

Subject Property Tax Division Report

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Article 1: Property Taxes

This article makes a number changes related to property tax exemptions, application dates, and other provisions. The changes include:

- providing exemptions for certain property owned by an Indian tribe;
- changing the agricultural relative homestead qualifying relatives;
- modifying the homestead application deadline;
- lowering the classification rate for certain manufactured home property;
- changing the proposed levy process for certain jurisdictions;
- establishing Minnesota Property Taxpayer’s Day public meetings;
- creating fire protection special taxing districts; and
- allowing special assessments for energy improvement projects.

Section Description – Article 1: Property Taxes

1 Certain property owned by an Indian tribe.

Exempts from property taxes approximately 35 parcels owned by the Leech Lake Band of Ojibwe in Cass County. The parcels had been considered exempt as institutions of purely public charity, but have since had their applications denied

Section Description – Article 1: Property Taxes

because the tribe is not a 501(c)(3). This provision reestablishes the property tax exemptions for these parcels and provides for a refund of any taxes paid in 2020 and 2021.

Effective retroactively from assessment year 2019.

2 General rule.

Adds grandparent, stepparent, stepchild, uncle, aunt, nephew, and niece to the list of qualifying relatives for agricultural relative homestead. This change would mean that qualifying relatives are the same for agricultural relative homesteads and residential relative homesteads.

Effective for property taxes payable in 2022 and thereafter.

3 Manufactured home park cooperative.

Corrects a cross-reference to conform to changes made to manufactured home and manufactured home park property in section 6.

Effective for property taxes payable in 2022 and thereafter.

4 Homestead established after assessment date.

Moves the homestead occupancy and application deadlines to December 31. Under current law, a property must be occupied by December 1 and the owner must apply by December 15 in order to qualify for homestead status in the following taxes payable year.

Effective beginning with assessments in 2021.

5 Homestead application.

Conforming change with section 4.

Effective beginning with assessments in 2021.

6 Class 4.

Set the class rate at 0.75 percent for manufactured home park property and manufactured homes that are not classified under any other provision. This section also sets the first tier limit for 4d property at \$174,000 for assessment year 2022 and assessment year 2023.

The manufactured home provisions are effective for property taxes payable in 2022 and thereafter. The 4d provision is effective beginning with assessments year 2022.

Section Description – Article 1: Property Taxes

- 7 Homestead of veteran with a disability or family caregiver.**
Moves the application deadline for the disabled veteran’s homestead market value exclusion to December 31 to match the homestead application deadline change in section 4.

Effective beginning with assessments in 2021.
- 8 Proposed levy.**
Requires counties and cities with a population of at least 500 to publicly post budget information and hold a public meeting on the budget and proposed property tax levy, prior to setting the proposed levy.

Effective for property taxes payable in 2022 and thereafter.
- 9 Notice of proposed property taxes.**
Requires fire protection special taxing districts, established under section 13, to hold annual public hearings (Truth-in-Taxation hearings) on their proposed levies. This section also removes the current requirement that counties, cities with a population of at least 500, and school districts hold this hearing. These jurisdictions are instead required to hold the Minnesota Property Taxpayer’s Day meeting established in section 11.

Effective for property taxes payable in 2022 and thereafter.
- 10 Notice of proposed property taxes required supplemental information.**
Adds a supplemental statement to the notice of proposed property taxes that is mailed to taxpayers in November. This supplemental statement must contain three pieces of information: (1) the percent change in levy proposed for the following year by the county, city or township, and school district; (2) summary budget information for the county, city, and school district; and (3) information on how to access each jurisdiction’s website where taxpayers can find the proposed budget and information on how to participate in the Minnesota Property Taxpayer’s Day meetings established in section 11. The information in items two and three are only provided for counties, cities with a population over 500, and school districts.

Effective for property taxes payable in 2022 and thereafter.
- 11 Minnesota Property Taxpayer’s Day.**
Establishes an annual meeting to allow the public to provide input on proposed property tax levies for counties, cities with a population of at least 500, and school districts. The meeting must be held on the first Wednesday following the first Monday in December. The public must be allowed to participate in person or remotely. Counties must begin their meetings at 6:00 p.m., cities at 7:00 p.m., and

Section Description – Article 1: Property Taxes

school districts at 8:00 p.m. Each jurisdiction must allow the public to speak no later than 20 minutes after the start of the meeting. Information on how to participate in the meetings must be posted on each jurisdiction’s website by November 10.

