

(3) for any other purpose authorized by law.

If economic development loan repayments are used to pay principal or interest on any such obligations, the municipality may be reimbursed for the amount so applied with interest not exceeding the rate of interest on the obligations from subsequent collections of taxes or other revenues that had been designated as the primary source of payment of the obligations.

Sec. 46. Minnesota Statutes 1988, section 474A.02, subdivision 18, is amended to read:

Subd. 18. **NOTICE OF ENTITLEMENT ALLOCATION.** "Notice of entitlement allocation" means a notice provided to an entitlement issuer under section 474.04 474A.04, subdivision 5.

Presented to the governor May 19, 1989

Signed by the governor May 23, 1989, 6:05 p.m.

CHAPTER 210—S.F.No. 764

An act relating to local government; changing conditions for the establishment and operation of special service districts in St. Cloud; amending Laws 1985, chapter 301, sections 5, subdivision 5; 7, subdivision 1; 9; 12; and 13, subdivision 2, and by adding a subdivision; repealing Laws 1985, chapter 301, section 7, subdivision 4.

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

Section 1. Laws 1985, chapter 301, section 5, subdivision 5, is amended to read:

Subd. 5. "Assessed value Net tax capacity" means the assessed value net tax capacity as most recently certified by the commissioner of revenue county auditor before the effective date of the ordinance or resolution adopted pursuant to section 6 or 7.

Sec. 2. Laws 1985, chapter 301, section 7, subdivision 1, is amended to read:

Subdivision 1. **TAXES; HEARING.** Ad valorem taxes may be levied on taxable nonhomestead property or service charges may be imposed by the city within the special service district at a rate or amount sufficient to produce the revenues required to provide special services within the district. To determine the appropriate mill tax rate, nonhomestead taxable property or value net tax capacity shall be determined without regard to captured or original assessed value under Minnesota Statutes, section ~~273.76~~ 469.177 or to the distribution or contribution value under Minnesota Statutes, section 473F.08. Taxes and serv-

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ice charges shall not be imposed to finance a special service if the service is ordinarily provided by the city from its general fund revenues unless the service is provided in the district at an increased level, in which case only an amount to pay for the increased level may be imposed. A service charge shall not be imposed on the receipts from the sale of intoxicating liquor, food, or lodging. Before the levy of taxes or imposition of service charges in a district, for each calendar year, notice shall be given and hearing shall be held pursuant to section 6 and notice shall also be mailed to any individual or business organization subject to a service charge. For purposes of this section the notice shall also include:

(a) A statement that all interested persons will be given an opportunity to be heard at the hearing regarding a proposed tax levy or service charge.

(b) The estimated cost of improvements to be paid for in whole or in part by taxes or service charges imposed pursuant to this section, the estimated cost of operating and maintaining the improvements during the first year after completion of the improvements, the proposed method and source of financing the improvements and the annual cost of operating and maintaining the improvements.

(c) The proposed rate or amount of taxes to be extended or the proposed service charge to be imposed in the district during the calendar year and the nature and character of special services to be rendered in the district during the calendar year.

(d) A statement that the petition requirements of section 12 have either been met or do not apply to the proposed taxes or service charge.

Within six months of the public hearing, the city may adopt a resolution levying a tax or imposing a service charge within the district not exceeding the amount or rate expressed in the notice issued pursuant to this section.

Sec. 3. Laws 1985, chapter 301, section 9, is amended to read:

Sec. 9. COLLECTION OF TAXES.

Ad valorem taxes levied within a special service district shall be collected and paid over as other ad valorem taxes, but shall be spread only upon ~~the assessed value~~ of property described in the ordinance. Service charges imposed shall be collected as provided by ordinance. Taxes collected pursuant to this act shall not be included in computations under Minnesota Statutes, section ~~273.76~~ 469.177, chapter 473F, or any other law that applies to general ad valorem levies.

Sec. 4. Laws 1985, chapter 301, section 12, is amended to read:

Sec. 12. PETITION REQUIRED.

