

Subject City of Ramsey; tax increment financing special rules authorized

Authors Niska

Analyst Alexandra Haigler

Date April 2, 2024

Summary

This bill amends existing special law relating to a tax increment financing (TIF) district in the city of Ramsey by exempting the district from statutory interfund loan requirements relating to the financing of the construction of the Northstar Transit Station and other public improvements installed within the district.

For background:

Interfund loans are loans or advances made by the city or the developer to pay the cost of development that will be repaid by tax increment generated. Section 469.178 contains the following requirements for interfund loans:

- the city must pass a resolution before or within 60 days of the issuing the loan;
- the terms and conditions of the loan must be made in writing and contain at a minimum the principal amount, the interest rate, and the maximum term of the loan; and
- the city must contain in its annual report to the Office of the State Auditor details of the loan.

This section is effective upon local approval and compliance with filing requirements for special laws.