Effective for property taxes payable in 2022 and thereafter.

12 Special taxing districts; definition.

Adds fire protection special taxing districts to the definition of special taxing districts for the purposes of property taxation.

Effective the day following final enactment.

13 Fire protection special taxing districts.

Allows local jurisdictions to establish special taxing districts that provide fire protection and emergency medical services. Once established by the local jurisdictions, these districts are governed by a board and have the authority to levy property taxes and issue debt. The bill requires participating jurisdictions to enter into an agreement that specifies how liabilities and assets are distributed if the district is dissolved, and also allows jurisdictions to join or withdraw from a district once it has been established.

Effective the day following final enactment.

14 Improvements authorized.

Authorizes a city to impose a special assessment for an energy improvement project, which is defined under this section, upon petition by owner. The municipality must administer and fund the improvements and notice of low- or no-cost alternatives must be provided.

Effective for assessments payable in 2022.

15 Petition by all owners.

Makes conforming changes related to the petition requirement in section 14.

Effective for assessments payable in 2022.

16 Repealer.

Repeals two sections of statute that define class I manufactured home parks to conform with changes made in section 6.

Effective beginning with property taxes payable in 2022.

Article 2: Aids and Credits

This article makes changes to local government aid.

Section Description – Article 2: Aids and Credits

1 Certified aid adjustments.

Deletes obsolete language related to LGA adjustments for individual cities and provides additional LGA payments out of the total LGA appropriation to the following cities:

- \$250,000 per year for five years to the city of Floodwood;
- \$320,000 per year for five years to the city of Staples; and
- \$320,000 per year for five years to the city of Warren.

Effective for aids payable in 2022 and thereafter.

2 Cities (LGA appropriation).

Increases the city LGA appropriation by \$890,000 per year for five years to cover the aid adjustments in section 1. After five years, the appropriation will return to the current amount.

Effective for aids payable in 2022 and thereafter.

Article 3: Local Taxes

Provides the following modifications to special local taxes:

- expiration date extension of the Plymouth local lodging tax; and
- expiration date removal of the Sartell food and beverage tax.

Provides the following new sales taxes:

- general local sales taxes for Carlton County, Cloquet, Edina, Fergus Falls, Grand Rapids, Hermantown, Itasca County, Litchfield, Little Falls, Maple Grove, Mille Lacs County, Moorhead, Oakdale, St. Cloud, St. Peter, Wadena, and Waite Park.

Section Description – Article 3: Local Taxes

1 City of Plymouth; local lodging tax authorized.

Extends the expiration date of the local lodging tax imposed by the city of Plymouth to a time determined by the city council when the amounts received from the tax are sufficient to pay bonds that are issued prior to January 1, 2022.

Section Description – Article 3: Local Taxes

Effective the day following final enactment.

2 City of Sartell; local taxes authorized.

Removes the expiration date of the food and beverage tax imposed by the city of Sartell and amends the referendum requirement to allow the referendum to be held at a general or special election as determined by a resolution adopted by the city's governing board.

Effective the day following final enactment.

3 Carlton County; taxes authorized.

Allows Carlton County to impose a 0.5 percent local sales tax to finance \$60 million plus associated bond costs for construction of a law enforcement center and jail. Allows the city to issue up to \$60 million in bonds for the projects without separate voter approval. The tax expires the earlier of 30 years or when allowed revenues are raised.

Effective upon the city complying with approval and notice requirements for special laws.

4 City of Cloquet; taxes authorized.

Allows the city of Cloquet to impose a 0.5 percent local sales tax to finance \$8,150,200 plus associated bond costs for the Pine Valley Regional Park Project and restoration of the Cloquet Ice Arena. Allows the city to issue up to \$8,150,200 in bonds for the projects without separate voter approval. The tax expires the earlier of ten years or when allowed revenues are raised.

Effective upon the city complying with approval and notice requirements for special laws.

5 City of Edina; taxes authorized.

Allows the city of Edina to impose a 0.5 percent local sales tax to finance \$39.3 million plus associated bond costs for development of Fred Richards Park and improvements to Braemar Park. Allows the city to issue up to \$39.3 million in bonds for the projects without separate voter approval. The tax expires the earlier of 19 years or when allowed revenues are raised.

Effective upon the city complying with approval and notice requirements for special laws.

