

at least 30 days before the expiration of the interim ordinance;

(2) up to an additional 120 days following the completion of any other process required by a state statute, federal law, or court order, when the process is not completed at least 30 days before the expiration of the interim ordinance; or

(3) up to an additional one year if the municipality has not adopted a comprehensive plan under this section at the time the interim ordinance is enacted.

Sec. 2. Minnesota Statutes 2002, section 462.357, subdivision 1e, is amended to read:

Subd. 1e. **NONCONFORMITIES.** Any nonconformity, including the lawful use or occupation of land or premises existing at the time of the adoption of an additional control under this chapter, may be continued, including through repair ~~or~~, replacement, restoration, maintenance, but if or improvement, but not including expansion, unless:

(1) the nonconformity or occupancy is discontinued for a period of more than one year; or

(2) any nonconforming use is destroyed by fire or other peril to the extent of greater than 50 percent of its market value, and no building permit has been applied for within 180 days of when the property is damaged. In this case, a municipality may impose reasonable conditions upon a building permit in order to mitigate any newly created impact on adjacent property.

Any subsequent use or occupancy of the land or premises shall be a conforming use or occupancy. A municipality may, by ordinance, permit an expansion or impose upon nonconformities reasonable regulations to prevent and abate nuisances and to protect the public health, welfare, or safety. This subdivision does not prohibit a municipality from enforcing an ordinance that applies to adults-only bookstores, adults-only theaters, or similar adults-only businesses, as defined by ordinance.

Presented to the governor May 18, 2004

Signed by the governor May 29, 2004, 9:10 a.m.

CHAPTER 259—S.F.No. 2177

An act relating to metropolitan government; modifying the method for determining each municipality's affordable and life-cycle housing opportunities amount; modifying the basis on which nonparticipating municipalities may elect to participate; making conforming changes; amending Minnesota Statutes 2002, section 473.254, subdivisions 2, 3, 4, 6, 7, 8, by adding a subdivision.

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

Section 1. Minnesota Statutes 2002, section 473.254, subdivision 2, is amended to read:

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Subd. 2. **AFFORDABLE, LIFE-CYCLE GOALS.** The council shall negotiate with each municipality to establish affordable and life-cycle housing goals for that municipality that are consistent with and promote the policies of the Metropolitan Council as provided in the adopted metropolitan development guide. The council shall adopt, by resolution after a public hearing, the negotiated affordable and life-cycle housing goals for each municipality by January 15, 1996, and by January 15 in each succeeding year for each municipality newly electing to participate in the program or for each municipality with which new housing goals have been negotiated. By June 30, 1996, and by June 30 in each succeeding year for each municipality newly electing to participate in the program or for each municipality with which new housing goals have been negotiated, each municipality shall identify to the council the actions it plans to take to meet the established housing goals.

Sec. 2. Minnesota Statutes 2002, section 473.254, subdivision 3, is amended to read:

Subd. 3. **AFFORDABLE, LIFE-CYCLE OPPORTUNITIES AMOUNT THROUGH CALENDAR YEAR 2002.** (1) By July 1, 1996, each county assessor shall certify each municipality's average residential homestead limited market value for the 1994 assessment year, including the value of the farm house, garage, and one acre only in the case of farm homesteads, multiplied by a factor of two, as the municipality's "market value base amount." For 1997 ~~and thereafter~~ through 2001, the "market value base amount" shall be equal to the product of (i) the market value base amount for the previous year multiplied by (ii) the annual average United States Consumer Price Index for all urban consumers, United States average, as determined by the United States Department of Labor, for the previous year divided by that annual average for the year before the previous year.

(2) By July 1, 1996, and each succeeding year through 2001, the county assessor shall determine which homesteads have market values in excess of the municipality's market value base amount and the county auditor shall certify the aggregate net tax capacity corresponding to the amount by which those homesteads' market values exceed the municipality's market value base amount as the "net tax capacity excess amount" for the assessment year corresponding to the current taxes payable year. By July 1, 1996, the county auditor shall also certify the net tax capacity excess amount for taxes payable in 1995.

(3) By July 1, 1996, and each succeeding year through 2001, the county auditor shall also certify each municipality's local tax rate for the current taxes payable year.

(4) By July 1, 1996, and each succeeding year through 2001, the county auditor shall certify for each municipality the amount equal to four percent of the municipality's current year total residential homestead tax capacity multiplied by the local tax rate.

