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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-SIXTH
SESSION**

HOUSE FILE No. 1945

March 19, 2009

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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; city of Eagan; extending duration and time for certain
1.3 activities in a tax increment financing district; establishing certain adjustments to
1.4 original net tax capacity.

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

1.6 Section 1. **CITY OF EAGAN; TAX INCREMENT FINANCING DISTRICT.**

1.7 **Subdivision 1. Duration of district.** Notwithstanding Minnesota Statutes, section
1.8 469.176, subdivision 1b, the duration of the Cedar Grove Tax Increment Financing District
1.9 is extended and tax increment from the district may be paid to the Eagan Economic
1.10 Development Authority through the 25th year after the first year in which the valuation of
1.11 a new building within the core redevelopment area of the district, other than a publicly
1.12 owned transit station, is included in the taxable value of the district.

1.13 **Subd. 2. Definition.** For purposes of this section, core redevelopment area means
1.14 that area bounded by state Trunk Highway 13, Silver Bell Road, Cedar Grove Parkway,
1.15 and Nicols Road.

1.16 **Subd. 3. Knockdown adjustments.** Notwithstanding Minnesota Statutes, section
1.17 469.176, subdivision 6, if the net tax capacity of any parcel is excluded from the original
1.18 net tax capacity of the district by reason of a lack of qualifying activity, the amount to
1.19 be added back to the original net tax capacity of the district as a result of certification of
1.20 commencement of the activities described in such subdivision with respect to the parcel
1.21 shall be the net tax capacity of the parcel determined as of the date of certification of
1.22 the district.

1.23 **Subd. 4. Five-year rule.** The requirement of Minnesota Statutes, section 469.1763,
1.24 subdivision 3, that activities must be undertaken within a five-year period from the date

2.1 of certification of a tax increment financing district is considered to be met for the Cedar
2.2 Grove Tax Increment Financing District if the activities are undertaken within ten years
2.3 from the date of certification of the district.

2.4 **EFFECTIVE DATE.** This section is effective upon compliance by the governing
2.5 body of the city of Eagan with the requirements of Minnesota Statutes, sections 469.1782,
2.6 subdivision 2, and 645.021, subdivision 3.