6 City of Fergus Falls; taxes authorized.

Allows the city of Fergus Falls to impose a 0.5 percent local sales tax to finance \$13 million plus associated bond costs for construction of an aquatics center and the

Section Description – Article 3: Local Taxes

DeLagoon Improvement Project. Allows the city to issue up to \$13 million in bonds for the projects without separate voter approval. The tax expires the earlier of December 31, 2037, or when allowed revenues are raised.

Effective upon the city complying with approval and notice requirements for special laws.

7 City of Grand Rapids; taxes authorized.

Allows the city of Grand Rapids to impose a 0.5 percent local sales tax to finance \$5.98 million plus associated bond costs for reconstruction and remodeling of the IRA Civic Center. Allows the city to issue up to \$5.98 million in bonds for the projects without separate voter approval. The tax expires the earlier of seven years or when allowed revenues are raised.

Effective upon the city complying with approval and notice requirements for special laws.

8 City of Hermantown; taxes authorized.

Allows the city of Hermantown to impose an additional 0.5 percent local sales tax to finance \$12.41 million plus associated bond costs for upgrades to the Hermantown Hockey Arena and construction of the Hermantown-Proctor trail. Allows the city to issue up to \$12.41 million in bonds for the projects without separate voter approval. The tax expires the earlier of 16 years or when allowed revenues are raised.

Effective upon the city complying with approval and notice requirements for special laws.

9 Itasca County; taxes authorized.

Allows Itasca County to impose a 0.5 percent local sales tax to finance \$75 million plus associated bond costs for the construction of a correctional facility and associated court facilities. Allows the county to issue up to \$75 million in bonds for the projects without separate voter approval. The tax expires the earlier of 30 years or when allowed revenues are raised.

Effective upon the city complying with approval and notice requirements for special laws.

10 City of Litchfield; taxes authorized.

Allows the city of Litchfield to impose a 0.5 percent local sales tax to finance \$10 million plus associated bond costs for construction of a community wellness and recreation center. Allows the city to issue up to \$10 million in bonds for the projects

Section Description – Article 3: Local Taxes

without separate voter approval. The tax expires the earlier of 20 years or when allowed revenues are raised.

Effective upon the city complying with approval and notice requirements for special laws.

11 City of Little Falls; taxes authorized.

Allows the city of Edina to impose a 0.5 percent local sales tax to finance \$17 million plus associated bond costs for construction of a community recreational facility. Allows the city to issue up to \$17 million in bonds for the projects without separate voter approval. The tax expires the earlier of 30 years or when allowed revenues are raised.

Effective upon the city complying with approval and notice requirements for special laws.

12 City of Maple Grove; taxes authorized.

Allows the city of Maple Grove to impose a 0.5 percent local sales tax to finance \$90 million plus associated bond costs for expansion and renovation of the Maple Grove Community Center. Allows the city to issue up to \$90 million in bonds for the projects without separate voter approval. The tax expires the earlier of 20 years or when allowed revenues are raised.

Effective upon the city complying with approval and notice requirements for special laws.

13 County of Mille Lacs; taxes authorized.

Allows Mille Lacs County to impose a 0.5 percent local sales tax to finance \$10 million plus associated bond costs for construction of a public works building. Allows the county to issue up to \$10 million in bonds for the projects without separate voter approval. The tax expires the earlier of eight years or when allowed revenues are raised.

Effective upon the city complying with approval and notice requirements for special laws.

14 City of Moorhead; taxes authorized.

Allows the city of Moorhead to impose a 0.5 percent local sales tax to finance \$29.1 million plus associated bond costs for construction of a regional library and community center. Allows the city to issue up to \$29.1 million in bonds for the projects without separate voter approval. The tax expires the earlier of 22 years or when allowed revenues are raised.

