



AGENDA

Economic Development Commission Meeting

In-Person / Electronic Meeting

New Brighton City Hall; 803 Old Hwy 8 NW

Upper Level Conference Room / Zoom

June 1st, 2022 | 7:30 a.m.

- **Attend the meeting in Person:** Members of the Economic Development Commission and members of the public may attend the meeting in person. Attendees are required to wear masks and comply with social distancing parameters regardless of vaccination status.
- **Watch the meeting electronically:** To observe the meeting electronically, visit [the City website](#) or tune into CTV Channel 8023 (CenturyLink) or Channel 16 (Comcast).
- **Join the meeting electronically:** Members of the Economic Development Commission may also attend the meeting remotely pursuant to MN Statutes 13D.021. If you would like to interact with our public officials or staff but are not comfortable or able to attend the meeting in person, you may join the meeting electronically by clicking: <https://us02web.zoom.us/j/89862402361?pwd=MWtPeIRNTGt2RmR2TktwSkM0R1VHdz09> (no app needed) or use your Zoom app to join by entering: Meeting ID: 898 6240 2361 and Passcode: 867530.

I. Call to Order

II. Roll Call*

- | | |
|---|---|
| <input type="checkbox"/> Chair Harry Carter | <input type="checkbox"/> Commissioner Mike Murlowski |
| <input type="checkbox"/> Vice Chair Jacqui Sauter | <input type="checkbox"/> Commissioner Victoria Prasek |
| <input type="checkbox"/> Commissioner Anthony Pledger | <input type="checkbox"/> Commissioner Bob Benke |
| <input type="checkbox"/> Commissioner Faycal Belkhous | <input type="checkbox"/> Commissioner Paul Zisla |
| <input type="checkbox"/> Commissioner Michele Norman | |

III. Approval of Agenda

IV. Approval of the May 4th, 2022 Meeting Minutes

V. Report from City Council Liaison

* A quorum of the City Council may be present.

VI. Business Items

1. Tax Increment Financing (TIF) Overview
2. 2022 TIF Management Plan Report Overview

VII. Adjournment



MINUTES
New Brighton Economic Development Commission
Regular Meeting – May 4, 2022
7:30 a.m.

I. Call to Order

Chair Carter called the meeting to order at 7:30 a.m.

II. Roll Call

Members Present.....Chair Harry Carter, Commissioners Faycal Belkhous (arrived at 7:40 a.m.), Bob Benke, Mike Murlowski, Michele Norman, Anthony Pledger, Victoria Prasek, Jacqui Sauter and Paul Zisla

Members Absent.....None

Also PresentBen Gozola – Assistant Director of Community Assets and Development, Jill Cady – DCAD Technician and Councilmember Pam Axberg

III. Approval of Agenda

Motion by Commissioner Sauter, seconded by Commissioner Zisla to approve the agenda as presented.

Approved 8-0

IV. Approval of Minutes

Motion by Commissioner Zisla, seconded by Commissioner Norman to approve the minutes from the March 2, 2022 meeting.

Approved 8-0

V. Report from Council Liaison

Councilmember Axberg provided the EDC with an update from the City Council. She encouraged residents to participate in No Mow May, which encourages awareness around pollinators. She reported more than 300 residents were already participating. She explained goats were brought in to Creek View Park to assist with buckthorn removal. She stated work has already begun on the 2023 budget.

VI. Business Items

A. New Commission Member Introduction

Gozola introduced the newly appointed EDC members Faycal Belkhous, Victoria Prasek and Michele Norman to the Commission. The existing members of the EDC introduced themselves to the new members.

Chair Carter welcomed the new members to the EDC.

B. Overview of Business Outreach Initiative

- **Business Outreach Website**
- **Overview of Business Outreach Spreadsheet**
- **Approval of Next Outreach Newsletter**

Cady stated in the past year the EDC has prioritized cultivating a more open line of communication between staff/commissioners and local businesses. Part of this attempt was creating a business outreach page on the New Brighton website with names and pictures of the current commissioners. This webpage features a sign-up form for any interested businesses owners to receive a quarterly newsletter about relevant business news/city updates; also an opportunity to meet directly with EDC representative Jacqui Sauter to discuss how New Brighton can help business owners reach their goals.

Cady explained since the initial outreach push in October of 2021, we have only received twenty business owners who have indicated an interest in receiving the newsletter and eight who requested to meet directly with a city representative. In light of this, we'd like to bring this topic back to the commission to discuss our new course of action and how we can engage more businesses in a second wave of outreach. Commissioner Sauter has graciously offered to call businesses individually to gain contact information, gauge interest in receiving a newsletter, and potentially working directly with a commissioner from the EDC to accomplish their business goals.

Discussion included:

- The Commission asked that the EDC members be added to the email list.
- Staff commented further on how they were working to collect business email addresses and better contact information for local businesses. Several commission members volunteered to contact businesses in order to get updated contact info. It

was recommended the information that is gathered from the businesses be entered into the City's website.

- Discuss ensued regarding the usability of the City's website and staff noted the City's web provider would be changing.
- The Commission suggested a QR code be created to assist with directing businesses to the form on the City's website. Gozola supported this recommendation and stated business cards could be printed with a QR code for the EDC.
- Staff requested Commissioner Sauter to send her talking point sheet to staff and noted this would be sent to all members to use on their business visits.

C. Visioning Silver Lake Road Study Phase Two Updates

Cady reported the City of New Brighton's Comprehensive Plan, adopted in 2019, identified three of the City's existing commercial nodes along Silver Lake Road as potential areas of improvement. Per this new plan, all three of these areas are now eligible to be redeveloped with a mix of residential, commercial, office, and civic uses. The Silver Lake Road Mixed-Use Planning project will provide the City with needed input to form the zoning districts that will govern these areas. This project has three parts and we are currently in the process of starting part II where we will share the concept plans, interactive maps, and survey that HKGI created based on preliminary feedback from residents in part I. Staff updated the EDC on steps being taken to launch Phase II, and explained how the remainder of the study will play out.

Discussion included:

- Staff noted the outreach that has been conducted to date has been very well received.
- The messaging from the City for this project was reviewed with the EDC.
- The Commission encouraged staff to get the message out that this was a potential plan for the future in order to make people comfortable with the plans for the corridor.
- The redevelopment of the US Bank site was discussed.
- The Commission suggested staff differentiate between the feedback being gathered from residents versus businesses.

D. Public Art Next Steps

The Commission did not discuss this item.

E. Adopt a 2022-2023 EDC Work Plan

Cady stated on the March 2nd EDC meeting Commissioners discussed topics and potential guest speakers that they'd be interested in hearing more about during the coming year. Based on these requests staff created a draft work plan proposal. It was noted a joint meeting

with PTRC would be held on July 6. Staff reviewed the 2022-2023 work plan in further detail with the Commission and requested comments or questions.

Discussion included:

- The Commission suggested short term events and further placemaking be considered as topics for future meetings. It was believed further efforts should be made to encourage residents to remain within the community to spend their dollars for economic development purposes. Staff noted they would look to add event tourism in to a future meeting.

Motion by Commissioner Prasek, seconded by Commissioner Sauter to approve the 2022-2023 EDC Work Plan, adding event tourism to a future meeting.

Approved 9-0

VII. Adjourn

Motion by Commissioner Pledger, seconded by Commissioner Zisla to adjourn the meeting.

Approved 9-0

Meeting adjourned at 8:40 am

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ben Gozola". The signature is stylized with a large, looped "B" and a cursive "G".

Ben Gozola
Assistant Director of Community Assets and Development



Agenda Section: VI
Item: 1
Report Date: 5/24/22
Commission Meeting Date: 6/1/22

REQUEST FOR COMMISISON CONSIDERATION

ITEM DESCRIPTION: Tax Increment Financing (TIF) Overview
DEPARTMENT HEAD'S APPROVAL:
CITY MANAGER'S APPROVAL:
No comments to supplement this report ____ Comments attached ____

Recommendations: ▪ No action requested

History: ▪ For the past 40+ years, the City of New Brighton has successfully utilized Tax Increment Financing as a mechanism to make improvements to areas of the community that otherwise would not be redeveloped. To date, thirty-five (35) different TIF districts have been established (22 of which have since decertified to the benefit of all taxing authorities).

Financial Impact: ▪ **Significant.** The City's TIF districts have been a major catalyst for change and reinvestment in the community.

Summary: ▪ Baker Tilly will begin the meeting on 6/1/22 with background information on how Tax Increment Financing works so all members will understand this very valuable funding tool.

Attachments: none

Ben Gozola, AICP

Assistant Director of Community Assets and Development



Agenda Section:	VI
Item:	2
Report Date:	5/24/22
Commission Meeting Date:	6/1/22

REQUEST FOR COMMISISON CONSIDERATION

ITEM DESCRIPTION:	2022 TIF Management Plan Report Overview
DEPARTMENT HEAD'S APPROVAL:	
CITY MANAGER'S APPROVAL:	
No comments to supplement this report	Comments attached

Recommendations: ▪ **No action requested**

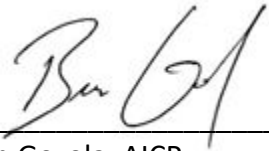
- History:** ▪ For the past 40+ years, the City of New Brighton has successfully utilized Tax Increment Financing as a mechanism to make improvements to areas of the community that otherwise would not be redeveloped. To date, thirty-five (35) different TIF districts have been established (22 of which have since decertified to the benefit of all taxing authorities).
- In late 2019, New Brighton switched to Baker Tilly for financial consulting purposes. This will be Baker Tilly's third snapshot analysis of the City's TIF Districts.

Financial Impact: ▪ **Significant.** The City's TIF districts that are still in effect have seen significant increases in value since their inception. Baker Tilly representatives will walk the Commission through the present status of all currently open districts as part of the upcoming meeting.

