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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 4771

03/11/2024 Authored by Acomb and Pryor 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; providing special tax increment
1.3 financing authority to the city of Minnetonka.

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

1.5 Section 1. TAX INCREMENT FINANCING; CITY OF MINNETONKA.

1.6 Subdivision 1. Establishment. The special rules provided in this section apply to the
1.7 renewal and renovation tax increment financing district established in 2021 by the Economic
1.8 Development Authority in and for the City of Minnetonka and the city of Minnetonka under
1.9 Minnesota Statutes, sections 469.174 to 469.1794.

1.10 Subd. 2. Requirements deemed met. The tax increment financing district is deemed
1.11 to meet the requirements of Minnesota Statutes, section 469.176, subdivision 4j.

1.12 Subd. 3. Eligible expenditures within district. (a) Eligible expenditures within the tax
1.13 increment financing district include but are not limited to: (1) infrastructure and roadway
1.14 improvements, including but not limited to sanitary sewer, water, storm sewer, and utility
1.15 improvements; (2) costs related to environmental remediation, soil correction, demolition,
1.16 and relocation; (3) site improvement costs; (4) land acquisition; (5) right-of-way acquisition
1.17 for road improvements; (6) surface and structured parking; (7) related administrative costs;
1.18 and (8) any expenditures detailed in the city of Minnetonka Final Alternative Urban Area
1.19 Review Opus Study Area, dated December 2020.

1.20 (b) The eligible expenditures described in paragraph (a) are deemed to meet the
1.21 requirements of Minnesota Statutes, section 469.176, subdivision 4j.

2.1 Subd. 4. **Five-year rule.** The requirements of Minnesota Statutes, section 469.1763,
2.2 subdivision 3, that activities must be undertaken within a five-year period from the date of
2.3 certification of a tax increment financing district, is considered to be met for the tax increment
2.4 financing district if the activities are undertaken within ten years from the date of certification
2.5 of the district.

2.6 Subd. 5. **Six-year rule.** The requirements of Minnesota Statutes, section 469.1763,
2.7 subdivision 4, do not apply to the tax increment district.

2.8 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
2.9 city of Minnetonka and its chief clerical officer comply with the requirements of Minnesota
2.10 Statutes, section 645.021, subdivisions 2 and 3.