban renewal area. The municipality may accept such proposal as it deems to be in the public interest and in furtherance of the purposes of this chapter; provided, that a notification of intention to accept such proposal shall be filed

with the governing body not less than thirty days prior to any such acceptance in a manner that appropriately carries out the purposes and provisions of this chapter. Thereafter, the municipality may execute such the contract in accordance with the provisions of subsection 1 and deliver deeds, leases, and other instruments and take all steps necessary to effectuate such the contract.

3. A municipality may temporarily operate and maintain real property acquired in an urban a development or renewal area pending the disposition of the property for development or redevelopment, without regard to the provisions of subsection 1, for such any uses and purposes as may be deemed desirable even though not in conformity with the urban development or renewal plan.

SECTION 11. AMENDMENT. Section 40-58-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-10. Issuance of bonds.

1. A municipality shall have power to may issue bonds from time to time in its discretion to finance the undertaking of any urban development or renewal project under this chapter, including, without limiting the generality thereof, the payment of principal and interest upon any advances for surveys and plans for urban development or renewal projects, and shall also have power to may issue refunding bonds for the payment or retirement of such bonds previously issued by it. Such The bonds shall must be made payable, as to both principal and interest, solely from the income, proceeds, revenues, and funds of the municipality derived from or held in connection with its undertaking and carrying out of urban development or renewal projects under this chapter; provided, however, that the payment of such bonds, both as to principal and interest, may be further secured by a pledge of any loan, grant, or contribution from the federal government or other source, in aid of any urban development or renewal projects of the municipality under this chapter, and by a mortgage of all or any part of such urban a development or renewal projects, or any part thereof project, title to which is in the municipality.
2. Bonds issued under this section shall do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction, and shall are not be subject to the provisions of any other law or charter relating to the authorization, issuance, or sale of bonds. Bonds issued under the provisions of this chapter are declared to be issued for an essential public and governmental purpose and, together with interest thereon and income therefrom, shall be exempted, are exempt from all taxes taxation.
3. Bonds issued under this section shall must be authorized by resolution or ordinance of the local governing body and may be issued in one or more series and shall must bear such date or dates, be payable upon demand or mature at such time or times, bear interest at such rate or rates, resulting in an average annual net interest cost not exceeding twelve per centum per annum on those issues which are sold at private sale. Such The bonds shall must be in such denomination or denominations, be in such form, either

coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment, at such ~~place or~~ places, and be subject to such terms of redemption with or without premium, be secured in such manner, and have such other characteristics, as may be provided by ~~such the~~ resolution or trust indenture or mortgage issued pursuant ~~thereto to the~~ resolution.

4. The bonds may be sold at not less than par at public sales held after notice published prior to ~~such the~~ sale in a newspaper having a general circulation in the area of operation and in ~~such any~~ other medium of publication as the municipality may determine or may be exchanged for other bonds on the basis of par; provided, that the bonds may be sold to the federal government at private sale at not less than par, and, in the event less than all of the authorized principal amount of the bonds is sold to the federal government, the balance may be sold at private sale at not less than par at an interest cost to the municipality of not to exceed the interest cost to the municipality of the portion of the bonds sold to the federal government. The bonds may also be sold at private sale if ~~such the~~ obligations do not exceed the total sum of one hundred thousand dollars. There is no interest rate ceiling on issues sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities.
5. ~~In case any of the~~ If a public ~~officials~~ official of the municipality whose ~~signatures appear~~ signature appears on any bonds or coupons issued under this chapter ~~shall cease~~ ceases to be ~~such officials~~ a public official before the delivery of ~~such the~~ bonds, ~~such the signature shall is,~~ nevertheless, be valid and sufficient for all purposes, ~~the same as if such officials~~ the official had remained in office until ~~such the~~ delivery. Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to this chapter ~~shall be~~ are fully negotiable.
6. In any suit, action, or proceeding involving the validity or enforceability of any bond issued under this chapter or the security ~~therefor~~ for the bond, any ~~such~~ bond reciting in substance that it has been issued by the municipality in connection with an urban a development or renewal project, ~~as herein defined,~~ shall be is conclusively deemed to have been issued for ~~such that~~ purpose and ~~such the~~ project ~~shall be~~ is conclusively deemed to have been planned, located, and carried out in accordance with ~~the provisions~~ of this chapter.