- Summary:** ▪ Mikaela Hout from Baker Tilly will provide the latest and greatest data on the status of all active TIF districts in the City, and will answer questions from commissioners.
- The draft "Summary of TIF District – June 2022" report is provided in the packet for your review.

Attachments: A) *General Map of New Brighton TIF Districts*

B) *Summary of TIF Districts (Draft for Review) Baker Tilly Report – June 2022*

A handwritten signature in black ink, appearing to read 'Ben Gozola', positioned above a horizontal line.

Ben Gozola, AICP

Assistant Director of Community Assets and Development



Summary of TIF Districts
DRAFT FOR REVIEW

City of New Brighton, MN
June 2022

BAKER TILLY PROVIDES HIGH QUALITY, INDEPENDENT FINANCIAL AND MANAGEMENT ADVISORY SERVICES TO PUBLIC AND NON-PROFIT ORGANIZATIONS, AND WORKS WITH THEM IN THE LONG-TERM PROCESS OF BUILDING THEIR COMMUNITIES ON A FISCALLY SOUND AND WELL-MANAGED BASIS.

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1. Introduction: Tax Increment Financing District Review

Tax Increment Financing (TIF) uses the increased property taxes generated by increased property tax value within a tax increment financing district to pay for certain eligible costs associated with the development. The value that is “captured” (i.e., the increase in value over the year the TIF district was established) generates “incremental” property taxes that go to the development authority or the city authority rather than to the city, county, school district, and other taxing jurisdictions that normally share in the total local share of a property tax bill. The captured taxes are used to finance eligible project costs such as land acquisition, demolition, public and site improvements, and related administrative costs. The value of the property prior to development (i.e., the “non-captured” portion) continues to generate property taxes which are distributed to all appropriate taxing jurisdictions.

Tax increment is one of the more powerful financing tools that communities have available to assist with meeting development objectives including tax base growth, expansion and retention of desirable jobs, construction of housing (senior, workforce, affordable, mixed income), and redevelopment and revitalization. In addition to assisting core development and redevelopment, peripheral growth outside of the established TIF districts provides a direct benefit to all taxing jurisdictions.

Using the available information, we were able to determine each district’s type which dictates statutory requirements on use, authorized budget authority, and future budget capacity. We prepared a cash flow analysis for each district and projected future revenues & expenditures through the term of existing obligations and districts. In most cases, the TIF Plans authorize the districts to remain open for the entire statutory maximum terms. With this information, we were able to make recommendations for additional spending and the timing of closing districts in the future.

Depending on the statutory authorities for the districts, as individual obligations are fulfilled, the districts may be required to be decertified. Therefore, the estimated fund balances may not reflect actual amounts available for pooling or other projects if individual obligations are already fulfilled and if districts then need to pay the balance to other taxing entities. Depending on the type of district (as further described in this report), the City may have the ability to extend the collection of increment for up to the statutory maximum term of the districts for financing of eligible projects. The estimated amount of increment available for future spending from each district outlined in the report may be adjusted depending on the City’s objectives.



2. Executive Summary: Tax Increment Financing District Review

The primary purpose of the review is to understand the current financial status for each of the City's TIF Districts and to determine what flexibility there may be in each district to deal with excess increments, deficits, pooling, administrative payments, additional expenditures, etc. In preparing this report, Baker Tilly has relied on information provided by the City based on previously prepared reports and district activities. Due to the timing for availability of information, the report is based on a combination of 2019 and 2020 financial data. When available, all estimates will be updated with current information.

For the purpose of this report we have evaluated the City's districts and placed them into separate categories dependent upon the type of district and the date of approval and certification. Statutory powers relate directly to the type and certification dates of a TIF district. The City has currently one type of TIF District: Redevelopment District certified post-1990 as any other types of districts have been decertified. The ability to use tax increment revenues is dependent upon the type and establishing dates of a TIF District.

The City is in compliance with the requirements of each district. Several of the districts are supporting existing pooled debt obligations and have some flexibility regarding the use of future funds. Post-90 districts have less flexibility as outlined in the first sections of the report and were established to assist with development and redevelopment of individual projects within the districts. Once the obligations have been fulfilled, there will be limited opportunities to finance additional projects. The City has been utilizing special legislation that eliminates the restrictions on pooling for several of its districts including TIF District 20 and 26. Available increment from those districts are authorized to be spent on TIF Districts 31 and 32 to reduce the existing district obligation burdens.

Tax Increment has been a benefit to the City of New Brighton with significant tax capacity and market value growth in the TIF districts. As each district is certified, the captured tax capacity is added to the City's tax base as increased tax capacity that wouldn't have occurred but for the use of this tool.

Ongoing, we recommend the City annually review the current status of existing TIF Districts and use available surplus increments to:

- Continue to finance authorized project area and district obligations
- Annually review budgets to determine when/if modifications may be necessary
- Support pooled debt service payments as necessary
- Decertify upon fulfillment of obligations
- Return/use available increment



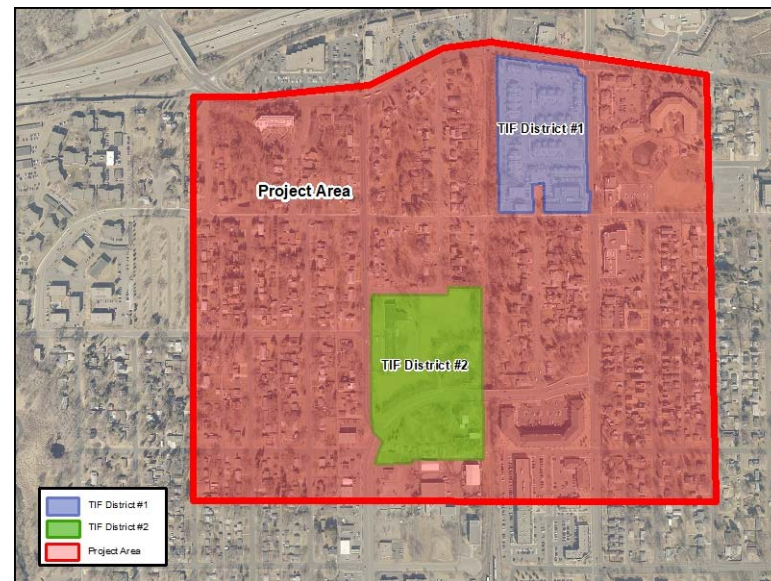
3. Fundamentals of Tax Increment Financing (TIF)

Pooling is described as dollars spent outside the geographic boundaries of a TIF District and, in most cases, within the geographic boundaries of a Project Area. TIF District and Project Area boundaries may be coterminous or the Project Area boundaries may be larger than the TIF District boundaries. The City's TIF Districts have been established within the Development District of the City. A map showing the boundaries of the TIF Districts is included in Section 5.

Project Area and TIF District can be the same



Project Area can be larger than the TIF District





3. Fundamentals of Tax Increment Financing (TIF)

Pre-90 Districts

Pre-90 districts have considerable flexibility regarding the use of tax increment. These districts are generally not subject to the pooling percentage limitations and the timing rules that were implemented in later years for Tax Increment Financing Districts. The City's pre-90 districts have been decertified.

Post-90 Districts

Post-90 districts are subject to the pooling percentage limitations for individual districts and the timing rules as further described.

Pooling Percentage Limitations

For redevelopment districts, at least 75% of the tax increments from a TIF District must be expended on activities within the district or to pay for bonds used to finance the estimated public costs of the TIF District. No more than 25% of the tax increments may be spent on costs outside of the TIF District but within the boundaries of the Project Area. All administrative expenses are considered to have been spent outside of the TIF District.

Pooled tax increment from a housing district may be used to fund other eligible housing-related costs outside of the geographic boundaries of the TIF District and within the Project Area without pooling percentage or timing limitations. However, the use of pooled tax increment from the housing district is limited to qualifying affordable housing projects.

In order to exercise the pooling opportunities described above, the TIF Plan for the TIF District(s) must provide authority regarding the use of tax increment funds. In addition, for Redevelopment Districts, the pooling activities must occur within the Project Area. When considering future potential pooling activities, the City should verify that the activities are within the TIF Districts and/or Project Areas. In addition, based on the restrictions outlined above, it should be verified that the anticipated expenditure is within the pooling percentage limitations as described. The summaries for each individual district will outline the estimated pooling opportunities for each district.

Three Year Rule:

Minnesota Statutes section 469.176 sub 1a was repealed in 2005. However, the requirement is still effective for districts that were established when the rule was in effect. The three-year rule states that, within three years from certification date, bonds must be issued; the authority has acquired land or has caused public improvements to be constructed in the district.



3. Fundamentals of Tax Increment Financing (TIF)

Four Year Rule:

Minnesota Statutes section 469.176 sub 6 requires that, within four years from certification date, certain activities must have taken place on each parcel with the TIF district. Required activities include demolition, rehabilitation, renovation and site improvements. If these activities have not taken place within the required time, the parcel is 'knocked down' from the district, meaning, that no increment may be collected from that individual parcel for the duration of the district. The law does, however, allow for reinstatement procedures should the required activity later occur on the parcel.

Five Year Rule

For post-90 districts, the majority of activities of the district must occur within 5 years of certification. After 5 years, spending is limited to existing obligations, administrative expenses and limited future activities that are subject to the pooling percentage limitations. In order to qualify under the 5-year rule, tax increments are considered to have been spent within a TIF District if such amounts are:

- actually paid to a third party for activities performed within the TIF District within five years after certification of the district.
- used to pay bonds that were issued and sold to a third party, the proceeds of which are reasonably expected on the date of issuance to be spent within the later of the five-year period or a reasonable temporary period or are deposited in a reasonably required reserve or replacement fund.
- used to make payments or reimbursements to a third party under binding contracts for activities performed within the TIF District, which were entered into within five years of certification of the district; or
- used to reimburse a party for payment of eligible costs (including interest) incurred within five years from certification of the district.

