

October 2023

TIF DISTRICT MANAGEMENT REVIEW &
ANALYSIS – DISTRICT DETAIL:

City of St. Louis Park, MN



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BUILDING COMMUNITIES. IT'S WHAT WE DO.

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Tax Increment Financing Districts **PARK CENTER HOUSING**

Description:

Park Center TIF District (County #1304) is a housing district adopted on October 7, 1996. Originally, the district encompassed a portion of one parcel of land that was originally in the Excelsior Boulevard district. It was created to facilitate the development of 45 units of senior assisted living rental housing. This district was modified in 1999 to include additional parcels (which were replatted into one parcel) to allow for the construction of an additional 46 units of senior assisted living. Legislative change in 2001 eliminated the state aid penalty for this district. Increment was used to repay a \$500,000 interfund loan for the Park Shores Assisted Living Project, which was paid off on September 30, 2003. In 2007, \$131,000 of increment was used as part of a \$400,000 deferred loan fund capital improvements for the Louisiana Court assisted living development. On February 1, 2011 \$500,000 was transferred out of the District to repay the GO Louisiana Court Bonds that were refinanced. This is a deferred loan at 2% interest over a 30-year term. With the Park Shores interfund loan being repaid, there is ample increment generated on an annual basis to utilize for other affordable housing initiatives within the constraints of the TIF Act.



A total of \$2,097,596 has been transferred to a combination of the Housing Rehabilitation Fund and AHTF to fund affordable housing initiatives through 2022. Any amounts transferred to the Housing Rehabilitation Fund must be used for affordable housing in the period in which it is transferred.

Adopted.....	10/07/1996
Certified Date.....	05/19/1997
First Increment.....	07/1998
Anticipated Decertification.....	12/31/2023
Modifications.....	09/21/1999
	01/16/2007

PARK CENTER HOUSING CONTINUED

Former and Current PID Numbers:

Former PID #	New PID #	New Use
06-028-24-33-0017	06-028-24-33-0022	Park Shores Assisted Living
06-028-24-33-0020		

Fiscal Disparities Election:

The City elected to calculate fiscal disparities from outside (A election) the district.

Frozen Tax Rate: 126.2470%

Allowable Uses:

MN Statute 469.176 subd. 4d specifies the activities on which tax increment from a housing district may be spent. In general, tax increment must be spent on housing projects meeting the income guidelines, public improvements directly related to housing projects and administrative expenses. The City has used increment from this district to support affordable housing initiatives, in compliance with TIF law.

Obligations: None.

Three-Year and Four-Year Rules: All requirements were met for the District.

Five-Year Rule:

Five-year rule does not pertain to housing districts since pursuant to MN Statute 469.1763 subd. 2 (b), activities for affordable housing projects spent in the project area is considered an activity within the district.

PARK CENTER HOUSING CONTINUED

Compliance Requirements:

Income limitations are required to be monitored on an on-going basis for a Housing District. The Authority is required to substantiate that the applicable income limitations and rent restrictions are being met on an annual basis for rental. The compliance must be completed regardless of whether the project receives tax credits or not, pursuant to 469.174 sub 11. For both facilities, they have been submitting the required documentation on an annual basis and have continued to meet the requirement that 20% of the units are affordable to persons at or below 50% of the area median income.

Recommendations:

1. *Transfer of Increment to Affordable Housing Trust Fund (AHTF).* Transfer \$205,135 to the AHTF for use on City housing projects and programs.
2. *Confirmation of Decertification Form.* Work with Ehlers to prepare and submit the required Confirmation of Decertification form to the County since the District terminates at the end of 2023.

PARK CENTER HOUSING CONTINUED

DISTRICT INFORMATION	
District Type	ORIGINAL Housing
Project Area	
Fiscal Disparities	A Election
County Number	1304
Frozen Rate	UTA #1 126.247%
	UTA #2 0.000%
	UTA #3 0.000%

ASSUMPTIONS	
Interest Income	0.50%
Admin Expense	3.00%

RECOMMENDATIONS
1) Limited Pooling options available
2) Budget Mod: Not Recommended at this time
3) Admin. Expense is currently:

TIF PLAN BUDGET ANALYSIS																				
Decertifies							Revenues				Expenditures									
First Receipt	City Approved	Cert Request	Certified	Legal Term	Expected Term	Tax Increment	Interest Income	Other Revenue	TOTAL REVENUES	Project	Affordable Housing	Interest Expense	Interfund Loan	Admin Expense	County Admin	TOTAL EXPENSE	Total Budget			
1998	10/7/1996	12/19/1996	5/19/1997	12/31/2023	12/31/2023				-											
Cumulative Modified							5,750,000	250,000		6,000,000	3,700,000		2,550,000		200,000		6,450,000	6,450,000		
End of District Projected Actual Total							3,320,350	213,941	450,000	3,977,692	713,583	2,302,731	-	136,718	157,989	8,439	3,319,460	3,319,460		
Under / (Over) Budget							2,429,650	36,059	(450,000)	2,022,308	2,986,417	(2,302,731)	2,550,000	(136,718)	42,011	(8,439)	3,130,540	3,130,540		

CASH FLOW PROJECTIONS ROLL UP																			
TAX CAPACITY						Revenues				Expenditures									
TIF Year	Year	Base	Current	scal Dispariti	Captured	Current Local Tax Rate	Tax Increment	Interest Income	Other Revenue	TOTAL REVENUES	Project	Affordable Housing	Paygo	Interfund Loan	Admin Expense	County Admin	TOTAL EXPENSE	Ending Balance	Cash Balance
19	2016	8,360	125,125	-	116,765	128.561%	146,882	1,683	-	148,565		144,000			4,901	719	149,620	841,357	
20	2017	8,360	142,188	-	133,828	124.745%	166,343	1,906	-	168,249		160,000			3,836	744	164,580	845,026	
21	2018	8,360	147,588	-	139,228	130.191%	175,139	3,491	-	178,630		160,000			4,682	757	165,439	858,217	
22	2019	8,360	152,875	-	144,515	125.012%	180,010	7,438	-	187,448		160,000			4,301	752	165,053	880,612	
23	2020	8,360	159,250	-	150,890	121.682%	182,944	8,077	-	191,021		126,278			4,122	746	131,146	940,487	
24	2021	8,360	164,938	-	156,578	117.845%	183,854	1,867	-	185,721		477,508			4,885	808	483,201	643,007	
25	2022	8,360	168,350	-	159,990	119.089%	189,844	(964)	-	188,880		184,410			3,105	909	188,424	643,463	1,443
26	2023	8,360	182,663	-	174,303	117.742%	204,489	3,217	-	207,706		205,135			3,105	909	209,149	642,020	0

ZARTHAN AVENUE/16TH STREET

Description:

Zarthan Avenue/16th Street TIF District (County #1305 and #1306) is a redevelopment district adopted on December 20, 1999. Originally, the district encompassed twelve parcels of land and was created to facilitate the development of two hotels and 86 townhome units just south of I-394. The EDA pledged tax increment revenues from this district to three PAYGO notes, which are all held by CSM.



The property tax reform of 2001 hit this development particularly hard. Currently, tax increment income is less than the annual interest payments on the notes. The notes contain pledges from three properties. The Rottlund note covers 86 owner-occupied townhomes.



These tax capacities dropped by 25% in 2001. Due to the reallocation of the market value homestead credit to market value homestead exclusion in 2011, the tax capacities dropped. The remaining two notes are supported by increments from two hotels. The tax-capacities on these properties dropped by 40% in 2001, but the actual tax savings was significantly less

than that amount. Assuming no change in the local tax rate, the larger of the two hotels would have seen a property tax savings of \$115,000 per year but the new statewide property tax substituted a new tax for \$75,000 of the savings. The state property tax is not captured by TIF and is therefore a net loss to the note holder. CSM had approached the City after the 2001 legislative changes asking for future consideration through several potential actions such as a change in the interest rate on the notes, the extension of the term of the district, pooling among the notes, a change in the fiscal disparities election in the district, lifting of the frozen tax rate, and/or pooling from other districts. No action was taken on that request. In 2014, the two (2) hotels were sold to Garrison Investment Group of New York and the TIF notes were transferred to the new owners.

In 2022 the EDA modified the TIF plan to elect to retain an additional 10% of the TIF for affordable housing purposes.

ZARTHAN AVENUE/16TH STREET CONTINUED

Adopted.....	12/20/1999
Certified Date.....	05/09/2000
First Increment.....	07/2001
Anticipated Decertification.....	12/31/2026

Former and Current PID Numbers:

Former PID #	New PID #	New Use
1305		
04-117-21-32-0008	04-117-21-32-0094	Rottlund Master Parcel
04-117-21-32-0066	04-117-21-32-0088	Spring Hill Suites
04-117-21-32-0078	04-117-21-32-0102 thru 0133	48 Rottlund Town Homes
	04-117-21-32-0168 thru 0183	
04-117-21-32-0079	04-117-21-32-0102 thru 0133	
	04-117-21-32-0168 thru 0183	
	04-117-21-32-0088	Spring Hill Suites
	04-117-21-32-0089	Town Place Suites
1306		
04-117-21-32-0009	04-117-21-32-0150 thru 167 and 04-117-21-32-0185 thru 204	38 Rottlund Town Homes
04-117-21-32-0010		
04-117-21-32-0011		
04-117-21-32-0012		
04-117-21-32-0013		
04-117-21-32-0014		
04-117-21-32-0015		
04-117-21-32-0016		

ZARTHAN AVENUE/16TH STREET CONTINUED

Fiscal Disparities Election:

The City elected to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate:

The parcels in this district cross over two watershed districts. The county has assigned two numbers to correspond with the different watershed rates.

- 1305 - 143.7690%
- 1306 - 144.2940%

Allowable Uses:

MN Statute 469.176 subd. 4j specifies the activities on which tax increment from a redevelopment district may be spent. In general, tax increment must be spent on correcting those conditions which caused the area to be designated a redevelopment district. Allowable uses include property acquisition, demolition, rehabilitation, installation of public utilities, road, sidewalks, public parking facilities, and allowable administrative expenses. In addition, the EDA made the election to retain an additional 10% for affordable housing purposes.

Obligations: None.

Three-Year, Four-Year and Five-Year Rules: All requirements were met for the District.

Recommendations:

1. Transfer of Increment to Affordable Housing Trust Fund (AHTF). Transfer \$500,000 to the AHTF for use on City housing projects and programs.

ZARTHAN AVENUE/16TH STREET CONTINUED

DISTRICT INFORMATION	
District Type	ORIGINAL
Project Area	Redevelopment
Fiscal Disparities	B Election
County Number	1305, 1306
Frozen Rate	UTA #1 143.769%
	UTA #2 144.294%
	UTA #3 0.000%

ASSUMPTIONS	
Interest Income	0.50%
Admin Expense	1.00%

RECOMMENDATIONS	
1) Limited Pooling options available	
2) Budget Mod: Not Recommended at this time	
3) Admin. Expense is currently:	2.4% At or Under Limit

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TIF PLAN BUDGET ANALYSIS																			
	City		Decertifies				Revenues			Expenditures									
	First Receipt	Approved	Cert Request	Certified	Legal Term	Expected Term	Tax Increment	Interest Income	TOTAL REVENUES	Project	Paygo	Admin Expense	County Admin	Spending Plan	Outside District	Other Expense	TOTAL EXPENSE	Total Budget	
Original Budget	2001	12/20/1999	1/28/2000	5/9/2000	12/31/2026	12/31/2026													
Cumulative Modified	2022						13,500,000	110,000	13,610,000	5,910,000	6,700,000		1,000,000				13,610,000	13,610,000	
End of District Projected Actual Total							10,425,255	44,660	10,469,915	34,070	1,553,618	1,961,238	3,692,941	206,584	553,832	155,000	10,469,915	8,178,870	
Under / (Over) Budget							3,074,745	65,340	3,140,085	5,875,930	5,146,382	(1,961,238)	(3,692,941)	793,416	(21,586)	(553,832)	(155,000)	3,140,085	5,431,130

CASH FLOW PROJECTIONS ROLL UP																					
		TAX CAPACITY					Revenues			Expenditures										Ending Balance	
TIF Year	Year	Base	Current	Fiscal Disparities	Captured	Current Local Tax Rate	Tax Increment	Interest Income	TOTAL REVENUES	Project	CSM-Town Place	CSM-Spring Hill	CSM-Rottlund	Admin Expense	County Admin	Spending Plan	Outside District	Affordable Housing	Increment Returned	TOTAL EXPENSE	Ending Balance
17	2017	72,212	520,609	70,992	377,405	124.745%	467,997	3,592	471,589	-	89,501	108,658	216,547	7,143	1,410		39,689		-	462,949	646,153
18	2018	72,212	562,169	81,794	408,163	130.191%	524,194	6,978	531,172	-	94,025	113,680	238,273	15,184	1,500		-		-	462,663	714,662
19	2019	72,212	569,253	77,059	419,982	125.012%	520,654	1,319	521,973	-	91,930	118,621	252,421	6,091	1,467		484,234		-	954,764	281,871
20	2020	72,212	625,626	85,933	467,481	121.036%	568,320	2,696	571,016	-	91,184	116,882	276,250	4,703	1,503		29,909		-	520,431	332,456
21	2021	72,212	604,151	80,939	451,000	117.208%	521,413	734	522,147	-	94,220	115,000	281,622	6,680	1,838				-	499,360	355,243
22	2022	72,212	552,910	70,254	410,444	118.614%	491,098	(1,972)	489,126	-	63,935	84,091	236,627	6,988	2,065	249,120			155,000	797,826	46,543
23	2023	72,212	585,646	72,235	441,199	117.742%	516,937	233	517,170	-	18,744	27,493	-	5,169	1,500		-	500,000		552,907	10,805
24	2024	72,212	585,646	72,235	441,199	117.742%	516,937	54	516,991	-	-	-	-	5,169	1,500		-	500,000		506,669	21,127
25	2025	72,212	585,646	72,235	441,199	117.742%	516,937	106	517,042	-	-	-	-	5,169	1,500		-	500,000		506,669	31,500
26	2026	72,212	585,646	72,235	441,199	117.742%	516,937	157	517,094	-	-	-	-	5,169	1,500		-	541,925		548,594	(0)

MILL CITY

Description:

Mill City TIF District (County #1307) is a redevelopment district adopted on March 20, 2000. Originally, the district was established with two (2) parcels to facilitate the redevelopment of a polluted site and construction of a multi-family rental housing development.

Rental housing class rates were reduced dramatically by the 2001 legislature from 2.4% to 1.25%. Projected increment when the note was sized was expected to be \$394,188 per year beginning in 2003, which is substantially less than the current annual tax increment. However, the reduction of increment also meant a decrease in taxes paid by the owner. Therefore, the effect upon the rental housing development should be neutral for the owner because rental housing pays no state property tax (tax obligated for the State's education system).



In 2011, The City utilized \$70,000 from this district to pay for project costs for the Bikemasters project through the City's CAP program. These funds were spent under the JOBS Bill authorized by the legislature in 2009 and extended in the 2010 legislative session. Use of these dollars under the special legislative authority are exempt from the standard pooling limitations of the District.

In 2015 the property was sold. At that time, the TIF Note was reviewed to determine if the following conditions existed: (1) the property was assigned an assessor's market value as of January 2, 2001, that exceeds the market value as of January 2, 2000; and (2) there is any unpaid principal or accrued interest on this Note after the payment of available Tax Increment on February 1, 2022. Based upon the analysis that was completed, it was determined that the final TIF Note payment would be February 1, 2023. Even with the extension of payments, it is anticipated that the TIF Note will not be paid in full.

In 2022 the EDA modified the TIF plan to elect to retain an additional 10% of the TIF for affordable housing purposes.

MILL CITY CONTINUED

Adopted.....	03/20/2000
Certified Date.....	06/19/2000
First Increment.....	07/2001
Anticipated Decertification.....	12/31/2026

Former and Current PID Numbers:

Former PID #	Former Use	New PID #	New Use
17-117-21-31-0012	Vacant Land	17-117-21-42-0094	City Vacant Land
17-117-21-34-0082	Mill City Plywood	17-117-21-34-0087	Mill City Apartments

Fiscal Disparities Election:

The City elected to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 144.2940%

Allowable Uses:

MN Statute 469.176 subd. 4j specifies the activities on which tax increment from a redevelopment district may be spent. In general, tax increment must be spent on correcting those conditions which caused the area to be designated a redevelopment district. Allowable uses include property acquisition, demolition, rehabilitation, installation of public utilities, road, sidewalks, public parking facilities, and allowable administrative expenses. In addition, the EDA made the election to retain an additional 10% for affordable housing purposes.

Obligations: None.

MILL CITY CONTINUED

Other Development Agreement Compliance:

1. Minimum Assessment Agreement. The minimum market value as of January 2, 2002 shall be \$13,400,000. The Assessment Agreement shall be in place until the TIF Note is paid in full or the TIF District terminates, whichever is sooner.

Three-Year, Four-Year and Five-Year Rules: All requirements were met for the District.

Recommendations:

1. Transfer of Increment to Affordable Housing Trust Fund (AHTF). Transfer \$630,000 to the AHTF for use on City housing projects and programs.