SECTION 12. AMENDMENT. Section 40-58-12 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-12. Property exempt from taxes and from levy and sale by virtue of an execution.

1. All property of a municipality, including funds, owned or held by it for the purposes of this chapter ~~shall be~~ is exempt from levy and sale by virtue of an execution, and no execution or other judicial process ~~shall may~~ issue against the same nor ~~shall may~~ judgment against a municipality be a charge or lien upon ~~such the~~ property; provided, however, that the provisions of this section

~~shall~~ do not apply to or limit the right of obligees to pursue any remedies for the enforcement of any pledge or lien given pursuant to this chapter by a municipality on its rents, fees, grants, or revenues from urban development or renewal projects.

2. The property of a municipality, acquired or held for the purposes of this chapter, is declared to be public property used for essential public and governmental purposes and ~~such the~~ property ~~shall be is~~ exempt from all taxes of the municipality, the county, the state, or any political subdivision ~~thereof of the state~~; provided, that ~~such this~~ tax exemption ~~shall terminate terminates~~ when the municipality sells, leases, or otherwise disposes of ~~such the~~ property in an urban a development or renewal area to a purchaser or lessee which is not a public body entitled to tax exemption with respect to ~~such the~~ property.

SECTION 13. AMENDMENT. Section 40-58-13 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-13. Cooperation by public bodies.

1. For the purpose of aiding in the planning, undertaking, or carrying out of an urban a development or renewal project located within the area in which it is authorized to act, any public body may, upon ~~such any~~ terms, with or without consideration, as it may determine:
 - a. Dedicate, sell, convey, or lease any of its interest in any property or grant easements, licenses, or other rights or privileges therein to a municipality;
 - b. Incur the entire expense of any public improvements made by ~~such the~~ public body in exercising the powers granted in this section;
 - c. Do any and all things necessary to aid or cooperate in the planning or carrying out of an urban a development or renewal plan;
 - d. Lend, grant, or contribute funds to a municipality;
 - e. Enter into agreements which may extend over any period, notwithstanding any ~~provision or rule of~~ law to the contrary with a municipality or other public body ~~respecting relating to~~ action to be taken pursuant to any of the powers granted by this chapter, including the furnishing of funds or other assistance in connection with an urban a development or renewal project; and
 - f. Cause public buildings and public facilities, including parks, playgrounds, recreational, community, educational, water, sewer or drainage facilities, or any other works which it is otherwise empowered to undertake to be furnished; furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or replan streets, roads, sidewalks, ways, or other places; plan or replan, zone or rezone any part of the public body or make exceptions from building regulations; and cause administrative and other services to be furnished to the

municipality. If at any time title to or possession of any urban development or renewal project is held by any public body or governmental agency, other than the municipality, which is authorized by law to engage in the undertaking, carrying out, or administration of urban development or renewal projects including any agency or instrumentality of the United States of America the federal government, the provisions of the agreements referred to in this section ~~shall~~ inure to the benefit of and may be enforced by such the public body or governmental agency. As used in this subsection, the term "municipality" shall also include an urban renewal agency or a housing authority vested with all of the urban renewal project powers authority pursuant to the provisions of section 40-58-15.

2. Any sale, conveyance, lease, or agreement provided for in this section may be made by a public body without appraisal, public notice, advertisement, or public bidding.
3. For the purpose of aiding in the planning, undertaking, or carrying out of an urban renewal project the authority of an urban renewal agency or a housing authority hereunder, a municipality may in addition to its other powers and upon such any terms, with or without consideration, as it may determine do and perform any or all of the actions or things which, by the provisions of subsection 1, a public body is authorized to do or perform, including the furnishing of financial and other assistance.
4. For the purposes of this section, or for the purpose of aiding in the planning, undertaking, or carrying out of an urban a development or renewal project of a municipality, such the municipality may in addition to any authority to issue bonds pursuant to section 40-58-10 issue and sell its general obligation bonds. Any bonds issued by a municipality pursuant to this section ~~shall~~ must be issued in the manner and within the limitations prescribed by the laws of this state for the issuance and authorization of bonds by such the municipality for public purposes generally.