Section Description – Article 3: Local Taxes

- Effective upon the city complying with approval and notice requirements for special laws.
- 15 **City of Oakdale; taxes authorized.**
Allows the city of Oakdale to impose a 0.5 percent local sales tax to finance \$37 million plus associated bond costs for construction of a new public works facility and expansion of the police department. Allows the city to issue up to \$37 million in bonds for the projects without separate voter approval. The tax expires the earlier of 25 years or when allowed revenues are raised.
- Effective upon the city complying with approval and notice requirements for special laws.
- 16 **City of St. Cloud; taxes authorized.**
Allows the city of St. Cloud to impose a 0.5 percent local sales tax to finance \$21.1 million plus associated bond costs for expansion and improvements to the St. Cloud Municipal Athletic Complex. Allows the city to issue up to \$21.1 million in bonds for the projects without separate voter approval. The tax expires the earlier of five years or when allowed revenues are raised. This tax is in addition to the city’s existing local sales tax of 0.5 percent imposed as part of the Central Minnesota Cities sales tax.
- Effective upon the city complying with approval and notice requirements for special laws.
- 17 **City of St. Peter; taxes authorized.**
Allows the city of St. Peter to impose a 0.5 percent local sales tax to finance \$9.121 million plus associated bond costs for construction of a new fire station. Allows the city to issue up to \$9.121 million in bonds for the projects without separate voter approval. The tax expires the earlier of 40 years or when allowed revenues are raised.
- Effective upon the city complying with approval and notice requirements for special laws.
- 18 **City of Wadena; taxes authorized.**
Allows the city of Wadena to impose a 0.5 percent local sales tax to finance \$3 million plus associated bond costs for the Wadena Library Rehabilitation Project. Allows the city to issue up to \$3 million in bonds for the projects without separate voter approval. The tax expires the earlier of 20 years or when allowed revenues are raised.
- Effective upon the city complying with approval and notice requirements for special laws.

Section Description – Article 3: Local Taxes

19 City of Waite Park; taxes authorized.

Allows the city of Waite Park to impose a 0.5 percent local sales tax to finance \$27.5 million plus associated bond costs for construction of a public safety facility and regional trail connections. Allows the city to issue up to \$27.5 million in bonds for the projects without separate voter approval. The tax expires the earlier of 19 years or when allowed revenues are raised. This tax is in addition to the city's existing local sales tax of 0.5 percent imposed as part of the Central Minnesota Cities sales tax.

Effective upon the city complying with approval and notice requirements for special laws.

Article 4: Tax Increment Financing

This article contains provisions modifying general law surrounding tax increment financing such as:

- providing temporary flexibility of the use of unencumbered TIF increment;
- expanding the pooling rules to allow for expenditure of increment on certain housing projects;
- extending the five-year rule to ten years for redevelopment districts certified after December 31, 2017; and
- providing a corresponding extension of the six-year rule.

Provides special tax increment financing authority to the cities of Bloomington, Burnsville, Fridley, Minnetonka, Mountain Lake, Richfield, St. Louis Park, Wayzata, and Windom.

Section Description – Article 4: Tax Increment Financing

1 Temporary use of increments authorized.

Allows TIF authorities to transfer unobligated increment to the municipality's general fund or directly to a business that was impacted by COVID-19. The transferred increment is limited to the excess of increment that is required to make bond payments or other financial obligations within six months of the transfers. Transfers may be made through December 31, 2022.

Contains a requirement for the municipality to approve a spending plan and hold a public hearing that discusses the use of transferred increment. Also contains administrative provisions relating to reporting to the Office of the State Auditor.

Section Description – Article 4: Tax Increment Financing

Effective for current unobligated increment the day following final enactment for any TIF district.

2 Expenditures outside district.

Allows increment generated by a housing district to be transferred to a political subdivision's affordable housing trust fund for uses in conformity with the fund's policies. This provision expands the activities that are considered to be "in district" activities for housing districts.

Increases the percentage of increment that an authority may elect to use for expenditures outside of the district's area from ten percent to 25 percent and expands the types of housing projects eligible for development to include owner-occupied affordable housing.

Effective the day following final enactment.

3 Five-year rule.

Extends the five-year rule to ten years for all redevelopment districts that are certified after December 31, 2017.

Effective the day following final enactment.

4 Use of revenues for decertification.

Makes a corresponding extension of the six-year rule for districts eligible for the extension in section 3. The six-year rule requires increment be spent on paying debt obligations incurred during the district's first five years. Effective the day following final enactment.

5 City of Bloomington; American Boulevard.

Authorizes the creation of a redevelopment district in the city of Bloomington comprised of specified parcels, and provides the following special rules:

- the district is deemed to meet the statutorily required blight findings for establishing a redevelopment district;
- increment generated is not required to be spent on correction of blight conditions; and
- allows increment to be spent on certain utility infrastructure located within the project area, but outside of the district's area.

Effective upon local approval and compliance with filing requirements for special laws.