(5) By August 1, 1996, and each succeeding year through 2001, the Metropolitan Council shall notify each municipality of its "affordable and life-cycle housing opportunities amount" for the following calendar year equal to the lesser of the amount certified under clause (4) or the amount, if any, by which the net tax capacity excess

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amount for the current year exceeds the amount for taxes payable in 1995, multiplied by the municipality's local tax rate certified in clause (3).

Sec. 3. Minnesota Statutes 2002, section 473.254, is amended by adding a subdivision to read:

Subd. 3a. **AFFORDABLE AND LIFE-CYCLE HOUSING OPPORTUNITIES AMOUNT AFTER CALENDAR YEAR 2002.** (1) Notwithstanding any other provisions of this section, commencing for calendar year 2003 and each succeeding calendar year, each municipality's "affordable and life-cycle housing opportunities amount" for that year must be determined by the council using the method in this subdivision. The affordable and life-cycle housing opportunities amount must be determined for each calendar year for all municipalities in the metropolitan area.

(2) The council must allocate to each municipality its portion of the \$1,000,000 of the revenue generated by the levy authorized in section 473.249 which is credited to the local housing incentives account pursuant to subdivision 5, paragraph (b). The allocation must be made by determining the amount levied for and payable in each municipality in the previous calendar year pursuant to the council levy in section 473.249 divided by the total amount levied for and payable in the metropolitan area in the previous calendar year pursuant to such levy and multiplying that result by \$1,000,000.

(3) The council must also determine the amount levied for and payable in each municipality in the previous calendar year pursuant to the council levy in section 473.253, subdivision 1.

(4) A municipality's affordable and life-cycle housing opportunities amount for the calendar year is the sum of the amounts determined under clauses (2) and (3).

(5) Within 90 days after the effective date of this act, the council must notify each municipality of its affordable and life-cycle housing opportunities amount for calendar years 2003 and 2004 as determined by the method in this subdivision. These amounts replace the affordable and life-cycle housing opportunities amount for each municipality for calendar years 2003 and 2004 as previously determined by the method in subdivision 3.

(6) By August 1, 2004, and by August 1 of each succeeding year, the council must notify each municipality of its affordable and life-cycle housing opportunities amount for the following calendar year determined by the method in this subdivision.

Sec. 4. Minnesota Statutes 2002, section 473.254, subdivision 4, is amended to read:

Subd. 4. **AFFORDABLE AND LIFE-CYCLE HOUSING REQUIREMENT.**

(a) A municipality that is determined by the council to have met its affordable and life-cycle housing goals in the previous calendar year may retain the amount calculated under subdivision 3 to maintain existing affordable and life-cycle housing.

(b) In 1998, and thereafter, a municipality that is determined by the council not to have met the affordable and life-cycle housing goals in the previous calendar year, as

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negotiated and agreed to with the council, and not to have spent does not spend 85 percent of its affordable and life-cycle housing opportunities amount to create affordable and life-cycle housing opportunities in the previous calendar year must do one of the following with the affordable and life-cycle housing opportunities amount for the previous year as determined under subdivision 3 or 3a, as applicable:

(1) distribute it to the local housing incentives account; or

(2) distribute it to the housing and redevelopment authority of the city or county in which the municipality is located to create affordable and life-cycle housing opportunities in the municipality.

A municipality may enter into agreements with adjacent municipalities to cooperatively provide affordable and life-cycle housing. The housing may be provided in any of the cooperating municipalities, but must meet the combined housing goals of each participating municipality.

Sec. 5. Minnesota Statutes 2002, section 473.254, subdivision 6, is amended to read:

Subd. 6. **DISTRIBUTION OF FUNDS.** The funds in the account must be distributed annually by the council to municipalities that:

(1) have not met their affordable and life-cycle housing goals as determined by the council; and

(2) are actively funding projects designed to help meet the goals.

Funds may also be distributed to a development authority for a project in an eligible municipality. The funds distributed by the council must be matched on a dollar-for-dollar basis by the municipality or development authority receiving the funds. When distributing funds in the account, the council must give priority to projects that (1) are in municipalities that have contribution net tax capacities that exceed their distribution net tax capacities by more than \$200 per household, (2) demonstrate the proposed project will link employment opportunities with affordable and life-cycle housing, and (3) provide matching funds from a source other than the required affordable and life-cycle housing opportunities amount under subdivision 3 or 3a, as applicable. For the purposes of this subdivision, "municipality" means a statutory or home rule charter city or town in the metropolitan area and "development authority" means a housing and redevelopment authority, economic development authority, or port authority.