SECTION 14. AMENDMENT. Section 40-58-15 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-15. Exercise of powers in carrying out urban renewal project powers.

1. A municipality may itself exercise its urban renewal project powers, as herein defined by this section, or may, if the ~~local~~ governing body by resolution determines such the action to be in the public interest, elect to have such those powers exercised by the urban renewal agency created by section 40-58-16 or by the housing authority, if one exists or is subsequently established in the community. In the event the ~~local~~ governing body makes such that determination, the urban renewal agency or the housing authority, as the case may be, ~~shall be~~ is vested with all of the urban renewal project powers in the same manner as though ~~all such~~ those powers were conferred on such the agency or authority instead of the municipality. However, an urban renewal agency or housing

authority may not exercise any rights, powers, functions, and duties of a municipality under this chapter which relate to the development of industrial or commercial property under section 1 of this Act. If the ~~local~~ governing body does not elect to make ~~such~~ a determination under this subsection, the municipality ~~in its discretion~~ may exercise its urban renewal project powers through a board or commissioner or through ~~such any~~ officers of the municipality as the ~~local~~ governing body may by resolution determine.

2. As used in this section, the term "urban renewal project powers" includes the rights, powers, functions, and duties of a municipality under this chapter, except the following: ~~the~~
 - a. The power to determine an area to be industrial or commercial property or a slum or blighted area or combination thereof and to designate ~~such~~ the property or area as appropriate for ~~an urban a development or~~ renewal project; ~~the~~
 - b. The power to approve and amend ~~urban development or renewal plans~~ and to hold any public hearings required with respect ~~thereto~~ to those plans; ~~the~~
 - c. The power to establish a general plan for the locality as a whole; ~~the~~
 - d. The power to formulate a workable program under section 40-58-04; ~~the~~
 - e. The powers, duties, and functions referred to in section 40-58-18; ~~the~~
 - f. The power to make the determinations and findings provided for in sections 40-58-03 and 40-58-05 and subsection 4 of section 40-58-06; ~~the~~
 - g. The power to issue general obligation bonds; and ~~the~~
 - h. The power to appropriate funds, to levy taxes and assessments, and to exercise other powers provided for in subsection 8 of section 40-58-07.

SECTION 15. AMENDMENT. Section 40-58-16 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-16. Urban renewal agency.

1. There is ~~hereby~~ created in each municipality a public body corporate and politic to be known as the "urban renewal agency" of the municipality; provided, that ~~such the agency shall may~~ not transact any business or exercise its powers ~~hereunder under this chapter~~ until or unless the local governing body has made the finding prescribed in section 40-58-05 and has elected to have the urban renewal project powers exercised by an urban renewal agency as provided in section 40-58-15.

