A bill for an act

relating to taxation; city of Arden Hills; authorizing creation of a tax increment financing district.

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

Section 1. **ESTABLISHMENT.**

The city of Arden Hills may establish within the corporate boundaries of the city a redevelopment tax increment financing district subject to the special rules under section 2. The district must be located within the area described in the TCAAP Boundary Survey dated December 12, 2007, by W. Brown Land Surveying, Inc.

Sec. 2. **SPECIAL RULES.**

(a) If the city elects to adopt the tax increment financing plan in section 1 for the district, the following rules shall apply to the district:

(1) the district is deemed to meet all the requirements of Minnesota Statutes, section 469.174, subdivision 10;

(2) the five-year rule under Minnesota Statutes, section 469.1763, subdivision 3, is extended to a ten-year period; and

(3) the duration limit under Minnesota Statutes, section 469.176, subdivision 1b, paragraph (a), clause (4), is extended to 30 years after receipt of the first increment.

(b) Notwithstanding Minnesota Statutes, section 469.175, subdivision 1, paragraph (b), the city may designate the first year in which it elects to receive an increment, up to six years following the year of approval of the district. The city must make the designation by written notice to the county auditor delivered by June 30 of the year prior to the designated year of first receipt.

Sec. 3. **EXPIRATION.**

The authority to approve a tax increment financing plan to establish a tax increment financing district under sections 1 and 2 expires December 31, 2019.

Sec. 4. **EFFECTIVE DATE.**

Sections 1 to 3 are effective upon approval by the governing body of the city of Arden Hills and upon compliance by the city with Minnesota Statutes, sections 469.1782, subdivision 2, and 645.021, subdivision 3.