Six Year Rule

Beginning with the sixth year following certification of the TIF District, at least 75% of the tax increments must be spent or obligated to pay outstanding bonds or make contractual payments obligated within the first five years. When outstanding bonds have been defeased and sufficient money has been set aside to pay for such contractual obligations, the TIF District must be decertified.

Administrative Expenses

Administrative expenses include amounts paid for services provided by bond counsel, fiscal consultants, planning or economic development consultants, and city staff time. The City may allocate administrative expenses on a district-by-district basis.



3. Fundamentals of Tax Increment Financing (TIF)

Delinquent Taxes for Existing Districts

When property owners within a tax increment district pay their taxes late or not at all, it can affect a city's ability to pay outstanding obligations on time or require the city to find alternative temporary sources (such as an interfund loan) until those property taxes are paid. If there are delinquent taxes when a TIF district expires, the city can notify the county auditor when there are outstanding bonds or contractual obligations that will go unpaid or be paid by other sources. (M.S. 469.176 Subd. 1f.) In that case, the county will continue to send the delinquent tax increment to the city even after the district has expired. The county auditor may request information regarding the amount of outstanding obligations or other information necessary to administer the payment.

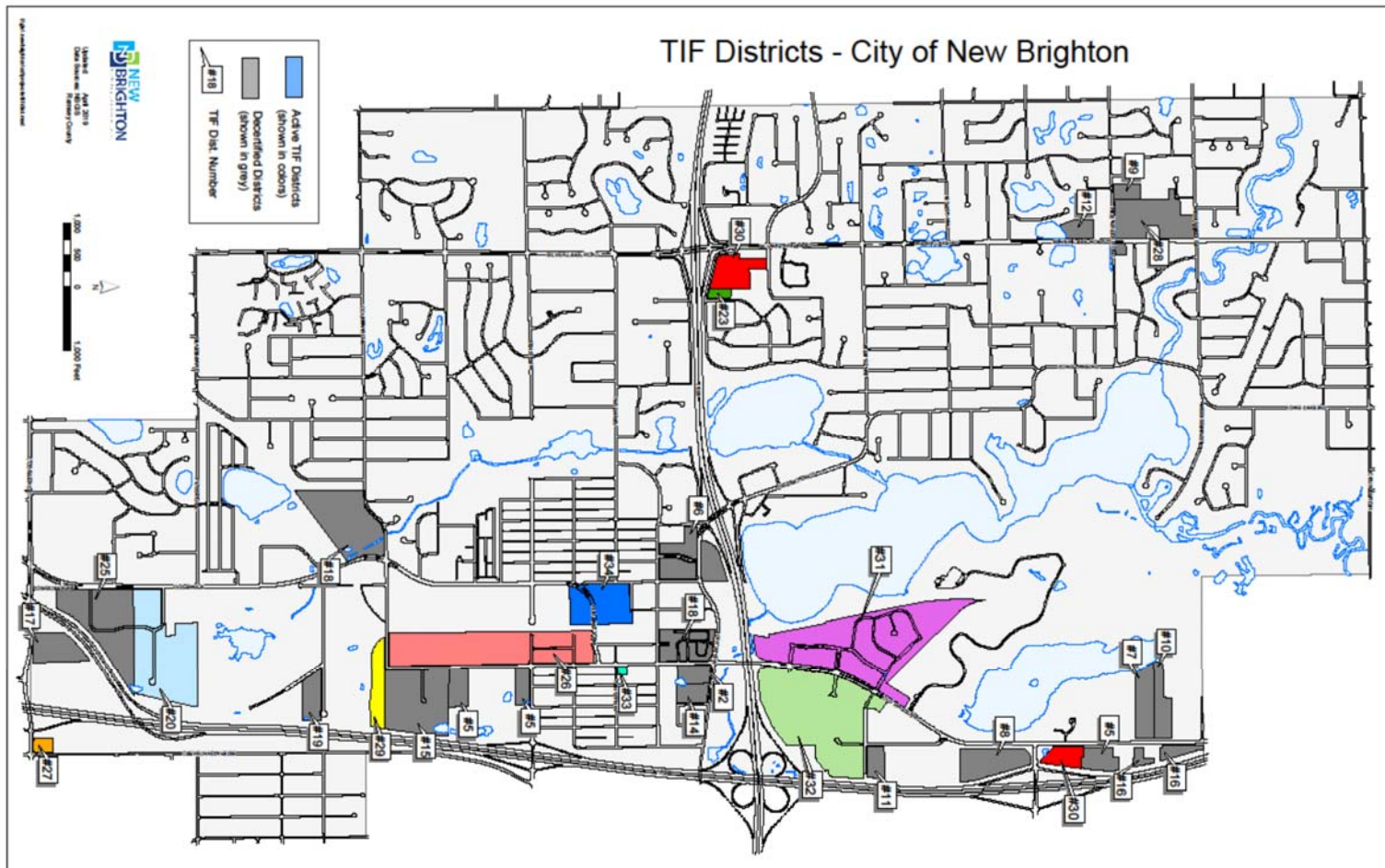
Tax Court Petitions for Existing and Expired Districts

When property owners within a tax increment financing district contest their prior years' values tax court, it can also affect a city's ability to pay obligations. Property owners can contest their values going back several years, which can result in negative tax increment after a district has been decertified. In the case where a decertified TIF district has negative tax increment as part of the County tax settlement, the City will need to find other sources if the TIF fund has been closed or there are insufficient cash balances available in the TIF Fund.



4. City of New Brighton TIF District Summary

The following pages provide a short summary of each TIF district and the map below shows all the City's TIF District boundaries.





4. City of New Brighton TIF District Summary

City of New Brighton, Minnesota
Summary of Existing Tax Increment Financing (TIF) Districts - Payable Year 2021

City TIF #	26	27	29	31	32	33	34
Name/Description	Brighton Corporate Business Park III	Ken's Market	BCPII South (Soo Line)	Northwest Quadrant (West) includes Haz	Northwest Quadrant (East) includes Haz	Marv's Transmission	Midtown Village
TIF Authority	City	City	City	City	City	City	City
County TIF #	205	216	219	258-0, 258-1, 274-0, 274-1	275-0, 275-1	276	331
County	Ramsey	Ramsey	Ramsey	Ramsey	Ramsey	Ramsey	Ramsey
School District #	621	621	621	621	621	621	621
Type of TIF District	Redevelopment	Redevelopment	Redevelopment	Redevelopment	Redevelopment	Redevelopment	Redevelopment
Fiscal Disparities	A	A	A	A	A	A	B
Date Certified	1/22/1999	1/22/1999	1/22/1999	1/22/1999	1/22/1999	1/22/1999	1/22/1999
1st Year Increment Collected	1999	1999	1999	1999	1999	1999	1999
Last Year of District (as required)	12/31/2024	12/31/2024	12/31/2024	12/31/2024	12/31/2024	12/31/2024	12/31/2024
Current Obligations	Pooling	Interfund Loan	Interfund Loan	Interfund Loan	Interfund Loan G.O. TIF 2015B G.O. TIF 2015B G.O. TIF 2015B G.O. TIF 2015B	Interfund Loan G.O. TIF 2015B G.O. TIF 2015B G.O. TIF 2015B G.O. TIF 2015B	Interfund Loan \$2.1M PayGO \$1.6M PayGO
Current Tax Rate	114.018%	114.018%	114.018%	114.018%	114.018%	114.018%	114.018%
Frozen Tax Rate	122.918%	122.918%	122.614%	110.985%	111.508%	109.170%	124.538%
Current Net Tax Capacity	928,153	38,058	41,962	1,203,170	762,604	23,410	52,661
Less: Base Net Tax Capacity	73,031	3,050	3,900	0	0	2,126	52,661
Sharing Factor	0.921316	0.919859	0.907059	0.974087	1.000131	0.909184	0.000000
Equals: Retained Captured NTC	855,122	35,008	38,062	1,171,992	762,704	21,284	0
Times: Applicable Tax Rate	114.018%	114.018%	114.018%	114.018%	114.018%	114.018%	114.018%
Equals: Projected Tax Increment	974,990	39,915	43,397	1,336,278	869,618	24,268	0



4. City of New Brighton TIF District Summary

Summary of Non-Pooled Obligations as of December 31, 2021

District	District Name	Original Market Value	Outstanding
27	Ken's Market	Interfund Loan - Municipal Development Fund	\$20,938
29	BCPII South (Soo Line)	Interfund Loan - Municipal Development Fund	\$0
30	Brighton Village / Beisswenger's	Interfund Loan - Municipal Development Fund	\$0
31	New Brighton Exchange (West Side)	Interfund Loan - Municipal Development Fund	\$7,306,071
32	New Brighton Exchange (East Side)	Interfund Loan - Municipal Development Fund	\$5,274,522
33	Marv's Transmission	Interfund Loan - Municipal Development Fund	\$255,947
34	Midtown Village	Interfund Loan - Municipal Development Fund	\$2,187,012

Summary of Outstanding Pooled Obligations as of December 31 ,2021

Districts	Obligations	Proceeds to District(s)	District(s) Expected to Pay	Final Payment	Issue Amount	Outstanding
New Brighton Exchange	G.O. TIF Bond 2015B <i>Refunded 2006A Issue</i>	31 & 32	31 & 32	2/1/2032	\$17,385,000	\$13,625,000
TIF Districts 31 & 32	G.O. TIF Bond 2016A <i>Refunded 2007B Issue</i>	31 & 32	31 & 32	2/1/2032	\$8,705,000	\$8,585,000
All Other TIF Districts	G.O. TIF Bond 2017A	31 & 32	31 & 32	2/1/2032	\$5,040,000	\$2,395,000
Total Obligations				\$ -	\$ 31,130,000	\$ 24,605,000



