

# GRAVEL MINING AREA TAX INCREMENT FINANCING DISTRICT

## BACKGROUND

In 2014, the city received special legislation for the creation of a soils deficiency tax increment financing (TIF) district in the Gravel Mining Area (GMA). Amendments to the 2014 special legislation were subsequently received in 2017, allowing Maple Grove to establish soil deficiency districts in the Gravel Mining Area (GMA) which have supported the development of more than a 1.5 million square feet of industrial space.

## REQUESTED AMENDMENTS

To continue this development, amendments are needed to extend the life of the soils deficiency districts. Included in the requested amendments are:

- Extensions to the term of the district, allowing increment to be collected for an additional five years and to extend the five-year rule to 13, which was previously extended to 8 years in 2017.
- A change in the definition of the larger project area, allowing funds from the district to be used in funding for infrastructure costs within the city, if they are undertaken primarily to serve the development and specifically allows increments to pay for improvements to the US Hwy 169 / County Road 130 Interchange, a primary point of access for the district.

Since 2017, the Gravel Mining Area has broken ground on more than 1.5 million square feet of industrial and commercial space.

