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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-SIXTH
SESSION**

HOUSE FILE No. 2696

February 4, 2010

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The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to tax increment financing; expanding the area of the state in which
1.3 tourism facilities may be financed; authorizing certain expenditures by the city
1.4 of East Grand Forks; amending Minnesota Statutes 2009 Supplement, section
1.5 469.174, subdivision 22.

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

1.7 Section 1. Minnesota Statutes 2009 Supplement, section 469.174, subdivision 22,
1.8 is amended to read:

1.9 Subd. 22. **Tourism facility.** "Tourism facility" means property that:

1.10 (1) is located in a county where the median income is no more than 85 percent of
1.11 the state median income;

1.12 (2) is located in a county in development region 1, 2, 3, 4, 5, or 7E, as defined
1.13 in section 462.385;

1.14 (3) is not located in a city with a population in excess of 20,000; and

1.15 (4) is acquired, constructed, or rehabilitated for use as a convention and meeting
1.16 facility that is privately owned, marina, hotel, motel, lodging facility, or nonhomestead
1.17 dwelling unit that in each case is intended to serve primarily individuals from outside
1.18 the county.

1.19 **EFFECTIVE DATE.** This section is effective for districts for which the request for
1.20 certification is made after June 30, 2010.

1.21 **Sec. 2. CITY OF EAST GRAND FORKS; PERMITTED USE OF TIF.**

1.22 Notwithstanding any other law to the contrary or the provisions of the tax increment
1.23 financing plan, the governing body of the city of East Grand Forks may authorize, by

2.1 resolution, the expenditure of tax increments from redevelopment district 1-1, 1-2 or
2.2 both for the purpose of making improvements to the Red River State Recreation Area,
2.3 including the construction of additional campsites. If so authorized, the expenditures are
2.4 permitted expenditures of tax increments by the authority.

2.5 **EFFECTIVE DATE.** This section is effective the day following final enactment
2.6 without local approval.