2. If the urban renewal agency is authorized to transact business and exercise powers ~~hereunder~~ under this chapter, the mayor, by and with the advice and consent of the local governing body, shall appoint a board of commissioners of the urban renewal agency which ~~shall~~ must consist of five commissioners. The term of office of each ~~such~~ commissioner ~~shall be~~ is one year.
3. A commissioner ~~shall~~ may not receive ~~no~~ compensation for his services but ~~shall be~~ is entitled to the necessary expenses, including traveling expenses, incurred in the discharge of ~~his~~ the commissioner's duties. Each commissioner shall hold office until his a successor has been appointed and has qualified. A certificate of the appointment or reappointment of any commissioner ~~shall~~ must be filed with the clerk of the municipality and ~~such~~ the certificate ~~shall be~~ is conclusive evidence of the due and proper appointment of ~~such~~ the commissioner.
4. The powers of an urban renewal agency ~~shall~~ must be exercised by the commissioners ~~thereof~~ of the agency. A majority of the commissioners ~~shall constitute~~ constitutes a quorum for the purpose of conducting business and exercising the powers of the agency and for all other purposes. Action may be taken by the agency upon a vote of a majority of the commissioners present, unless in any case the bylaws ~~shall~~ require a larger number. Approval of the payment of an account or claim ~~shall~~ must be recorded in the record of the agency's proceedings and this ~~shall be~~ is sufficient to indicate approval without requiring a majority of the commissioners to sign or initial the voucher or order for payment.
5. Any persons may be appointed as commissioners if they reside within the area of operation of the agency which shall be coterminous with the area of operation of the municipality and are otherwise eligible for ~~such~~ appointments under this chapter. The mayor shall designate a chairman and vice chairman from among the commissioners. An agency may employ an executive director, technical experts, and such other agents and employees, permanent and temporary, as it may require, and determine their qualifications, duties, and compensation. For ~~such~~ legal ~~service~~ as services it may require, an agency may employ or retain its own counsel and legal staff. An agency authorized to transact business and exercise powers under this chapter shall file, with the local governing body, on or before March thirty-first of each year a report of its activities for the preceding calendar year, which report ~~shall~~ must include a complete financial statement setting forth its assets, liabilities, income, and operating expense as of the end of ~~such~~ the calendar year. At the time of filing the report, the agency shall publish in a newspaper of general circulation in the community a notice to the effect that ~~such~~ the report has been filed with the municipality and that the report is available for inspection during business hours in the office of the auditor and in the office of the agency.
6. For inefficiency or neglect of duty or misconduct in office, a commissioner may be removed only after a hearing and after ~~he~~ shall ~~have~~ the commissioner has been given a copy of the charges at least ten days prior to ~~such~~ the hearing and ~~have~~ has had an opportunity to be heard in person or by counsel.

SECTION 16. AMENDMENT. Section 40-58-17 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-17. Interested public officials, commissioners, or employees. No public official or employee of a municipality or board or commission thereof, and no commissioner or employee of a housing authority or urban renewal agency which has been vested by a municipality with urban renewal project powers under section 40-58-15 shall voluntarily acquire any interest, direct or indirect, in any urban development or renewal project, or in any property included or planned to be included in any urban development or renewal project of such the municipality or in any contract or proposed contract in connection with such urban the development or renewal project. ~~Where such~~ If the acquisition is not voluntary, the interest acquired shall must be immediately disclosed in writing to the ~~local~~ governing body and such the disclosure shall must be entered upon the minutes of the governing body. If any such an official, commissioner, or employee presently owns or controls, or owned or controlled within the preceding two years, any interest, direct or indirect, in any property which ~~he that official, commissioner, or employee~~ knows is included or planned to be included in an urban a development or renewal project, he that official, commissioner, or employee shall immediately disclose this act in writing to the ~~local~~ governing body, and such the disclosure shall must be entered upon the minutes of the governing body, and any such official, commissioner, or employee shall may not participate in any action by the municipality or board or commission thereof, housing authority, or urban renewal agency affecting such the property. Any disclosure required to be made by this section to the ~~local~~ governing body shall must be concurrently ~~be~~ made to a housing authority or urban renewal agency which has been vested with urban renewal project powers by the municipality pursuant to the provisions of section 40-58-15. ~~No A~~ commissioner or other officer of any housing authority, urban renewal agency, board, or commission exercising powers pursuant to this chapter shall may not hold any other public office under the municipality other than ~~his~~ the commissionership or office with respect to such the housing authority, urban renewal agency, board, or commission. Any violation of the provisions of this section shall constitute constitutes misconduct in office.

* SECTION 17. AMENDMENT. Section 40-58-18 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-18. Ordinances relating to repair, closing, and demolition of dwellings unfit for human habitation.

1. ~~Whenever any~~ If a municipality finds that there exist in such the municipality dwellings which are unfit for human habitation due to dilapidation, defects increasing the hazards of fire, accidents or other calamities, lack of ventilation, light or sanitary facilities, or due to other conditions, including those set forth in subsection 3 ~~hereof~~, rendering such those dwellings unsafe or insanitary, or dangerous or detrimental to the health, safety or morals, or otherwise inimical to the welfare of the residents of such the municipality, power is hereby conferred upon such the municipality to may require or cause the repair, closing, or demolition or removal of such those dwellings in the manner ~~herein~~ provided by this section. A "dwelling" shall mean any building, or structure, or part thereof, used and occupied for human habitation

* NOTE: Section 40-58-18 was also amended by section 17 of Senate Bill No. 2047, chapter 83.

or intended to be so used; and includes any appurtenances belonging thereto or usually enjoyed therewith.

