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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH  
SESSION

HOUSE FILE No. 1789

March 7, 2007

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The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act  
1.2 relating to tax increment financing; allowing city of Dayton to establish a district  
1.3 subject to special rules.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. **TAX INCREMENT FINANCING; CITY OF DAYTON.**

1.6 Subdivision 1. Authority. The city of Dayton may establish an economic  
1.7 development tax increment financing district under the authority provided in this  
1.8 section. The city may include area with the jurisdiction of the town of Hassan to the  
1.9 extent authorized by a joint powers agreement with the town. This district must be  
1.10 established within the area defined in subdivision 2 and is subject to the special rules  
1.11 under subdivision 3.

1.12 Subd. 2. Defined area. The district must be established within the area defined as  
1.13 the southwestern corner of the city of Dayton bounded by Brockton Lane (also known  
1.14 as Hennepin County Road 101) to the west, 109th Avenue North to the south, Hennepin  
1.15 County Highway 81 diagonally to the north and east from 109th Avenue northwesterly  
1.16 to a line 120 feet east of the extension of York Avenue northerly to a line 120 feet north  
1.17 of Gay Wood Drive and then west to Brockton Lane (Hennepin County Road 101). The  
1.18 area within the jurisdiction of the town of Hassan that may be included in the district is  
1.19 limited to and defined as all the land within the town of Hassan north of 109th Avenue  
1.20 North, east of Fletcher Lane (also know as Hennepin County Road 116), south of I-94  
1.21 and west of Brockton Lane (Hennepin County Road 101).

1.22 Subd. 3. Special rules. The district is subject to the rules under Minnesota Statutes,  
1.23 sections 469.174 to 469.1799, with the following exceptions:

2.1 (1) the city need not make the findings required by Minnesota Statutes, section  
2.2 469.174, subdivision 12;

2.3 (2) the restrictions on the expenditures of increments under Minnesota Statutes,  
2.4 section 469.176, subdivision 4c, do not apply;

2.5 (3) the provisions of Minnesota Statutes, section 469.176, subdivision 5, do not  
2.6 apply to the district;

2.7 (4) the provisions of section 469.176, subdivision 7, do not apply to the district; and

2.8 (5) the district's tax increments must be used only to pay for the costs related  
2.9 to Brockton interchange project, including land acquisition, public infrastructure, and  
2.10 administrative costs, whether paid directly or to reimburse for payment of those costs or to  
2.11 repay bonds or other obligations issued and sold to pay those costs initially.

2.12 **EFFECTIVE DATE.** This section is effective upon compliance by the governing  
2.13 body of the city of Dayton and by the board of supervisors of the town of Hassan with  
2.14 Minnesota Statutes, section 645.021.