

SENATE
STATE OF MINNESOTA
NINETIETH SESSION

S.F. No. 1896

(SENATE AUTHORS: SCHOEN)

DATE
03/08/2017

D-PG
1180 Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to tax increment financing; authorizing tax increment districts in the city
1.3 of Newport.

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

1.5 Section 1. WASHINGTON COUNTY; TAX INCREMENT FINANCING DISTRICT;
1.6 SPECIAL RULES.

1.7 (a) If Washington County elects, upon the adoption of a tax increment financing plan
1.8 for a district, the rules under this section apply to one or more tax increment financing
1.9 districts established by the county or the community development agency of the county.
1.10 The area within which the tax increment districts may be created is located in the city of
1.11 Newport and is south of marked Interstate Highway 494, north of 15th Street extended to
1.12 the Mississippi River, east of the Mississippi River, and west of marked Trunk Highway
1.13 61 and the adjacent rights-of-way and shall be referred to as the "Newport Red Rock Crossing
1.14 Project Area" or "project area."

1.15 (b) The requirements for qualifying a redevelopment district under Minnesota Statutes,
1.16 section 469.174, subdivision 10, do not apply to the parcels identified by parcel identification
1.17 numbers: 2602822440051, 260282244050, 260282244049, 260282244048, 2602822440046,
1.18 2602822440045, 260282244044, 2602822440043, 2602822440026, 2602822440025,
1.19 260282244024, and 2602822440023, which are deemed substandard for the purpose of
1.20 qualifying the district as a redevelopment district.

1.21 (c) Increments spent outside a district shall only be spent within the project area and on
1.22 costs described in Minnesota Statutes, section 469.176, subdivision 4j.

2.1 (d) Notwithstanding anything to the contrary in Minnesota Statutes, section 469.1763,
2.2 subdivision 2, paragraph (a), not more than 80 percent of the total revenue derived from tax
2.3 increments paid by properties in any district, measured over the life of the district, may be
2.4 expended on activities outside the district but within the project area. The five-year rule
2.5 under Minnesota Statutes, section 469.1763, subdivision 3, applies as if the limit is nine
2.6 years.

2.7 (e) The authority to approve a tax increment financing plan and to establish a tax
2.8 increment financing district under this section expires December 31, 2027.

2.9 (f) The use of revenues for decertification in Minnesota Statutes, section 469.1763,
2.10 subdivision 4, does not apply to the project area.

2.11 **EFFECTIVE DATE.** This section is effective and shall retroactively include the
2.12 redevelopment district in the project area approved by Washington County on November
2.13 8, 2016, upon approval by the governing body of the city of Newport and Washington
2.14 County and upon compliance by the county with Minnesota Statutes, section 645.021,
2.15 subdivision 3.