2. Upon the adoption of an ordinance finding that dwelling conditions of the character described in subsection 1 hereof exist within a municipality, the governing body of ~~such the~~ municipality is hereby authorized to may adopt ordinances relating to the dwellings within ~~such the~~ municipality ~~which are unfit for human habitation~~. Such. The ordinances ~~shall~~ must include the following provisions:
 - a. That a public officer be designated or appointed to exercise the powers prescribed by the ordinances.
 - b. ~~Whenever~~ If a petition is filed with the public officer or by at least five residents of the municipality charging that any dwelling is unfit for human habitation or whenever it appears to the public officer on ~~his~~ the public officer's own motion that any dwelling is unfit for human habitation, ~~he~~ the public officer shall, if ~~his~~ the public officer's preliminary investigation discloses a basis for ~~such those~~ charges, issue and cause to be served upon the owner, every mortgagee of record and all parties in interest in ~~such the~~ dwelling, including persons in possession, a complaint stating the charges in that respect. ~~Such~~ The complaint ~~shall~~ must contain a notice that a hearing will be held before the public officer or ~~his~~ the public officer's designated agent at a place ~~therein~~ fixed designated in the complaint not less than ten days nor more than thirty days after the serving of ~~said the~~ complaint; that the owner, mortgagee and parties in interest ~~shall~~ must be given the right to file an answer to the complaint and to appear in person, or otherwise, and give testimony at the place and time ~~fixed~~ designated in the complaint; and that the rules of evidence ~~prevailing in courts of law or equity~~ shall are not be controlling in hearings before the public officer.
 - c. If, after ~~such the~~ notice and hearing, the public officer determines that the dwelling under consideration is unfit for human habitation ~~he~~, the public officer shall state in writing ~~his~~ the findings of fact in support of ~~such the~~ determination and shall issue and cause to be served upon the owner ~~thereof~~ of the dwelling an order which:
 - (1) If the repair, alteration, or improvement of the ~~said~~ dwelling can be made at a reasonable cost in relation to the value of the dwelling (the ordinance of the municipality shall fix a certain percentage of ~~such the~~ cost as being reasonable for ~~such that~~ purpose), requires the owner, within the time specified in the order, to repair, alter, or improve ~~such the~~ dwelling to render it fit for human habitation or to vacate and close the dwelling as a human habitation; or
 - (2) If the repair, alteration, or improvement of the ~~said~~ dwelling cannot be made at a reasonable cost in relation to the value of the dwelling (the ordinance of the municipality shall fix a certain percentage of ~~such the~~ cost as being reasonable for ~~such that~~ purpose), requires

- the owner, within the time specified in the order, to remove or demolish such the dwelling.
- d. If the owner fails to comply with an order to repair, alter, or improve or to vacate and close the dwelling, the public officer may cause such the dwelling to be repaired, altered, or improved, or to be vacated and closed.
 - e. If the owner fails to comply with an order to remove or demolish the dwelling, the public officer may cause such the dwelling to be removed or demolished.
 - f. The amount of the cost of such any repairs, alterations, or improvements, or vacating the and closing, or removal or demolition by the public officer shall be constitutes a lien against the real property upon which such the cost was incurred and such the lien, including as part thereof an allowance of his the public officer's costs and necessary attorneys' fees, may be foreclosed in judicial proceedings in the manner provided or authorized by law for loans secured by liens on real property. If the dwelling is removed or demolished by the public officer he, the public officer shall sell the materials of such the dwelling and shall credit the proceeds of such the sale against the cost of the removal or demolition and if there be any. Any balance remaining, it shall must be paid to the parties entitled thereto to it as determined by proper judicial proceedings instituted by the public officer after deducting the costs of such the judicial proceedings, including his necessary attorneys' fees incurred therein in those proceedings by the public officer, as determined by the court.
3. An ordinance adopted by a municipality pursuant to this section shall must provide that the public officer may determine that a dwelling is unfit for human habitation if he the public officer finds that conditions exist in such the dwelling which are dangerous or injurious to the health, safety, or morals of the occupants of such the dwelling, the occupants of neighboring dwellings, or other residents of such the municipality, or which have a blighting influence on properties in the area. Such Those conditions may include the following, without limitation: defects therein in the dwelling increasing the hazards of fire, accident, or other calamities; lack of adequate ventilation, light, or sanitary facilities; dilapidation; disrepair; structural defects; uncleanliness; overcrowding; inadequate ingress and egress; inadequate drainage; or any violation of health, fire, building, or zoning regulations, or any other laws or regulations relating to the use of land and the use and occupancy of building and improvements. Such The ordinance may provide additional standards to guide the public officer or his the public officer's agents or employees in determining the fitness of a dwelling for human habitation.
 4. Complaints or orders issued by a public officer pursuant to an ordinance adopted under this section shall must be served upon persons either personally or by registered or certified mail, but if the whereabouts location of such those persons is unknown and the same cannot be ascertained by the public officer in the

