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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. **114**

01/17/2013 Authored by Lillie and Ward, J.A.,
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 the city of Oakdale; providing special rules for certain tax increment
1.3 financing districts; amending Laws 2008, chapter 366, article 5, section 34, as
1.4 amended; Laws 2010, chapter 216, section 55.

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

1.6 Section 1. Laws 2008, chapter 366, article 5, section 34, as amended by Laws 2009,
1.7 chapter 88, article 5, section 11, is amended to read:

1.8 Sec. 34. **CITY OF OAKDALE; ORIGINAL TAX CAPACITY PARCELS**
1.9 **DEEMED OCCUPIED.**

1.10 ~~(a) The provisions of this section apply to redevelopment tax increment financing~~
1.11 ~~districts created by the Housing and Redevelopment Authority in and for the city of~~
1.12 ~~Oakdale in the areas comprised of the parcels with the following parcel identification~~
1.13 ~~numbers: (1) 3102921320053; 3102921320054; 3102921320055; 3102921320056;~~
1.14 ~~3102921320057; 3102921320058; 3102921320062; 3102921320063; 3102921320059;~~
1.15 ~~3102921320060; 3102921320061; 3102921330005; and 3102921330004; and (2)~~
1.16 ~~2902921330001 and 2902921330005.~~

1.17 ~~(b) For a district subject to this section, the Housing and Redevelopment Authority~~
1.18 ~~may, when requesting certification of the original tax capacity of the district under~~
1.19 ~~Minnesota Statutes, section 469.177, elect to have the original tax capacity of the district~~
1.20 ~~be certified as the tax capacity of the land.~~

1.21 ~~(c) The authority to request certification of a district under this section expires on~~
1.22 ~~July 1, 2013.~~

1.23 (a) Parcel numbers 3102921320054, 3102921320055, 3102921320056,
1.24 3102921320057, 3102921320061, and 3102921330004 are deemed to meet the

2.1 requirements of Minnesota Statutes, section 469.174, subdivision 10, paragraph (d),
 2.2 notwithstanding any contrary provisions of that paragraph, if the following conditions
 2.3 are met:

2.4 (1) a building located on any part of each of the specified parcels was demolished
 2.5 after the authority adopted a resolution under Minnesota Statutes, section 469.174,
 2.6 subdivision 10, paragraph (d), clause (3);

2.7 (2) the building was removed either by the authority, by a developer under a
 2.8 development agreement with the authority, or by the owner of the property without
 2.9 entering into a development agreement with the authority; and

2.10 (3) the request for certification of the parcel as part of a district is filed with the
 2.11 county auditor by December 31, 2017.

2.12 (b) The provisions of this section allow an election by the authority for the parcels
 2.13 deemed occupied under paragraph (a), notwithstanding the provisions of Minnesota
 2.14 Statutes, sections 469.174, subdivision 10, paragraph (d), and 469.177, subdivision 1,
 2.15 paragraph (f).

2.16 **EFFECTIVE DATE.** This section is effective upon compliance by the governing
 2.17 body of the city of Oakdale with the requirements of Minnesota Statutes, section 645.021,
 2.18 subdivision 3.

2.19 Sec. 2. Laws 2010, chapter 216, section 55, is amended to read:

2.20 Sec. 55. **OAKDALE; TAX INCREMENT FINANCING DISTRICT.**

2.21 Subdivision 1. **Duration of district.** Notwithstanding the provisions of Minnesota
 2.22 Statutes, section 469.176, subdivision 1b, the city of Oakdale may collect tax increments
 2.23 from Tax Increment Financing District No. 6 (Bergen Plaza) through December 31, ~~2024~~
 2.24 2030, subject to the conditions described in subdivision 2.

2.25 Subd. 2. **Conditions for extension.** (a) Subdivision 1 applies only if the following
 2.26 conditions are met:

2.27 (1) by July 1, 2011, the city of Oakdale has entered into a development agreement
 2.28 with a private developer for development or redevelopment of all or a substantial part of
 2.29 the area parcels described in clause (2); and

2.30 (2) by November 1, 2011, the city of Oakdale or a private developer commences
 2.31 construction of streets, traffic improvements, water, sewer, or related infrastructure that
 2.32 serves one or both of the parcels with the following parcel identification numbers:
 2.33 2902921330001 and 2902921330005. For the purposes of this section, construction
 2.34 commences upon grading or other visible improvements that are part of the subject
 2.35 infrastructure.

3.1 (b) All tax increments received by the city of Oakdale under subdivision 1 after
3.2 December 31, 2016, must be used only to pay costs that are both:

3.3 (1) related to redevelopment of the parcels specified in this subdivision or
3.4 parcel numbers 3102921320053, 3102921320054, 3102921320055, 3102921320056,
3.5 3102921320057, 3102921320058, 3102921320059, 3102921320060, 3102921320061,
3.6 3102921320062, 3102921320063, 3102921330004, and 3102921330005, including,
3.7 without limitation, any of the infrastructure referenced in this subdivision, that serves
3.8 any of the referenced parcels; and

3.9 (2) otherwise eligible under law to be paid with increments from the specified tax
3.10 increment financing district, ~~except the authority under this clause does not apply to~~
3.11 ~~increments collected after the conclusion of the duration limit under general law.~~

3.12 **EFFECTIVE DATE.** This section is effective upon compliance by the governing
3.13 body of the city of Oakdale with the requirements of Minnesota Statutes, sections
3.14 469.1782, subdivision 2, and 645.021, subdivision 3.

3.15 Sec. 3. **USE OF TAX INCREMENT.**

3.16 Notwithstanding Minnesota Statutes, section 469.176, subdivision 4d, beginning
3.17 on the effective date of this section, the city of Oakdale may spend tax increments from
3.18 Tax Increment Financing District No. 1-6 (Echo Ridge) to pay costs that are related to
3.19 redevelopment of parcel numbers 3102921320053, 3102921320054, 3102921320055,
3.20 3102921320056, 3102921320057, 3102921320058, 3102921320059, 3102921320060,
3.21 3102921320061, 3102921320062, 3102921320063, 3102921330004, and 3102921330005
3.22 (the Tanner's Lake redevelopment site), including without limitation any infrastructure
3.23 that serves the referenced parcels.

3.24 **EFFECTIVE DATE.** This section is effective upon compliance by the governing
3.25 body of the city of Oakdale with the requirements of Minnesota Statutes, section 645.021,
3.26 subdivision 3.