MILL CITY CONTINUED

DISTRICT INFORMATION	
ORIGINAL	
District Type	Redevelopment
Project Area	
Fiscal Disparities	B Election
County Number	1307
Frozen Rate	
UTA #1	144.294%
UTA #2	0.000%
UTA #3	0.000%

ASSUMPTIONS	
Interest Income	0.50%
Admin Expense	4.25%

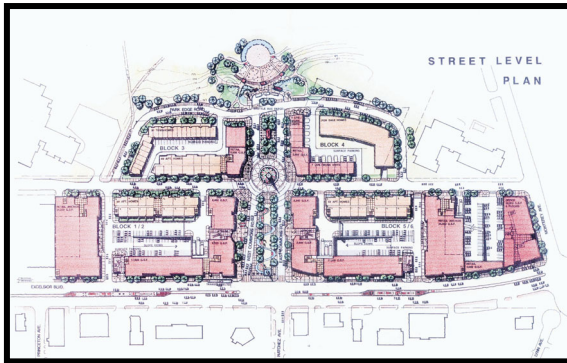
RECOMMENDATIONS	
1) Limited Pooling options available	
2) Budget Mod: Not Recommended at this time	
3) Admin. Expense is currently:	1.9% At or Under Limit

TIF PLAN BUDGET ANALYSIS																			
	First Receipt	Decertifies					Revenues					Expenditures							
		City Approved	Cert Request	Certified	Legal Term	Expected Term	Tax Increment	Interest Income	TOTAL REVENUES	Project	Interest Expense	Bonds	Admin Expense	County Admin	Spending Plan	Outside District	Other Expense	TOTAL EXPENSE	Total Budget
Original Budget	2001	3/20/2000	6/8/2000	6/19/2000	12/31/2026	12/31/2026													
Cumulative Modified	2022						11,500,000	100,000	11,600,000	8,000,000	2,600,000		1,000,000					11,600,000	11,600,000
End of District Projected Actual Total							10,049,238	57,288	10,106,625	8,981	7,035,150	2,544,984	147,851	18,235		131,739	-	10,106,626	9,886,940
Under / (Over) Budget							1,450,762	42,612	1,493,375	7,991,019	(4,435,150)	(2,544,984)	852,149	(18,235)		(131,739)	-	1,493,374	1,713,060

CASH FLOW PROJECTIONS ROLL UP																				
TIF Year	Year	TAX CAPACITY				Current Local Tax Rate	Revenues					Expenditures								Ending Balance
		Base	Current	Fiscal Disparities	Captured		Tax Increment	Interest Income	TOTAL REVENUES	Project	Paygo	Affordable Housing	Admin Expense	County Admin	Jobs Bill/Spending Plan	Outside District	Increment Returned	TOTAL EXPENSE		
5	2015			-		0.000%	3,503,090	48,452	3,551,542	8,981	3,090,717	-	76,634	2,151	70,000	-	-	3,248,483	303,059	
16	2016	12,674	375,000	-	362,326	128.561%	464,132	694	464,826	-	426,962	-	6,187	1,166	-	-	-	434,315	333,570	
17	2017	12,674	437,075	-	424,401	124.745%	527,513	914	528,427	-	469,792	-	5,026	1,218	-	-	-	476,036	385,961	
18	2018	8,859	462,500	-	453,641	130.191%	588,476	2,456	590,932	-	528,699	-	11,235	1,275	-	-	-	541,209	435,685	
19	2019	8,859	475,000	-	466,141	125.012%	580,635	1,935	582,570	-	553,865	-	6,078	1,231		131,739	-	692,913	325,341	
20	2020	8,859	500,000	-	491,141	121.682%	595,478	3,311	598,789	-	542,824	-	4,731	1,220		-	-	548,775	375,355	
21	2021	8,859	525,000	-	516,141	117.845%	606,059	756	606,815	-	554,869	-	10,425	1,454		-	-	566,748	415,423	
22	2022	8,859	525,000	-	516,141	119.089%	612,457	(2,690)	609,767	-	577,272	-	5,507	1,704	149,686	-	-	734,169	291,021	
23	2023	8,859	556,813	-	547,954	117.742%	642,849	1,455	644,304	-	290,150	630,000	5,507	1,704	-	-	-	927,361	7,964	
24	2024	8,859	556,813	-	547,954	117.742%	642,849	40	642,889	-		640,000	5,507	1,704	-	-	-	647,211	3,642	
25	2025	8,859	556,813	-	547,954	117.742%	642,849	18	642,868	-		630,000	5,507	1,704	-	-	-	637,211	9,299	
26	2026	8,859	556,813	-	547,954	117.742%	642,849	46	642,896	-		644,984	5,507	1,704	-	-	-	652,195	(0)	

PARK COMMONS

Description:

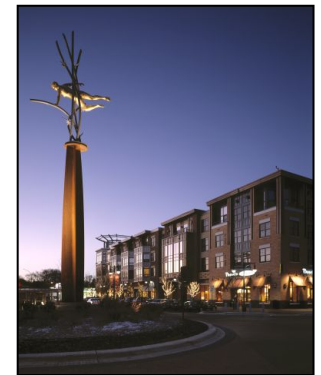


Park Commons TIF District (County #1308) is a redevelopment district adopted on January 16, 2001. Originally, the district encompassed 38 parcels of land, most of which were in the Excelsior Boulevard District and was established to facilitate the construction of mixed-use housing and retail facilities. Construction has been completed on all phases and consists of 338 market rate apartments, 306 condominiums and approximately 86,500 sq/ft of commercial space.



The EDA entered into a contract with Meridian Properties (TOLD Development) on January 16, 2001 and executed five amendments to it for various items including end uses, timing of construction, transfer of property and remediation issues. Overall, the contract delineates PAYGO obligation for the development in an amount not to exceed \$18 million at 8.5% interest, over a 22-year period. On July 1, 2003, the EDA issued a PAYGO note in the principal amount of \$3.5 Million at 8.5% for the Phase I public improvements in Park Commons East. In addition, three (3) Phase Notes were issued on June 5, 2006 at 8.5% as follows: Phase NE Note for \$4,668,633, Phase NW Note for \$4,079,105 and Phase E Note for \$3,300,715. Each Note is payable with 97% of the TIF generated from the parcels within each phase.

In addition, the EDA issued an interfund loan of \$3,145,046 for other public improvements. The loan is payable from the Park Commons TIF District to the Excelsior Boulevard TIF District, with interest at the rate of 4.53% (determined by the City's financial advisor in accordance with the Contract). The improvements were financed from proceeds of the Series 1997A Bonds, and in accordance with Section on 7.3(c)(7) of the Contract, retained Available Tax Increment (as defined in the Contract) from the Park Commons TIF District is used to repay the EDA based on a payment schedule determined as if the City had issued new tax



PARK COMMONS CONTINUED

increment bonds (the effect of this provision was to create the interfund loan).

Expenditure of the Series 1997A Bond proceeds diverted funds that were available for ongoing redevelopment activities in the Project Area. Accordingly, the Authority determined to replenish the funds in the Excelsior Boulevard TIF District by making a loan from the Authority's Development Fund to the account for the Excelsior Boulevard TIF District. By Resolution No. 07-02 approved January 16, 2007 (the 2007 Interfund Loan Resolution) the Authority approved a transfer of funds in the amount of \$2,945,497.40 (representing the unpaid balance of the original interfund loan described in the Contract) from the Development Fund to the Excelsior Boulevard TIF District fund, thereby making those funds immediately available for redevelopment activities until termination of the Excelsior Boulevard TIF District on August 1, 2009. Due to the reallocation of the market value homestead credit to market value homestead exclusion in 2011, the tax capacities dropped for the pay 2012 taxes, thus impacting several of the Notes.

Adopted.....	01/16/2001
Certified Date.....	06/07/2001
First Increment.....	07/2002
Decertifies.....	12/31/2027

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PARK COMMONS CONTINUED

Former and Current PID Numbers:

Phase	Former PID #	New PID #	New Use	
1A	07-028-24-21-0107	07-028-24-21-0256	Excelsior and Grand Apartment Over Retail	
	07-028-24-21-0108			
	07-028-24-21-0250			
	07-028-24-21-0251			
	07-028-24-21-0255			
1B	06-028-24-43-0079	07-028-24-12-0175	Excelsior and Grand Apartment Over Retail	
	07-028-24-12-0170			
	07-028-24-12-0174			
	07-028-24-2-10116			
City	06-028-24-34-0008	06-028-24-34-0018	Central Green SpaceMedian - City Owned	
	06-028-24-34-0009	06-028-24-34-0019		
	06-028-24-34-0010	06-028-24-34-0022	Wolfe Park	
	07-028-24-21-0098	07-028-24-21-0257	Center Green Space/Median - City Owned	
	07-028-24-21-0109	07-028-24-21-0258	EDA Vacant Land (next to Bally's) & Part of Princeton Ln	
	07-028-24-21-0112			
	07-028-24-21-0117			
NW	06-028-24-34-0001	07-028-24-21-0261 thru 07-028-24-21-0502	Grand Condominiums at Excelsior	
	06-028-24-34-0011			
	06-028-24-34-0012			
	06-028-24-34-0013			07-028-24-21-0504
	07-028-24-21-0099			07-028-24-21-0510 (formerly part of 7-028-24-21-0503)
	07-028-24-21-0254			07-028-24-21-0511 (formerly part of 7-028-24-21-0503)
NE	06-028-24-34-0002	06-028-24-34-0024	Outlot - Parking	
	06-028-24-34-0003	06-028-24-34-0025 thru 06-028-24-34-0265	Grand Condominiums at Excelsior	
	06-028-24-34-0004			
	06-028-24-34-0005			
	06-028-24-34-0006			
	06-028-24-34-0007	06-028-24-34-0267 thru 06-028-24-34-0330	Grand Condominiums at Excelsior	
	06-028-24-34-0016			

Fiscal Disparities Election: The City elected to calculate fiscal disparities from outside (A election) the district.

Frozen Tax Rate: 119.0650%

Allowable Uses:

MN Statute 469.176 subd. 4j specifies the activities on which tax increment from a redevelopment district may be spent. In general,

PARK COMMONS CONTINUED

tax increment must be spent on correcting those conditions which caused the area to be designated a redevelopment district. Allowable uses include property acquisition, demolition, rehabilitation, installation of public utilities, road, sidewalks, public parking facilities, and allowable administrative expenses.

Obligations:

There are currently three (3) outstanding obligations in this district as follows:

- **\$3,300,715** PAYGO Note at 8.5% for Excelsior and Grand Phase E. This Note was issued on June 5, 2006 and is payable from 97% of the increment generated from the parcels making up the development.
- **\$4,668,633** PAYGO Note at 8.5% for Excelsior and Grand Phase NE. This Note was issued on June 5, 2006 and is payable from 97% of the increment generated from the parcels making up the development.
- **\$4,079,105** PAYGO Note at 8.5% for Excelsior and Grand Phase NW. This Note was issued on June 5, 2006 and is payable from 97% of the increment generated from the parcels making up the development.

Three-Year, Four-Year and Five-Year Rules: All requirements were met for the District.

Recommendations:

1. **Administrative Modification for Affordable Housing.** We recommend modifying the TIF plan budget to allow for the additional 10% to be retained for affordable housing (total of 35%) to preserve the City/EDA's authority to choose to transfer and utilize these dollars for affordable housing.

PARK COMMONS CONTINUED

DISTRICT INFORMATION		ASSUMPTIONS		RECOMMENDATIONS	
District Type	ORIGINAL	Interest Income	0.50%	1) Limited Pooling options available	
Project Area	Redevelopment	Admin Expense	3.00%	2) Budget Mod: Not Recommended at this time	
Fiscal Disparities	A Election			3) Admin. Expense is currently:	0.5% At or Under Limit
County Number	1308				
Frozen Rate	UTA #1 119.065%				
	UTA #2 0.000%				
	UTA #3 0.000%				

TIF PLAN BUDGET ANALYSIS																						
	First Receipt	City Approved	Cert Request	Certified	Legal Term	Expected Term	Revenues			Project	Interest Expense	Expenditures				TOTAL EXPENSE	Total Budget					
							Tax Increment	Other Revenues	Interest Income			Admin Expense	County Admin	Spending Plan	Outside District							
Original Budget	2002	1/16/2001	3/8/2001	6/7/2001	12/31/2027	12/31/2027																
Cumulative Modified							75,000,000	3,250,000	250,000	78,500,000	49,750,000	45,000,000		7,500,000			102,250,000	102,250,000				
End of District Projected Actual Total							51,235,150		68,263	51,303,413	7,396	4,733,803	9,597,913	9,782,084	11,825,339	10,961,869	213,732	126,104	511,327	-	51,302,567	47,759,567
Under / (Over) Budget							23,764,850		181,737	27,196,587	49,742,604	40,266,197	(9,597,913)	(9,782,084)	(11,825,339)	(10,961,869)	7,286,268	(126,104)	(511,327)	-	50,947,433	54,490,433

CASH FLOW PROJECTIONS ROLL UP																								
TIF Year	Year	TAX CAPACITY				Revenues			Project	Expenditures					County Admin	Spending Plan	Outside District	Increment Returned	TOTAL EXPENSE	Ending Balance				
		Base	Current	Captured	Current Local Tax Rate	Tax Increment	Interest Income	TOTAL REVENUES		Affordable Housing	TOLD	Excel and Grand	Phase E	Phase NE							Phase NW	Admin Expense		
15	2016	112,685	1,995,905	-	1,883,220	128.561%	2,226,110		279,317	737,328	270,127	442,759	427,443	10,440	6,066								2,173,480	926,567
16	2017	72,035	2,349,411	-	2,277,376	124.745%	2,652,452	114	279,317	881,761	278,355	442,129	475,217	10,985	6,517								2,374,281	1,204,852
17	2018	72,035	2,302,146	-	2,230,111	130.191%	2,633,103	2,626	279,317	976,442	303,186	496,951	512,157	6,133	6,387								2,580,573	1,260,008
18	2019	72,035	2,399,370	-	2,327,335	125.012%	2,757,776	10,137	279,317	1,035,706	299,242	480,190	465,105	5,811	6,406								2,571,776	1,456,145
19	2020	72,035	2,478,053	-	2,406,018	121.682%	2,860,262	13,289	279,317	1,074,568	319,494	488,543	528,545	6,579	6,488								2,703,533	1,626,163
20	2021	72,035	2,618,965	-	2,546,930	117.845%	2,967,289	2,270	279,317	1,289,204	327,769	533,096	514,559	9,530	9,321								2,845,038	1,750,685
21	2022	72,035	2,590,657	-	2,518,622	119.089%	2,984,457	(12,480)	279,317	270,144	618,086	994,152	1,008,915	7,405	11,176	450,000							3,359,878	1,362,783
22	2023	72,035	2,690,922	-	2,618,887	117.742%	3,072,429	6,814	279,317	679,157	1,101,710	1,141,978	7,405	11,176									2,941,425	1,500,601
23	2024	72,035	2,690,922	-	2,618,887	117.742%	3,072,429	7,503	279,317	666,447	1,105,360	1,130,275	7,405	11,176									2,920,663	1,659,871
24	2025	72,035	2,690,922	-	2,618,887	117.742%	3,072,429	8,299	279,317	666,447	1,105,360	1,130,275	7,405	11,176									2,920,663	1,819,936
25	2026	72,035	2,690,922	-	2,618,887	117.742%	3,072,429	9,100	279,317	666,447	1,100,964	637,083	7,405	11,176									2,423,075	2,478,390
26	2027	72,035	2,690,922	-	2,618,887	117.742%	3,072,429	12,392	279,317	2,400,000	1,649,000	-	-	7,405	11,176								4,067,581	1,495,630
27	2028	-	-	-	-	0.000%	-	7,478	279,317	693,000	801,857	-	-	7,405	11,176								1,502,262	846

WOLFE LAKE

Description:

Wolfe Lake TIF District (County #1310) is a redevelopment district adopted on July 7, 2003. Originally the district encompassed four (4) parcels of land and was established to facilitate the rehabilitation of an area adjacent to West 36th Street and Belt Line Boulevard into office and other commercial uses. These parcels were eventually replatted into two (2) parcels when development was commenced. This district was certified by the County on April 26, 2004 and first increment was received in 2006. The EDA modified the budget in 2019 to allow for an additional 10% pooling for affordable housing.



Adopted.....	07/07/2003
Certified Date.....	04/26/2004
First Increment.....	07/2006
Modification.....	12/2/2019
Anticipated Decertification.....	12/31/2026

Former and Current PID Numbers:

Former PID #	Former Use	New PID #	New Use
06-028-24-31-0020	Vacant Land	06-028-24-31-0022	Wolfe Lake West Multi-Tenant Commercial
06-028-24-31-0020	Multi-Tenant Building	06-028-24-31-0023	Wolfe Lake East - Office

Fiscal Disparities Election: The City elected to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 120.9240%

WOLFE LAKE CONTINUED

Allowable Uses:

MN Statute 469.176 subd. 4j specifies the activities on which tax increment from a redevelopment district may be spent. In general, tax increment must be spent on correcting those conditions which caused the area to be designated a redevelopment district. Allowable uses include property acquisition, demolition, rehabilitation, installation of public utilities, road, sidewalks, public parking facilities, and allowable administrative expenses. In addition, the EDA made the election to retain an additional 10% of the TIF for use on affordable housing.

Obligations: None.

Three-Year, Four-Year and Five-Year Rules: All requirements were met for the District.

Recommendations:

1. *Transfer of Increment to Affordable Housing Trust Fund (AHTF).* Transfer \$125,000 to the AHTF for use on City housing projects and programs.
2. *Retention of Increment.* There is an active pay 2023 tax petition for this District. We recommend the EDA retain \$75,000 in the fund to address any stipulations to valuation. After the tax petition is settled and/or dismissed, any remaining balance should be returned to the County for redistribution.

WOLFE LAKE CONTINUED

DISTRICT INFORMATION				
	ORIGINAL	HSS	Geo. Enlargement	
District Type	Redevelopment			
Project Area	B Election			
Fiscal Disparities	1310			
County Number				
Frozen Rate	UTA #1	120.942%	0.000%	0.000%
	UTA #2	0.000%		
	UTA #3	0.000%		

ASSUMPTIONS	
Interest Income	0.50%
Admin Expense	3.00%

RECOMMENDATIONS	
1) Limited Pooling options available	
2) Budget Mod: Not Recommended at this time	
3) Admin. Expense is currently:	3.5% At or Under Limit

TIF PLAN BUDGET ANALYSIS																				
	First Receipt	City Approved	Cert Request	Decertifies			Revenues			Expenditures							Total Budget			
				Certified	Legal Term	Expected Term	Tax Increment	Interest Income	TOTAL REVENUES	Project	Interest Expense	Affordable Housing	Interfund Loan	Admin Expense	County Admin	Spending Plan		Outside District	Increment Returned	TOTAL EXPENSE
Original Budget	2006	7/7/2003	12/15/2003	4/26/2004	12/31/2031	12/31/2026	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative Modified	12/2/2019						2,594,000	50,000	2,644,000	593,000	1,350,000	572,000		129,000					2,644,000	2,644,000
End of District Projected Actual Total							3,072,346	8,505	3,080,851	-	1,630,947	909,813		105,267	10,934	119,287	-	320,286	3,087,124	3,096,535
Under / (Over) Budget							(478,346)	41,495	(436,851)	593,000	(280,947)	(337,813)		23,733	(10,934)	(119,287)		(320,286)	(443,124)	(452,535)

CASH FLOW PROJECTIONS ROLL UP																			
TIF Year	Year	TAX CAPACITY				Current Local Tax Rate	Revenues			Expenditures							Ending Balance		
		Base	Current	Fiscal Disparities	Captured		Tax Increment	Interest Income	TOTAL REVENUES	Project	Paygo	Affordable Housing	Interfund Loan	Admin Expense	County Admin	Spending Plan		Outside District	Increment Returned
11	2016	34,346	191,770	46,716	110,708	128.561%	133,411	181	133,592	-	120,721	-	6,099	704	-	-	-	127,524	89,839
12	2017	34,346	192,520	51,569	106,605	124.745%	128,466	186	128,652	-	124,392	-	7,121	697	-	-	-	132,210	86,281
13	2018	34,346	202,420	57,547	110,527	130.191%	133,191	510	133,701	-	117,352	-	5,307	708	-	-	-	123,367	96,615
14	2019	34,346	215,680	60,161	121,173	125.012%	146,024	1,634	147,658	-	118,185	-	9,372	716	-	-	-	128,273	116,000
15	2020	34,346	227,700	64,210	129,144	121.682%	155,628	2,983	158,611	-	48,449	-	3,730	718	-	101,158	-	154,055	120,557
16	2021	34,346	234,040	65,985	133,709	117.845%	157,002	828	157,830	-	109,421	109,421	4,896	773	-	102,052	-	217,142	61,245
17	2022	34,346	272,580	86,443	151,791	119.089%	180,117	(1,353)	178,764	-	-	-	3,137	898	119,287	-	117,076	240,398	(390)
18	2023	34,346	300,740	92,444	173,950	117.742%	204,075	(2)	204,073	-	125,000	-	3,137	898	-	-	-	129,035	74,648
19	2024	34,346	300,740	92,444	173,950	117.742%	204,075	373	204,448	-	225,000	-	3,137	898	-	-	-	229,035	50,062
20	2025	34,346	300,740	92,444	173,950	117.742%	204,075	250	204,325	-	250,000	-	3,137	898	-	-	-	254,035	352
21	2026	34,346	300,740	92,444	173,950	117.742%	204,075	2	204,077	-	200,392	-	3,137	898	-	-	-	204,427	1

AQUILA COMMONS

Description:

Aquila Commons (County #1311) is a housing district adopted on September 7, 2004. Originally the district encompassed one (1) parcel of land and was established to facilitate the construction of a limited equity senior housing co-operative on the former Talmud Torah School.