4. City of New Brighton TIF District Summary

Summary of Bond Proceeds as of December 31, 2021

Districts	Obligations	Non-Pooled / Pooled	Proceeds Received	Outstanding by District
New Brighton Exchange TIF Districts 31 & 32	G.O. TIF Bond 2015B	Pooled	\$17,385,000	\$13,625,000
	G.O. TIF Bond 2016A	Pooled	\$8,705,000	\$8,585,000
	G.O. TIF Bond 2017A	Pooled	\$5,040,000	\$2,395,000
	Total Obligations		\$31,130,000	\$24,605,000



4. City of New Brighton TIF District Summary

The City of New Brighton has utilized TIF for key economic development, redevelopment and housing projects in the City. Utilizing this tool to accomplish the various goals of the City has strengthened the overall diversity of housing options, land uses and tax base, while increasing employment opportunities and cleaning up contaminated sites. One immediate benchmark of the benefit in utilizing TIF is the overall increase in market value from when the district was created to when it is fully developed and aging. As illustrated in the following table, the City's overall market value has increased in the various TIF districts that are still active for taxes payable 2021 and do not include those decertified as of December 31, 2021 or earlier by over 1535% on a cumulative basis:

District	Base Year	Original Market Value	Inflated Original Market Value	Payable 2022 Market Value (Estimated)	Percent Increase in Value
TIF 26 Brighton Corporate Business Park III	1999	\$ 4,153,000	\$ 6,446,424	\$ 56,608,686	778%
TIF 27 Ken's Market	1999	\$ 190,000	\$ 294,924	\$ 1,868,830	534%
TIF 29 BCPII South (Soo Line)	2000	\$ 195,000	\$ 292,842	\$ 2,094,384	615%
TIF 31 Northwest Quadrant (West Side)	2006	\$ 2,404,000	\$ 3,083,727	\$ 99,678,365	3132%
TIF 32 (Northwest Quadrant (East Side)	2007	\$ 1,509,800	\$ 1,883,060	\$ 37,760,836	1905%
TIF 33 Mar's Transmission Site Office Condo Devel.	2007	\$ 141,700	\$ 176,731	\$ 1,146,324	549%
		\$ 8,593,500	\$ 12,177,708	\$ 199,157,426	1535%



4. City of New Brighton TIF District Summary

Many cities utilize TIF as a development tool as they realize the benefits it can provide. However, there sometimes may be concern if the tool may be over or underutilized. Measuring a city's use of TIF as compared to existing tax base is one way of understanding how it is being used. A common measurement of TIF usage is the percentage of gross tax base captured in TIF districts. The chart below demonstrates the City's current and projected tax base that is captured on an annual basis in the TIF districts.

Projected Captured TIF Tax Capacity

	<u>Decertification Date</u>	<u>Actual 2019</u>	<u>Actual 2020</u>	<u>Actual 2021</u>	<u>2022</u>	<u>2023</u>	<u>Projected 2024</u>	<u>2025</u>	<u>2026</u>
TIF 17 County Road D / Interstate	12/31/2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOF 18 Remmelle, CBD West	12/31/2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TIF 20 Lakeview Business Park North	12/31/2020	\$ 339,978	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TIF 23 Thorndale Plaza	12/31/2019	\$ 18,517	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TIF 25 Lakeview South	12/31/2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TIF 26 Brighton Corporate Business Park III	12/31/2024	\$ 807,366	\$ 839,703	\$ 855,122	\$ 855,122	\$ 855,122	\$ 855,122	\$ 855,122	\$ 855,122
TIF 27 Ken's Market (Cleveland & County Road D)	12/31/2023	\$ 27,700	\$ 30,850	\$ 35,008	\$ 35,008	\$ 35,008	\$ 35,008	\$ 35,008	\$ 35,008
TIF 28 Rice Creek Center	12/31/2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TIF 29 BCP II South (Soo Line)	12/31/2021	\$ 34,222	\$ 34,932	\$ 38,062	\$ 38,062	\$ 38,062	\$ 38,062	\$ 38,062	\$ 38,062
TIF 30 Brighton Village - Beisswenger's	12/31/2019	\$ 315,232	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TIF 31 Northwest Quadrant (West Side)	12/31/2035	\$ 1,071,087	\$ 1,090,591	\$ 1,171,990	\$ 1,171,990	\$ 1,171,990	\$ 1,171,990	\$ 1,171,990	\$ 1,171,990
TIF 32 Northwest Quadrant (East Side)	12/31/2036	\$ 651,886	\$ 697,876	\$ 762,704	\$ 762,704	\$ 762,704	\$ 762,704	\$ 762,704	\$ 762,704
TIF 33 Marv's Transmission	12/31/2033	\$ 16,790	\$ 18,373	\$ 21,284	\$ 21,284	\$ 21,284	\$ 21,284	\$ 21,284	\$ 21,284
TIF 34 Midtown Village	12/31/2047	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Captured		\$ 3,282,778	\$ 2,712,325	\$ 2,884,170	\$ 2,884,170	\$ 2,884,170	\$ 2,884,170	\$ 2,884,170	\$ 2,884,170
Total Tax Capacity		28,334,429	30,099,680	32,566,901	32,566,901	32,566,901	32,566,901	32,566,901	32,566,901
Percentage of Tax Base in TIF		11.59%	9.01%	8.86%	8.86%	8.86%	8.86%	8.86%	8.86%



4. City of New Brighton TIF District Summary

Redevelopment also plays an important factor in future market value growth for communities. The following table demonstrates the historical market value growth of the City of New Brighton.

Tax Payable Year	Taxable Market Value	Percent Change from prior year
2022	2,794,236,300	3.86%
2021	2,690,464,500	7.97%
2020	2,491,749,400	6.86%
2019	2,331,776,400	9.03%
2018	2,138,618,500	9.25%
2017	1,957,574,500	7.37%
2016	1,823,144,000	5.26%
2015	1,732,108,600	6.02%
2014	1,633,681,900	0.03%
2013	1,633,150,100	-5.98%
2012	1,737,100,500	-9.08%
2011	1,910,547,900	-4.74%
2010	2,005,697,200	-4.11%
2009	2,091,744,100	



5. Assumptions

Many assumptions were utilized to prepare the projections and analysis as included within this report.

- Fund balances shown are based on amounts as provided for December 31, 2021.
- Pay 2021 and future tax increment revenues are based upon tax increment calculations, assuming 100% collections, as provided by Ramsey County property tax records.
- Projected revenues do not account for additional development or inflation of existing values.
- Projected revenues also do not account for decreases or increases in the tax rate or inflationary changes on taxable value.
- Interest revenue is projected individually for each district based on beginning fund balance assuming 1% rate.
- Interfund loan interest payments are based on individual district assumptions that include 4% of unpaid principal balance.



6. Summary of Individual Tax Increment Financing Districts

Tax Increment Financing Redevelopment District No. 26 – Active Brighton Corporate Park III

Description:

This Redevelopment District was established to assist with the development of a mixed-use development consisting of 32 housing units, 60,000 square foot of commercial/retail development, and 306,000 square foot of light industrial development within the Development District.

Adopted:	07/28/1997
Requested Date:	08/15/1997
Certified Date:	01/22/1999
First Year Increment	1999
Decertifies:	12/31/2024
Modifications:	03/27/2001- Budget modification
	11/25/2003- Budget modification
	12/14/2004- Budget modification
	12/13/2005- Budget modification

Current PIN Number(s):

29.30.23.13.0058 through 29.30.23.13.0186
29.30.23.42.0032 through 29.30.23.42.0034
29.30.23.42.0036 through 29.30.23.42.0037
29.30.23.43.0005
29.30.23.43.0023
29.30.23.43.0025
63-910200 (Personal Property)

Frozen Tax Rate: 122.918%

Fiscal Disparities Election: Option A – outside district.



6. Summary of Individual Tax Increment Financing Districts

Allowable Uses:

For redevelopment districts, Minnesota Statutes section 469.176 sub 4j specifies the activities on which tax increment may be spent. In general, tax increment must be spent 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:

All district obligations have been paid in full. Any remaining has been used to pool to TIF #31 and #32.

Three Year Rule:

The Brighton Corporate Park III TIF met the 3-year rule.

Four Year Rule:

The Brighton Corporate Park III TIF Four Year Rule deadline was January 2003.

