

CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Sharon Hanson
Meeting Date:	Tuesday, July 8, 2025
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Approval of Special Law Extending the Authority of the City of Marshall to Use Transferred Increment to December 31, 2027
Background Information:	<p>The City of Marshall requested the Minnesota Legislature to temporarily extend the use of increment funds that were collected from TIF Districts 1-1, 1-7 and 2-1. The special law was approved by the state legislature and was signed into law on June 14th by Governor Walz.</p> <p>"Sec. 14. CITY OF MARSHALL; TEMPORARY USE OF INCREMENT; EXTENSION. <i>(a) Notwithstanding Minnesota Statutes, section 469.176, subdivision 4n, paragraph (f), the city of Marshall may elect to spend, loan, or invest transferred increment, including any interest or investment earnings on such transferred increment, as authorized under Minnesota Statutes, section 469.176, subdivision 4n, through December 31, 2027, provided that the transferred increment was collected from TIF District No. 1-1, TIF District No. 1-7, or TIF District No. 2-1, in the city of Marshall, and the use of the transferred increment is detailed in the city's written spending plan adopted pursuant to Minnesota Statutes, section 469.176, subdivision 4n, paragraph (c).</i></p> <p><i>(b) Increment not spent, loaned, or invested by December 31, 2027, must be returned to the district. The requirement to return increment to the district includes any proceeds, principal, and interest received on loans of transferred increment; interest or investment earnings on transferred increment; or other repayments or returns of transferred increment defined as tax increment under Minnesota Statutes, section 469.174, subdivision 25, that remain in the funds or accounts of the authority or municipality on December 31, 2027, or that are subsequently received by the authority or municipality.</i></p> <p>EFFECTIVE DATE. <i>This section is effective the day after the governing body of the city of Marshall and its chief clerical officer comply with the requirements of Minnesota Statutes, section 645.021, subdivisions 2 and 3."</i></p> <p>Under Minnesota Statute §645.021 subd. (2) and (3) the city council must adopt a resolution approving the special law and the city clerk must certify and file the approval with the Minnesota Secretary of State before the law becomes effective.</p>
Fiscal Impact:	
Alternative/ Variations:	
Recommendations:	To adopt Resolution 25-053 Approving Minnesota Laws, 2025, First Special Session, Chapter 13, Article 5, Section 14 and to direct the city clerk to file said resolution with the Minnesota Secretary of State.