exercise of reasonable diligence, and the public officer shall make an affidavit to that effect, then the serving of ~~such~~ the complaint or order upon ~~such~~ those persons may be made by publishing the ~~same~~ complaint or order once each week for two consecutive weeks in a newspaper printed and published in the municipality, or, in the absence of such newspaper, in one printed and published in the county and circulating in the municipality in which the dwellings are located. A copy of ~~such~~ the complaint or order ~~shall~~ must be posted in a conspicuous place on the premises affected by the complaint or order. A copy of ~~such~~ the complaint or order ~~shall~~ must also be filed with the clerk of the county in which the dwelling is located and ~~such~~ the filing of the complaint or order ~~shall have~~ has the same force and effect as other lis pendens notices provided by law.

5. Any person affected by an order issued by the public officer may petition the district court for an injunction restraining the public officer from carrying out the provisions of the order, and the court may, upon ~~such~~ that petition, issue a temporary injunction restraining the public officer pending the final disposition of the cause- Provided; provided, however, that within sixty days after the posting and service of the order of the public officer, ~~such~~ that person shall petition ~~such~~ the court. Hearings ~~shall~~ must be ~~had held~~ by the court on ~~such~~ the petitions within twenty days, or as soon thereafter as possible, and ~~shall~~ must be given preference over other matters on the court's calendar. The court shall hear and determine the issues raised and ~~shall~~ enter a final order or decree in the proceeding. In ~~all~~ such proceedings the proceeding the findings of the public officer as to facts, if supported by evidence, ~~shall be~~ are conclusive. ~~Costs shall be in the discretion of the~~ The court may assess costs. The remedies ~~herein~~ provided shall be under this section are exclusive remedies and ~~no~~ a person affected by an order of the public officer ~~shall be entitled to~~ may not recover any damages for action taken pursuant to any order of the public officer, or because of compliance by ~~such~~ that person with any order of the public officer.
6. An ordinance adopted by the governing body of the municipality may authorize the public officer to exercise ~~such~~ those powers as may be necessary or convenient to carry out and effectuate the purposes and provisions of this chapter, including the following power in addition to ~~others herein~~ other authority granted under this section:
 - a. To investigate the dwelling conditions in the municipality in order to determine which dwellings ~~therein~~ are unfit for human habitation;
 - b. To administer oaths, affirmations, examine witnesses, and receive evidence;
 - c. To enter upon any premises for the purpose of making examinations, provided that ~~such entries shall~~ entry must be made in ~~such~~ a manner as to cause that ~~causes~~ the least possible inconvenience to the persons in possession, and to obtain an order for this purpose from a court of competent jurisdiction in the event entry is denied or resisted;