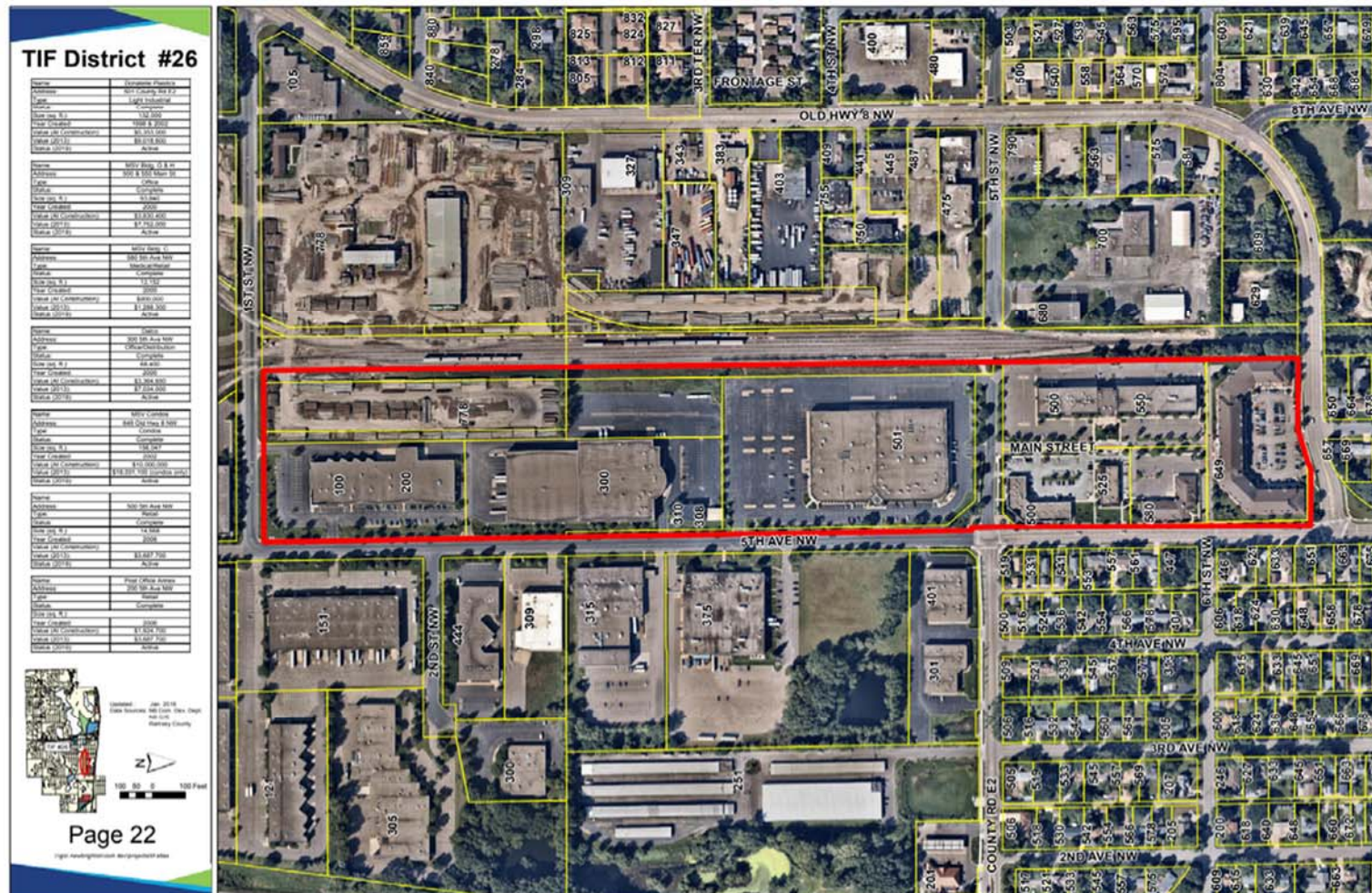
Five Year Rule:

The five-year deadline was January 2004, by which time the development agreement was signed and obligations were issued.

Geographic Enlargements:

Minnesota Statutes section 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 Brighton Corporate Park III TIF may not be enlarged after January 2004.

6. Summary of Individual Tax Increment Financing Districts





6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
Tax Increment Financing (Redevelopment) District No. 26
Brighton Corporate Business Park III

District Summary Details		
	Original	Modification
Approval Date	7/28/1997	12/13/2005
Request for Certification	8/15/1997	-----
Certification Date	1/22/1999	-----
Decertification Date	12/31/2024	12/31/2024

Observations:

In-district obligations fulfilled
Remaining balance to be used for pooling or admin
Continue monitoring budget to stay in compliance
Admin expenses within allowable percentage starting 2020

Prior Years		Current			Projected
2017 & Prior	2018	2019	2020	2021	2022-2024

			312,818	7,377	31,472	113,280	89,155	14,140	
	Original Budget	Cumulative Modified Budget	Projected over District Term						
Tax increment revenue	6,294,800	12,500,000	17,119,555	10,465,402	931,817	877,107	972,149	968,270	2,904,810
MVHC		-	76,433	76,433	-	-	-	-	-
Investment earnings		1,250,000	78,687	52,540	4,214	7,571	6,866	3,507	3,988
Bond Proceeds		5,653,125	-	-	-	-	-	-	-
Sales/lease proceeds		2,000,000	2,065,964	2,065,964	-	-	-	-	-
TIF credits		700,000	-	-	-	-	-	-	-
Loan/advance payments		100,000	-	-	-	-	-	-	-
Bond Premium		-	-	-	-	-	-	-	-
Other: Developer Deficiency		-	-	-	-	-	-	-	-
Transfer In		4,206,250	-	-	-	-	-	-	-
Estimated Tax Increment Revenues	6,294,800	26,409,375	19,340,639	12,660,339	936,031	884,678	979,016	971,777	2,908,798
Land/building acquisition	4,122,500	2,570,000	1,772,596	1,772,596					-
Site improvements/preparation costs		850,000	638,497	638,497					-
Utilities		500,000	398,515	398,515					-
Other qualifying improvements		202,500	2,690,176	2,690,176					-
Construction of affordable housing			-	-					-
Temporary ED			-	-					-
Authority Admin	1,600,000	1,250,000	1,290,881	1,267,218	-			23,663	-
County Admin			33,673	21,842	2,691	2,870	3,141	3,129	-
Other qualifying improvements		400,000	-	-					-
Transfer Out	572,300	8,200,000	9,417,938	2,925,000	750,000	800,000	1,000,000	1,020,000	2,922,938
Estimated Tax Increment Project Costs	6,294,800	13,972,500	16,242,276	9,713,844	752,691	802,870	1,003,141	1,046,792	2,922,938
Interest expense	-	6,783,750	1,508,700	1,506,171	2,529				
Total	6,294,800	20,756,250	17,750,976	11,220,015	755,220	802,870	1,003,141	1,046,792	2,922,938

Bonds 5,653,125

Surplus / (Deficit) -

Bond Principal Payments	(5,037,627)	(4,880,911)	(156,716)	-	-	-	-
Bond Proceeds Original	3,866,296	3,866,296	-	-	-	-	-
Bond Proceeds Refunding	-	-	-	-	-	-	-
Bond Premium(Discount)	633,494	633,494	-	-	-	-	-
Net Bond Payments	(537,837)	(381,121)	(156,716)	-	-	-	-
Interfund	-	-	-	-	-	-	-
Interfund Principal	-	-	-	-	-	-	-
Interfund Interest	1,051,826	1,051,826	-	-	-	-	-
Total Interfund Payments	1,051,826	1,051,826	-	-	-	-	-
Projected Ending Fund Balance	0	7,377	31,472	113,280	89,155	14,140	0



6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
Tax Increment Financing (Redevelopment District No. 26
Brighton Corporate Business Park III

Administrative Expenses Limit Test MN Statutes 469.176 Subd. 3	
	Expenses
Accumulated Admin Expenses	1,950,625
Accumulated Total Expenses	19,506,250
Allowable Admin	10%

Prior Years		Actual			Projected	
2017 & Prior	2018	2019	2020	2021	20212-2024	
1,267,218	1,267,218	1,267,218	1,267,218	1,290,881	1,290,881	
11,004,623	11,759,843	12,562,713	13,565,854	14,588,983	17,511,921	
11.5%	10.8%	10.1%	9.3%	8.8%	7.4%	

*Due to Special Legislation there are no pooling limitations for this TIF District to the Northwest Quadrant TIF District #31 and #32.
Available balances could be used for pooling or admin (subject to 10% limit)*



6. Summary of Individual Tax Increment Financing Districts

Special Legislation:

In 2008 Session Laws (Chapter 366, Article 5, Section 24), the Minnesota Legislature allowed pooling from this district to TIF Districts #31 & #32 in the Northwest Quadrant (New Brighton Exchange).

*Subdivision. 1. **Expenditures outside district.** Notwithstanding the provisions of Minnesota Statutes sections 469.176, subdivision 4d, and 469.1763 subdivision 2, or any other law to the contrary, the city of New Brighton may expend increments generated from its tax increment financing districts 9, 20, and 26. The increments may be used to pay for eligible expenses as permitted by Minnesota Statutes, section 469.176 subdivision 4j, outside the boundaries of tax increment financing districts 9, 20, and 26, but only within the area described in Laws 1998, chapter 389, article 11, section 24, subdivision 1 and commonly referred to as the Northwest Quadrant. Minnesota Statutes, section 469.1763, subdivision 3 and 4, do not apply to expenditures permitted by this section.*



6. Summary of Individual Tax Increment Financing Districts

Tax Increment Financing Redevelopment District No. 27 – Active Ken's Market

Description:

This Redevelopment District was established in order to assist with the development of a 3,200 square foot convenience store, a 1,200 square foot coffee shop, and a 12,000 square foot 2-story office building within the Development District.

Adopted:	04/28/1998
Requested Date:	06/10/1998
Certified Date:	01/22/1999
First Year Increment	2001
Decertifies:	12/31/2026
Modifications:	03/27/2001- Budget modification
	11/25/2003- Budget modification
	12/14/2004- Budget modification
	12/13/2005- Budget modification

Current PIN Number(s)
32.30.23.44.0025

Frozen Tax Rate: 122.918%

Fiscal Disparities Election: Option A – outside district.

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 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.



6. Summary of Individual Tax Increment Financing Districts

Obligations:

The Ken's Market TIF District currently has an interfund loan for \$84,778 from the Municipal Development Fund #560.

In-District Obligations: Interfund Loan from Fund #460 Through 2022

Pooled Obligations: 2012B (Refunded 2004B) Paid in full Proceeds to TIF #31 & #32

Three Year Rule:

The Ken's Market TIF District met the 3-year rule.

Four Year Rule:

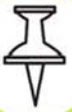
The Ken's Market TIF Four Year Rule deadline was January 2003.

