

1.1 moves to amend H.F. No. 3914 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. CITY OF EAST GRAND FORKS; TAXES AUTHORIZED.

1.4 Subdivision 1. Sales and use tax authorization. Notwithstanding Minnesota Statutes,
1.5 section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter,
1.6 and if approved by the voters at a general election as required under Minnesota Statutes,
1.7 section 297A.99, subdivision 3, the city of East Grand Forks may impose by ordinance a
1.8 sales and use tax of one percent for the purposes specified in subdivision 2. Except as
1.9 otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99,
1.10 govern the imposition, administration, collection, and enforcement of the tax authorized
1.11 under this subdivision. The tax imposed under this subdivision is in addition to any local
1.12 sales and use tax imposed under any other special law.

1.13 Subd. 2. Use of sales and use tax revenues. (a) The revenues derived from the tax
1.14 authorized under subdivision 1 must be used by the city of East Grand Forks to pay the
1.15 costs of collecting and administering the tax and the capital and administrative costs of any
1.16 or all of the projects listed in this subdivision. The amount spent on each project is limited
1.17 to the amount set forth below plus an amount equal to interest on and the costs of issuing
1.18 any bonds:

1.19 (1) construction of improvements to the indoor and outdoor ice arenas, the Civic Center,
1.20 the VFW Memorial Arena, and the Blue Line Arena including any or all of the following
1.21 improvements: renovation or expansion of existing recreation and athletic facilities,
1.22 conversion of current ice surface for other recreational and athletic uses, construction of
1.23 additional ice sheets, parking lot improvements, drainage improvements, and exterior
1.24 building repair in an amount not to exceed \$24,000,000; and

2.1 (2) construction of improvements to athletic fields including any or all of the following
2.2 improvements: improvements to existing baseball and softball fields, construction of new
2.3 baseball and softball fields, drainage improvements, installation of synthetic turf, playing
2.4 surface turf grass replacement, installation of new lighting, dugouts, grandstands, and
2.5 changing spaces, and other recreational improvements in an amount not to exceed \$2,500,000.

2.6 Subd. 3. **Bonding authority.** (a) The city of East Grand Forks may issue bonds under
2.7 Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the project
2.8 authorized in subdivision 2 if approved by the voters as required under Minnesota Statutes,
2.9 section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds
2.10 issued under this subdivision may not exceed:

2.11 (1) \$24,000,000 for the projects listed in subdivision 2, paragraph (a), clause (1), plus
2.12 an amount needed to pay capitalized interest and an amount to be applied to the payment
2.13 of costs of issuing the bonds; and

2.14 (2) \$2,500,000 for the projects listed in subdivision 2, paragraph (a), clause (2), plus an
2.15 amount needed to pay capitalized interest and an amount to be applied to the payment of
2.16 costs of issuing the bonds.

2.17 (b) The bonds may be paid from or secured by any funds available to the city, including
2.18 the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not
2.19 subject to Minnesota Statutes, sections 275.60 and 275.61. The bonds are not included in
2.20 computing any debt limitation applicable to the city of East Grand Forks, and any levy of
2.21 taxes under Minnesota Statutes, section 475.61, to pay principal and interest on the bonds
2.22 is not subject to any levy limitation. A separate election to approve the bonds under
2.23 Minnesota Statutes, section 475.58, is not required.

2.24 Subd. 4. **Termination of taxes.** (a) Subject to Minnesota Statutes, section 297A.99,
2.25 subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 30 years
2.26 after the tax is first imposed, or (2) when the city council determines that the amount received
2.27 from the tax is sufficient to fund project costs authorized under subdivision 2, and approved
2.28 by voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph
2.29 (a), plus an amount sufficient to pay the costs related to issuance of any bonds authorized
2.30 under subdivision 3, including interest on the bonds.

2.31 (b) Except as otherwise provided in Minnesota Statutes, section 297A.99, subdivision
2.32 3, paragraph (f), any funds remaining after payment of the allowed costs due to the timing
2.33 of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12,

3.1 shall be placed in the general fund of the city. The tax imposed under subdivision 1 may
3.2 expire at an earlier time if the city so determines by ordinance.

3.3 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
3.4 city of East Grand Forks and its chief clerical officer comply with Minnesota Statutes,
3.5 section 645.021, subdivisions 2 and 3."