



CITY COUNCIL MEETING

AGENDA SECTION	CONSENT AGENDA
MEETING DATE	JUNE 22, 2026

ITEM:	Adopt Resolution 2026-44, City Approval of Special Legislation Related to the Alatus Tax Increment Financing (TIF) District at 4300 Central.		
Presenting Item: Aaron Chirpich, City Manager			
DEPARTMENT: Community Development		BY/DATE: Mitchell Forney / June 18th, 2026	
CORE CITY STRATEGIES:			
_Community that Grows with Purpose and Equity		_Engaged, Effective and Forward-Thinking	
_High Quality Public Spaces		<u>X</u> Resilient and Prosperous Economy	
_Safe, Accessible and Built for Everyone		_Inclusive and Connected Community	

BACKGROUND

During the 2026 legislative session, the City of Columbia Heights worked with its financial advisors, legal counsel, and legislative representatives to pursue special legislation related to the Tax Increment Financing (TIF) District associated with the 4300 Central Avenue redevelopment project. The legislation was sought because the redevelopment project has experienced delays and the existing statutory timelines would not provide sufficient flexibility for the project to proceed and generate the tax increment necessary to support the development.

The special legislation was successfully approved by the Minnesota Legislature and signed into law by the Governor. The legislation provides three key modifications specific to the 4300 Central Avenue TIF District:

- Extends the standard five-year rule for expenditure of TIF revenues to ten years.
- Extends the associated period for use of tax increment after expiration of the five-year rule from six years to eleven years.

Collectively, these changes provide additional flexibility and time for the redevelopment project to proceed while preserving the City's ability to utilize tax increment financing as originally intended when the district was established.

While the legislation has been enacted by the State, certain provisions require local approval before becoming effective. Specifically, the duration extension requires approval by the City, County, and School District. Staff have been coordinating with legal counsel and the affected taxing jurisdictions to prepare the necessary resolutions and implement the legislation.

The resolution before the Council this evening formally approves and adopts the special legislation as it relates to the 4300 Central Avenue TIF District and authorizes staff to take the actions necessary to implement the changes provided under state law.

STAFF RECOMMENDATION

Staff recommend approval of resolution 2026-044 adopting the special legislation for the 4300 Central Avenue TIF District, including the extension of the five-year rule, the associated increment expenditure period, and the authorization to extend the duration of the district.

RECOMMENDED MOTION(S):

MOTION: Move to waive the reading of Resolution 2026-044, there being ample copies available to the public.

MOTION: Motion to adopt Resolution 2026-044, approving laws of Minnesota 2026, chapter 128, article 6, section 6, relating to the Alatus Tax Increment Financing District.

ATTACHMENT(S)

1. Resolution 2026-044
2. Draft Special Legislation