Five Year Rule:

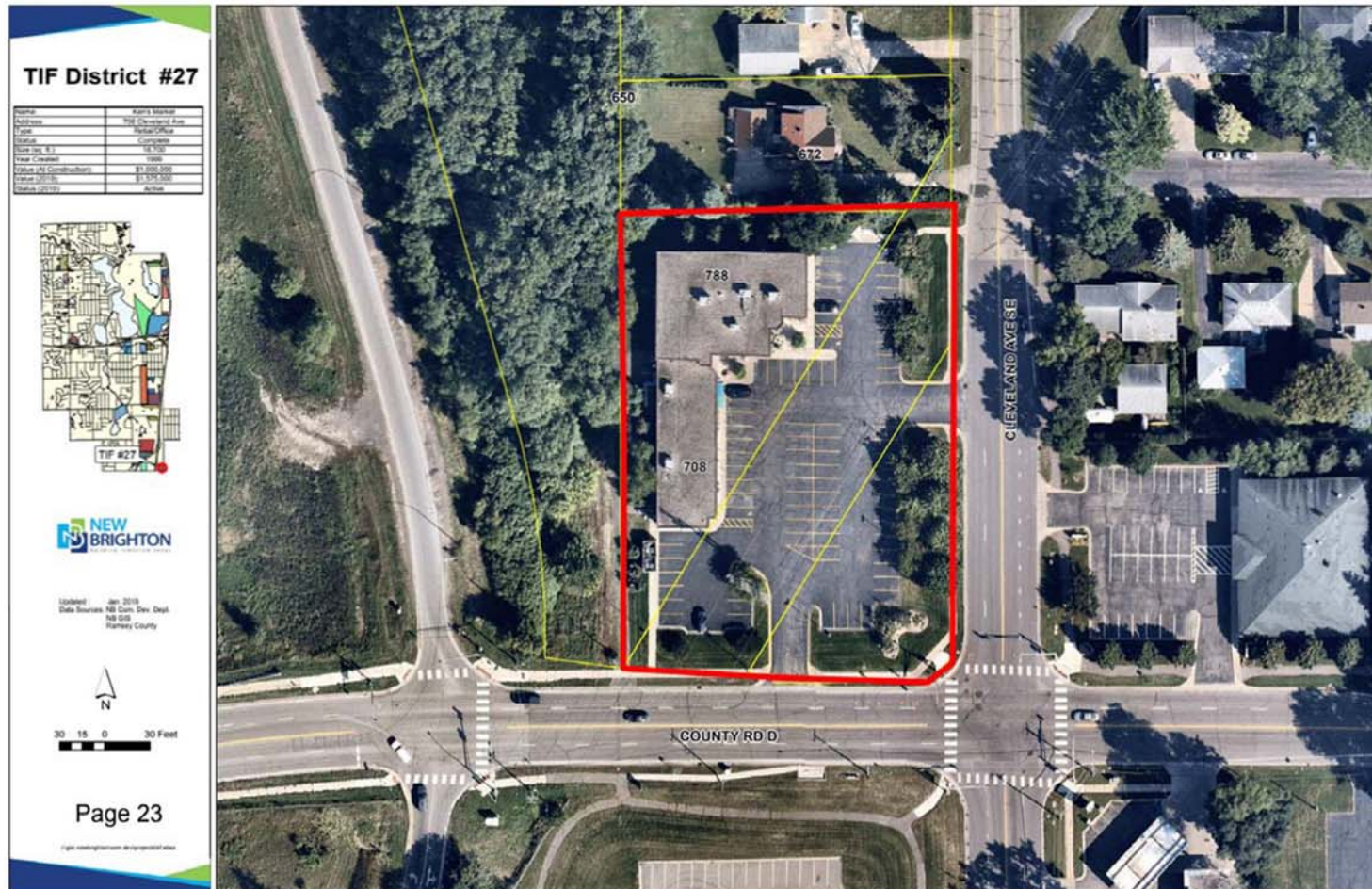
The five-year deadline was January 2004, by which time the development agreement was signed and obligations were issued.

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 Ken's Market TIF may not be enlarged after January 2004.



6. Summary of Individual Tax Increment Financing Districts





6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
Tax Increment Financing (Redevelopment) District No. 27
Ken's Market

District Summary Details		
	Original	Modification
Approval Date	4/28/1998	12/13/2005
Request for Certification	6/10/1998	-----
Certification Date	1/22/1999	-----
Required Decertification Date	12/31/2026	12/31/2026
Projected Early Decertification		12/31/2022

Observations:
District has zero cash balance while paying down Interfund Loan.
Projected to be paid in full in 2022
Small remaining balance
Actual budget not expected to exceed cumulative modified budget

			Prior	Current		Projected	
			2017 & Prior	2018	2019	2020	2021 2022-2026
			-	(138,665)	(114,105)	(84,778)	(57,466) (20,938)
			Projected over District Term				
	Original Budget	Cumulative Modified Budget	847,157	504,780	32,089	33,926	37,731 39,772 198,859
Tax increment revenue	850,000	1,750,000	-	-	-	-	-
MVHC	-	-	21,421	17,836	175	448	506 (413) 2,869
Investment earnings	-	140,000	-	-	-	-	-
Bond Proceeds	-	775,000	-	-	-	-	-
Sales/lease proceeds	-	-	-	-	-	-	-
TIF credits	-	-	-	-	-	-	-
Loan/advance payments	7,500	10,000	-	-	-	-	-
Bond Premium	42,500	-	-	-	-	-	-
Other: Developer Deficiency	-	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-	-
Estimated Tax Increment Revenues	900,000	2,675,000	868,578	522,616	32,264	34,374	38,237 39,359 201,728
			294,200	294,200	-	-	-
Land/building acquisition	500,000	525,000	-	-	-	-	-
Site improvements/preparation costs	127,000	25,000	-	-	-	-	-
Utilities	-	65,000	-	-	-	-	-
Other qualifying improvements	15,000	210,000	-	-	-	-	-
Construction of affordable housing	-	-	-	-	-	-	-
Temporary ED	-	-	-	-	-	-	-
Authority Admin	110,000	140,000	59,434	50,734	1,700	7,000	-
County Admin	-	-	9,641	5,358	457	483	530 528 2,285
Other qualifying improvements	25,000	5,000	-	-	-	-	-
Transfer Out: Spending Plan	-	-	35,293	35,293	-	-	-
Transfer Out	-	-	-	-	-	-	-
Estimated Tax Increment Project Costs	777,000	970,000	398,568	385,585	2,157	483	7,530 528 2,285
Interest expense	123,000	930,000	13,063	13,063	-	-	-
Total	900,000	1,900,000	411,631	398,648	2,157	483	7,530 528 2,285
Bonds	-	775,000					
Surplus / (Deficit)	-	-					
Bond Principal Payments	(30,410)	(30,410)	-	-	-	-	-
Bond Proceeds Original	-	-	-	-	-	-	-
Bond Proceeds Refunding	-	-	-	-	-	-	-
Bond Premium/(Discount)	2,000	2,000	-	-	-	-	-
Net Bond Payments	(28,410)	(28,410)	-	-	-	-	-
Interfund	-	-	-	-	-	-	-
Interfund Principal	-	-	-	-	-	-	-
Interfund Interest	250,870	234,223	5,547	4,564	3,396	2,303	838
Total Interfund Payments	250,870	234,223	5,547	4,564	3,396	2,303	838
Projected Ending Fund Balance	177,668	(138,665)	(114,105)	(84,778)	(57,466)	(20,938)	177,668



6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
Tax Increment Financing (Redevelopment) District No. 27
Ken's Market

Administrative Expenses Limit Test MN Statutes 469.176 Subd. 3	
	Expenses
Accumulated Admin Expenses	176,000
Accumulated Total Expenses	1,760,000
Allowable Admin	10%

Pooling Calculation		Projected Total Pooling
Step 1:	Cumulative Tax Increment	-
	Current Year	-
	Total	-
Step 2:	In-District Expenditures	75%
	Current Year	-
	Total	-
Maximum Allowable Expenses / 75%		804,088

Return to County		
Annual Qualifying Costs	25%	217,144
Less: Out-of-district spending		
Admin		(59,434)
2004B Bonds		(39,028)
2012B Bonds		(4,416)
Cumulative Available Amount for Pooling		114,266
Ending Cash Balance		

Available for Pooling (lesser of cash balance or cumulative pooling amount)	
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Prior Years		Current		Projected	
2017 & Prior	2018	2019	2020	2021	2022-2026
50,734	52,434	52,434	59,434	59,434	59,434
582,137	588,141	593,188	597,113	599,944	603,066
8.7%	8.9%	8.8%	10.0%	9.9%	9.9%

Prior Years		Current		Projected	
2017 & Prior	2018	2019	2020	2021	2022-2026
481,240	522,616	554,880	589,254	627,491	627,491
41,376	32,264	34,374	38,237	39,359	241,087
522,616	554,880	589,254	627,491	666,850	868,578
	582,137	588,141	593,188	597,113	597,113
	6,004	5,047	3,925	2,831	5,953
582,137	588,141	593,188	597,113	599,944	603,066
776,183	784,187	790,917	796,151	799,925	804,088

Prior Years		Current		Projected	
130,654	8,066	8,594	9,559	9,840	50,432
(50,734)	(1,700)	-	(7,000)	-	-
(39,028)					
(4,416)					
36,476	6,366	8,594	2,559	9,840	50,432
0	0	0	0	0	177,668

0	0	0	0	0	50,432
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6. Summary of Individual Tax Increment Financing Districts

Tax Increment Financing Redevelopment District No. 29 – Active BCPII South (Soo Line)

Description:

This Redevelopment District was established in order to assist with the development of a 49,600 square foot multi-purpose manufacturing/office/warehouse facility within the Development District.

