



2.1 at least 40 percent of the receipts of the account for a year for application deadlines that  
2.2 occur in the second half of the year. If the applications for grants meeting the funding  
2.3 criteria and program guidelines exceed the available funds for an application cycle, no  
2.4 more than one-half of the funds may be granted to projects in a statutory or home rule  
2.5 charter city and no more than three-quarters of the funds may be granted to projects  
2.6 located in cities of the first class.

2.7 (3) In 2007 and each year thereafter, if there is an insufficient number of applications  
2.8 meeting funding criteria and program guidelines for the tax base revitalization account,  
2.9 any funds unused for an application cycle may be transferred to the livable communities  
2.10 demonstration account for distribution to eligible applicants under section 473.253,  
2.11 subdivision 2.

2.12 (c) A municipality may use the grant to provide a portion of the local match  
2.13 requirement for project costs that qualify for a grant under sections 116J.551 to 116J.557.

2.14 Sec. 2. Minnesota Statutes 2006, section 473.253, subdivision 2, is amended to read:

2.15 Subd. 2. **Distribution of funds.** The council shall use the funds in the livable  
2.16 communities demonstration account to make grants or loans to municipalities participating  
2.17 in the local housing incentives program under section 473.254 or to metropolitan area  
2.18 counties or development authorities to fund the initiatives specified in section 473.25,  
2.19 paragraph (b), in participating municipalities. A grant to a metropolitan county or a  
2.20 development authority must be used for a project in a participating municipality. For  
2.21 the purpose of this section, "development authority" means a statutory or home rule  
2.22 charter city, housing and redevelopment authority, economic development authority, or  
2.23 port authority. In 2007 and each year thereafter, if there is an insufficient number of  
2.24 applications meeting funding criteria and program guidelines for the livable communities  
2.25 demonstration account, any funds unused for an application cycle may be transferred to  
2.26 the tax base revitalization account for distribution to eligible applicants under section  
2.27 473.252, subdivision 3.

2.28 Sec. 3. **ONETIME TRANSFER.**

2.29 Notwithstanding Minnesota Statutes, section 473.253, in 2007 the council may  
2.30 transfer to the planning assistance fund provided in Minnesota Statutes, section 473.867,  
2.31 subdivision 2, up to \$1,000,000 of the amount levied by the council under Minnesota  
2.32 Statutes, section 473.253, subdivision 1, for taxes payable in 2007. The council shall  
2.33 use the amount transferred to the planning assistance fund for grants or loans to local  
2.34 governments under section 473.867.

3.1       Sec. 4. **APPLICATION.**

3.2               Sections 1 to 3 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
3.3 Scott, and Washington.

3.4       Sec. 5. **EFFECTIVE DATE.**

3.5               Sections 1 to 4 are effective the day following final enactment.