The district currently contains 106 owner-occupied units in the form of a limited equity cooperative, under which 95% of the initial buyers will need to meet TIF income restrictions. A total of \$730,433 was transferred to the Affordable Housing Trust Fund in 2021, which is in addition to the \$126,278 transferred to the Housing Rehab fund in 2020.



Adopted.....	09/07/2004
Certified Date.....	04/04/2005
First Increment.....	07/2007
Anticipated Decertification...	12/31/2032

Former and Current PID Numbers:

This TIF district originally had one (1) parcel and was replatted into 107 parcels.

Former PID #	Former Use	New PID #	New Use
18-117-21-14-0008	School	18-117-21-14-0008	Aquila Commons Senior Cooperative - Master Parcel
		18-117-21-14-0167 through 0272	Aquila Commons Senior Cooperative

AQUILA COMMONS CONTINUED

Fiscal Disparities Election: The City elected to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 114.27100%

Allowable Uses:

MN Statute 469.176 subd. 4d specifies the activities on which tax increment from a housing district may be spent. In general, tax increment must be spent on housing projects meeting the income guidelines, public improvements directly related to housing projects and administrative expenses.

Obligations: None.

Three-Year and Four-Year Rules: All requirements were met for the District.

Five Year Rule:

Five-year rule does not pertain to housing districts since pursuant to MN Statute 469.1763 subd. 2 (b), activities for affordable housing projects spent in the project area is considered an activity within the district.

Recommendation:

1. **Transfer of funds to AHTF.** The City should transfer \$211,812 to the AHTF in 2023.
2. **Use of Future TIF After December 31, 2026.** The City will transfer its funds to its AHTF for use on affordable housing projects through December 31, 2026. After this date and through December 31, 2032, the District will generate approximately \$216,000 annually. These funds will be retained in the TIF fund and need to be utilized to pay eligible costs for “housing

projects” located anywhere within the City limits. A housing project is a rental or owner-occupied housing development intended for occupancy by low and moderate-income families. The income guidelines are defined in MS 469.1761 as follows:

Rental Housing: 20% of the units occupied by families at 50% of median income (20/50) or 40% of the units occupied by families at 60% of median income (40/60).

Owner Occupied: Assistance to homeowners with an income at or below 100% of the median income for a family of two or less or 115% of the median income for a family of three or more.

TIF is utilized for capital expenditures and examples of potential rental housing projects would include:

- New affordable rental housing as part of redevelopment (20/50 or 40/60 election)
- Renovation of an existing rental housing development (20/50 or 40/60 election)
- Providing subsidy to an existing project that is earmarked for additional affordability (20/50 or 40/60 election)

Examples of potential owner-occupied projects would include:

- Site acquisition and demolition for infill lots that will be sold for new housing construction
- Acquisition of foreclosed homes for resale to income qualified buyers
- Rehabilitation loans for home improvements (including HIA owners)
- Second mortgages to qualified home buyers

AQUILA COMMONS CONTNUED

DISTRICT INFORMATION				
	ORIGINAL	HSS	Geo. Enlargement	
District Type	Housing			
Project Area				
Fiscal Disparities	B Election			
County Number	1311			
Frozen Rate	UTA #1	114.271%	0.000%	0.000%
	UTA #2	0.000%		
	UTA #3	0.000%		

ASSUMPTIONS	
Interest Income	0.50%
Admin Expense	3.00%

RECOMMENDATIONS	
1) Limited Pooling options available	
2) Budget Mod: Not Recommended at this time	
3) Admin. Expense is currently:	2.9%

TIF PLAN BUDGET ANALYSIS																	
	Decertifies						Revenues			Expenditures							
	First Receipt	City Approved	Cert Request	Certified	Legal Term	Expected Term	Tax Increment	Interest Income	TOTAL REVENUES	Project	Interest Expense	Admin Expense	County Admin	Outside District	Spending Plan	TOTAL EXPENSE	Total Budget
Original Budget	2007	9/7/2004	12/20/2004	4/4/2005	12/31/2032	12/31/2032			-							-	-
Cumulative Modified							7,271,716		7,271,716	5,750,000	794,544	727,712				7,272,256	7,272,256
End of District Projected Actual Total							4,809,023	24,655	3,967,161	-	1,551,143	107,478	29,354	2,974,834		3,967,161	4,663,155
Under / (Over) Budget							2,462,693	(24,655)	3,304,555	5,750,000	(756,599)	620,234	(29,354)	(2,974,834)		3,305,095	2,609,101

CASH FLOW PROJECTIONS ROLL UP																		
TAX CAPACITY							Revenues			Expenditures								
TIF Year	Year	Base	Current	Fiscal Disparities	Captured	Current Local Tax Rate	Tax Increment	Interest Income	TOTAL REVENUES	Project	Paygo	Admin Expense	County Admin	Affordable		Spending Plan	TOTAL EXPENSE	Ending Balance
13	2019	16,906	201,643	-	184,737	125.012%	210,278	7,865	218,143			4,715	1,153				5,868	385,841
14	2020	16,906	218,015	-	201,109	121.682%	228,980	12,575	241,555			4,521	1,177	126,278			131,976	495,420
15	2021	16,906	226,288	-	209,382	117.845%	238,403	3,099	241,502			4,999	1,490	730,433			736,922	0
16	2022	16,906	228,742	-	211,836	119.089%	176,567	(1,227)	175,340			3,100	1,717			170,523	175,340	0
17	2023	16,906	207,166	-	190,260	117.742%	216,629		216,629			3,100	1,717	211,812			216,629	0
18	2024	16,906	207,166	-	190,260	117.742%	216,629		216,629			3,100	1,717	211,812			216,629	0
19	2025	16,906	207,166	-	190,260	117.742%	216,629		216,629			3,100	1,717	211,812			216,629	0
20	2026	16,906	207,166	-	190,260	117.742%	216,629		216,629			3,100	1,717	211,812			216,629	0
21	2027	16,906	207,166	-	190,260	117.742%	216,629		216,629			3,100	1,717	211,812			216,629	0
22	2028	16,906	207,166	-	190,260	117.742%	216,629		216,629			3,100	1,717	211,812			216,629	0
23	2029	16,906	207,166	-	190,260	117.742%	216,629		216,629			3,100	1,717	211,812			216,629	0
24	2030	16,906	207,166	-	190,260	117.742%	216,629		216,629			3,100	1,717	211,812			216,629	0
25	2031	16,906	207,166	-	190,260	117.742%	216,629		216,629			3,100	1,717	211,812			216,629	0
26	2032	16,906	207,166	-	190,260	117.742%	216,629		216,629			3,100	1,717	211,812			216,629	0
27	2033	-	-	-	-	0.000%	-		-			-	-	-			-	0

ELMWOOD VILLAGE

Description:



Elmwood Village (County #1312) is a renewal and renovation district adopted on August 2, 2004. Originally the district encompassed seventeen (17) parcels of land and was established to facilitate the construction of various public improvements related to the construction of housing and commercial facilities (a portion of this district is derived from parcels decertified from the Trunk Highway 7 TIF District). The



District was initially established to assist Rottlund Homes with additional site improvements and land acquisition costs associated with a condominium/townhome project on the old Quadian site. Rottlund was issued a PAYGO note in the amount of \$790,000 at 5.75% interest. The note was paid off on February 1, 2010 and the TIF generated from these parcels can be utilized by the City for other qualified TIF costs.

On February 21, 2006 this district was modified to add eight additional parcels. The parcels were part of the Hoigaards redevelopment project which consists of a 220-unit market rate apartment building, 100-unit senior independent apartment building, 22 rental townhomes, a mixed-use residential development consisting of 74 condos (temporarily turned rental) over 25,000 square feet retail and a regional storm pond. The City issued short-term taxable tax increment revenue notes to finance costs for the



ELMWOOD VILLAGE CONTINUED

mixed-use building and the market rate apartment building. The first note was issued in 2006 in the amount of \$1,663,000 and the second note was issued in 2007 in the amount of \$2,540,000. On October 21, 2010, the EDA issued long-term tax-exempt tax increment revenue bonds to refinance the short-term notes in the amount of \$3,495,000 (the A bonds).

These revenue bonds are paid from tax increment generated from the Camarata Apartments (220 units) and the Harmony Vista condos/Apartments and retail. Since these are revenue bonds, the EDA does not carry any legal liability to make payments on the bonds if the tax increment generated is insufficient to do so. The bonds were sized with 125% debt service coverage and a debt service reserve fund in the amount of \$165,875 was funded with bond proceeds. In addition, the EDA issued a subordinated TIF note in the amount of \$935,000 to Northern Holding II, LLC on the same date. This note is paid from increment generated from the Camarata Apartments and Harmony Vista Condos/Apartments and retail on a subordinate basis to the A note (paid from available increment not needed to pay debt service on the A bonds).

In 2009, Greco Development purchased a parcel of land from Rottlund for redevelopment into a vertical mixed-use development consisting of 115 units of senior housing over approximately 10,000 sq/ft of retail. On June 7, 2010, the EDA approved a development agreement with Wooddale Catered Living LLC to provide them a PAYGO note in the amount of \$490,000. The project is complete and the TIF Note was issued on August 1, 2013. This note was issued for \$490,000 and is payable through 95% of increment related to the project.

Construction of the last two phases began in 2012. In early 2013, both the Adagio (100-unit senior apartment) and the Medley Row rental townhomes (26-units) were completed. TIF Notes were issued for these projects in 2013 for \$1,020,000 (\$820,000 for Adagio and \$200,000 for Medley Row).

Due to the reallocation of the market value homestead credit to market value homestead exclusion in 2011, the tax capacities dropped for the pay 2012 taxes on the Rottlund town homes, thus reducing the amount of TIF generated for use by the EDA.

ELMWOOD VILLAGE CONTINUED

The Elmwood TIF District has contributed the following to these city infrastructure improvements:

- Hwy 7 & Wooddale Ave interchange \$4,774,133
- West 36th St streetscape improvements \$420,964
- West 36th St and Xenwood Ave traffic signal \$32,100
- West 36th St and Wooddale Ave traffic signal \$840,589
- Hwy 7 & Wooddale Ave bridge widening \$2,940,059
- West 36th St and Wooddale Ave street reconstructions \$4,325,000 (estimated)

Altogether over \$13.3 million worth of city infrastructure improvements will have been paid for from the Elmwood TIF District. Further, the projections anticipate an additional \$2.8.M that could be pooled for projects in the future.

Adopted:.....	08/02/2004
Certified Date:.....	05/31/2005
First Increment.....	07/2007
Anticipated Decertification.....	12/31/2029
Modifications:.....	02/21/2006
	10/19/2009

Special Legislation:

In 2009 the City received special legislation to extend the term of the district by 6 years. The duration of the district is now 22 years, versus the original 16 years (Laws of 2009, Chapter 88, Article 5, Section 19). The reason for the extension was to utilize the additional TIF revenue generated to complete improvements to Highway 7 and Wooddale Avenue bridge as well as the Wooddale and 36th Street intersection (see language on page below):

Sec. 19. CITY OF ST. LOUIS PARK; EXTENSION OF TAX INCREMENT DISTRICT DURATION.

ELMWOOD VILLAGE CONTINUED

Notwithstanding Minnesota Statutes, section 469.176, subdivision 1b, the duration of the Elmwood Village Tax Increment Financing District is extended to 22 years after receipt by the St. Louis Park Economic Development Authority of the first increment from the district.

In 2016, the City obtained special legislation to increase the pooling percentage from 20% to 30%. (Laws of 2017, 1st Special Session 1, Article 6, Section 21)

Sec. 21 CITY OF ST. LOUIS PARK; ELMWOOD VILLAGE TIF DISTRICT; POOLING PERCENTAGE INCREASE.

For purposes of the Elmwood Village Tax Increment Financing District in the city of St. Louis Park, including the duration extension authorized by Laws 2009, chapter 88, article 5, section 19, the permitted percentage of increments that may be expended on activities outside the district under Minnesota Statutes, section 469.1763, subdivision 2, is increased to 30 percent for the district.

ELMWOOD VILLAGE CONTINUED

Former and Current PID Numbers:

Former PID #	New PID #	New Use
06-028-24-32-0020	06-028-24-32-0024 and 16-117-21-34-0355	Detention Pond (24) and Commercial component of Harmony Vista (including triangular parking parcel)
16-117-21-31-0065	16-117-21-31-0077	Medly Row Town Homes (yet to be built)
16-117-21-31-0066	06-028-24-32-0023	Camerata Apartments
16-117-21-34-0018	16-117-21-34-0340	Adagio Condos (yet to be built)
16-117-21-34-0075	16-117-21-34-0355 and	Harmony Vista Condos (includes garage stalls and hallways)
16-117-21-34-0035	16-117-21-34-0356 thru 16-117-21-34-0604	
16-117-21-34-0017	Same as Former PID	Existing Bldg - No Redev
16-117-21-34-0015	Same as Former PID	Existing Bldg - No Redev
16-117-21-34-0027	16-117-21-34-0607	Wooddale Catered Living Apts
16-117-21-34-0001		
16-117-21-33-0104	16-117-21-33-0107 through 16-117-21-33-0196; & 16-117-21-34-0146 through 16-117-21-34-0194	Senior (55+) Condos
16-117-21-34-0095	16-117-21-34-0218 through 16-117-21-34-0339	Village Lofts-Condos
16-117-21-34-0096	16-117-21-34-0100 through 16-117-21-34-0119	Elmwood Village-Condos
16-117-21-34-0097	16-117-21-34-0120 through 16-117-21-34-0137	Elmwood Village-Condos
16-117-21-34-0098	16-117-21-34-0195 through 16-117-21-34-0217	Elmwood Village-Condos
16-117-21-33-0105	16-117-21-33-0197 through 16-117-21-33-0212	Elmwood Village-Condos
16-117-21-33-0106	Same as Former PID	Luther Car Dealership
16-117-21-34-0099	Same as Former PID	Common Area (Condos/TH)
16-117-21-31-0071	Same as Former PID	Existing Building - Industrial (EDA Owned)
16-117-21-32-0057	Same as Former PID	Existing Building - Office
16-117-21-33-0089	Same as Former PID	EDA Owned Vacant Land
16-117-21-33-0091	Same as Former PID	EDA Owned Parking
16-117-21-33-0092	Same as Former PID	EDA Owned Vacant Land
16-117-21-33-0094	Same as Former PID	EDA Owned Vacant Land
16-117-21-34-0034	16-117-21-34-0603	Center Park
21-117-21-21-0053		

ELMWOOD VILLAGE CONTINUED

Fiscal Disparities Election: The City elected to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 114.2710%

Allowable Uses:

MN Statute 469.176 subd. 4j specifies the activities on which tax increment from a renewal and renovation district may be spent. In general, tax increment must be spent on correcting those conditions which caused the area to be designated a redevelopment district. Allowable uses include property acquisition, demolition, rehabilitation, installation of public utilities, road, sidewalks, public parking facilities, and allowable administrative expenses. In addition, pursuant to the TIF plan the dollars can be utilized for improvements of a grade separated crossing for Wooddale Avenue at Highway 100.

Obligations:

There is one (1) Tax Exempt TIF Revenue Bonds and one (1) Interfund Loan remaining within this district as follows:

- **\$3,495,000** Tax Exempt TIF Revenue Bond, Series 2010A. This Bond was issued on October 21, 2010 and sold to third party investors. The EDA has pledged 95% of the tax increment revenues from the project. This Bond have been paid in full on February 1, 2023.
- **\$20,000,000** Interfund Loan for site improvements. The EDA approved an interfund loan on December 20, 2010 for public improvements associated with the District and will be repaid from 100% of the TIF generated from the extension of the District. The IFL was for up to \$5 million in expenditures. Originally, the City, advanced \$3,298,200 of the loan based upon the 5-year rule date of May 31, 2015. Subsequent to the 2017 Special Legislation, the City increased the amount authorized under the interfund loan to \$7 million on resolution 17-22. At year-end 2020, the balance of the interfund loan was \$1,886,043. The 2018 pooled expenditures for the Wooddale Bridge project did not increase the balance of the loan. It is anticipated that additional pooling expenditures for the Wooddale Bridge in 2022 will increase the balance of the interfund loan. The City increased the authorized amount of the interfund loan on December 31, 2021 to a maximum of \$20M on resolution 21-39.

ELMWOOD VILLAGE CONTINUED

Three-Year, Four-Year and Five-Year Rules: All requirements were met for the District.

Recommendation: None at this time.

