Overview

This bill allows the St. Cloud HRA to pool increments from a pre-1982 district to redevelop properties destroyed in the December 11, 1998 natural gas explosion in St. Cloud.

1. **St. Cloud TIF, pooling permitted.** Authorizes the St. Cloud housing and redevelopment authority (HRA) to spend increments from a pre-1982 TIF district outside of the district to redevelop properties destroyed by a natural gas explosion on December 11, 1998.

   **Background information.** The 1979 TIF Act explicitly required increment to be spent in accordance with a TIF plan for the improvement and development of the district. This limited spending to development or redevelopment of the district. Pooling or spending of increments for development or redevelopment of other areas (i.e., outside the district) was not explicitly authorized. The 1982 Legislature allowed unlimited pooling of increments, but these changes were effective only for districts for which the request for certification was made after June 30, 1982. Thus, these pre-1982 districts have no specific statutory authority to spend increments on developments outside of the district. In 1990, the legislature imposed percentage limits on the amount of increments that could be spent outside of the district. These limits apply to newly certified districts and areas of existing districts.

2. **Effective date.** Effective upon local approval.