Section Description – Article 4: Tax Increment Financing

6 City of Bloomington; 98th and Aldrich.

Authorizes the creation of a redevelopment district in the city of Bloomington comprised of specified parcels, and provides the following special rules:

- the district is deemed to meet the statutorily required blight findings for establishing a redevelopment district; and
- increment generated is not required to be spent on correction of blight conditions.

Effective upon local approval and compliance with filing requirements for special laws.

7 City of Burnsville; TIF authority.

Authorizes the city of Burnsville to create redevelopment TIF districts within the limited area of the Burnsville Center mall and adjacent rights of way. Under this provision, the following special rules apply to any TIF district created:

- the district is deemed to meet the statutorily required blight findings for establishing a redevelopment district; and
- increment generated is not required to be spent on correction of blight conditions.

Effective upon local approval and compliance with filing requirements for special laws.

8 City of Fridley; Tax Increment Financing District; special rules.

Allows the city of Fridley or its development authority to elect to spend increment outside of the district on certain housing programs, as well as exempts the district from the five-year rule, as well as the requirement that in the sixth year increment is used to pay down debts incurred in the first five years. The city has the ability to make elections to spend increment in this manner until December 31, 2023.

Effective upon local approval and compliance with filing requirements for special laws.

9 City of Minnetonka; use of increment authorized.

Allows the city of Minnetonka to use increment generated from any redevelopment district in the city for owner-occupied and rental affordable housing projects, and permits the transfer of increment generated from districts to the city's affordable housing trust fund to be used for purposes outlined by the city's trust fund policies.

Section Description – Article 4: Tax Increment Financing

- Effective upon local approval and compliance with filing requirements for special laws.
- 10 **City of Mountain Lake; TIF District No. 1-8; five-year rule extension.**
Extends the five-year rule to ten years for TIF District No. 1-8 in the city of Mountain Lake. Also makes a corresponding extension of the requirement that in the district's sixth year, increment be spent to pay debts for timely decertification.
- Effective upon local approval and compliance with filing requirements for special laws.
- 11 **City of Richfield; use of tax increment authorized.**
Allows the city to use increment generated from any TIF district in the city for owner-occupied and rental affordable housing projects, and permits the transfer of up to 15 percent of increment generated from redevelopment districts in the city to the city's affordable housing trust fund to be used for purposes outlined by the city's trust fund policies.
- Effective upon local approval and compliance with filing requirements for special laws.
- 12 **City of St. Louis Park; use of increment authorized.**
Allows a district that has elected to increase the percentage of permitted expenditures outside of the district for housing development to use the increment for other types of housing projects such as low-income owner-occupied projects in addition to low-income housing projects as defined by section 42 of the IRC.
- Permits the transfer of increment generated from housing development to the city's affordable housing trust fund to be used for purposes outlined by the city's trust fund policies.
- Effective upon local approval and compliance with filing requirements for special laws.
- 13 **City of Wayzata; TIF District No. 6.**
Authorizes the city of Wayzata to spend increment generated by Tax Increment Financing District No. 6 on construction of a lakefront pedestrian walkway and public access infrastructure related to the Panoway on Wayzata Bay project. This section will allow the expenditure of increment for this project to be considered an in-district expenditure.

Section Description – Article 4: Tax Increment Financing

- Effective upon local approval and compliance with filing requirements for special laws.
- 14 **City of Windom; TIF District 1-22; five-year rule extended.**
- Extends the five-year rule to ten years for TIF District 1-22 in the city of Windom. Also makes a corresponding extension of the requirement that in the district's sixth year, increment be spent to pay debts for timely decertification.
- Effective upon local approval and compliance with filing requirements for special laws.
- 15 **City of Windom; TIF District 1-22; duration extension.**
- Extends the duration of TIF District 1-22 in the city of Windom by five years.
- Effective upon local approval and compliance with filing requirements for special laws.

Article 5: Public Finance

This bill makes a number of changes in laws relating to municipal financing.

Section Description – Article 5: Public Finance

- 1 **Allocation; termination.**
- Allows counties to use funds generated by county transportation sales taxes for payment of capital costs of construction buildings and other facilities used for maintaining transportation or transit projects.
- 2 **Exercising powers of a municipal power agency.**
- Allows municipal gas agencies to engage in electric prepayment transactions.
- 3 **All other powers.**
- Renumbers existing subdivision due to the change in section 2.
- 4 **Installment; lease purchase; city, county, town, school.**
- Clarifies that installment contracts that local governments use to purchase real or personal property are not to be included in the calculation of the local government's net debt if the amount is under \$1 million.