ELMWOOD VILLAGE CONTINUED

DISTRICT INFORMATION				ASSUMPTIONS		RECOMMENDATIONS			
	ORIGINAL	HSS	Geo. Enlargement	Interest Income	Admin Expense				
District Type	Renewal and Renovation			0.50%		1) Limited Pooling options available			
Project Area						2) Budget Mod: Not Recommended at this time			
Fiscal Disparities	B Election					3) Admin. Expense is currently: for year 1.8% At or Under Limit			
County Number	1312								
Frozen Rate	UTA #1 114.271%	0.000%	0.000%						
	UTA #2 0.000%								
	UTA #3 0.000%								

TIF PLAN BUDGET ANALYSIS																									
Original Budget	Cumulative Modified	Decertifies						Revenues				Expenditures								TOTAL EXPENSE	Total Budget				
		First Receipt	City Approved	Cert Request	Certified	Legal Term	Expected Term	Tax Increment	Interest Income	Other Revenue	TOTAL REVENUES	Project	Interest Expense	Paygo	Bonds	Interfund Loan	Admin Expense	County Admin	Outside District						
2007		8/2/2004	12/20/2004	5/31/2005	12/31/2029	12/31/2029																			
							44,100,000				44,100,000	13,590,000	26,100,000						4,410,000						
							39,406,001	563,893	133,245	8,633,000	46,222,852	6,628,418	956,050	566,314	954,776	235,578	8,836,865	4,653,075	1,111,894	1,673,735	459,798	70,504	7,482,042	33,618,663	33,629,048
							4,693,999	(563,893)	(133,245)	(8,633,000)	(2,122,852)	6,961,582	25,143,950	(566,314)	(954,776)	(235,578)	(8,836,865)	(4,653,075)	(1,111,894)	(1,673,735)	3,950,202	(70,504)	(7,482,042)	10,481,337	10,470,952

CASH FLOW PROJECTIONS ROLL UP																										
TIF Year	Year	TAX CAPACITY				Current Local Tax Rate	Revenues					Expenditures										TOTAL EXPENSE	Ending Balance			
		Base	Current	Fiscal Disparities	Captured		Tax Increment	Other Revenue	Interest Income	Bond Proceeds	TOTAL REVENUES	Project	Rottlund	Grecco	Adagio	Medey Row	Refunded Bonds	2010A	2010B	Interfund Loan	Admin Expense			County Admin	Outside District	
14	2017	168,836	1,803,274	12,479	1,621,959	124.745%	1,653,982	4,661	-	1,658,643	-	-	21,043	211,650	45,927	-	356,762	272,709	107,228	21,275	4,986	5,104	2,532,188	1,041,580	(1,365,648)	
15	2018	168,836	1,911,784	17,650	1,725,298	130.191%	1,875,124	18,642	-	1,893,766	-	-	239,731	54,578	-	365,869	83,852	111,517	8,768	5,075	407,870	8,973	5,075	407,870	1,137,273	(1,986,766)
16	2019	168,836	1,958,006	23,776	1,765,394	125.012%	2,014,165	9,830	-	2,023,995	-	-	165,029	66,848	-	367,500	-	115,978	8,973	5,075	407,870	8,973	5,075	407,870	1,137,273	(1,986,766)
17	2020	168,836	2,173,854	29,977	1,975,041	121.682%	2,212,120	39,409	-	2,251,529	-	-	-	-	-	377,625	-	120,617	7,462	5,339	-	-	-	-	511,043	(246,280)
18	2021	168,836	2,232,779	31,460	2,032,483	117.845%	2,311,976	11,085	-	2,323,061	-	-	-	-	-	381,625	-	75,442	9,034	5,756	76,395	-	-	-	550,072	1,526,709
19	2022	168,836	2,263,707	34,815	2,060,056	119.089%	2,156,230	(68,309)	-	2,087,921	-	-	-	-	-	389,625	-	78,459	12,054	9,125	-	-	-	-	489,263	3,125,367
20	2023	168,836	2,272,803	34,323	2,069,644	117.742%	2,356,489	-	-	2,356,489	-	-	-	-	-	328,000	-	81,598	10,000	4,954	4,325,000	-	-	-	4,749,552	732,304
21	2024	168,836	2,295,531	34,666	2,092,029	117.742%	2,381,976	-	-	2,381,976	-	-	-	-	-	-	70,862	10,000	4,954	-	-	-	-	-	85,816	3,028,465
22	2025	168,836	2,318,486	35,013	2,114,637	117.742%	2,407,718	-	-	2,407,718	-	-	-	-	-	-	59,696	10,000	4,954	-	-	-	-	-	74,650	5,361,533
23	2026	168,836	2,341,671	35,363	2,137,472	117.742%	2,433,718	-	-	2,433,718	-	-	-	-	-	-	48,084	10,000	-	-	-	-	-	-	58,084	7,737,167
24	2027	168,836	2,365,088	35,717	2,160,535	117.742%	2,459,977	-	-	2,459,977	-	-	-	-	-	-	36,007	10,000	-	-	-	-	-	-	46,007	10,151,137
25	2028	168,836	2,388,739	36,074	2,183,829	117.742%	2,486,499	-	-	2,486,499	-	-	-	-	-	-	23,448	10,000	-	-	-	-	-	-	33,448	12,604,189
26	2029	168,836	2,412,626	36,435	2,207,356	117.742%	2,513,287	-	-	2,513,287	-	-	-	-	-	-	10,385	-	-	-	-	-	-	-	10,385	15,107,090

Darla and Melanie were wondering about paying for this project with cash instead of with IFL. I reamortized the IFL to keep the district open and am showing this as

HIGHWAY 7 CORPORATE CENTER

Description:



Highway 7 Business Center (redevelopment district) and the Highway 7 Hazardous Substance Subdistrict (County #1313) were adopted on May 15, 2006. Originally the district encompassed five (5) parcels of land and was established to facilitate the cleanup of contaminated land and the construction of a 78,000 square foot multi-tenant office/showroom/tech building.



The City also received environmental grant funds from Hennepin County, the Minnesota Department of Employee and Economic Development and the Metropolitan Council in the amount of \$4,950,000, \$1,904,456 and \$967,000 respectively. A development agreement was signed on June 28, 2006 with the Highway 7 Business Center LLC in which the developer agreed to construct a 78,000 square foot multi-tenant industrial building, including all related parking improvements.

Adopted.....	05/15/2006
Certified Date.....	07/17/2006
First Increment.....	07/2007
Required Decertification.....	12/31/2032
Anticipated Decertification....	12/31/2027

HIGHWAY 7 CORPORATE CENTER CONTINUED

Former and Current PID Numbers:

Former PID	Former Use	New PID	New Use
17-117-21-44-0002	Vacant Land	17-117-21-44-0069	Hwy 7 Corporate Center
17-117-21-44-0023	Multi Tenant		
17-117-21-44-0024	LBF		
17-117-21-44-0060	Caryn International School	17-117-21-44-0070	
17-117-21-44-0065	Golden Auto		

Fiscal Disparities Election: The City elected to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 107.2660%

Allowable Uses:

MN Statute 469.176 subd. 4j specifies the activities on which tax increment from a redevelopment district may be spent. In general, tax increment must be spent on correcting those conditions which caused the area to be designated a redevelopment district. Allowable uses include property acquisition, demolition, rehabilitation, installation of public utilities, road, sidewalks, public parking facilities, and allowable administrative expenses.

MN Statute 469.176 subd. 4e specifies the activities on which tax increment from a hazardous substance subdistrict may be spent. In general, tax increment must be spent only on removing hazardous substances from the site, pollution testing and related administrative and legal costs.

HIGHWAY 7 CORPORATE CENTER CONTINUED

Obligations:

There are four (4) PAYGO notes, totaling \$2,555,000 that were issued for this project on July 24, 2008 (Note A and B) and October 6, 2008 (Note C & D) as follows:

- \$2,100,000 PAYGO Note A for Highway Business center LLC paid at 1% interest.
- \$360,000 PAYGO Note B for Highway Business Center LLC paid at 1% interest.
- \$72,000 PAYGO Note C for Highway Business Center LLC paid at 1% interest.
- \$23,000 PAYGO Note D for Highway Business Center LLC paid at 1% interest.

These Notes are paid from 95% of the available increment. The available increment is prorated semi-annually with the TIF payments prorated to Notes A and B first before payment is made to Notes C and D 86% being paid to the A Note and 14% being paid to the B Note. It is anticipated that the Notes A and B will be repaid in 2027 and Notes C and D will be repaid in 2028.

Other Development Agreement Compliance:

1. ***Assessment Agreement.*** The Developer shall execute a Minimum Assessment Agreement (MAA). The minimum market value shall be \$6,300,000 as of January 2, 2008 and each January 2 thereafter, notwithstanding the progress of construction of the Minimum Improvements by such date.

Three-Year, Four-Year and Five-Year Rules: All requirements were met for the District.

Recommendations: None at this time.

HIGHWAY 7 CORPORATE CENTER CONTINUED

DISTRICT INFORMATION			
	ORIGINAL	HSS	Geo. Enlargement
District Type	Redevelopment		
Project Area	B Election		
Fiscal Disparities	1313		
County Number			
Frozen Rate	UTA #1	107.266%	0.000%
	UTA #2	0.000%	0.000%
	UTA #3	0.000%	

ASSUMPTIONS	
Interest Income	0.50%
Admin Expense	

RECOMMENDATIONS	
1) Limited Pooling options available	
2) Budget Mod: Not Recommended at this time	
3) Admin. Expense is currently:	3.9%

TIF PLAN BUDGET ANALYSIS																		
	Decertifies						Revenues			Expenditures			Total Budget					
	First Receipt	City Approved	Cert Request	Certified	Legal Term	Expected Term	Tax Increment	Interest Income	TOTAL REVENUES	Project	Interest Expense on Paygo	Admin Expense		County Admin	TOTAL EXPENSE			
Original Budget	2007	5/15/2006	6/30/2006	7/17/2006	12/31/2032	12/31/2027	-	-	-	-	-	-	-	-				
Cumulative Modified							4,181,054		4,181,054	3,135,784	627,165	418,105		4,181,054	4,181,054			
End of District Projected Actual Total							3,074,074	20,498	3,094,573	26,862	2,292,625	393,022	72,372	23,119	119,882	12,487	2,940,369	2,940,369
Under / (Over) Budget							1,106,980	(20,498)	1,086,481	3,108,922	(1,665,460)	(393,022)	(72,372)	(23,119)	298,223	(12,487)	1,240,685	1,240,685

CASH FLOW PROJECTIONS ROLL UP																		
		TAX CAPACITY					Revenues			Expenditures								
TIF Year	Year	Base	Current	Fiscal Disparities	Captured	Current Local Tax Rate	Tax Increment	Interest Income	TOTAL REVENUES	Project	Note A	Note B	Note C	Note D	Admin Expense	County Admin	TOTAL EXPENSE	Ending Balance
13	2019	-	172,530	78,978	93,552	125.012%	142,195	423	142,618	-	114,768	19,674			5,253	711	140,406	72,674
14	2020	-	176,130	40,722	135,408	121.682%	144,722	523	145,245	-	116,341	19,944			4,655	707	141,647	76,272
15	2021	-	180,250	41,881	138,369	117.845%	147,888	15,689	163,577	-	118,650	20,340			6,228	759	145,977	93,872
16	2022	-	188,130	48,849	139,281	119.089%	148,862	(816)	148,046	-	120,329	20,628			5,231	839	147,027	94,891
17	2023	-	204,570	52,423	152,147	117.742%	162,614	474	163,089	-	126,300	21,652			5,231	839	154,022	103,958
18	2024	-	204,570	52,423	152,147	117.742%	162,614	520	163,134	-	131,876	22,607			5,231	839	160,554	106,538
19	2025	-	204,570	52,423	152,147	117.742%	162,614	533	163,147	-	131,876	22,607			5,231	839	160,554	109,131
20	2026	-	204,570	52,423	152,147	117.742%	162,614	546	163,160	-	131,876	22,607	(0)	-	5,231	839	160,554	111,738
21	2027	-	204,570	52,423	152,147	117.742%	162,614	559	163,173	-	11,163	1,914	72,372	23,119	5,231	839	114,637	160,274
22	2028	-	204,570	52,423	152,147	0.000%	-	-	-	-	-	-	-	-	5,231	839	6,070	154,204
23	2029	-	204,570	52,423	152,147	0.000%	-	-	-	-	-	-	-	-	-	-	-	154,204
24	2030	-	204,570	52,423	152,147	0.000%	-	-	-	-	-	-	-	-	-	-	-	154,204
25	2031	-	204,570	52,423	152,147	0.000%	-	-	-	-	-	-	-	-	-	-	-	154,204
26	2032	-	204,570	52,423	152,147	0.000%	-	-	-	-	-	-	-	-	-	-	-	154,204

WEST END

Description:

West End (County #1314) is a redevelopment district that was adopted on November 19, 2007. Originally the district encompassed six (6) parcels of land and was established to facilitate the redevelopment of a site near I-394 and Highway 100 into approximately 1.5 million square feet of office, 350,000 square feet of retail, 124 hotel units and a 120-unit luxury apartment building by Duke Realty. Subsequent to Duke Realty's acquisition of the parcels, the property has been replatted into 9 parcels.

The EDA executed a Development Agreement with Duke Realty Limited Partnership on December 17, 2007. The EDA provided Duke Realty a PAYGO note in a maximum principle of \$21.1 million at 6.75% interest. In addition to the PAYGO note, the City issued \$5,490,000 in GO TIF bonds in 2008 to pay for various public improvements in the area, which have a priority claim on annual TIF revenue.

On May 17, 2010 and November 21, 2011, the EDA entered into the first amendment to the contract to describe the party's respective responsibilities regarding redevelopment of property in the District. On May 8, 2015, the EDA entered into a second amended and restated contract with Duke Realty Limited Partnership and Central Park West LLC. This amendment assigned rights and obligations of Duke to Central Park West LLC, further defined the new phasing plan and updated timing of construction of the various phases. On May 2, 2016 the EDA entered into its third amendment to the contract with Central Park West LLC, Millennium Phase II LLC ad ACSLP LLC. This amendment stated what properties Central Park West had assigned to the other developers for the Millennium Apartments and to modify the construction schedule.



WEST END CONTINUED

To date the Homewood Suites hotel (2009), 350,000 sq/ft of retail (2011), the 119-unit Flats at West End Apartments (2013) and the 158-unit Millennium apartments (2015) have been constructed. Duke sold the retail and undeveloped portion of the project in 2015 to American Realty Capital-Retail Centers of America Inc. Duke then sold the eastern portion of the redevelopment site to several developers for various aspects of the remaining development, once sufficient pre-leasing commitments have been secured. The plan is to construct ½ of the structured parking (1,214 stalls) and will include approximately 5,000 sq/ft of shared outdoor amenity space, 3,500 sq/ft of covered retail at ground level a fitness facility, public locker rooms, and an indoor bike room that can be accessed from the linear civic space. TPI Hospitality completed construction in early 2018 on a 126-room AC Hotel by Marriott. It features approximately 3,000 sq/ft of restaurant/lounge area, 1,000 sq/ft of meeting space and a spa. DLC Residential completed construction in late 2017 on Central Park West Apartment (building #1) which is a 6-story apartment complex with 199 units (approximately 115 in the City and the remaining 84 in Golden Valley). It plans to begin Building #2 in the spring of 2018. It is expected to be six stories and be comprised of 164 housing units.

The Excelsior Group and Ryan Companies have begun construction in late 2019/early 2020 on an 11-story Class A office building with adjacent structured parking (Phase IV)

Adopted.....	11/19/2007
Certified Date.....	07/09/2008
First Increment.....	07/2011
Anticipated Decertification....	12/31/2036

WEST END CONTINUED

Former and Current PID Numbers:

Property Address	Former PID #	Former Use	New PID #'s	New Use
5201 Wayzata	30-029-24-32-0018	Commercial	30-029-24-32-0031 thru 0033	Office Bldgs - Land East of Utica
			30-029-24-32-0028 thru 0029	Apartments, Retail
5245 Wayzata	30-029-24-32-0007	Chilis & Olive Garden	30-029-24-32-0019	Millennium Apartments
			30-029-24-32-0020	Olive Garden
			30-029-24-32-0021	The Flats at West End
1551 Park Place	30-029-24-32-0011	Novartis	30-029-24-32-0022	Rainbow Grocery
			30-029-24-33-0031	Shops at West End
1600 Utica	30-029-24-33-0019		None	This is now a portion of Utica Ave-No PID
1621 Park Place	30-029-24-33-0002	Tennis Club	30-029-24-33-0031	Shops at West End
5353 Wayzata Blvd	30-029-24-32-0015	Existing Bank	30-029-24-32-0025	Homeward Suits Hotel
			30-029-24-32-0026	Existing Bank - Building

Fiscal Disparities Election: The City elected to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 103.0550%

Allowable Uses:

MN Statute 469.176 subd. 4j specifies the activities on which tax increment from a redevelopment district may be spent. In general, tax increment must be spent on correcting those conditions which caused the area to be designated a redevelopment district. Allowable uses include property acquisition, demolition, rehabilitation, installation of public utilities, road, sidewalks, public parking facilities, and allowable administrative expenses.

WEST END CONTINUED

Obligations:

There is one GO Tax Increment Bond (2 purposes) and one PAYGO Note for this district as follows:

- **\$5,490,000** GO Tax Increment Bonds, Series 2008B - **\$4,965,000** Senior TIF Bonds and **\$525,000** 5% Admin Bonds. These bonds mature on February 1, 2024 and will be paid in full.
- **\$21,100,000** PAYGO Note - This Note was issued to Duke Realty on November 1, 2010 at 6.75%. The EDA has pledged 95% of the tax increment revenues from the project for a twenty-one (21) year term (end date of August 1, 2031).

The City issued the 2008B TIF Bonds to pay for such public improvements as the reconstruction of Duke Place Boulevard, required for the West End development. Pursuant to the Development Agreement, the City could issue TIF Bonds that produced net proceeds (after deducting costs of issuance, discount and capitalized interest) in the amount of \$4,500,000 (Senior TIF Bonds) and were required to have 120% debt service coverage. These Bonds have a first priority on the TIF and are paid from 95% of the increment generated by all property in the TIF District. If the increment generated is insufficient to make the Senior TIF Bond payments, then Duke Realty is required to make up this shortfall within 20 days of receipt of notice from the EDA (failure by the EDA to provide this notice does not relieve Duke Realty of its obligation to make the required payment). The City could also issue a bond of any size it determined that is secured in whole or in part by any portion of the 5% of Tax Increments that are withheld by the EDA as administration fee. These Bonds were issued as part of the 2008B TIF Bond issue and had a principal amount of \$525,000.

Other Development Agreement Compliance:

1. **Minimum Assessment Agreement.** The Redeveloper is required to execute a Minimum Assessment Agreement (MAA) for each phase. The Phase IIA MAA (retail portion) has been executed and states that the minimum market value shall be \$70,216,260 on January 1, 2009 for payable 2010 and shall be in effect for the term of the obligation. A Minimum Assessment Agreement with WEA, LLC for Phase IIC for the Flats at West End at \$15,470,000 was also executed. In addition, upon completion of each Central Park West's six (6) phases, they are required to enter into a in MAA, of which the market value for each agreement will be mutually determined by the parties based upon final construction plans.

WEST END CONTINUED

Three-Year, Four-Year and Five-Year Rules: All requirements were met for the District.

Recommendations:

1. ***Administrative Modification for Affordable Housing.*** We recommend modifying the TIF plan budget to allow for the additional 10% to be retained for affordable housing (total of 35%) to preserve the City/EDA's authority to choose to transfer and utilize these dollars within the AHTF.