- d. To appoint and fix the duties of such officers, agents, and employees as ~~he~~ the public officer deems necessary to carry out the purposes of ~~such the~~ ordinance; and
- e. To delegate any of ~~his~~ the public officer's functions and powers under ~~such the~~ ordinance to such officers, agents, and employees as ~~he~~ the public officer may designate.
7. The governing body of any municipality adopting an ordinance under this section shall as soon as possible ~~thereafter~~ prepare an estimate of the annual expenses or costs to provide the equipment, personnel and supplies necessary for periodic examinations and investigations of the dwellings in ~~such the~~ municipality for the purpose of determining the fitness of ~~such the~~ dwellings for human habitation, and for the enforcement and administration of its ordinance or ordinances adopted under this section.
8. ~~Nothing in this~~ This section ~~shall~~ may not be construed to abrogate or impair the powers of the courts or of any department of any municipality to enforce any provisions of its charter or its ordinances or regulations, nor to prevent or punish violations thereof; and the powers conferred by this section ~~shall be~~ are in addition and supplemental to the powers conferred by any other law.
9. ~~Nothing in this~~ This section ~~shall~~ may not be construed to impair or limit in any way the power of the municipality to define and declare nuisances and to cause their removal or abatement, by summary proceedings or otherwise.
10. The governing body of a city ~~is hereby authorized to~~ may adopt ordinances prescribing minimum standards for the use and occupancy of dwellings throughout the city and to prevent the use or occupancy of any dwelling which is injurious to the public health, safety, morals, or welfare.

SECTION 18. AMENDMENT. Section 40-58-20 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-58-20. Tax ~~increments~~ increment financing.

1. At any time after the governing body of a municipality has approved ~~an urban a development or~~ renewal plan for any urban development or renewal area, it may request the county auditor and treasurer to compute, certify, and remit tax increments resulting from the ~~development or~~ renewal of the area in accordance with the plan and any modifications thereof, and the county auditor and treasurer shall do so in accordance with ~~the provisions of~~ this section.
2. The auditor shall compute and certify the original taxable value of each lot and parcel of real estate in the area, as last assessed and equalized before the date of the request, including the taxable value of any lot or parcel ~~theretofore~~ previously acquired by the municipality or its urban renewal agency, as last assessed and equalized before it was acquired. However, any real property acquired by the city or the city's urban renewal agency prior to July 1, 1973, or more than five years prior to the approval of ~~an urban a development or~~ renewal plan for any urban development or

- renewal area, whichever is later, is deemed to have an original taxable value of zero and the county auditor shall so certify.
3. In each subsequent year the auditor shall compute and certify the net amount by which the original taxable value of all lots and parcels of real estate in the area, as then assessed and equalized (including real estate then held by the municipality or urban renewal agency at zero), has increased or decreased in comparison with the original taxable value of all such real estate. The net amount of the increase or decrease is referred to in this section as the incremental value or the lost value for that year, as the case may be.
 4. In any year when there is an incremental value, the auditor shall exclude it from the taxable value upon which ~~he~~ the auditor computes the mill rates of taxes levied in that year by the state, the county, the municipality, the school district, and every other political subdivision having power to tax the urban development or renewal area, until the cost of development or renewal of the area has been reimbursed in accordance with this section. However, ~~he~~ the auditor shall extend the aggregate mill rate of such those taxes against the incremental value as well as the original taxable value, and the amount of taxes received from such that extension against the incremental value is referred to in this section as the tax increment for that year.
 5. In any such year when there is a lost value, the auditor shall compute and certify the amounts of taxes which would have resulted from the extension against the lost value of the mill rate of taxes levied that year by the state and each political subdivision having power to tax the urban development or renewal area. The amounts so computed are referred to in this section as the tax losses for that year.
 6. The county auditor shall segregate all tax increments from the urban development or renewal area in a special fund, crediting to the fund, in each year when there is an incremental value, that proportion of each collection of taxes on real estate within the area which the incremental value bears to the total taxable value in that year.
 7. Upon receipt of any tax increments in the fund the county treasurer, at the times when ~~he~~ the county treasurer distributes collected taxes to the state and to each political subdivision for which a tax loss has previously been recorded, shall also remit to each of them from the tax increment fund an amount proportionate to the amount of such that tax loss, until all such those tax losses have been reimbursed. Thereafter, at the time of each such distribution, ~~he~~ the county treasurer shall remit the entire balance then on hand in the fund to the municipality, until the cost of development or renewal of the area has been reimbursed to the municipality as provided in this section.
 8. The cost of development or renewal subject to reimbursement from the tax increment fund for each urban development or renewal area ~~shall~~ must include all expenditures incident to carrying out the urban development or renewal plan for the area and any

