

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 314

**DATE:** February 18, 2013

**Version:** As introduced

**Authors:** Swedzinski and others

**Subject:** City of Canby – tax increment financing (TIF) authority

**Analyst:** Joel Michael, joel.michael@house.mn

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: [www.house.mn/hrd/hrd.htm](http://www.house.mn/hrd/hrd.htm).

---

This bill authorizes the city of Canby to certify a TIF district in a defined area of the city with an original tax capacity of zero. The district has a duration limit of 21 years of increment. The city is authorized to use the increments to pay its obligations on bonds for its TIF district No. 1-21.

The city decertified district No. 21-1 at the direction of the Office of State Auditor, because it had not satisfied the requirements under the law for a housing TIF district. This bill would allow the city to essentially certify a new TIF district in the same area with a zero original net tax capacity and to use increments to pay off the debts of district No. 21-1. The bill does not specify whether the district's increments may be used for any other purposes.