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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 1458

02/08/2023 Authored by Koegel The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; tax increment financing; creating special rules for the use of
1.3 tax increment in the city of Fridley; requiring a report.

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

1.5 Section 1. CITY OF FRIDLEY; TAX INCREMENT FINANCING DISTRICT;
1.6 SPECIAL RULES.

1.7 Subdivision 1. Transfer of increment. Notwithstanding Minnesota Statutes, section
1.8 469.176, subdivision 4j, the city of Fridley, or its economic development authority, may
1.9 transfer tax increment accumulated from Fridley Tax Increment Financing District No. 20
1.10 to the Fridley Housing and Redevelopment Authority for the purposes authorized in
1.11 subdivision 2. Only increment allowed to be expended outside of the district pursuant to
1.12 Minnesota Statutes, section 469.1763, subdivision 2, may be transferred under this section.

1.13 Subd. 2. Allowable use. Increment transferred under subdivision 1 may only be expended
1.14 on housing programs adopted by the Fridley Housing and Redevelopment Authority on or
1.15 prior to December 31, 2021.

1.16 Subd. 3. Annual financial reporting. Tax increment transferred under this section is
1.17 subject to the annual reporting requirements under Minnesota Statutes, section 469.175,
1.18 subdivision 6.

1.19 Subd. 4. Legislative reports. By February 1, 2024, and February 1, 2026, the city of
1.20 Fridley must issue a report to the chairs and ranking minority members of the legislative
1.21 committees with jurisdiction over taxes and property taxes. Each report must include detailed
1.22 information relating to each program financed with increment transferred under this section.

2.1 Subd. 5. **Expiration.** The authority to make transfers under subdivision 1 expires
2.2 December 31, 2026.

2.3 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
2.4 city of Fridley and its chief clerical officer comply with the requirements of Minnesota
2.5 Statutes, section 645.021, subdivisions 2 and 3.