

HOUSE RESEARCH

Bill Summary

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Version: As introduced

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

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This bill authorizes the city of Savage to elect to have special TIF rules apply to districts it establishes within a defined area of the city, which the bill calls a “Mining Reclamation Project Area” and defines by referring to listed property tax parcel numbers and the adjacent streets and roads. The city’s authority to establish TIF districts in this project area would end on December 31, 2023.

Districts would be exempt from the following rules under the general TIF law:

- **Blight test exemption.** Redevelopment districts could be established without meeting the blight test.
- **Pooling exemption.** So long as increments are spent within the defined project area, restrictions on pooling increments (that is, spending on activities outside of the TIF district) do not apply.
- **5-year rule exemption.** The 5-year rule, which requires spending to be completed within 5 years of certification of the district, does not apply.