

Subject City of Minnetonka; tax increment financing special rules authorized

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Overview

This bill authorizes special rules for a renewal and renovation tax increment financing (TIF) district in the city of Minnetonka that was established in 2021.

Summary

Section	Description
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1	Tax increment financing; city of Minnetonka.
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Subd. 1. Establishment. Requires that the special rules established in subdivision 2 apply to the renewal and renovation TIF district established in the city of Minnetonka in 2021.

Subd. 2. Special rules. Allows the following special rules to apply to the district established under subdivision 1:

- exempts from the requirement that at least 90 percent of increment be spent on correction of blight conditions; and
- allows increment to be spent in the district on projects detailed in the city's Final Alternative Urban Area Review Opus Study Area from December 2020.

Such allowable expenses include infrastructure and road improvements, environmental remediation, land and right-of-way acquisition, parking, related sewer, water, and utility improvements, and related administrative costs.

Subd. 3. Five-year rule. Extends the five-year rule to ten years.

Subd. 4. Six-year rule. Makes a corresponding change to subdivision 3 by extending the requirement to use revenue generated after year five to decertify the district to 11 years.

Effective upon local approval and compliance with filing requirements for special laws.



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