Section Description – Article 5: Public Finance

- 5 **Interest rate.**
Deletes outdated and confusing terminology relating to the interest rate of municipal debt.
- 6 **Street reconstruction and bituminous overlays.**
Allows municipalities to use street reconstruction bond proceeds to construct bicycle lanes, sidewalks, and paths that are incidental to street reconstruction. This provision aligns the statute with current practice.
- 7 **Advertisement.**
Deletes outdated and confusing terminology relating to the interest rate of municipal debt.
- 8 **Escrow account securities.**
Updates the list of permissible investments for escrow accounts for refunding bonds to reflect the consolidation of various banks into the Farm Credit System and provides examples of permitted securities.
- 9 **Repealer.**
Repeals overlapping and contradictory language regarding the sale of port authority property.

Article 6: Miscellaneous

This article makes a number of miscellaneous tax and refund changes. The changes include:

- changing the depreciation calculation in Minnesota Rules, chapter 8100 for certain property;
- requiring a report on the 4d property tax classification; and
- allowing cities, counties and towns to establish tourism improvement districts.

Section Description – Article 6: Miscellaneous

- 1 **Depreciation calculation.**
Changes the calculation of depreciation under Minnesota Rules, chapter 8100 for wind and solar energy conversion systems placed into service or repowered after December 31, 2019. Under this provision, the depreciation would be calculated using actual depreciation according to the utility company's records. The bill also requires the commissioner of revenue to use the good cause exemption to incorporate this change into Minnesota Rules, chapter 8100.

Section Description – Article 6: Miscellaneous

Effective the day following final enactment.

2 Homestead credit refund increase.

Increases the maximum homestead credit refund by \$250 for claimants at most income levels. The amount of the increase is \$200, \$150, \$100, and \$50 for the four highest income ranges eligible for the credit.

Effective for refunds payable in 2022 (based on 2021 incomes and property taxes paid in 2022).

3 Renter’s credit increase.

Reduces co-pay percentages for the renter’s credit by five percent to 15 percent. For claimants with household incomes below \$44,080, the co-pay is reduced by five percent. For claimants with household incomes between \$44,080 and \$51,440, the co-pay is reduced by ten percent. For claimants with household incomes between \$51,440 and \$64,300, the co-pay is reduced by 15 percent.

Effective for refunds payable in 2022 (based on 2021 incomes and rent paid).

4 Definitions – tourism improvement districts.

This section provides various definitions for use in the proposed new tourism improvement district chapter of Minnesota Statutes.

5 Establishment of tourism improvement district.

Authorizes a municipality to establish by ordinance a tourism improvement district (TID) and establishes guidelines related to notice, ownership, fees, hearings and appeals.

6 Service charge authority; notice; hearing requirement.

Allows a service charge to be imposed by the municipality for TID improvements and requires an annual hearing on the continuation of the charge.

7 Modification of ordinance.

Allows a TID to be modified by petition and establishes guidelines and a process for modification.

8 Collection of service charges; penalties.

Allows service charges, penalties, and interest to be collected by the municipality, tourism improvement association, or other designated entity.

Section Description – Article 6: Miscellaneous

- 9 **Tourism improvement association.**
Requires a tourism improvement association to be created by ordinance and be composed of fee-paying property owners.
- 10 **Petition required.**
Requires that tourism improvement districts can only be established by petition.
- 11 **Veto power of owners.**
Allows and provides for the manner in which business owners may veto the ordinance establishing a district.
- 12 **Disestablishment.**
Annually requires a 30-day period in which the district may be disestablished by petition, following a notice and hearing.
- 13 **Coordination of districts.**
Prohibits counties and cities and towns from creating overlapping districts in the same geographical area.
- 14 **4d affordable housing programs report.**
Requires the commissioner of revenue, in consultation with Minnesota Housing, to produce a report on class 4d property and on local 4d affordable housing programs. The report must include information on the number of 4d units and the property tax impacts of the 4d classification on these units. It must also contain an analysis of the impact of reducing the classification rate of the first-tier of 4d property to 0.25 percent. The report must be completed by January 15, 2022.

Effective the day following final enactment.



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