Overview

This bill changes the name of the Dakota county housing and redevelopment authority (HRA) to the Dakota county community development agency, and gives the HRA the powers of an economic development authority (EDA). The agency's jurisdiction is expanded; the agency could undertake projects in a city subject to city approval, rather than being limited to undertaking projects only at the request of the city HRA as under present law.

It also exempts the agency's purchases from the sales tax.

Section

1 Name change; economic development authority powers. Changes the name of the Dakota county HRA to the Dakota county community development agency and gives the agency the powers of an economic development authority (EDA).

2 Jurisdiction. Eliminates the prohibition on the Dakota County HRA exercising jurisdiction in a municipality with an HRA. However, section 3 requires the city approval of projects.

3 City and authority approvals. Requires all housing, redevelopment, and economic development projects of the Dakota county community development agency located in a city to be approved by the governing body of the city. In addition, housing and housing development projects must be approved by the HRA for the city, if the HRA did not request the agency to undertake the project. Redevelopment projects must be approved by the city HRA.

4 Dakota county community development agency. Provides that the Dakota county community development agency may exercise any of the powers of an HRA. The community development agency may also exercise the powers of an EDA, except that the community development agency may not levy the EDA authorized property tax. However, with the approval of the Dakota county board, the community development agency may levy a HRA property up to the level permitted for an EDA (i.e., 0.01813 percent of net tax capacity). The HRA special tax levy...
is limited to a lower rate, 0.0144.

5 **Exemption from sales tax and charges.** Exempts the community development agency from sales tax on purchases of construction materials and equipment, and on the portion of sewer and water access charges connected to the development of low income housing. Under the author's amendment this exemption will apply to purchases by contractors. The tax must be paid and a refund claimed, as provided under the mechanism for exempt capital equipment purchases.

6 **Offers of tax-forfeited lands.** Directs the county to make nonconservation tax-forfeited land available to the community development agency before offering the land to cities in Dakota county.

7 **Instruction to the revisor.** Instructs the revisor to replace references to "Dakota county housing and redevelopment authority" with "Dakota county community development agency."

8 **Effective date.** Provide the bill is effective upon local approval by the Dakota county board.