WEST END CONTINUED

DISTRICT INFORMATION	
District Type	ORIGINAL
Project Area	Redevelopment
Fiscal Disparities	B Election
County Number	1314
Frozen Rate	UTA #1 103.055%
	UTA #2 0.000%
	UTA #3 0.000%

ASSUMPTIONS	
Interest Income	0.50%
Admin Expense	0.25%

RECOMMENDATIONS	
1) Limited Pooling options available	
2) Budget Mod: Not Recommended at this time	
3) Admin. Expense is currently:	1.2%
	At or Under Limit

TIF PLAN BUDGET ANALYSIS																						
	First Receipt	City Approved	Cert Request	Certified	Legal Term	Expected Term	Revenues				Expenditures											
							Tax Increment	Interest Income	Other Revenue	TOTAL REVENUES	Project	Interest Expense	Bonds	Interfund Loan	Admin Expense	County Admin	Spending Plan	Outside District	Other Expense	TOTAL EXPENSE	Total Budget	
Original Budget	2011	11/19/2007	6/30/2008	7/9/2008	12/31/2036	12/31/2036																
Cumulative Modified							143,914,895				143,914,895	95,000,000	34,523,405				14,391,490				143,914,895	143,914,895
End of District Projected Actual Total							79,563,246	469,033	5,490,000	51,977,289	5,402,854	46,599,530	7,793,222	233,680	376,291	134,592		475,000			49,586,121	61,015,170
Under / (Over) Budget							64,351,649	(469,033)	(5,490,000)	91,937,607	89,597,146	(12,076,125)	(7,793,222)	(233,680)	(376,291)	(134,592)		(475,000)			94,328,774	82,899,725
											(237,977)	138,804,90									(237,977)	

CASH FLOW PROJECTIONS ROLL UP																						
TIF Year	Year	TAX CAPACITY					Revenues				Expenditures											
		Base	Current	iscal Disparitie	Captured	Current Local Tax Rate	Tax Increment	Interest Income	Other Revenue	TOTAL REVENUES	Project	Paygo	Bonds	Interfund Loan	Admin Expense	County Admin	Spending Plan	Outside District	Uffordable Housing	Increment Returned	TOTAL EXPENSE	Ending Balance
8	2018	859,520	3,637,813	663,534	2,114,759	130.191%	2,500,563	4,531	-	2,505,094	-	1,614,363	556,612	19,086	19,808	3,282	-	-	-	-	2,213,151	1,091,674
9	2019	859,520	4,166,046	685,269	2,621,257	125.012%	2,360,794	15,302	-	2,376,096	-	1,919,765	559,613	19,086	11,839	3,770	100,000	-	-	-	2,614,073	853,697
10	2020	859,520	4,442,268	726,751	2,855,997	121.682%	2,746,899	14,012	-	2,760,911	-	1,927,217	565,563	19,086	5,974	3,924	-	-	-	-	2,521,764	1,092,844
11	2021	859,520	4,335,843	638,268	2,838,055	117.845%	2,850,028	3,007	-	2,853,035	-	1,970,961	569,300	19,086	15,490	5,016	-	-	-	-	2,579,853	1,366,027
12	2022	859,520	5,144,466	912,432	3,372,514	119.089%	3,379,956	(15,301)	-	3,364,655	-	2,219,910	571,913	4,779	6,140	7,084	146,200	-	-	-	2,956,026	1,774,656
13	2023	859,520	5,923,951	1,020,165	4,044,266	117.742%	3,667,127	8,873	-	3,676,000	-	2,840,348	573,400	(0)	9,168	7,084	-	-	-	-	3,430,000	2,020,657
14	2024	859,520	5,923,951	1,020,165	4,044,266	117.742%	4,152,814	10,103	-	4,162,917	-	3,218,257	583,181	(0)	10,382	7,084	375,000	-	-	-	4,193,903	1,989,671
15	2025	859,520	5,923,951	1,020,165	4,044,266	117.742%	4,152,814	9,948	-	4,162,763	-	3,945,173	-	(0)	10,382	7,084	-	200,000	-	-	4,162,639	1,989,794
16	2026	859,520	5,923,951	1,020,165	4,044,266	117.742%	4,152,814	9,949	-	4,162,763	-	3,945,173	-	(0)	10,382	7,084	-	200,000	-	-	4,162,639	1,989,917
17	2027	859,520	5,923,951	1,020,165	4,044,266	117.742%	4,152,814	9,950	-	4,162,764	-	3,945,173	-	(0)	10,382	7,084	-	-	-	-	3,962,639	2,190,042
18	2028	859,520	5,923,951	1,020,165	4,044,266	117.742%	4,152,814	10,950	-	4,163,764	-	3,945,173	-	(0)	10,382	7,084	-	-	-	-	3,962,639	2,391,167
19	2029	859,520	5,923,951	1,020,165	4,044,266	117.742%	4,152,814	11,956	-	4,164,770	-	3,945,173	-	-	10,382	7,084	-	-	-	-	3,962,640	2,593,297
20	2030	859,520	5,923,951	1,020,165	4,044,266	117.742%	4,152,814	12,966	-	4,165,781	-	3,945,173	-	-	10,382	7,084	-	-	-	-	3,962,640	2,796,439
21	2031	859,520	5,923,951	1,020,165	4,044,266	117.742%	4,152,814	13,982	-	4,166,796	-	3,945,173	-	-	10,382	7,084	-	-	-	-	3,962,640	3,000,595
22	2032	859,520	5,923,951	1,020,165	4,044,266	117.742%	4,152,814	15,003	-	4,167,817	-	-	-	-	10,382	7,084	-	-	-	-	17,466	7,150,947
23	2033	859,520	5,923,951	1,020,165	4,044,266	117.742%	4,152,814	35,755	-	4,188,569	-	-	-	-	10,382	7,084	-	-	-	-	17,466	11,322,049
24	2034	859,520	5,923,951	1,020,165	4,044,266	117.742%	4,152,814	56,610	-	4,209,424	-	-	-	-	10,382	7,084	-	-	-	-	17,466	15,514,008
25	2035	859,520	5,923,951	1,020,165	4,044,266	117.742%	4,152,814	77,570	-	4,230,384	-	-	-	-	10,382	7,084	-	-	-	-	17,466	19,726,926
26	2036	859,520	5,923,951	1,020,165	4,044,266	117.742%	4,152,814	98,635	-	4,251,449	-	-	-	-	10,382	7,084	-	-	-	-	17,466	23,960,909

ELLIPSE ON EXCELSIOR

Description:



Ellipse on Excelsior (County #1315) is a redevelopment district that was adopted on February 2, 2009. Originally the district encompassed ten (10) parcels of land and was established to facilitate the purchase and redevelopment at the northwest corner of Excelsior Boulevard and France Avenue (former Al's Liquors, Anderson Cleaners and motel sites). The first phase consists of the redevelopment of the Al's Bar and Anderson Cleaner's site into a five-story mixed use building consisting of 132 market rate apartments and 16,394 square feet of retail. The EDA is required to issue the Developer two TIF notes totaling up to \$1,430,000, at an interest rate of 6%, to

reimburse them for qualified redevelopment costs.

The City purchased the motel site in 2009 and demolished the building in 2010. On February 6, 2012, the City entered into a development agreement with Ellipse II, LLC. to construct the second phase of the development, which consists of 58 market rate rental units. On August 20, 2012, the EDA entered into an amended and restated purchase and redevelopment agreement to allocate a portion of the property from Phase I to Phase II. The project was completed in early 2013. The EDA issued the Developer a pay-as-you-go TIF note for \$686,195, at an interest rate of 5.6%, to reimburse them for qualified redevelopment costs (reduced from \$700,000 after completion of the look back).



The EDA modified the budget in 2019 to allow for an additional 10% pooling for affordable housing. Approximately \$1,295,437 is available to transfer, in total, for affordable housing. A total \$1,015,628 has been transferred to date (2020 - 2022). An additional \$279,809 would be available to transfer in 2023. In 2022, 455,172 was returned to the County for redistribution and in 2023 the City should return approximately \$361,981. The EDA is retaining approximately \$100,000 in the District since there is an active tax

petition for 2023. Once resolved, any balance will be returned to the County for redistribution. This District will be formally decertified early at the end of 2023 (legal term is 12/31/2026).

Adopted.....	02/02/2009
Certified Date.....	07/09/2009
First Increment.....	07/2011
Decertifies.....	12/31/2036
Anticipated Decert Date.....	12/31/2023

Former and Current PID Numbers:

Former PID	Former Use	New PID	New Use
06-028-24-41-0002	Al's Liquor	06-028-24-41-0075	Ellipse Apartments
06-028-24-41-0069	Al's Liquor		
06-028-24-41-0053	Excelsior Blvd LLC		
06-028-24-41-0052	Al's Liquor		
06-028-24-41-0056	Al's Liquor		
06-028-24-41-0057	Al's Liquor		
06-028-24-41-0051	Al's Liquor		
06-028-24-41-0050	Al's Liquor		
06-028-24-41-0058	Al's Liquor	06-028-24-41-0076	E2 Apartments
06-028-24-41-0003	Budget Motel		

Fiscal Disparities Election: The City elected to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 107.8190%

ELLIPSE ON EXCELSIOR CONTINUED

Allowable Uses:

MN Statute 469.176 sub 4j specifies the activities on which tax increment from a redevelopment district may be spent. In general, tax increment must be spent on correcting those conditions which caused the area to be designated a redevelopment district. Allowable uses include property acquisition, demolition, rehabilitation, installation of public utilities, road, sidewalks, public parking facilities, and allowable administrative expenses. In addition, the EDA has elected to utilize an additional 10% for affordable housing.

Obligations: None.

Four-Year and Five-Year Rules: All requirements were met for the District.

Recommendations:

1. *Transfer of Increment to Affordable Housing Trust Fund (AHTF).* Transfer \$279,809 to the AHTF for use on City housing projects and programs.
2. *Retention of Increment.* There is an active pay 2023 tax petition for this District. We recommend the EDA retain \$100,000 in the fund to address any stipulations to valuation. After the tax petition is settled and/or dismissed, any remaining balance should be returned to the County for redistribution.
3. *Return of Increment For Redistribution.* The City should return approximately \$361,981 in 2023 and the City's proportionate share upon redistribution is approximately \$143,724.
4. *Decertify TIF District and Confirmation of Decertification Form.* Have EDA approve resolution for early decertification at the end of 2023 and work with Ehlers to prepare and submit the required Confirmation of Decertification form to the County.

ELLIPSE ON EXCELSIOR CONTINUED

DISTRICT INFORMATION	
District Type	ORIGINAL
Project Area	Redevelopment
Fiscal Disparities	B Election
County Number	1315
Frozen Rate	UTA #1 107.819%
	UTA #2 0.000%
	UTA #3 0.000%

ASSUMPTIONS	
Interest Income	0.50%
Admin Expense	3.00%

RECOMMENDATIONS	
1) Limited Pooling options available	
2) Budget Mod: Not Recommended at this time	
3) Admin. Expense is currently:	1.6% At or Under Limit

TIF PLAN BUDGET ANALYSIS																					
	First Receipt	City Approved	Cert Request	Decertifies			Revenues		Expenditures					TOTAL EXPENSE	Total Budget						
				Certified	Legal Term	Expected Term	Tax Increment	Interest Income	TOTAL REVENUES	Project	Paygo	Interfund Loan	Admin Expense			County Admin	Affordable Housing	Outside District	Other Expense		
Original Budget	2011	2/2/2009	6/30/2009	7/9/2009	12/31/2036	12/31/2023	-	-	-	-	-	-	-	-	-	-					
Cumulative Modified	12/2/2019						11,058,500		11,058,500	4,530,300	1,652,670			1,105,830	3,769,700	11,058,500	11,058,500				
End of District Projected Actual Total							6,300,840	19,062	6,319,902	176,599	1,592,574	289,207	792,719	51,917	82,015	14,777	1,295,437	193,668	1,730,989	6,219,903	6,219,903
Under / (Over) Budget							4,757,660	(19,062)	4,738,598	4,353,701	60,096	(289,207)	(792,719)	(51,917)	1,023,815	(14,777)	2,474,263	(193,668)	(1,730,989)	4,838,597	4,838,597
														(245,245)							

CASH FLOW PROJECTIONS ROLL UP																					
TAX CAPACITY							Revenues			Expenditures											
TIF Year	Year	Base	Current	Fiscal Disparities	Captured	Current Local Tax Rate	Tax Increment	Interest Income	TOTAL REVENUES	Project	Ellipse Note A	Ellipse Note B	Ellipse E2	Interfund Loan	Admin Expense	County Admin	Affordable Housing	Outside District	Increment Returned	TOTAL EXPENSE	Ending Balance
7	2017	24,527	584,015	23,927	535,561	124.745%	575,358	178	575,536	-	279,016	45,421	138,468	8,096	7,426	1,280	-	-	-	479,708	163,084
8	2018	24,527	595,890	25,128	546,235	130.191%	586,830	47	586,877	-	360,134	88,578	153,267	8,501	5,674	1,273	-	-	-	617,427	132,534
9	2019	24,527	669,515	24,527	620,461	125.012%	666,760	8,705	675,465	-	-	-	157,300	-	9,520	1,333	-	15,080	-	183,233	624,766
10	2020	24,527	703,860	27,101	652,232	121.682%	700,701	11,313	712,014	-	-	-	162,804	-	4,891	1,340	170,000	178,588	455,456	973,079	363,701
11	2021	24,527	708,133	27,185	656,421	117.845%	705,201	2,762	707,963	-	-	-	-	-	5,097	1,605	492,066	-	458,381	957,149	114,516
12	2022	24,527	705,833	29,017	652,289	119.089%	700,758	(4,394)	696,364	-	-	-	-	-	3,154	1,868	353,562	-	455,172	813,756	(2,876)
13	2023	24,527	751,090	28,730	697,833	117.742%	749,688	-	749,688	-	-	-	-	-	3,154	1,868	279,809	-	361,981	646,812	100,000

ELIOT PARK (SIENA)

Description:

Eliot Park (County #1318/1319) is redevelopment district that was adopted on July 16, 2013. Originally the district encompassed two (2) parcels of land and was established to facilitate the redevelopment of the former Eliot School building into 138 market rate apartments and two (2) single-family homes. The EDA is required to issue the Developer a \$1,100,000 PAYGO TIF Note at 5.5% interest, to reimburse them for qualified redevelopment costs.

On July 1, 2014, the EDA entered into a development Agreement with Cedar Lake Road Apartments LLC. The project began construction in 2014 and opened as the Siena Apartment Homes in July 2015.

Subsequently two single family homes were constructed on the property as required under the extended redevelopment contract.

The EDA modified the budget in 2020 to allow for an additional 10% pooling for affordable housing. A total of \$298,988 has been transferred to the AHTF. An additional \$2,620 is anticipated to be available in 2023. The district should be decertified at year end 2023 and all of the remaining balance (except for \$100,000 due to active 2023 tax petition) should be returned to the county for redistribution. The City's proportionate share will be approximately \$154,000.



ELIOT PARK CONTINUED

Adopted.....	05/06/2013
Certified Date.....	07/16/2013
First Increment.....	07/2016
Decertifies.....	12/31/2041
Expected decert date.....	12/31/2023

Former and Current PID Numbers:

Property Address	Former PID #	Former Use	New PID #'s	New Use
6720 Cedar Lake Road	08-117-21-11-0079	Vacant lot	08-117-21-11-0094	Vacant
6800 Cedar Lake Road	08-117-21-12-0028	Eliot School	08-117-21-12-0149	Siena Apartment Homes
			08-117-21-12-0150	Single Family Lot
			08-117-21-12-0151	Single Family Lot

Fiscal Disparities Election: The City elected to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 1318 - 132.209%
1319 - 133.134%

Allowable Uses:

MN Statute 469.176 sub 4j specifies the activities on which tax increment from a redevelopment district may be spent. In general, tax increment must be spent on correcting those conditions which caused the area to be designated a redevelopment district. Allowable uses include property acquisition, demolition, rehabilitation, installation of public utilities, road, sidewalks, public parking facilities, and allowable administrative expenses. **In addition the additional 10% can be used for affordable housing.**

ELIOT PARK CONTINUED

Obligations: None.

Four-Year and Five-Year Rules: All requirements were met for the District.

Recommendations:

1. *Transfer of Funds to AHTF.* The City should transfer approximately \$2,620 to the AHTF pursuant to the Special Legislation they were granted in 2021.
2. *Retention of Increment.* There is an active pay 2023 tax petition for this District. We recommend the EDA retain \$100,000 in the fund to address any stipulations to valuation. After the tax petition is settled and/or dismissed, any remaining balance should be returned to the County for redistribution.
3. *Decertify TIF District and Confirmation of Decertification Form.* Have EDA approve resolution for early decertification at the end of 2023 and work with Ehlers to prepare and submit the required Confirmation of Decertification form to the County.
4. *Return of Increment For Redistribution.* The City should return approximately \$387,897 in 2023 and the City's proportionate share upon redistribution is approximately \$154,014.

ELIOT PARK CONTINUED

DISTRICT INFORMATION			
	ORIGINAL	HSS	Geo. Enlargement
District Type	Redevelopment		
Project Area	B Election		
Fiscal Disparities	1318, 1319		
County Number	132.209%		
Frozen Rate	UTA #1	0.000%	0.000%
	UTA #2	133.134%	
	UTA #3	0.000%	

ASSUMPTIONS	
Interest Income	0.50%
Admin Expense	3.00%

RECOMMENDATIONS	
1) Limited Pooling options available	
2) Budget Mod: Not Recommended at this time	
3) Admin. Expense is currently:	2.5% At or Under Limit

TIF PLAN BUDGET ANALYSIS																			
	Decertifies						Revenues			Expenditures							Total Budget		
	First Receipt	City Approved	Cert Request	Certified	Legal Term	Expected Term	Tax Increment	Interest Income	TOTAL REVENUES	Project	Interest Expense	Interfund Loan	Admin Expense	County Admin	Affordable Housing	Outside District		Other Expense	TOTAL EXPENSE
Original Budget	2015	5/6/2013	6/28/2013	7/16/2013	12/31/2041	12/31/2023			-									-	
Cumulative Modified							9,825,365	982,537	10,807,902	5,404,624	4,420,741		982,537					10,807,902	10,807,902
End of District Projected Actual Total							3,115,481	1,289	3,116,770	-	1,265,573	2,741	56,762	10,087		330,000	1,045,281	3,012,052	2,710,444
Under / (Over) Budget							6,709,884	981,248	7,691,132	5,404,624	3,155,168	(2,741)	925,775	(10,087)		(330,000)	(1,045,281)	7,795,850	8,097,458

CASH FLOW PROJECTIONS ROLL UP																			
TIF Year	Year	TAX CAPACITY				Current Local Tax Rate	Revenues			Expenditures							Ending Balance		
		Base	Current	Fiscal Disparities	Captured		Tax Increment	Interest Income	TOTAL REVENUES	Project	Paygo	Interfund Loan	Admin Expense	County Admin	Affordable Housing	Outside District		Increment Returned	TOTAL EXPENSE
1	2016	-	52,201	-	52,201	128.561%	65,244		65,244		30,424	734	10,093	616				41,867	3,978
2	2017	26,433	303,473	-	277,040	124.745%	343,232	58	343,290	-	195,168	734	4,714	982				201,598	145,670
3	2018	26,433	372,164	-	345,731	130.191%	445,675	617	446,292	-	350,721	734	5,323	1,104				357,882	234,080
4	2019	26,433	391,004	-	364,571	125.012%	351,696	2,362	354,058	-	309,043	-	6,086	1,085				316,214	271,924
5	2020	26,433	417,329	-	390,896	121.682%	471,422	-	471,422	-	380,217	-	4,698	1,087		330,000		716,002	27,344
6	2021	26,433	426,092	-	399,659	117.845%	466,745	733	467,478	-	-	-	4,883	1,254	163,361		303,384	472,882	21,940
7	2022	26,433	427,401	-	400,968	118.614%	459,136	(2,481)	456,655	-	-	-	3,146	1,459	135,627		354,000	494,232	(15,637)
8	2023	26,433	463,943	-	437,510	117.525%	512,331	-	512,331	-	-	-		1,459	2,620		387,897	391,976	104,718

THE SHOREHAM

Description:

The Shoreham (County #1320) is a redevelopment district that was adopted on August 17, 2015. The district encompasses five (5) parcels of land and was established to facilitate the redevelopment of the properties into 148 apartments and 20,000 sq/ft of retail/office. The Redeveloper agreed to reserve 20% of the apartment units for households earning 50% of Area Median Income (AMI) for at least 15 years following building occupancy. For the next 10 years, Redeveloper agreed to reserve at least 10% of the apartment units for households earning 60% of AMI or at least 8% of the apartment units for households earning 50% of AMI. The EDA is required to issue the Developer a \$1,200,000 PAYGO TIF Note at 3.75% interest, to reimburse them for qualified redevelopment costs.

On August 17, 2015, the EDA approved a development Agreement with Shoreham Apartments LLC. The project was awarded grants from the following agencies and in the following amounts:

DEED:	\$625,075
Hennepin County:	\$430,000
Hennepin County:	\$200,000
Met Council:	\$594,000

On November 16, 2015 the EDA entered into a first amendment to the contract to clarify the amounts and purposes of the County Grants. The project began construction in late 2015. In 2019 the required lookback was completed, and it was determined that no reduction in principal amount of the TIF Note was warranted.



