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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE No. 1971

March 23, 2009

Authored by Abeler and Newton

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 taxation; tax increment financing; allowing the city of Anoka to
1.3 establish districts under special rules.

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

1.5 Section 1. **CITY OF ANOKA; REDEVELOPMENT TAX INCREMENT**
1.6 **FINANCING DISTRICTS.**

1.7 Subdivision 1. **Authorization.** The city of Anoka may establish within its corporate
1.8 boundaries one or more tax increment financing districts subject to the special rules under
1.9 subdivision 3. The districts must be located within a geographic area bounded by the
1.10 following and including adjacent public rights-of-way: to the North by Garfield Street
1.11 extended from Ferry Street to Seventh Avenue; to the East by Seventh Avenue (Garfield
1.12 Street to U.S. Highway No. 10); to the South by U.S. Highway No. 10 (Seventh Avenue
1.13 to Ferry Street); and to the West by Ferry Street (U.S. Highway No. 10 to Garfield Street
1.14 extended).

1.15 Subd. 2. **District is a redevelopment district.** Any tax increment financing district
1.16 created by the city under subdivision 1 is deemed to be a redevelopment district without
1.17 regard to Minnesota Statutes, section 469.174, subdivision 10. With respect to the findings
1.18 required under Minnesota Statutes, section 469.175, subdivision 3, paragraph (b), clauses
1.19 (2) and (4), the findings must relate to the overall geographic area described in subdivision
1.20 1, and not to the geographic area of or development or redevelopment activities in the
1.21 individual tax increment districts being created.

1.22 Subd. 3. **Special rules.** If the city elects to create one or more tax increment
1.23 financing districts under subdivision 1, the following rules apply to the districts:

2.1 (1) the five-year rule under Minnesota Statutes, section 469.1763, subdivision 3,
2.2 does not apply;

2.3 (2) expenditures for activities, as defined in Minnesota Statutes, section 469.1763,
2.4 subdivision 1, paragraph (b), anywhere in the area described in subdivision 1 in which tax
2.5 increment financing districts may be created are deemed to be for the cost of correcting
2.6 conditions that allow designation of redevelopment districts under Minnesota Statutes,
2.7 section 469.174, subdivision 10;

2.8 (3) the limitations on spending increments outside of a district under Minnesota
2.9 Statutes, section 469.1763, subdivision 2, do not apply to the expenditures outside of the
2.10 districts created under this section but within the area described in subdivision 1 for the
2.11 costs of land acquisition, parking, pedestrian and vehicular transit improvements, and any
2.12 other public improvements that are related to a proposed rail transit station in the city or to
2.13 expenditures for the purposes of assisting in the redevelopment of real property; and

2.14 (4) tax increment derived from tax increment districts created under this section may
2.15 be spent to pay the principal amount of or interest on bonds or other obligations issued to
2.16 finance expenditures allowed under this section even if the activities and expenditures
2.17 occurred before creation of the tax increment district.

2.18 Subd. 4. **Expiration.** The authority to approve a tax increment financing plan to
2.19 establish a tax increment financing district under this section expires on December 31 of
2.20 the year that is ten years after the city receives the first tax increment from a tax increment
2.21 financing district created under this section.

2.22 **EFFECTIVE DATE.** This section is effective upon approval by the governing body
2.23 of the city of Anoka and compliance with Minnesota Statutes, section 645.021.