Subdivision 1. CERTAIN CITIES. This subdivision applies in the cities of

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Sartell, Sauk Rapids, Isle, Mora, Becker, and Waite Park. No action may be taken pursuant to section 6 unless owners of 15 percent or more of the land area of the proposed special service district and owners of 15 percent or more of the ~~assessed value net tax capacity~~ of the proposed district file a petition requesting a public hearing on the proposed action with the city clerk. No action may be taken pursuant to section 7 to impose an ad valorem tax unless owners of 15 percent or more of the land area subject to a proposed tax and owners of 15 percent or more of the ~~assessed value net tax capacity~~ subject to a proposed tax file a petition requesting a public hearing on the proposed action with the city clerk. No action may be taken pursuant to section 7 to impose a service charge unless 15 percent or more of the individual or business organizations subject to the proposed service charge file a petition requesting a public hearing on the proposed action with the city clerk. If the boundaries of a proposed district are changed or the land area or ~~assessed value net tax capacity~~ subject to a tax or the individuals or business organizations subject to a service charge are changed after the public hearing, a petition meeting the requirements of this section must be filed with the city clerk before the ordinance establishing the district or resolution imposing the tax or service charge may become effective.

Subd. 2. ST. CLOUD. This subdivision applies in the city of St. Cloud. No action may be taken pursuant to section 6 unless owners of 25 percent or more of the land area of the proposed special service district, owners of 25 percent or more of the net tax capacity of the proposed district, or either 25 percent of the business owners or business organizations located in the proposed area file a petition requesting a public hearing on the proposed action with the city clerk. No action may be taken pursuant to section 7 to impose an ad valorem tax unless owners of 25 percent or more of the land area of the proposed special service district, owners of 25 percent or more of the net tax capacity of the proposed district, or 25 percent of either the business owners or business organizations located in the proposed area file a petition requesting a public hearing on the proposed action with the city clerk. No action may be taken pursuant to section 7 to impose a service charge unless owners of 25 percent or more of the land area of the proposed special service district, owners of 25 percent or more of the net tax capacity of the proposed district, or 25 percent of either the business owners or business organizations located in the proposed area file a petition requesting a public hearing on the proposed action with the city clerk. If the boundaries of a proposed district are changed or the land area or net tax capacity subject to a tax or the individuals or business organizations subject to a service charge are changed after the public hearing, a petition meeting the requirements of this section must be filed with the city clerk before the ordinance establishing the district or resolution imposing the tax or service charge may become effective.

Sec. 5. Laws 1985, chapter 301, section 13, subdivision 2, is amended to read:

Subd. 2. REQUIREMENT FOR VETO; CERTAIN CITIES. This subdivision applies in the cities of Sartell, Sauk Rapids, Isle, Mora, Becker, and Waite

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Park. If owners of 35 percent of the land area in the district or owners of 35 percent of the assessed value net tax capacity in the district file an objection to the ordinance adopted by the city pursuant to section 6 with the city clerk before the effective date of the ordinance, the ordinance shall not become effective. If owners of 35 percent of the land area subject to a tax or owners of 35 percent of the assessed value net tax capacity subject to a tax file an objection to the resolution adopted levying an ad valorem tax pursuant to section 7 with the city clerk before the effective date of the resolution, the resolution shall not become effective. If 35 percent of individuals and business organizations subject to a service charge file an objection to the resolution adopted imposing a service charge pursuant to section 7 with the city clerk before the effective date of the resolution, the resolution shall not become effective.

Sec. 6. Laws 1985, chapter 301, section 13, is amended by adding a subdivision to read:

Subd. 3. REQUIREMENT FOR VETO; ST. CLOUD. This subdivision applies in the city of St. Cloud. If owners of 50 percent of the land area in the district or owners of 50 percent of the net tax capacity in the district file an objection to the ordinance adopted by the city pursuant to section 6 with the city clerk before the effective date of the ordinance, the ordinance shall not become effective. If owners of 50 percent of the land area subject to a tax or owners of 50 percent of the net tax capacity subject to a tax file an objection to the resolution adopted levying an ad valorem tax pursuant to section 7 with the city clerk before the effective date of the resolution, the resolution shall not become effective. If 50 percent of business owners and business organizations subject to a service charge file an objection to the resolution adopted imposing a service charge pursuant to section 7 with the city clerk before the effective date of the resolution, the resolution shall not become effective.

Sec. 7. **REPEAL.**

Laws 1985, chapter 301, section 7, subdivision 4, is repealed.

Sec. 8. **EFFECTIVE DATE.**

Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), this act takes effect for the city of St. Cloud the day after final enactment, and applies to special service districts created after that date.

Presented to the governor May 19, 1989

Signed by the governor May 23, 1989, 5:55 p.m.

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