

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 2727

**DATE:** March 10, 2014

**Version:** As introduced

**Authors:** Erhardt and others

**Subject:** Tax increment financing (TIF) – city of Edina

**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/](http://www.house.mn/hrd/).

This bill specifies the permitted purposes for spending from an economic development TIF district in the city of Edina that are broader than apply under general law, permitting increments to be used for commercial (office and retail) and housing developments. Under general law, increments from an economic development TIF district may only be used for (1) manufacturing, (2) research and development, and (3) warehousing. Thus, this would permit increments to be used to assist with retail, office, and housing development in connection with the Southdale Mall in Edina.

The bill also authorizes the city to collect increments from the district through 2026. This likely is a duration extension, compared to the nine years of increment that may be collected under general law. However, the district, which the city approved in 2012, has not begun to collect increments so it is unclear exactly how many additional years of increment would be permitted by the bill.