Adopted:	06/22/1999
Requested Date:	06/29/1999
Certified Date:	10/15/1999
First Year Increment	2002
Decertifies:	12/31/2027
Modifications:	03/27/2001- Budget modification
	11/25/2003- Budget modification
	12/14/2004- Budget modification
	12/13/2005- Budget modification

Current PIN Number(s):

Current PIN Number(s)
29.30.23.43.0024
29.30.23.44.0051
29.30.23.44.0053

Frozen Tax Rate: 122.614%

Fiscal Disparities Election: Option A – outside district.

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 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.



6. Summary of Individual Tax Increment Financing Districts

Obligations:

The BCPII South (Soo Line) TIF district currently has an interfund loan for 35,640 from the Municipal Development Fund #560. The district was also obligated to pay the 2012B G.O. Tax Increment Refunding Bonds.

In-District Obligations: Interfund Loan from Fund #460 Through 2021

Pooled Obligations: 2012B (Refunded 2004B) Paid in full Proceeds to TIF #31 & #32

Three Year Rule:

The BCPII South (Soo Line) TIF District met the 3-year rule.

Four Year Rule:

The BCPII South (Soo Line) TIF Four Year Rule deadline was January 2003.

Five Year Rule:

The five-year deadline was January 2004, by which time the development agreement was signed and obligations were issued.

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 BCPI South (Soo Line) TIF may not be enlarged after January 2004.



6. Summary of Individual Tax Increment Financing Districts





6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
Tax Increment Financing (Redevelopment) District No. 29
BCPN South (Soo Line)

District Summary Details		
	Original	Modification
Approval Date	6/22/1999	12/13/2005
Request for Certification	6/29/1999	-----
Certification Date	10/15/1999	-----
Decertification Date	12/31/2027	12/31/2027
Projected Early Decertification	12/31/2021	

Observations:
District has zero cash balance while paying down Interfund Loan
Projected to be paid in full in 2021
Unused remaining balance transferred to TIF 31
Actual budget not expected to exceed cumulative modified budget

	Original Budget	Cumulative Modified Budget
Tax increment revenue	1,300,000	1,300,000
MVHC	-	-
Investment earnings	-	130,000
Bond Proceeds	-	1,006,250
Sales/lease proceeds	100,000	-
TIF credits	65,000	-
Loan/advance payments	35,000	1,412,500
Bond Premium	-	-
Other: Developer Deficiency	-	-
Transfer In	-	-
Estimated Tax Increment Revenues	1,500,000	3,848,750

Land/building acquisition	400,000	400,000
Site improvements/preparation costs	375,250	225,000
Utilities	50,000	50,000
Other qualifying improvements	125,000	125,000
Construction of affordable housing	-	-
Temporary ED	-	-
Authority Admin	240,000	130,000
County Admin	-	-
Other qualifying improvements	-	5,000
Transfer Out	-	700,000
Estimated Tax Increment Project Costs	1,190,250	1,635,000
Interest expense	309,750	1,207,500
Total	1,500,000	2,842,500

Bonds - 1,006,250

Surplus / (Deficit) -

	Prior Years		Current		Projected	
	2017 & Prior	2018	2019	2020	2021	2022-2027
		(95,309)	(71,570)	(35,640)	9,529	0
Projected over District Term						
733,856	564,472	38,461	38,590	49,092	43,240	-
-	-	-	-	-	-	-
3,158	2,366	130	420	874	(631)	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
737,014	566,838	38,591	39,010	49,966	42,609	-

280,207	280,207	-	-	-	-	-
-	-	-	-	-	-	-
5,544	5,544	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
51,853	49,053	-	-	2,800	-	-
7,042	4,900	490	518	568	566	-
-	-	-	-	-	-	-
51,572	-	-	-	-	51,572	-
396,218	339,704	490	518	3,368	52,138	-
168,937	168,769	168	-	-	-	-
565,155	508,473	658	518	3,368	52,138	-

Bond Principal Payments	(373,445)	(363,063)	(10,382)			
Bond Proceeds Original	316,579	316,579				
Bond Proceeds Refunding	-					
Bond Premium/(Discount)	-					
Net Bond Payments	(56,866)	(46,484)	(10,382)	-	-	-
Interfund	-					
Interfund Principal	-					
Interfund Interest	114,993	107,190	3,812	2,561	1,430	
Total Interfund Payments	114,993	107,190	3,812	2,561	1,430	-
Projected Ending Fund Balance	0	(95,309)	(71,570)	(35,640)	9,529	0



6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
Tax Increment Financing (Redevelopment) District No. 29
BCPN South (Soo Line)

Administrative Expenses Limit Test MN Statutes 469.176 Subd. 3	
	Expenses
Accumulated Admin Expenses	271,250
Accumulated Total Expenses	2,712,500
Allowable Admin	10%

Prior Years	Current				Projected
2017 & Prior	2018	2019	2020	2021	2022-2027
49,053	49,053	49,053	51,853	51,853	51,853
566,610	571,080	574,160	576,157	628,295	628,295
8.7%	8.6%	8.5%	9.0%	8.3%	8.3%

Pooling Calculation		
		Projected Total Pooling
Step 1:	Cumulative Tax Increment	737,014
	Current Year	
	Total	737,014
Step 2:	In-District Expenditures	75%
	Current Year	
	Total	628,295
	Maximum Allowable Expenses	837,727

Prior Years	Current				Projected
2017 & Prior	2018	2019	2020	2021	2022-2027
	566,838	605,429	644,439	694,405	694,405
	38,591	39,010	49,966	42,609	42,609
566,838	605,429	644,439	694,405	737,014	737,014
	566,610	571,080	574,160	576,157	628,295
	4,470	3,079	1,998	52,138	-
566,610	571,080	574,160	576,157	628,295	628,295
755,480	761,440	765,546	768,210	837,727	837,727

Return to County		
Annual Qualifying Costs	25%	184,253
Less: Out-of-district spending		
Admin		(51,853)
2004B Bonds		(26,363)
2012B Bonds		(36,841)
Transfers		(51,572)
Cumulative Available Amount for Pooling		17,625
Ending Cash Balance		

Prior Years	Current				Projected
141,710	9,648	9,753	12,492	10,652	-
					-
(49,053)	-	-	(2,800)	-	-
(26,363)					-
(26,459)	(10,382)				-
-	-	-	-	(51,572)	-
39,835	(734)	9,753	9,692	(40,919)	-
0	0	0	0	0	0

Available for Pooling (lesser of cash balance or cumulative pooling amount)
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0	0	0	0	0	-
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6. Summary of Individual Tax Increment Financing Districts

**Tax Increment Financing Redevelopment District No. 31 – Active
Northwest Quadrant a.k.a “New Brighton Exchange” (West Side)**

Description:

This Redevelopment District was established in order to assist with the development of a large mixed-use site with owner-occupied homes, multifamily housing and office/commercial space within the Development District.

Adopted:	12/14/2004
Requested Date:	12/23/2004 (TIF District)
	06/14/2006 (Hazardous Substance Subdistrict & Geographic Expansion)
Certified Date:	09/30/2005 (TIF District)
	04/19/2007 (Hazardous Substance Subdistrict & Geographic Expansion)
First Year Increment	2006
Decertifies:	12/31/2035 (HSS – 12/31/2036)
Modifications:	12/14/2004- Budget modification
	12/13/2005- Budget modification

Current PIN Number(s):

Current PIN Number(s)	TIF District
20.30.23.42.0015 through 20.30.23.42.0018	Original District
20.30.23.42.0028 through 20.30.23.42.0029	
20.30.23.43.0065	
20.30.23.41.0030 through 20.30.23.41.0083	Original HSS
20.30.23.42.0026 through 20.30.23.42.0027	
20.30.23.42.0030 through 20.30.23.42.0033	
20.30.23.42.0052 through 20.30.23.42.0059	
20.30.23.13.0009 through 20.30.23.13.0067	
20.30.23.14.0012	
20.30.23.14.0016 through 20.30.23.14.0027	



6. Summary of Individual Tax Increment Financing Districts

20.30.23.14.0045 through 20.30.23.14.0061	Expanded District & HSS
20.30.23.41.0032 through 20.30.23.41.0074	
20.30.23.42.0024 through 20.30.23.42.0025	
20.30.23.42.0034 through 20.30.23.42.0051	

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

Frozen Tax Rate: 110.985% - Original TIF District
111.508% - Geographic Expansion

Fiscal Disparities Election:
Option A – outside district.

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 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:

The NWQ Special Law TIF District currently has an interfund loan for \$6,908,098 from the Municipal Development Fund #560. This district is also obligated to pay 2015B G.O. TIF Refunding, 2016A G.O. TIF Refunding Bonds, and 2017A G.O. TIF Refunding Bonds.

In-District Obligations: Interfund Loan from Fund 560 Through 2035
 2015B (Refunded 2006A) Through 2032 2016A (Refunded 2007B) Through 2033

Pooled Obligations: 2017A (Refunded 2007B) Through 2025



6. Summary of Individual Tax Increment Financing Districts

Three Year Rule:

The NWQ Special Law TIF District me the 3-year rule.

Four Year Rule:

*In 2009, the Minnesota Legislature extended the time frame of this provision from four to six years for districts that were certified between January 1, 2005 and April 20, 2009. **The NWQ Special Law TIF six-year deadline was September 2011.***

Five Year Rule:

*In 2009, the Minnesota Legislature extended the time frame of this provision from five years to ten for districts certified between June 30, 2003 and April 20, 2009. **The ten-year deadline is September 2015.***

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 NWQ Special Law TIF may not be enlarged after September 2010.



