

1.1 A bill for an act

1.2 relating to taxation; providing special rules for a tax increment financing district
1.3 in the city of Cottage Grove.

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

1.5 Section 1. **CITY OF COTTAGE GROVE; TAX INCREMENT FINANCING**
1.6 **DISTRICT SPECIAL RULES.**

1.7 **Subdivision 1. First receipt of increment extended.** Notwithstanding Minnesota
1.8 Statutes, section 469.175, subdivision 1, paragraph (b), the Economic Development
1.9 Authority of Cottage Grove may modify the tax increment financing plan for
1.10 Redevelopment Tax Increment Financing District No. 12 to change the first year in
1.11 which it elects to receive increment, up to nine years following the year of approval of
1.12 the district. Minnesota Statutes, section 469.175, subdivision 4, paragraph (b), does not
1.13 apply to the modification.

1.14 **Subd. 2. Five-year rule.** The requirement of Minnesota Statutes, section 469.1763,
1.15 subdivision 3, that activities must be undertaken within a five-year period from the
1.16 date of certification of a tax increment financing district, is considered to be met for
1.17 Redevelopment Tax Increment Financing District No. 12 in the city of Cottage Grove if
1.18 the activities were undertaken within ten years from the date of certification of the district.

1.19 **Subd. 3. Parcels deemed occupied.** Any parcel in Redevelopment Tax Increment
1.20 Financing District No. 12 in the city of Cottage Grove is deemed to meet the requirements
1.21 of Minnesota Statutes, section 469.174, subdivision 10, paragraph (d), clause (1), if the
1.22 following conditions are met:

S.F. No. 3286, as introduced - 86th Legislative Session (2009-2010) [10-6111]

2.1 (1) a building on the parcel was demolished by a developer or the city after the city
2.2 council found the building to be structurally substandard upon approval of original tax
2.3 increment financing plan for the district; and

2.4 (2) the city decertifies Redevelopment Tax Increment Financing District No. 12,
2.5 but files a request with the county auditor for certification of the parcel as part of a
2.6 subsequent redevelopment or renewal and renovation district within ten years after the
2.7 date of demolition.

2.8 **EFFECTIVE DATE.** This section is effective upon compliance by the governing
2.9 body of the Economic Development Authority of Cottage Grove with Minnesota Statutes,
2.10 section 645.021, subdivision 3.