THE SHOREHAM CONTINUED

The EDA modified the budget in 2020 to allow for an additional 10% pooling for affordable housing. The City has transferred a total of used \$689,347 to the AHTF. The district should be decertified at year end 2023. Due to a pending tax petition for pay 2023, the EDA should retain \$100,000 in this District and return the remaining balance of \$449,972 to the County for redistribution.

Adopted.....	8/17/2015
Certified Date.....	4/18/2016
First Increment.....	07/2018
Decertifies.....	12/31/2043
Anticipated decert date.....	12/31/2023

Former and Current PID Numbers:

Property Address	Former PID #	Former Use	New PID #'s	New Use
3915 Hwy 7	06-028-24-11-0007	Commercial	06-028-24-11-0111	Mixed Use (Apartment over Office)
3907 Hwy 7	06-028-24-11-0056	Commercial		
3031 Glenhurst Ave	06-028-24-11-0016	Single-Family Rental		
3918 31st St W	06-028-24-11-0015	Single-Family Rental		
3914 31st St W	06-028-24-11-0014	Single-Family		

Fiscal Disparities Election: The City elected to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 128.260%

THE SHOREHAM CONTINUED

Allowable Uses:

MN Statute 469.176 sub 4j specifies the activities on which tax increment from a redevelopment district may be spent. In general, tax increment must be spent on correcting those conditions which caused the area to be designated a redevelopment district. Allowable uses include property acquisition, demolition, rehabilitation, installation of public utilities, road, sidewalks, public parking facilities, and allowable administrative expenses. In addition the EDA can utilize the additional 10% for affordable housing.

Obligations: None.

Other Development Agreement Compliance:

1. ***Inclusionary Housing.*** The Redeveloper agrees to reserve at least 20% of the units for household earning 50% of the Area Median Income (AMI) for at least 15 years following building occupancy. For the next 10 years, the Redeveloper agrees to reserve at least 10% of the apartments for households earning 60% of the AMI or at least 8% of the units for households earning 50% of the AMI. The monthly rental price shall include rent and utility costs as determined annually by MHFA for the Housing Tax Credit Program. The size and design of these units shall be consistent and comparable with the market rate units and is subject to approval of the City. The units shall be distributed throughout the entire project. The units shall have a number of bedrooms in the approximate proportions of the market rate units.

Four-Year and Five-Year Rules: All requirements were met for the District.

Recommendations:

1. ***Inclusionary Housing.*** The Redeveloper agreed to reserve at least 18 of the units for household earning 60% of the Area Median Income for at least 25 years following building occupancy. We recommend that staff continue to review and retain the required documentation to assure compliance.

THE SHOREHAM CONTINUED

2. *Retention of Increment*. There is an active pay 2023 tax petition for this District. We recommend the EDA retain \$100,000 in the fund to address any stipulations to valuation. After the tax petition is settled and/or dismissed, any remaining balance should be returned to the County for redistribution.
3. *Decertify TIF District and Confirmation of Decertification Form*. Have EDA approve resolution for early decertification at the end of 2023 and work with Ehlers to prepare and submit the required Confirmation of Decertification form to the County.
4. *Return of Increment For Redistribution*. The City should return approximately \$449,972 in 2023 and the City's proportionate share upon redistribution is approximately \$178,661.

THE SHOREHAM CONTINUED

DISTRICT INFORMATION				
	ORIGINAL	HSS	Geo. Enlargement	
District Type	Redevelopment			
Project Area	B Election			
Fiscal Disparities	1320			
County Number	UTA #1			
Frozen Rate	128.260%	0.000%	0.000%	
	UTA #2	0.000%		
	UTA #3	0.000%		

ASSUMPTIONS	
Interest Income	0.50%
Admin Expense	3.00%

RECOMMENDATIONS		
1) Limited Pooling options available		
2) Budget Mod: Not Recommended at this time		
3) Admin. Expense is currently:	0.3%	At or Under Limit

TIF PLAN BUDGET ANALYSIS																			
	Decertifies						Revenues			Expenditures									
	First Receipt	City Approved	Cert Request	Certified	Legal Term	Expected Term	Tax Increment	Interest Income	TOTAL REVENUES	Project	Paygo	Interfund Loan	Admin Expense	County Admin	Affordable Housing	Outside District	Increment Return	TOTAL EXPENSE	Total Budget
Original Budget	2017	8/17/2015	8/17/2015	4/18/2016	12/31/2043	12/31/2023			-									-	-
Cumulative Modified							12,293,160	1,229,316	13,522,476	8,150,030	4,757,788		614,658					13,522,476	13,522,476
End of District Projected Actual Total							3,017,779	11,774	3,029,553	-	1,229,766	2,305	41,530	6,905	689,347	-	959,700	2,929,553	2,929,553
Under / (Over) Budget							9,275,381	1,217,542	10,492,923	8,150,030	3,528,022	(2,305)	573,128	(6,905)	(689,347)	-	(959,700)	10,592,923	10,592,923

CASH FLOW PROJECTIONS ROLL UP																							
TAX CAPACITY							Revenues												Expenditures				
TIF Year	Year	Base	Current	Fiscal Disparities	Captured	Current Local Tax Rate	Tax Increment	Interest Income	TOTAL REVENUES	Project	Paygo	Interfund Loan	Admin Expense	County Admin	Affordable Housing	Outside District	Increment Returned	TOTAL EXPENSE	Ending Balance				
1	2018	41,112	342,765	-	301,653	130.191%	386,056	2,262	388,318	-	-	748	4,366	1,019			-	6,133	362,196				
2	2019	41,112	536,400	12,806	482,482	125.012%	600,991	7,488	608,479	-	620,441	269	5,261	1,252			-	627,223	343,452				
3	2020	41,112	499,230	13,509	444,609	121.682%	539,064	4,386	543,450	-	482,380	0	5,138	1,152			-	488,670	398,232				
4	2021	41,112	524,550	14,076	469,362	117.845%	418,249	2,213	420,462	-	126,945		5,445	1,365	146,387		271,862	552,004	266,690				
5	2022	41,112	524,550	15,457	467,981	119.089%	521,123	(4,575)	516,548	-	-		3,146	1,590	542,960		237,866	785,562	(2,324)				
6	2023	41,112	526,663	14,783	470,768	117.742%	552,296		552,296	-			-	-			449,972	449,972	100,000				

4900 EXCELSIOR

Description:

4900 Excelsior (County #1321) is a redevelopment district that was adopted on November 16, 2015. The district encompasses two (2) parcels of land (former Bally’s Fitness Center and EDA vacant parcel) and established to facilitate the redevelopment of the properties into 164 apartments and a 28,000 sq/ft grocery store. On December 7, 2015, the EDA approved a development Agreement with 4900 Excelsior Apartments LLC. The Redeveloper agreed to reserve 18 of the residential units for households earning 60% of Area Median Income (AMI) for at least 25 years following building occupancy. The EDA is required to issue the Developer a \$2,800,000 PAYGO TIF Note at 4.5% interest, to reimburse them for qualified redevelopment costs. In early March, the lookback was completed for the project and it was determined that no reduction in assistance was warranted. Therefore, on March 5, 2019 the TIF Note was issued and 4900 Excelsior Boulevard project was later renamed 4800 Excelsior.

Adopted.....	11/16/2015
Certified Date.....	07/01/2016
First Increment.....	07/01/2019
Expected Decertification.....	12/31/2024
Decertifies.....	12/31/2044
Anticipated decert date.....	12/31/2025



Former and Current PID Numbers:

Property Address	Former PID #	Former Use	New PID #'s	New Use
4900 Excelsior Blvd	07-028-24-21-0002	Bally's Fitness Center	TBD	Mixed-Use
4760 Excelsior Blvd	07-028-24-21-0258	Vacant Lot	TBD	

4900 EXCELSIOR CONTINUED

Fiscal Disparities Election: The City will elect to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 128.561%

Obligations:

There is one (1) PAYGO Note in this district as follows:

- **\$2,600,000** at 4.50% interest. The Note was issued on March 5, 2019, payable from August 1, 2019, through February 1, 2027. It is expected that this note will be repaid by August 1, 2024.

Other Development Agreement Compliance:

1. **Minimum Assessment Agreement.** The minimum market value as of January 2, 2018 shall be \$31,680,000. The Assessment Agreement shall be in place until the TIF Note is paid in full or the TIF District terminates, whichever is sooner.
2. **Inclusionary Housing.** The Redeveloper agrees to reserve at least 18 of the units for household earning 60% of the Area Median Income for at least 25 years following building occupancy. The monthly rental price shall include rent and utility costs as determined annually by MHFA for the Housing Tax Credit Program. The size and design of these units shall be consistent and comparable with the market rate units and is subject to approval of the City. The units shall be distributed throughout the entire project. The units shall have a number of bedrooms in the approximate proportions of the market rate units. The Redeveloper agrees to prepare an affordable housing plan as required in the City's Inclusionary Housing Policy.

4900 EXCELSIOR CONTINUED

Four-Year and Five-Year Rules: All requirements were met for the District.

Recommendations:

1. ***Inclusionary Housing.*** The Redeveloper agreed to reserve at least 18 of the units for household earning 60% of the Area Median Income for at least 25 years following building occupancy. We recommend that staff continue to review and retain the required documentation to assure compliance.
2. ***Administrative Modification for Affordable Housing.*** We recommend modifying the TIF plan budget to allow for the additional 10% to be retained for affordable housing (total of 35%) to preserve the City/EDA's authority to choose to transfer and utilize these dollars within the AHTF. If the City/EDA chooses this election, there will be an approximately \$1,767,686 available for affordable housing that can be transferred in 2024-2026 to the AHTF pursuant to special legislation received by the City in 2021.

4900 EXCELSIOR CONTINUED

DISTRICT INFORMATION				ASSUMPTIONS		RECOMMENDATIONS	
District Type	ORIGINAL	HSS	Geo. Enlargement	Interest Income			
Project Area	Redevelopment			0.50%		1) Limited Pooling options available	
Fiscal Disparities	B Election			3.00%		2) Budget Mod: Not Recommended at this time	
County Number	1321					3) Admin. Expense is currently: 2.6% At or Under Limit	
Frozen Rate	UTA #1	128.260%	0.000%				
	UTA #2	0.000%					
	UTA #3	0.000%					

TIF PLAN BUDGET ANALYSIS																			
	Decertifies						Revenues			Expenditures						Increment Returned	TOTAL EXPENSE	Total Budget	
	First Receipt	City Approved	Cert Request	Certified	Legal Term	Expected Term	Tax Increment	Interest Income	TOTAL REVENUES	Project	Paygo	Bonds	Interfund Loan	Admin Expense	County Admin				Spending Plan
Original Budget	2019	11/16/2015	6/16/2016	7/1/2016	12/31/2044	12/31/2025			-										
Cumulative Modified							21,611,861	2,161,139	23,773,000	12,508,567	9,103,337			2,161,096			23,773,000	23,773,000	
End of District Projected Actual Total							5,525,539	# 6,856	5,532,395	-	3,210,547	1,767,686	3,061	62,138	10,160		342,144	5,532,394	5,395,736
Under / (Over) Budget							16,086,322		18,240,605	12,508,567	5,892,790	(1,767,686)		2,098,958	(10,160)		(342,144)	18,240,606	18,380,325

CASH FLOW PROJECTIONS ROLL UP																				
TIF Year	Year	TAX CAPACITY				Current Local Tax Rate	Revenues			Expenditures						Increment Returned	TOTAL EXPENSE	Ending Balance		
		Base	Current	Fiscal Disparities	Captured		Tax Increment	Interest Income	TOTAL REVENUES	Project	Paygo	Affordable Housing	Interfund Loan	Admin Expense	County Admin				Spending Plan	
1	2019	47,330	475,420	23,005	405,085	125.012%	504,580	2,389	506,969	-	211,547	-	1,182	5,574	1,137	-	219,440	255,558		
2	2020	47,330	618,920	23,027	548,563	121.682%	665,098	3,759	668,857	-	491,826	-	-	4,635	1,296	-	497,757	426,658		
3	2021	47,330	664,020	24,267	592,423	117.845%	626,699	975	627,674	-	568,382	-	-	6,685	1,585	-	576,652	477,681		
4	2022	47,330	669,200	28,527	593,343	119.089%	704,062	(4,257)	699,805	-	603,973	-	-	5,230	1,868	136,658	58,000	805,729	371,757	
5	2023	47,330	720,790	28,824	644,636	117.742%	756,275	1,859	758,134	-	696,560	-	-	5,230	1,868	-	-	703,658	426,232	
6	2024	47,330	720,790	28,824	644,636	117.742%	756,275	2,131	758,406	-	638,260	500,000	-	5,230	1,868	-	-	1,145,358	39,281	
7	2025	47,330	720,790	28,824	644,636	117.742%	756,275	-	756,275	-	-	795,000	-	-	-	-	-	795,000	555	
8	2026	47,330	720,790	28,824	644,636	117.742%	756,275	-	756,275	-	-	472,686	-	-	-	-	-	472,686	284,144	
9	2027	47,330	720,790	28,824	644,636	0.000%	-	-	-	-	-	-	-	-	-	-	-	284,144	284,144	0

ELMWOOD APARTMENTS (THE ELMWOOD)

Description:

Elmwood Apartments (County #1323) is a redevelopment district adopted on May 15, 2017. The district encompasses one (1) parcel of land (former 36th Street Business Center) and was established to facilitate the redevelopment of the property into a five-story, 70-unit apartment (with 17 affordable units) and 4,400 sq/ft of retail space. On September 18, 2017 the EDA entered into a revised contract for private redevelopment with 36th Street LLC and agreed to provide a pay-as-you-go note in the amount of \$950,000. The Redeveloper agreed to reserve 24% of the residential units for households earning 60% of Area Median Income (AMI) for at least 25 years following building occupancy. On April 4, 2022, the EDA issued the TIF note for the full amount to the developer.



Adopted.....	05/15/2017
Certified Date.....	06/30/2017
First Increment.....	7/1/2019
Decertifies.....	12/31/2044
Anticipated decert date.....	12/31/2026

Former and Current PID Numbers:

Property Address	Foremer PID #	Former Use	New PID #	New Use
5605 36th Street West	16-117-21-34-0073	36th St Business Ctr	Same as former PID	Sr. Apartments over retail

ELMWOOD APARTMENTS CONTINUED

Fiscal Disparities Election: The City will elect to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 124.605%

Obligations:

It is anticipated there will be one (1) PAYGO Note in this district as follows:

- **\$950,000** at 4.25%. The Note was issued on April 4, 2022 and is paid with 95% of the TIF generated from the project.

Other Development Agreement Compliance:

1. **Minimum Assessment Agreement.** The minimum market value as of January 2, 2019, shall be \$8,100,000 and \$16,200,000 as of January 2, 2020. The Assessment Agreement shall be in place until the TIF Note is paid in full or the TIF District terminates, whichever is sooner.
2. **Inclusionary Housing.** The Redeveloper agrees to reserve at least 24% of the units for household earning 60% of the Area Median Income for at least 25 years following building occupancy. The monthly rental price shall include rent and utility costs as determined annually by MHFA for the Housing Tax Credit Program. The size and design of these units shall be consistent and comparable with the market rate units and is subject to approval of the City. The units shall be distributed throughout the entire project. The units shall have a number of bedrooms in the approximate proportions of the market rate units. The Redeveloper agrees to prepare an affordable housing plan as required in the City's Inclusionary Housing Policy.

ELMWOOD APARTMENTS CONTINUED

Four-Year and Five-Year Rules: All requirements were met for the District.

Geographic Enlargements:

MN Statute 469.175 sub 4 (f) places limits on the length of time a TIF district may add parcels. No parcels may be added five years after the certification date. The district may not be enlarged after June 30, 2022.

Recommendations:

1. ***Inclusionary Housing.*** The Redeveloper agreed to reserve at least 17 of the units for household earning 60% of the Area Median Income for at least 25 years following building occupancy. We recommend that staff continue to review and retain the required documentation to assure compliance.

ELMWOOD APARTMENTS CONTINUED

DISTRICT INFORMATION				
	ORIGINAL	HSS	Geo. Enlargement	
District Type	Redevelopment			
Project Area				
Fiscal Disparities	B Election			
County Number	1323			
Frozen Rate	UTA #1	124.605%	0.000%	0.000%
	UTA #2	0.000%		
	UTA #3	0.000%		

ASSUMPTIONS	
Interest Income	0.50%
Admin Expense	3.00%

RECOMMENDATIONS	
1) Limited Pooling options available	
2) Budget Mod: Not Recommended at this time	
3) Admin. Expense is currently:	3.9%

TIF PLAN BUDGET ANALYSIS																	
	First Receipt	City Approved	Cert Request	Decertifies			Revenues			Expenditures						Total Budget	
				Certified	Legal Term	Expected Term	Tax Increment	Interest Income	TOTAL REVENUES	Project	Paygo	Admin Expense	County Admin	Other Expense	TOTAL EXPENSE		
Original Budget	2019	5/15/2017	6/27/2017	6/30/2017	12/31/2044	12/31/2026				-						-	
Cumulative Modified							8,809,580	880,958	9,690,538	4,764,886	4,044,694		880,958			9,690,538	9,690,538
End of District Projected Actual Total							-	-	1,283,213	-	-	-	-	-	-	1,283,214	-
Under / (Over) Budget							8,809,580	880,958	8,407,325	4,764,886	4,044,694	-	880,958	-	-	8,407,324	9,690,538

CASH FLOW PROJECTIONS ROLL UP																		
TIF Year	Year	TAX CAPACITY					Current Local Tax Rate	Revenues			Expenditures					Increment Returned	TOTAL EXPENSE	Ending Balance
		Base	Current	Fiscal Disparities	Captured			Tax Increment	Interest Income	TOTAL REVENUES	Project	Paygo	Admin Expense	County Admin				
3	2021	21,250	202,500	-	181,250	117.845%	212,825	357	213,182	-		8,544	852	-	9,396	207,281		
4	2022	21,250	202,500	-	181,250	119.089%	215,071	(172)	214,899	-	304,342	4,557	956	-	309,855	112,325		
5	2023	21,250	202,500	-	181,250	117.742%	212,639		212,639	-	203,162	6,379	956	-	210,498	114,466		
6	2024	21,250	202,500	-	181,250	117.742%	212,639		212,639	-	202,007	6,379	956	-	209,342	117,763		
7	2025	21,250	202,500	-	181,250	117.742%	212,639		212,639	-	202,007	6,379	956	-	209,342	121,060		
8	2026	21,250	202,500	-	181,250	117.742%	212,639		212,639	-	202,007	6,379	956	-	209,342	124,356		
9	2027	21,250	202,500	-	181,250	0.000%	-		-	-	8,647	-		115,710	124,357	(0)		

WOODDALE STATION

Description:

Wooddale Station (County #1324) is a redevelopment district adopted on May 1, 2017. The district encompasses ten (10) parcels of land (former McGarvey Coffee and others) and was established to facilitate the redevelopment of the properties into 200 affordable apartments, 99 market rate apartments, 110-room hotel, 16,261 sq/ft commercial space and a 10,800 sq/ft Greenhouse/E-Generation facility. The development incorporates a mix of renewable energy



sources, including an anaerobic digester, wind turbines and solar panels, which will provide 90% of the heat and power for the development. The entire development is designed to achieve LEED certification. The development also includes a mobility plan to lessen the traffic impact in the area, including car-free living, car share, bike share, multiple onsite live/work opportunities, transit passes and a local shuttle.



