Sec. 16. [383B.81] [ENVIRONMENTAL RESPONSE FUND.]

Subdivision 1. [CREATION.] An environmental response fund is created for the purposes specified in this section. The taxes imposed by section 383B.80 must be deposited in the fund. The board of county commissioners shall administer the fund either as a county board, a housing and redevelopment authority, or a regional rail authority.

Subd. 2. [USES OF FUND.] The fund created in subdivision 1 must be used for the following purposes:
   (1) acquisition through purchase or condemnation of lands or property which are polluted or contaminated with hazardous substances;
   (2) paying the costs associated with indemnifying or holding harmless the entity taking title to lands or property from any liability arising out of the ownership, remediation, or use of the land or property;
   (3) paying for the costs of remediating the acquired land or property;
   (4) paying the costs associated with remediating lands or property which are polluted or contaminated with hazardous substances; or
   (5) paying for the costs associated with improving the property for economic development, recreational, housing, transportation or rail traffic.

Subd. 3. [MATCHING FUNDS.] In expending funds under this section the county shall seek matching funds from contamination cleanup funds administered by the commissioners of the department of trade and economic development, the metropolitan council, the federal government, the private sector and any other source.

Subd. 4. [CITY APPROVAL.] The county may not expend funds under this section unless the governing body of the city in which the site is located approves the project.

Subd. 5. [BONDS.] The county may pledge the proceeds from the taxes imposed by section 383B.80 to bonds issued under this chapter and chapters 398A, 462, 469, and 475.

Subd. 6. [PRIORITIES.] The first priority for the use of the the environmental response fund created in this section is to clean up the site located in the city of St. Louis Park known as NL Industries/Tara Corporation/Golden Auto, EPA I.D. No. MND097891634 and to provide adequate right-of-way for a portion of the rail line to replace the 29th street line in the city of Minneapolis, including making rail improvements, changing the
curve of the railroad track and eliminating a switching facility, and improving the land for economic development. No money from the environmental response fund may be expended for remediating the site until the site has been acquired through purchase or condemnation.

Subd. 7. [LAND SALES.] Land or property acquired under this section may be resold at fair market value. Proceeds from the sale of the land must be deposited in the environmental response fund.

Subd. 8. [DOT ASSISTANCE.] With respect to the site described in subdivision 6, the commissioner of transportation shall collaborate with the county and any affected municipality by providing technical assistance and support in facilitating the railroad improvement and testing at that portion of the site to be used for the railroad improvement.

Sec. 23. [CONTAMINATION CLEANUP AND RAIL IMPROVEMENT.] Subdivision 1. [CONTAMINATION CLEANUP FUNDS.] The commissioner of the department of trade and economic development, pursuant to Minnesota Statutes, section 116J.555, subdivision 1, and the metropolitan council, pursuant to Minnesota Statutes, section 473.252, subdivision 3, paragraph (b), clause (1), shall designate the site located in the city of St. Louis Park and known as NL Industries/Tara Corp./Golden Auto, EPA ID No. MND 097891634 to be an eligible site for receipt of contamination cleanup funds from the contaminated site cleanup and development account in the general fund and from the tax base revitalization account in the metropolitan livable communities fund. Grants from these accounts shall be available only upon confirmation from the commissioner of transportation that Hennepin county and the city of St. Louis Park have entered into an agreement as described in subdivision 2.

Subdivision 2. [AGREEMENT BETWEEN HENNEPIN COUNTY AND CITY OF ST. LOUIS PARK.] To qualify for receipt of funds under subdivision 1, or from the environmental response fund established in Minnesota Statutes, section 383B.81, which funds are to be used for the site described in subdivision 1, Hennepin county and the city of St. Louis Park must, after consultation and negotiation with representatives of affected neighborhoods along the impacted and proposed rail lines, enter into an agreement with respect to the following:
(1) acquisition through purchase or condemnation of the entire site described in subdivision 1. A portion of the site must be used to provide adequate rights-of-way for transferring railroad traffic from the Canadian Pacific railroad line from Louisiana Avenue in St. Louis Park easterly to trunk highway 55/Hiawatha Avenue, commonly referred to as the 29th street depression, to the Canadian Pacific railroad line from the 29th street rail line northerly to the Burlington Northern connection, entirely within the city of St. Louis Park;

(2) responsibility for the costs of the railroad improvement, including changing the curve of the railroad track and eliminating a switching facility;

(3) obtaining by Hennepin county and the city of St. Louis Park of all applicable assurances, including, but not limited to, letters of assurance, certificates of completion, and no association determinations available from the United States Environmental Protection Agency and the Minnesota pollution control agency;

(4) respective responsibilities of the parties in remediating the acquired property and in assuming responsibility for any required matching funds; and

(5) entitlement to proceeds from any ultimate disposition of the property consistent with any statutory restrictions applicable to the source of the acquisition funds.

Subdivision 3. [COMMISSIONER OF TRANSPORTATION.] The commissioner of transportation shall confirm that St. Louis Park and Hennepin county have entered into an agreement. The commissioner of transportation shall collaborate with the city and county by providing technical assistance and support in facilitating the railroad improvement and testing at that portion of the site to be used for the railroad improvement. The project shall proceed only if the city of St. Louis Park, Hennepin county, and the commissioner have entered into an agreement regarding responsibility for safety and noise mitigation measures to be implemented or constructed on or adjacent to the Canadian Pacific railroad line from the 29th street rail line northerly to the Burlington Northern connection, entirely within the city of St. Louis Park.