

HOUSE RESEARCH

Bill Summary

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This bill exempts one tax increment financing (TIF) district, the Snelling University district, in the city of St. Paul from the general law TIF restrictions on:

- Pooling of increments. The pooling limitations require that 75 percent of increments (for a redevelopment district, such as this district) to be spent on activities located in the district.
- The 5-year rule. The 5-year rule requires the development authority to complete the district's in-district activities within 5 years after certification of the district.
- Use of increments limited to blight correction. This rule requires 90 percent of the increments from redevelopment districts to be used for correcting the conditions that allowed designation of the district, such as demolishing or rehabilitating substandard buildings.

In combination, the bill's provisions will allow St. Paul to use increments from this district to make improvements outside of the district connected with the Central Corridor LRT line.