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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 164

01/17/2019 Authored by Olson, Schultz and Murphy
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; authorizing tax increment financing districts
1.3 in Duluth.

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

1.5 Section 1. CITY OF DULUTH; TAX INCREMENT FINANCING DISTRICT;
1.6 PROJECT REQUIREMENTS.

1.7 Subdivision 1. Establishment. The city of Duluth or the Duluth Economic Development
1.8 Authority may establish one or more redevelopment tax increment financing districts located
1.9 in the city of Duluth, St. Louis County, Minnesota, within the area bordered on the northeast
1.10 by Slip 3 and the Pier B Resort property line extended northwest to Interstate 35, on the
1.11 southeast by the Duluth Harbor, on the southwest by the Compass Minerals property line
1.12 extended northwest to Interstate 35, and on the northwest by Interstate 35, together with
1.13 adjacent roads and rights-of-way; and such property is deemed to meet the requirements of
1.14 Minnesota Statutes, section 469.174, subdivision 10.

1.15 Subd. 2. Eligible expenditures. Expenditures incurred in connection with the
1.16 development of the property described in subdivision 1 are deemed to meet the requirements
1.17 of Minnesota Statutes, section 469.176, subdivision 4j. Minnesota Statutes, section 469.176,
1.18 subdivision 4l, does not apply to any tax increment financing district established in the area
1.19 described in subdivision 1. Eligible expenditures for any tax increment financing district
1.20 established in the area described in subdivision 1 include, without limitation, seawalls and
1.21 pier facings adjacent to the boundaries of such district.

2.1 Subd. 3. **Four-year rule.** The four-year rule under Minnesota Statutes, section 469.176,
2.2 subdivision 6, is extended to a seven-year period for any tax increment financing district
2.3 established in the area described in subdivision 1.

2.4 Subd. 4. **Five-year rule.** The five-year rule under Minnesota Statutes, section 469.1763,
2.5 subdivision 3, is extended to a ten-year period for any tax increment financing district
2.6 established in the area described in subdivision 1.

2.7 Subd. 5. **Revenues for decertification.** Minnesota Statutes, section 469.1763, subdivision
2.8 4, does not apply to any tax increment financing district established in the area described
2.9 in subdivision 1.

2.10 **EFFECTIVE DATE.** This section is effective upon compliance with Minnesota Statutes,
2.11 section 645.021, subdivisions 2 and 3.