Sec. 6. Minnesota Statutes 2002, section 473.254, subdivision 7, is amended to read:

Subd. 7. **REPORT TO COUNCIL.** Beginning January 15, 1998, and annually thereafter, each municipality must report to the council the following:

(1) the tax revenues defined in subdivision 3 that were levied in the prior year;

(2) the portion of the revenues that were spent on meeting the municipality's affordable and life-cycle housing goals; and

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(3) information on how the expenditures directly support the municipality's efforts to meet its affordable and life-cycle housing goals.

~~The council shall verify each municipality's compliance with this subdivision. By July 1, 2004, and by July 1 in each succeeding year, each municipality must certify to the council whether or not it has spent 85 percent of its affordable and life-cycle housing opportunities amount, as determined under subdivision 3a, in the previous calendar year to create affordable and life-cycle housing opportunities. The council may verify each municipality's certification.~~

· Sec. 7. Minnesota Statutes 2002, section 473.254, subdivision 8, is amended to read:

Subd. 8. **LATER ELECTION TO PARTICIPATE.** If a municipality did not participate for one or more years and elects later to participate, the municipality must, with respect to its affordable and life-cycle housing opportunities amount for the calendar year preceding the participating calendar year;

(1) establish that it has spent or agrees to spend such amount on affordable and life-cycle housing during that preceding calendar year, or agrees

(2) agree to spend such amount from the preceding calendar year on affordable and life-cycle housing in the participating calendar year, in addition to its affordable and life-cycle housing opportunities amount for the participating calendar year, or

(3) distribute such amount to the local housing incentives account, an amount equivalent to what it would have spent on affordable and life-cycle housing had goals been established under this section for the period in which it was not participating.

The council will determine which investments count toward the required cumulative investment affordable and life-cycle housing opportunities amount by comparing the municipality to participating municipalities similar in terms of stage of development and demographics. If it determines it to be in the best interests of the region, the council may waive a reasonable portion of the cumulative investment amount.

Sec. 8. **TRANSITION PROVISIONS.**

If a municipality's affordable and life-cycle housing opportunities amount for 2002 as determined under Minnesota Statutes 2002, section 473.254, subdivision 3, is less than the municipality's affordable and life-cycle housing opportunities amount for 2004 as determined under section 3, then increases in the municipality's affordable and life-cycle housing opportunities amounts are limited as provided in this section. Then, a municipality's affordable and life-cycle housing opportunities amount for each of calendar years 2003, 2004, 2005, 2006, and 2007 is the lesser of:

(1) the amount determined under section 3 for the calendar year in question; or

(2) the amount of the municipality's affordable and life-cycle housing opportunities amount for the preceding calendar year plus an amount equal to 20 percent of the difference between the municipality's affordable and life-cycle housing opportunities

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amount for 2004 as determined under section 3 and the municipality's affordable and life-cycle housing opportunities amount for 2002 as determined under Minnesota Statutes 2002, section 473.254, subdivision 3.

Beginning in 2008, the affordable and life-cycle housing opportunities amount for each municipality subject to this section must be determined as provided in section 3, without further limit.

Sec. 9. APPLICATION.

This act applies to the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 10. EFFECTIVE DATE.

This act is effective the day following final enactment.

Presented to the governor May 18, 2004

Signed by the governor May 29, 2004, 2:30 p.m.

CHAPTER 260—H.F.No. 2213

An act relating to natural resources; exempting certain patrol vehicles from the security barrier requirement; providing for designation of certain enforcement personnel by commissioner's order; amending Minnesota Statutes 2003 Supplement, sections 84.029, subdivision 1; 84A.02; 84A.21; 84A.32, subdivision 1; 84A.55, subdivision 8; 85.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 84.

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

Section 1. **[84.0286] CONSERVATION OFFICER PATROL VEHICLE SECURITY BARRIER; EXEMPTION.**

Marked conservation officer patrol vehicles are exempt from any law or rule requiring a security barrier in the vehicle.

Sec. 2. Minnesota Statutes 2003 Supplement, section 84.029, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT, DEVELOPMENT, MAINTENANCE AND OPERATION.** In addition to other lawful authority, the commissioner of natural resources may establish, develop, maintain, and operate recreational areas, including but not limited to trails and canoe routes, for the use and enjoyment of the public on any state-owned or leased land under the commissioner's jurisdiction. The commissioner may employ and designate individuals according to section 85.04 84.0835 to enforce laws governing the use of recreational areas.

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