On May 1, 2017 the EDA entered into a Purchase and Redevelopment contract with PLACE E-Generation One LLC and agreed to sell the redevelopment site and provide PLACE with a pay-as-you-go note in the total amount of \$5,660,000. The 1st amendment was dated November 6, 2017. The 2nd amendment was dated December 18, 2017. The 3rd amendment was dated May 7, 2018, the 4th amendment was dated November 5, 2018 and the 5th amendment was dated June 17, 2019. The 6th amendment was approved on April 20, 2020. To date, demolition and remediation of the North parcel has been completed and building construction has commenced. The south side of PLACE project did not proceed. As a result, the TIF note was reduced to \$3,377,236, per the 6th amendment. The south side of the district is expected to be decertified for a new multi-family redevelopment project in a new TIF district.

WOODALE STATION CONTINUED

Adopted.....	05/01/2017
Certified Date.....	06/30/2017
First Increment.....	07/01/2021
Decertifies.....	12/31/2046
Anticipated decert date.....	12/31/2030

Former and Current PID Numbers:

Property Address	Foremer PID #	Former Use	New PID #	New Use
5815 Hwy 7	16-117-21-31-0079	Vacant	Same as former PID	Mixed Use Development
5725 Hwy 7	16-117-21-31-0078	Frmr industrial bldg	Same as former PID	
3520 Yosemite	16-117-21-31-0002	Rail ROW	Same as former PID	
5925 Hwy 7	16-117-21-31-0071	Vacant	Same as former PID	
5816 36th St W	16-117-21-34-0041	Parking lot	Same as former PID	
5814 36th St W	16-117-21-34-0042	Parking lot	Same as former PID	
3565 Wooddale	16-117-21-34-0069	Commerical bldg	Same as former PID	
3548 Xenwood Ave	16-117-21-31-0076	Rail ROW	Same as former PID	
N/A	ROW	ROW	Same as former PID	
3575 Wooddale	16-117-21-34-0024	Parking lot	Same as former PID	

Fiscal Disparities Election: The City will elect to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 124.605%

WOODALE STATION CONTINUED

Obligations:

It is anticipated there will be one (1) PAYGO Note in this district as follows:

- **\$3,377,236** at the lesser of 5% or the Redeveloper's actual financing rate and paid with 95% of the TIF generated from the project. The Note has not yet been issued.

Other Development Agreement Compliance:

1. **Look Back.** At the time of completion of construction of the Minimum Improvements, if the aggregate total amount of the Public Redevelopment Costs paid or incurred is less than the aggregate total amount of Public Redevelopment Costs, the total assistance provided will be reduced on a dollar-for-dollar basis and the principal amount of the TIF Note will be reduced accordingly.

In addition, if the Projected Total Development costs, excluding Public Redevelopment Costs (in Schedule E of the Development Agreement), are less than the Projected Total Development Costs, the principal amount of the Note will be reduced by 50% of the excess of the Projected Total Development Costs over the actual Total Development Costs paid or incurred by the Redeveloper.

2. **Minimum Assessment Agreement.** As of January 2, 2019 the minimum market value for the North Side Apartments Components, shall be \$18,100,000, the minimum market value for the North Commercial Space Component shall be \$390,600, the minimum market value for the E-Generation Facility Component shall be \$108,000. As of January 2, 2020 and each January 2 thereafter, the minimum market value for the North Apartments Component shall be \$36,200,000, the minimum market value for the North Commercial Space Component shall be \$781,000, the minimum market value for the E-Generation Facility Component shall be \$216,000. The Assessment Agreement shall be in place until the TIF Note is paid in full or the TIF District terminates, whichever is sooner.

WOODALE STATION CONTINUED

3. **Live/Work Units.** The Redeveloper agrees to design 18 of the units of the North Apartment Component as Live/Work Type I Units, which will include a large working space within the dwelling unit, but no physical storefront.
4. **Inclusionary Housing.** The Redeveloper agrees to reserve 152 units of the North Apartment Component for households earning between 50% and 80% of the Area Median Income for at least 25 years following building occupancy. The monthly rental price shall include rent and utility costs as determined annually by MHFA for the Housing Tax Credit Program. The size and design of these units shall be consistent and comparable with the market rate units and is subject to approval of the City. The units shall be distributed throughout the entire project. The units shall have a number of bedrooms in the approximate proportions the market rate units. The Redeveloper agrees to prepare an affordable housing plan as defined in the City's Inclusionary Housing Policy.
5. **Public Art.** The Redeveloper agrees to incorporate public art curated by the Museum of Outdoor Arts (the "Public Art") throughout the Redevelopment Property. The Public Art will include: (i) community-led art components involving collaboration with local artists, schools, and organizations; (ii) 8 to 10 art installations interwoven into the Urban Forest; (iii) additional pieces to be installed in the Plaza and other publicly accessible pedestrian areas on the Redevelopment Property, as well as affixed to various of the Components; and (iv) multipurpose spaces featuring exhibits and presentations from creatives as well as hosting community gatherings.

Four Year and Five-Year Rules: All requirements were met for the District.

Recommendations:

1. **Lookback.** The project is completed so the lookback should be completed so the TIF Note can be issued.
2. **Inclusionary Housing.** The Redeveloper agreed to reserve at least 18 of the units for household earning between 50% and 80% of the Area Median Income for at least 25 years following building occupancy. We recommend that staff continue to review and retain the required documentation to assure compliance.

BRIDGEWATER BANK

Description:

Bridgewater Bank (County #1325) is a redevelopment district adopted on July 16, 2018. The district encompasses three (3) parcels of land and was established to facilitate the redevelopment of the properties into the corporate headquarters of Bridgewater Bank (39,967 sq/ft), 19,775 sq/ft of additional office, 7,530 sq/ft of retail space and 7,152 sq/ft Bridgewater Bank facility. The project has been completed.

On August 6, 2018 the EDA entered into a contract for Private Redevelopment with Bridgewater Bank and agreed to provide it with a pay-as-you-go note in the amount of \$950,000. In 2021 when the first TIF payment was to be made, the EDA approved paying the PAYGO Note in full and issuing an interfund loan from the EDA Development Fund to be repaid with future TIF receipts at 4% interest.



Adopted.....	08/06/2018
Certified Date.....	05/11/2019
First Increment.....	07/01/2021
Decertifies.....	12/31/2046

BRIDGEWATER BANK CONTINUED

Former and Current PID Numbers:

Property Address	Foremer PID #	Former Use	New PID #	New Use
4424 Excelsior Blvd	06-028-24-43-0064	Vacant	Same as former PID	Office/Retail
4400 Excelsior Blvd	06-028-24-43-0187	Vacant	Same as former PID	
3743 Monterey Drive	06-028-24-43-0065	Vacant	Same as former PID	

Fiscal Disparities Election: The City will elect to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 125.012%

Obligations:

There is one (1) obligation in this district as follows:

- \$951,596 Interfund Loan paid at 4% interest with 90% of the TIF.

Other Development Agreement Compliance:

1. ***Minimum Assessment Agreement.*** As of January 2, 2020, the minimum market value for the development shall be \$5,883,300 and \$11,766,600 as of January 2, 2021. The Assessment Agreement shall be in place until the TIF Note is paid in full.

Four-Year and Five-Year Rules: All requirements were met for the District.

Recommendations: None at this time.

BRIDGEWATER BANK CONTINUED

DISTRICT INFORMATION			
	ORIGINAL	HSS	Geo. Enlargement
District Type	Redevelopment		
Project Area			
Fiscal Disparities	B Election		
County Number	1325		
Frozen Rate	UTA #1 125.012%	0.000%	0.000%
	UTA #2 0.000%		
	UTA #3 0.000%		

ASSUMPTIONS	
Interest Income	0.50%
Admin Expense	3.00%

RECOMMENDATIONS	
1) Limited Pooling options available	
2) Budget Mod: Not Recommended at this time	
3) Admin. Expense is currently:	2.4% At or Under Limit

TIF PLAN BUDGET ANALYSIS																	
	Decertifies						Revenues			Expenditures							
	First Receipt	City Approved	Cert Request	Certified	Legal Term	Expected Term	Tax Increment	Interest Income	TOTAL REVENUES	Project	Paygo	Interfund Loan	Admin Expense	County Admin	Increment Returned	TOTAL EXPENSE	Total Budget
Original Budget	2021	8/6/2018	12/14/2018	5/11/2019	12/31/2046	12/31/2029	5,561,826	556,183	6,118,009	3,454,645	2,385,273		278,091		6,118,009	6,118,009	
Cumulative Modified																	
End of District Projected Actual Total							1,991,166	# (10,921)	1,735,126	-	951,596	183,308	56,711	8,441	-	1,186,715	1,200,056
Under / (Over) Budget							(1,991,166)	10,921	(1,735,126)	-	(951,596)		(56,711)	(8,441)	-	(1,186,715)	(1,016,748)

CASH FLOW PROJECTIONS ROLL UP																		
TIF Year	Year	TAX CAPACITY					Current Local Tax Rate	Revenues			Expenditures					Increment Returned	TOTAL EXPENSE	Ending Balance
		Base	Current	Fiscal Disparities	Captured			Tax Increment	Interest Income	TOTAL REVENUES	Project	Paygo	Interfund Loan	Admin Expense	County Admin			
1	2021	73,948	145,426	23,619	47,859	117.845%	56,196		56,196	-	951,596	15,643	6,380	625	-	974,244	(918,048)	
2	2022	73,948	363,800	105,173	184,679	119.089%	219,139	(2,554)	216,585	-		15,642	3,105	977	-	19,724	(721,186)	
3	2023	73,948	393,920	111,037	208,935	117.742%	245,119	(3,606)	241,513	-		37,368	3,105	977	-	41,450	(521,124)	
4	2024	73,948	393,920	111,037	208,935	117.742%	245,119	(2,606)	242,513	-		32,490	7,354	977	-	40,820	(319,431)	
5	2025	73,948	393,920	111,037	208,935	117.742%	245,119	(1,597)	243,521	-		27,416	7,354	977	-	35,747	(111,657)	
6	2026	73,948	393,920	111,037	208,935	117.742%	245,119	(558)	244,560	-		22,140	7,354	977	-	30,471	102,433	
7	2027	73,948	393,920	111,037	208,935	117.742%	245,119	-	245,119	-		16,652	7,354	977	-	24,983	322,569	
8	2028	73,948	393,920	111,037	208,935	117.742%	245,119	-	245,119	-		10,945	7,354	977	-	19,276	548,411	
9	2029	73,948	393,920	111,037	208,935	117.742%	245,119	-	245,119	-		5,010	7,354	977	-	13,341	780,189	
10	2030	73,948	393,920	111,037	208,935	0.000%	-	-	-	-					-	-	780,189	

PARKWAY RESIDENCES

Description:

Parkway Residences (County #1326) is a redevelopment district adopted on May 18, 2020. The district encompasses six (6) parcels of land and only Phase I (which consists of 95 units of market rate apartments) of a 4-Phase development is in the TIF District. Phases 2 - 4 will produce another 116 market rate apartments as well as rehabilitation of three existing apartment buildings that contain 24 units (total of 235 units). These 24 units will be available at 50% area median income and 6 units available at 60% area median income. On May 18, 2020 the EDA entered into a contract for Private Redevelopment with Parkway Place, LLC, Parkway Flats, LLC, Sela Group LLC, and Sela Investments, LTC., LLP and agreed to provide them with a pay-as-you-go note in the amount of \$3,350,000. On January 12, 2023, the EDA issued the PAYGO Note in the full amount to the developer.



Adopted.....	05/18/2020
Certified Date.....	07/17/2020
First Increment.....	2022
Decertifies.....	12/31/2047

Current PID Numbers:

Former PID #	New PID #	New Use
06-028-24-11-0017	06-028-24-11-0113	Parkway Residences Apartments (95 Units)
06-028-24-11-0018		
06-028-24-11-0019		
06-028-24-11-0020		
06-028-24-11-0021		
06-028-24-11-0022		

PARKWAY RESIDENCES CONTINUED

Fiscal Disparities Election: The City will elect to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 121.682%

Obligations:

There is one (1) PAYGO Note in this district as follows:

- **\$3,350,000** at 3.32%. The Note is paid with 95% of the TIF generated from the project.

Other Development Agreement Compliance:

1. **Commencement and Completion of Phase II.** Developer must commence construction of Phase III by April 30, 2023 and be complete by December 31, 2025. If Phase III fails to commence construction by April 30, 2023, the TIF Note that has been issued will be reduced by \$550,000 per lookback requirements noted in #4 below.
2. **Inclusionary Housing.** The Redeveloper agrees to reserve 24 of the units of the renovation portion of the project for households at or below 50% of the Area Median Income (AMI) and 6 units in Phase I for residents at or below 60% of AMI for at least 25 years following building occupancy. The monthly rental price shall include rent and utility costs as determined annually by MHFA for the Housing Tax Credit Program. The Redeveloper will assist any current residents in the Renovation Component with relocation and moving and transition costs during the Phase I construction period.
3. **Minimum Assessment Agreement.** As of January 2, 2022 the minimum market value for Phase I, shall be \$25,650,000. The Assessment Agreement shall be in place until the TIF Note is paid in full or the TIF District terminates, whichever is sooner.
4. **Look Back.** A portion of the tax increment assistance in the principal amount of \$2,250,000 will be subject to a two-part lookback to be performed by the EDA's Municipal Advisor upon stabilization (defined as the date the Phase I Large

Apartment Component of the Minimum Improvements achieve 93% lease-up). First, if Redeveloper's total actual Public Redevelopment Costs are less than those projected, the principal amount of the TIF Note will be reduced by such difference.

PARKWAY RESIDENCES CONTINUED

Second, if Redeveloper's cash-on-cost return for the Phase I Large Apartment Component exceeds 6%, \$2,250,000 of the principal amount of the TIF Note will be reduced by an amount equal to 50% of the amount that results in a stabilized 6% cash-on-cost return over the term of the TIF Note. In addition to the two-part lookback upon Stabilization, the TIF Note will be subject to adjustment if Redeveloper fails to commence construction of Phase II and/or III of the Minimum Improvements by the dates agreed upon for the commencement of construction for such Phases. The principal amount of the TIF Note will be reduced by \$550,000 for each Phase for which construction has not commenced by the date required under the Contract. The lookback was completed and the TIF Note was issued for the full amount.

Four Year Rule and Five-Year Rules: All requirements were met for the District.

Geographic Enlargements:

MN Statute 469.175 sub 4 (f) places limits on the length of time a TIF district may add parcels. No parcels may be added five years after the certification date. The district may not be enlarged after July 17, 2025.

Recommendations: None at this time.

TEXA TONKA (VOLO)

Description:

Texa Tonka (County #1327) is a housing district adopted on May 18, 2020. The district encompasses nine (9) parcels of land and was established to facilitate the construction of 101-unit apartment building and eleven (11) townhomes with 20% of the units affordable at 50% of the area median income (AMI). On April 5, 2021 the EDA entered into a contract for Private Redevelopment with Texa Tonka Apartments, LLC and agreed to provide them with a pay-as-you-go note in the amount of \$2,600,000. On September 14, 2023, the EDA issued the PAYGO Note in the full amount to the developer.



Adopted.....	04/05/2021
Certified Date.....	05/10/2021
First Increment.....	est 2023
Decertifies.....	12/31/2048

Current PID Numbers:

Current PID	Future Use
08-117-21-33-0165	101 Apartments and 11 Town Homes
08-117-21-33-0166	
08-117-21-33-0167	
08-117-21-33-0168	
08-117-21-33-0169	
08-117-21-33-0170	
08-117-21-33-0171	
08-117-21-33-0172	
08-117-21-33-0173	

TEXA TONKA CONTINUED

Fiscal Disparities Election: The City will elect to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 117.8450%

Obligations:

There is one (1) PAYGO Note in this district as follows:

- **\$2,600,000** at 3.8%. Paid with 95% of the TIF generated from the project.

Other Development Agreement Compliance:

1. **Inclusionary Housing.** The Redeveloper agrees to reserve 23 of the units for households at or below 50% of the AMI for at least 25 years following building occupancy (21 in the apartments and 2 in the town homes). The monthly rental price shall include rent and utility costs as determined annually by MHFA for the Housing Tax Credit Program. The size and design of the units shall be consistent and comparable with the market rate units and shall be distributed throughout the units.
2. **Minimum Assessment Agreement.** As of January 2, 2022, the minimum market value shall be \$7,926,000 and as of January 2, 2021, shall be \$21,136,000 and as of January 2, 2024, shall be \$26,240,000. The Assessment Agreement shall be in place until the TIF Note is paid in full or the TIF District terminates, whichever is sooner.
3. **Property Sale or Refinance.** If the Redeveloper sells the property to an unrelated third party or refinances within the first 6 years after issuance of a CO, a lookback calculation has to be completed. Based upon review of the financials, if the returns exceed a 10% cash-on-cash (COC) return, then 50% of the amount that exceeds the annual 10% cumulative COC will be applied to reduce the principal amount of the Note.

TEXA TONKA CONTINUED

Four Year and Five-Year Rules: All requirements were met for the District.

Geographic Enlargements:

MN Statute 469.175 sub 4 (f) places limits on the length of time a TIF district may add parcels. No parcels may be added five years after the certification date. The district may not be enlarged after May 10, 2026.

Recommendations: None at this time.

BELTLINE RESIDENCES (CORSA)

Description:

Beltline Residences (County #TBD) is a redevelopment district adopted on September 20, 2021. The district encompasses one (1) parcel of land and was established to facilitate the construction of a 250-unit market rate apartment with 7,449 square feet of retail. On September 20, 2021 the EDA entered into a contract for Private Redevelopment with Beltline Residences, LLC and agreed to provide them with a pay-as-you-go note in the amount of \$5,200,000.



Adopted.....	09/18/21
Certified Date.....	TBD
First Increment.....	est 2024
Decertifies.....	12/31/2049

Current PID Numbers:

Current PID #	Future Use
06-028-24-31-0015	250 Apartments and 7,445 Sq. Ft Commercial

Fiscal Disparities Election: The City will elect to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: TBD

BELTLINE RESIDENCES CONTINUED

Obligations:

It is anticipated there will be one (1) PAYGO Note in this district as follows:

- \$5,200,000 and paid with 95% of the TIF generated from the project. The Note has not yet been issued.

Other Development Agreement Compliance:

1. **Inclusionary Housing**. The Redeveloper agrees to reserve at least 10% of the units for households at or below 50% of the Area Median Income (AMI) for at least 25 years following building occupancy. The monthly rental price shall include rent and utility costs as determined annually by MHFA for the Housing Tax Credit Program.
2. **Minimum Assessment Agreement**. As of January 2, 2023 the minimum market value shall be \$31,180,625 and as of January 2, 2023 the minimum market value shall be \$64,361,250. The Assessment Agreement shall be in place until the TIF Note is paid in full or the TIF District terminates, whichever is sooner.
3. **Look Back**. The tax increment assistance will be subject to a three-part lookback to be performed by the EDA's Municipal Advisor upon stabilization (defined as 95% of units are leased and rental obligations have commenced). First, if Redeveloper's total actual Public Redevelopment Costs are less than those projected, the principal amount of the TIF Note will be reduced by such difference. Second, if Redeveloper's cash-on-cost (COC) return exceeds 6.5%, the principal amount of the TIF Note will be reduced by an amount equal to 50% of the difference between the actual NOI and the amount of NOI that would result in an annual COC equal to 6.5% over the term of the Note. Third, if the Redeveloper sells during the first eight (8) years after issuance of a CO the City's Municipal Advisor will review all costs, rents and operating expenses from the date of the TIF agreement to the day of sale. Based upon the review if the actual COC exceeds 6.5%, then an amount equal to 50% of the difference between the net amounts actual received by the Redeveloper and the net amounts that would be required by the Redeveloper to result in an annual COC of 6.5% will go to reduce the principal amount of the TIF note.