modifications thereof, not otherwise reimbursed in one of the ways referred to below, including ~~but not limited to~~ all expenses of the clearance, development, redevelopment, rehabilitation, and conservation of the area ~~as defined in section 40-58-19~~, and all interest and redemption premiums paid on bonds, notes, or other obligations issued by the municipality or urban renewal agency to provide funds for payment of such those expenses, subject to section 1 of this Act for the purpose of determining eligible cost of development of industrial or commercial property. From the total cost to be reimbursed there ~~shall~~ must be deducted, except as provided below, all amounts received from the federal government or others, and all special assessments, revenues, and other receipts except property taxes, which are actually collected and applied to the payment of such the cost or such the bonds, notes, or other obligations, at the times when such those payments are due. However, if the proceeds of tax increments or of bonds, notes, or other obligations are loaned to finance part or all of the cost of a project comprising the restoration, reconstruction, and improvement of a privately owned state historical site situated within the urban development or renewal area or any buildings or structures thereon, as contemplated in section 55-10-08, or of a property listed in the national register of historic places, as contemplated in section 55-10-11, in consideration of the grant to the city of a historic easement with respect thereto, repayments of the loan ~~shall~~ may not be deducted from the cost of development or renewal subject to reimbursement.

9. The tax increments from any urban development or renewal area may be appropriated by the governing body of the municipality for the payment of any general obligation bonds, special improvement warrants, or refunding improvement bonds issued by the municipality to provide funds for payment of the cost of development or renewal, together with interest and redemption premiums thereon, other than that portion, if any, of such principal, interest, and redemption premiums which can be paid when due from collections of special assessments, revenues, or other funds, excluding property taxes, which are pledged for the payment thereof. When special improvement warrants or refunding improvement bonds are issued to pay the cost of public improvements of special benefit to properties within the urban development or renewal area, the governing body may cause such those special benefits to be computed, together with the cost properly assessable against such those properties, and may appropriate the tax increments from the area to the payment of such that cost, in lieu of levying special assessments upon such the property. In this event the amount so appropriated, divided into the same number of installments as the special assessments and with interest at the same rate on the declining balance thereof, ~~shall be~~ is deemed a part of the special assessments appropriated for payment of the cost, within the meaning of section 40-26-08.
10. When the cost of development or renewal of any urban development or renewal area has been fully paid and all bonds, notes, or other obligations issued by the municipality to pay such that cost have been retired, or funds sufficient for the retirement thereof have been received by the municipality, the governing body shall cause this to be reported to the county auditor, who shall thereafter

compute the mill rates of all taxes upon the total taxable value of the urban development or renewal area. Any balance then on hand in the tax increment fund ~~shall~~ must be distributed by the county treasurer to the state and all political subdivisions having power to tax property in the area, in amounts proportionate to the amounts of the tax losses previously reimbursed to them.

11. As an alternative to the sale of bonds to be amortized with tax increments as provided in this section, the governing body of a municipality may, in its discretion, grant a total or partial tax exemption for the project in order to provide assistance to a project developer in an urban a development or renewal area, pursuant to agreement with the municipality. However, if a developer of a development or renewal project receives a tax exemption for that project pursuant to this subsection, that project developer may not receive a tax exemption for that project under section 40-57.1-03, 40-57.1-04, 40-57.1-04.1, or 40-57.1-04.3. The amount of annual tax exemption ~~shall~~ be under this subsection is limited to the tax increment as defined in this section as it applies to the development or renewal project and may extend for a period not to exceed fifteen years. In determining the total amount of the tax exemption to be authorized, the municipality shall give due consideration to the same elements as are involved in the sale of bonds to be amortized by tax increments. The amount to be reimbursed, by tax exemption, to the project developer ~~shall~~ must be all or a portion of eligible public costs which have been paid by the project developer, plus interest thereon on those costs at a rate not to exceed ten percent per annum. The amount of tax exemption ~~shall~~ must be an amount sufficient to reimburse the project operator for such those eligible costs, amortized pursuant to ~~said~~ the agreement between the project developer and the city municipality.

SECTION 19. REPEAL. Sections 40-58-01 and 40-58-19 of the North Dakota Century Code are hereby repealed.

Approved April 19, 1989
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