

HOUSE RESEARCH

Bill Summary

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Subject: City of Apple Valley – special tax increment financing (TIF) authority

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This bill grants special law tax increment financing (TIF) authority to the city of Apple Valley, which essentially extends the general law TIF provisions of the 2010 jobs bill, as extended by the 2011 tax bill. The special law authority grant to Apple Valley consists of two components (following the parallel provisions of the general law):

1. It allows the city to use increments from economic development districts for any type of project if the following conditions are met:
 - The city finds the project will create new jobs in the state, including construction jobs,
 - The city finds construction of the project will not begin before July 1, 2014, without the assistance,
 - The request for certification is made by June 30, 2014, and
 - Construction begins no later than July 1, 2014 (or December 31, 2013, for a housing project).

Note: the parallel general law provision expired on July 1, 2012 (for housing developments it expired December 31, 2011).

2. It grants the city authority through December 31, 2014, to spend surplus increments from pre-existing districts to assist in construction of privately owned buildings and ancillary facilities. The similar general law authority under the jobs bill expired on December 31, 2012.