BELTLINE RESIDENCES CONTINUED

Four Year and Five-Year Rules: All requirements were met for the District.

Geographic Enlargements:

MN Statute 469.175 sub 4 (f) places limits on the length of time a TIF district may add parcels. No parcels may be added five years after the certification date. The district may not be enlarged after a date July 20, 2027.

Recommendations: None at this time.

RISE ON 7

Description:

Rise on 7 (County #TBD) is a housing district adopted on June 6, 2022. The district encompasses one (1) parcel of land and was established to facilitate the construction of a 120-unit affordable apartment containing a 6,000 square foot daycare with half of the daycare spaces reserved for affordable childcare. On July 1, 2022 the EDA entered into a contract for Private Redevelopment with CB SLP Housing Limited Partnership and agreed to provide them with a deferred loan of \$1,800,000, which the EDA capitalized via the AHTF and created a interfund loan to have the TIF district repay all or a portion of the loan.



Adopted.....	06/06/2022
Certified Date.....	07/20/2022
First Increment.....	est 2024
Decertifies.....	12/31/2049

Current PID Numbers:

Current PID	New Use
18-117-21-44-0006	120 Aff. Apartments and 6,000 Sq. Ft. Daycare

Fiscal Disparities Election: The City will elect to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 119.0890%

RISE ON 7 CONTINUED

Obligations:

It is anticipated there will be one (1) interfund loan from the Affordable Housing Trust Fund to this district as follows:

- **\$1,800,000** at 4% interest and paid with 95% of the TIF generated from the project. Upon completion of the development, the EDA shall provide the proceeds of the interfund loan to the Redeveloper as a deferred loan. The Redeveloper would repay any remaining principal on the interfund loan not paid by TIF, plus 1% interest at the earlier of 40 years, sale, refinance, or re-syndication of the development.

Other Development Agreement Compliance:

1. **Inclusionary Housing**. The Redeveloper agrees for a period of at least 26 years following building occupancy to 1) reserve at least 40% of the units for households at or below 60% of the Area Median Income (AMI) for purposes of complying with the TIF Act; 2) at least 21 units will be reserved for households at or below 50% AMI; 3) at least 22 units will be reserved for households at or below 40% AMI; and 4) at least 19 units will be reserved for households at or below 30% AMI. The monthly rental price shall include rent and utility costs as determined annually by MHFA for the Housing Tax Credit Program.
2. **Minimum Assessment Agreement**. As of January 2, 2023, the minimum market value shall be \$5,250,000, as of January 2, 2024, the minimum market value shall be \$15,750,000, and as of January 2, 2025, the minimum market value shall be \$21,000,000. The Assessment Agreement shall be in place until the Interfund Loan is paid in full or the TIF District terminates, whichever is sooner.
3. **Daycare**. The Daycare Owner will provide childcare at affordable rates for half the children that attend. At least 15 childcare spaces will be reserved for residents of the development.

RISE ON 7 CONTINUED

4. **Lookback**. The deferred loan will be subject to a lookback at time of construction completion. If Redeveloper's total actual Public Redevelopment Costs are less than those projected, the principal amount of the deferred loan will be reduced by such difference.
5. **Affordable Tax Classification**. In the event the State reduces the tax classification rate for affordable apartments and results in a corresponding reduction in annual property taxes, the Redeveloper will make an annual principal payment on the deferred loan in an amount equal to the reduction in annual property taxes.

Four Year and Five Year Rules: All requirements were met for the District.

Geographic Enlargements:

MN Statute 469.175 sub 4 (f) places limits on the length of time a TIF district may add parcels. No parcels may be added five years after the certification date. The district may not be enlarged after July 20, 2027.

Recommendations: None at this time.

9920 WAYZATA BOULEVARD (MERA)

Description:

9920 Wayzat Boulevard (County #TBD) is a housing district adopted on March 21, 2022. The district encompasses two (2) parcels of land and adjacent right-of-way vacated by the City. It was established to facilitate the construction of a 233-unit mixed income apartment. On March 21, 2022 the EDA entered into a contract for private redevelopment with Bigos-9920 Wayzata, LLC and agreed to provide them a \$6,300,000 PAYGO note.

Adopted.....	03/21/2022
Certified Date.....	07/20/2022
First Increment.....	2024
Decertifies.....	12/31/2049



Current PID Numbers:

Current PID	New Use
01-117-22-14-0002	233 Apartments
01-117-22-14-0018	
Right-of-Way	

Fiscal Disparities Election: The City will elect to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 120.8480%

9920 WAYZATA BOULEVARD CONTINUED

Obligations:

It is anticipated there will be one (1) PAYGO Note in this district as follows:

- \$6,300,000 and paid with 95% of the TIF generated from the project. The Note has not yet been issued.

Other Development Agreement Compliance:

1. **Affordable Tax Classification (4d)**. In the event the State reduces the tax classification rate for affordable apartments the developer shall exchange the Note for a replacement issued in a principal amount determined based on revised projections of Available TIF as calculated by the EDA or its TIF consultant.
2. **Inclusionary Housing**. The Redeveloper agrees to reserve at least 20% of the units for households at or below 50% of the Area Median Income (AMI) for at least 25 years following building occupancy. The monthly rental price shall include rent and utility costs as determined annually by MHFA for the Housing Tax Credit Program.
3. **Minimum Assessment Agreement**. As of January 2, 2023, the minimum market value shall be \$14,562,500, as of January 2, 2024, the minimum market value shall be \$43,687,500, and as of January 2, 2025, the minimum market value shall be \$58,250,000. The Assessment Agreement shall be in place until the TIF Note is paid in full or the TIF District terminates, whichever is sooner.
4. **Look Back**. The tax increment assistance will be subject to a three-part lookback to be performed by the EDA's Municipal Advisor upon stabilization (defined as 95% of units are leased and rental obligations have commenced). First, if Redeveloper's total actual Public Redevelopment Costs are less than those projected, the principal amount of the TIF Note will be reduced by such difference. Second, if Redeveloper's cash-on-cash (COC) return exceeds 10% on a cumulative basis, the principal amount of the TIF Note will be reduced by an amount equal to 50% of the amount that results in a COC return equal to 10% over the term of the TIF Note. Third, if the Redeveloper sells the property or refinances during the first fourteen and a half (14.5) years

9920 WAYZATA BOULEVARD CONTINUED

after issuance of a certificate of completion, if the Redeveloper's cumulative COC return exceeds 10% then the principal amount of the TIF Note will be reduced by an amount equal to 50% of the amount that exceeds the annual 10% cumulative COC over the term of the TIF Note.

Four Year and Five-Year Rules: All requirements were met for the District.

Geographic Enlargements:

MN Statute 469.175 sub 4 (f) places limits on the length of time a TIF district may add parcels. No parcels may be added five years after the certification date. The district may not be enlarged after July 20, 2027.

Recommendations: None at this time.

WOODDALE AVENUE APARTMENTS (ARBOR HOUSE)

Description:

Beltline Wooddale Avenue Apartments (County #TBD) is a housing district adopted on June 6, 2022. The district encompasses one (1) parcel of land and was established to facilitate the construction of a 114-unit affordable apartment. On July 6, 2022 the EDA entered into a contract for private redevelopment with St. Louis Park AHL LLLP and agreed to provide them a \$940,000 PAYGO note and \$850,000 deferred loan.



Adopted.....	06/06/2022
Certified Date.....	07/20/2022
First Increment.....	est 2024
Decertifies.....	12/31/2049

Current PID Numbers:

Current PID	New Use
21-117-21-21-0111	114 Aff. Apartments

Fiscal Disparities Election: The City will elect to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: 119.0890%

WOODALE AVENUE APARTMENTS CONTINUED

Obligations:

While it is anticipated there will only be one (1) PAYGO Note in the district and one (1) deferred loan from the Affordable Housing Trust Fund as follows:

- **\$940,000** and paid with 95% of the TIF generated from the project. The Note has not yet been issued.
- **\$850,000** deferred loan with 0% interest. The Redeveloper would repay the deferred loan in full at the earlier of 25 years, sale, refinance, or re-syndication of the development.

Other Development Agreement Compliance:

1. **Inclusionary Housing**. The Redeveloper agrees for a period of at least 26 years following building occupancy to 1) reserve at least 40% of the units for households at or below 60% of the Area Median Income (AMI) for purposes of complying with the TIF Act; 2) at least 5 units will be reserved for households at or below 50% AMI; and 3) at least 5 units will be reserved for households at or below 30% AMI. The monthly rental price shall include rent and utility costs as determined annually by MHFA for the Housing Tax Credit Program.
2. **Minimum Assessment Agreement**. As of January 2, 2023, the minimum market value shall be \$4,987,500, as of January 2, 2024 the minimum market value shall be \$14,962,500, and as of January 2, 2025, the minimum market value shall be \$19,950,000. The Assessment Agreement shall be in place until the TIF Note is paid in full or the TIF District terminates, whichever is sooner.

WOODALE AVENUE APARTMENTS CONTINUED

3. ***Look Back.*** The tax increment assistance will be subject to a two-part lookback to be performed by the EDA's Municipal Advisor. First, at time of construction completion, if Redeveloper's total actual Public Redevelopment Costs are less than those projected, the principal amount of the TIF Note will be reduced by such difference. Second, if the Redeveloper sells, transfers, or re-syndicates the development during the term of the TIF Note, then the public assistance will be terminated, and the EDA will no longer make any tax increment payments.

Four Year Rule:

MN Statute 469.176 sub 6 requires that, within four years from certification date, certain activities must have taken place on each parcel within the TIF district. Required activities include demolition, rehabilitation, renovation and site improvements. The four-year deadline is July 20, 2026.

Five Year Rule:

Five-year rule does not pertain to housing districts since pursuant to MN Statute 469.1763 subd. 2 (b), activities for affordable housing projects spent in the project area is considered an activity within the district.

Geographic Enlargements:

MN Statute 469.175 sub 4 (f) places limits on the length of time a TIF district may add parcels. No parcels may be added five years after the certification date. The district may not be enlarged after July 20, 2027.

Recommendations: None at this time.

BELTLINE STATION 1

Description:

Beltline Station 1 (County #TBD) is a housing district adopted on June 6, 2022. The district encompasses two (2) parcels of land and was established to facilitate the construction of an 82-unit affordable apartment.

Adopted.....	06/06/2022
Certified Date.....	TBD
First Increment.....est...	2025
Decertifies.....	12/31/2050



Current PID Numbers:

Current PID	New Use
06-028-24-12-0091	82 Aff. Apartments
06-028-24-13-0003	

Fiscal Disparities Election: The City will elect to calculate fiscal disparities from inside (B election) the district.

Frozen Tax Rate: TBD

Obligations:

It is anticipated there will be one (1) PAYGO Note and one (1) deferred loan in this district as follows:

- **\$1,442,847** PAYGO Note and paid with 95% of the TIF generated from the project. The Note has not yet been issued.
- **\$980,238** deferred loan with 0% interest. The Redeveloper would repay the deferred loan in full at the earlier of 25 years, sale, refinance, or re-syndication of the development.

BELTLINE STATION 1 CONTINUED

Other Development Agreement Compliance:

1. **Commencement and Completion of Construction.** The Redeveloper shall commence construction by August 31, 2022, and be substantially completed by August 31, 2024.
2. **Inclusionary Housing.** The Redeveloper agrees for a period of at least 30 years following building occupancy to 1) reserve at least 40% of the units for households at or below 60% of the Area Median Income (AMI) for purposes of complying with the TIF Act; and 2) at least 5 units will be reserved for households at or below 30% AMI. The monthly rental price shall include rent and utility costs as determined annually by MHFA for the Housing Tax Credit Program.
3. **Minimum Assessment Agreement.** As of January 2, 2024, the minimum market value shall be \$7,175,000 and as of January 2, 2025, the minimum market value shall be \$14,350,000. The Assessment Agreement shall be in place until the TIF Note is paid in full or the TIF District terminates, whichever is sooner.
4. **Look Back.** The tax increment assistance will be subject to a two-part lookback to be performed by the EDA's Municipal Advisor. First, at time of construction completion, if Redeveloper's total actual Public Redevelopment Costs are less than those projected, the principal amount of the TIF Note will be reduced by such difference. Second, if the Redeveloper sells, transfers, or re-syndicates the development during the term of the TIF Note, then the public assistance will be terminated, and the EDA will no longer make any tax increment payments.

Four Year Rule:

MN Statute 469.176 sub 6 requires that, within four years from certification date, certain activities must have taken place on each parcel within the TIF district. Required activities include demolition, rehabilitation, renovation and site improvements. The four-year deadline is TBD.

BELTLINE STATION 1 CONTINUED

Five Year Rule:

Five-year rule does not pertain to housing districts since pursuant to MN Statute 469.1763 subd. 2 (b), activities for affordable housing projects spent in the project area is considered an activity within the district.

Geographic Enlargements:

MN Statute 469.175 sub 4 (f) places limits on the length of time a TIF district may add parcels. No parcels may be added five years after the certification date. The district may not be enlarged after TBD.

Recommendations: None at this time.

BELTLINE STATION 2

Description:

Beltline Station 2 (County #TBD) is a renewal and renovation district adopted on June 6, 2022. The district encompasses six (6) parcels of land and as well as adjacent right of way. It was established to facilitate the construction of 302 units of market rate rental housing, 23,376 square feet of retail, and a 546 stall parking ramp. In addition to the two PAYGO notes provided, the EDA provided a \$1,554,000 grant from its 2021 Spending Plan dollars.



Adopted.....	06/06/2022
Certified Date.....	TBD
First Increment.....	est 2025
Decertifies.....	12/31/2040

Current PID Numbers:

Current PID	New Use
Right-of-Way	156 Apartments, 23,376 Sq. Ft. Retail, and Parking Ramp
06-028-24-24-0046	
06-028-24-13-0003	146 Apartments
06-028-24-13-0004	
06-028-24-12-0105	Vacant
06-028-24-24-0003	
06-028-24-12-0091	

Fiscal Disparities Election: The City will elect to calculate fiscal disparities from inside (B election) the district.

BELTLINE STATION 2 CONTINUED

Frozen Tax Rate: TBD

Obligations:

It is anticipated there will be two (2) PAYGO Note in this district as follows:

- **\$5,088,472** and paid with 95% of the TIF generated from the market rate apartment project. The Note has not yet been issued.
- **\$5,751,036** and paid with 95% of the TIF generated from the mixed-use project. The Note has not yet been issued.

Four Year Rule:

MN Statute 469.176 sub 6 requires that, within four years from certification date, certain activities must have taken place on each parcel within the TIF district. Required activities include demolition, rehabilitation, renovation and site improvements. The four-year deadline is TBD.

Five Year Rule:

At least 80% of tax increment revenues must be used to pay for qualified costs within the district. Statute further specifies that within five years, tax increment must be paid to a third party for activities or bonds issued in order for revenues to be considered to have been spent. This date is TBD.

Geographic Enlargements:

MN Statute 469.175 sub 4 (f) places limits on the length of time a TIF district may add parcels. No parcels may be added five years after the certification date. The district may not be enlarged after a date TBD.

Recommendations: None at this time.

Definitions

Administrative expenses. “Administrative expenses” means all expenditures other than: amounts paid for the purchase of land; amounts paid to contractors or others providing materials and services, including architectural and engineering services, directly connected with the physical development of the property in the project; relocation benefits paid to or services provided for persons residing or businesses located in the project; amounts used to pay principal or interest on, fund a reserve for, or sell at a discount bonds issued, or amounts used to pay other financial obligations to the extent those obligations were used to finance costs, “administrative expenses” includes amounts paid for services provided by bond counsel, fiscal consultants, and planning or economic development consultants, city staff and property maintenance.

Bonds. Bonds or other obligations include: refunding bonds, paygo notes, interim certificates, debentures; and interfund loans or advances.

Captured net tax capacity. “Captured net tax capacity” means the amount by which the current net tax capacity of a tax increment financing district or an extended subdistrict exceeds the original net tax capacity.

Five Year Rule. Within five years from certification, certain financing activities must take place in the district in order to retain the ability to collect increment from the district as a whole. These financing activities include issuing bonds, paying revenues to a third party or expending dollars on qualified costs. For certain districts, no additional obligations may be entered into after the five years have elapsed. Beginning in the sixth year following certification of the district, increment may only be used to pay, subject to applicable restrictions for in-district use, outstanding obligations, and amounts for housing projects, as subject to limitations regarding pooling percentages and district type.

Four Year Rule. Within four years from certification, certain improvements must be made to each parcel or to a street adjacent to the parcel in order for the Authority to retain the ability to capture increment from that parcel. If no activities take place, the parcel is ‘knocked down’ from the district and no increment is collected on that parcel. If those activities subsequently take place, the authority must notify the county in order to collect future increment from the parcel. Activities include: demolition, rehabilitation, renovation, site preparation and improvement of a street adjacent to a parcel. Qualified street improvements are limited to construction or opening of a new street, relocation of a street, and substantial reconstruction or rebuilding of an existing street.

Housing district. "Housing district" means a type of tax increment financing district which consists of a project, or a portion of a project, intended for occupancy, in part, by persons or families of low and moderate income (minimum of 20% of the units affordable at 50% AMI or 40% at 60% AMI). The duration of a Housing District is 25 years after the first receipt of increment.

Increment Revenue. "Tax increment revenues" include: taxes paid by the captured net tax capacity, proceeds from the sale or lease of property that was purchased with tax increments, principal and interest received on loans or other advances made by the authority with tax increment.

Original net tax capacity. "original net tax capacity" means the tax capacity of all taxable real property within a tax increment financing district as certified by the commissioner of revenue for the previous assessment year.

Tax increment financing district. "Tax increment financing district" or "district" means a contiguous or noncontiguous geographic area within a project delineated in the tax increment financing plan, for the purpose of financing redevelopment, housing or economic development in municipalities through the use of tax increment generated from the captured net tax capacity in the tax increment financing district.

Project Area "Project Area" means a defined geographic area in which tax increment districts may be established. The project area may be larger than or equal to the size of the district (City's project area is coterminous with the corporate boundaries of the City). A Project Area Plan is adopted that outlines the conditions in the district and the statutory authority under which development or redevelopment will take place.

Redevelopment district. "Redevelopment district" means a type of tax increment financing district within which the authority finds by resolution that more than 50% of the buildings are considered to be blighted and the blighted buildings are reasonably distributed throughout the district. The duration of a Redevelopment District is 25 years after the receipt of first increment.

Renewal and renovation district. "Renewal and renovation district" means a type of tax increment financing district within which the authority finds by resolution that at least 30% of the buildings are blighted and the remaining parcels and the remaining buildings require substantial renovation or clearance to remove existing conditions. The qualification rules are less stringent than a Redevelopment District. The duration of a Renewal and Renovation District is 15 years after the receipt of first increment.

City Map of the TIF Districts

