



DEDICATED TO A STRONG GREATER MINNESOTA

February 17, 2025

Chair Rest and members of the Senate Tax Committee,

I am writing on behalf of the Coalition of Greater Minnesota Cities (CGMC), an organization of more than 115 cities located outside the Twin Cities metropolitan area. One of the core functions of our member cities is to generate economic growth that is in the best interest of the communities and their local constituencies. As you all know, sustainable development of any type can be challenging across Greater Minnesota given the state of the economy, cost of construction, and market value considerations.

We also want to express our gratitude to Senator Rest and the members of this committee for their thoughtful approach to occasional revisions to economic development policy that aligns with current challenges facing communities across Minnesota.

SECTION ONE

We appreciate and support the modifications contained in section one of S.F. 7. Eliminating the reference to “renewal and renovation districts” certainly modernizes this section of law, and we can certainly support the inclusion of other identified hazards that impact the health, safety, and general well being of the community as a qualifying condition.

SECTION TWO AND THREE

The changes in these sections are supportive of the more substantive changes in Section One, and we certainly support those.

SECTION FOUR

Current law allows tax increments to be paid to the authority having jurisdiction up to 25 years from the date of receipt by the authority of the first increment for redevelopment TIF districts. S.F. 7 would change that to 20 years, while leaving the 25-year provision in place for housing districts. ***We encourage the Committee to consider leaving redevelopment duration limits at 25 years, especially for communities in Greater Minnesota where economic development can face significantly steeper challenges.***

SECTIONS FIVE, SIX, SEVEN, and EIGHT

The changes in these sections are supportive of the more substantive changes in Section One, and we certainly support those.

Thank you for your time and consideration. We are available to assist in any way that we can as S.F. 7 advances this legislative session.

Bradley Peterson, Executive Director
Coalition of Greater Minnesota Cities