6. Summary of Individual Tax Increment Financing Districts





6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
Tax Increment Financing (Redevelopment) District No. 31
North Quadrant West Side

District Summary Details			
	Original	Modification	2008 Laws (Ch. 366)
Approval Date	12/14/2004	12/13/2005	
Request for Certification	12/23/2004	6/14/2006	
Certification Date	9/30/2005	4/19/2007	
Decertification Date	12/31/2031	12/31/2031	12/31/2035

Observations:

District has zero cash balance while paying down Interfund Loan.

Not projected to be repaid in full with existing funds

Assumes pooled funds from other districts

Actual budget not expected to exceed cumulative modified budget

			Prior		Current			Projected	
			2018	2019	2020	2021	2022	2023	2024-2035
Beginning Fund Balance			(7,404,579)	(6,747,056)	6,869,643	7,090,053			
			(7,404,579)	(6,747,056)	(6,869,643)	(7,090,053)			(7,306,071)
Original Budget	Cumulative Modified Budget	Projected over District Term							
Tax increment revenue	23,500,000	58,200,000	29,084,946	2,467,541	933,929	1,209,063	1,208,620	1,297,451	21,968,342
MVHC	-	-	-	-	-	-	-	-	-
Investment earnings	750,000	1,026,000	(371,461)	(373,380)	357	(437)	3,252	(1,253)	-
Special Assessments	8,000,000	21,125,000	-	-	-	-	-	-	-
Sales/lease proceeds	-	-	166,626	166,626	-	-	-	-	-
Sale of property	5,500,000	18,660,000	2,544,906	2,544,906	-	-	-	-	-
Loan/advance payments	-	-	849,593	849,593	-	-	-	-	-
Grants	-	1,000,000	5,342,841	5,342,841	-	-	-	-	-
Other: Plan deposit	-	-	5,758	5,758	-	-	-	-	-
Other: Refund	-	750,000	61,880	61,880	-	-	-	-	-
Transfer In	-	1,200,000	22,963,256	11,324,843	2,301,255	1,263,530	1,156,181	1,071,571	5,845,876
Estimated Tax Increment Revenues	37,750,000	101,961,000	60,648,345	22,390,608	3,235,541	2,472,155	2,368,054	2,367,769	27,814,218
Land/building acquisition	9,000,000	28,400,000	30,635,437	30,635,437	-	-	-	-	-
Site improvements/preparation costs	2,500,000	10,300,000	8,107,375	8,084,599	7,333	11,797	2,124	1,522	-
Utilities	1,500,000	3,300,000	212	212	-	-	-	-	-
Other qualifying improvements	1,000,000	2,300,000	2,241,358	2,241,358	-	-	-	-	-
Construction of affordable housing	-	-	-	-	-	-	-	-	-
Temporary ED	-	-	-	-	-	-	-	-	-
Authority Admin	2,350,000	5,820,000	2,742,531	2,742,467	-	-	64	-	-
County Admin	-	-	77,462	21,354	4,163	6,743	5,394	4,808	35,000
Other qualifying improvements	-	876,000	-	-	-	-	-	-	-
Transfer Out	-	-	23,547	23,547	-	-	-	-	-
Estimated Tax Increment Project Costs	16,350,000	50,996,000	43,827,922	43,748,974	11,496	18,540	7,582	6,330	35,000
Interest expense	13,150,000	29,840,000	16,768,099	9,324,884	850,691	818,308	770,142	720,354	4,283,720
Total	29,500,000	80,836,000	60,596,021	53,073,858	862,187	836,848	777,724	726,684	4,318,720
Bonds	8,000,000	21,125,000							
Surplus / (Deficit)	250,000	-							
Bond Principal Payments	(32,613,744)	(3,965,994)	(1,419,450)	(1,487,850)	(1,534,500)	(1,573,350)	(22,632,600)		
Bond Proceeds Original	29,796,682	29,796,682	-	-	-	-	-	-	-
Bond Proceeds Refunding	-	-	-	-	-	-	-	-	-
Bond Premium/(Discount)	-	-	-	-	-	-	-	-	-
Net Bond Payments	(2,817,062)	25,830,688	(1,419,450)	(1,487,850)	(1,534,500)	(1,573,350)	(22,632,600)		
Interfund Interest	8,997,294	2,552,017	296,381	270,044	276,240	283,753	5,318,859		
Total Interfund Payments	8,997,294	2,552,017	296,381	270,044	276,240	283,753	5,318,859		
Projected Ending Fund Balance	(11,762,032)	(7,404,579)	(6,747,056)	(6,869,643)	(7,090,053)	(7,306,071)	(11,762,032)		



6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota

Tax Increment Financing (Redevelopment) District No. 31

North Quadrant West Side

Administrative Expenses Limit Test MN Statutes 469.176 Subd. 3		Prior Years		Current		Projected	
	Revenues	2017 & Prior	2018	2019	2020	2021	2022-2035
Accumulated Admin Expenses	9,614,100	2,742,467	2,742,467	2,742,467	2,742,531	2,742,531	2,742,531
Accumulated Total Revenues	96,141,000	2,467,541	3,401,470	4,610,533	5,819,153	7,116,604	29,084,946
Allowable Admin	10%	111.1%	80.6%	59.5%	47.1%	38.5%	9.4%

Pooling Calculation			Prior Years		Current		Projected	
		Projected Total Pooling	2017 & Prior	2018	2019	2020	2021	2022-2035
Step 1:	Cumulative Tax Increment	-	2,094,161	2,094,161	3,028,447	4,237,072	5,448,945	5,448,945
	Current Year	-		934,286	1,208,625	1,211,872	1,296,198	23,264,540
	Total	-	2,094,161	3,028,447	4,237,072	5,448,945	6,745,143	28,713,485
Step 2:	In-District Expenditures	75%	52,859,861	52,859,861	54,018,429	55,125,321	56,179,221	66,301,937
	Current Year			1,158,568	1,106,892	1,053,900	1,010,437	525,300
	Total		52,859,861	54,018,429	55,125,321	56,179,221	57,189,658	66,827,237
	Maximum Allowable Expenses		89,102,983	70,024,572	73,500,428	74,905,628	76,252,877	89,102,983

Return to County			0	0	0	0	0	0
Annual Qualifying Costs	25%	7,178,371	523,540	233,572	302,156	302,968	324,049	5,492,086
Less: Out-of-district spending								
Admin		(2,742,531)	(2,742,467)	-	-	(64)	-	-
Transfers Out		(23,547)	-	-	-	-	-	-
Cumulative Available Amount for Pooling		4,412,293	(2,218,927)	233,572	302,156	302,904	324,049	5,492,086
Ending Cash Balance			0	0	0	0	0	(11,762,032)
Available for Pooling (lesser of cash balance or cumulative pooling amount)			-	0	0	0	0	(11,762,032)



6. Summary of Individual Tax Increment Financing Districts

Special Legislation:

In 1998 Session Laws (Chapter 389, Article 11, Section 24), the Minnesota Legislature approved the creation of this TIF District.

*Subdivision 1. **Special Rules.** (a) If the city elects upon the adoption of the tax increment financing plan for the district, the rules under this section apply to redevelopment or soils condition tax increment financing districts established by the city of New Brighton or a development authority of the city of New Brighton in the area bounded on the north by the south boundary line of tax increment district number 8 extended to Long Lake regional park. (b) The five-year rule under Minnesota Statutes, section 469.1763, subdivision 3, is extended to nine years for the district. (c) The limitations on spending increment outside of the district under Minnesota Statutes, section 469.1763, subdivision 2, do not apply, but increments may only be expended on improvements or activities within the area defined in paragraph (a).*

*Subdivision 2. **Expiration.** (a) The exception from the limitations of Minnesota Statutes, section 469.1763, subdivision 2, expires 18 years after the receipt of first increment from a district to which the city has elected that this section applies. (b) The authority to approve tax increment financing plans to establish a tax increment financing district under this section expires on December 31, 2008.*

*Subdivision 3. **Effective Date.** This section is effective upon approval by the governing bodies of the city of New Brighton and Ramsey County and upon compliance by the city with Minnesota Statutes, section 645.021, subdivision 3.*

In 2008 Session Laws (Chapter 366, Article 5, Section 24), the Minnesota Legislature allowed pooling from TIF Districts 9, 20, & 26 to this TIF district and TIF District #32 in the Northwest Quadrant.

*Subdivision 2. **District duration extension.** Notwithstanding the provisions of Minnesota Statutes 469.176, subdivision 1b, or any other law to the contrary, the duration limits that apply to redevelopment tax increment financing districts numbers 31 and 32 established under Laws 1998, chapter 389, article 11, section 24, and hazardous substance subdistricts numbers 31A and 32A established under Minnesota Statutes, sections 469.174 to 469.1799, are extended by four years.*



6. Summary of Individual Tax Increment Financing Districts

Tax Increment Financing Redevelopment District No. 32 – Active New Brighton Exchange (East Side)

Description:

This Redevelopment District was established in order to assist with the development of several corporate headquarters/office space including CSI, TUV SUD, DSI, etc. within the Development District.

Adopted:	12/13/2005
Requested Date:	06/14/2006 (TIF District)
	06/14/2006 (Hazardous Substance Subdistrict)
Certified Date:	04/19/2007 (TIF District)
	04/19/2007 (Hazardous Substance Subdistrict)
Decertifies:	12/31/2036
Modifications:	None

Current PIN Number(s):

Current PIN Number(s)	TIF District
20.30.23.14.0014	Original & HSS District
20.30.23.41.0021 and 20.30.23.41.0028	
20.30.23.41.0084 and 20.30.23.41.0085	
20.30.23.44.0028	
21.30.23.32.0016 and 21.30.23.32.0017	

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

Frozen Tax Rate: 111.508%

First Receipt of Increment: July 2007

Allowable Uses:



Obligations:

In-District Obligations: Interfund Loan from the Municipal Development Fund – Through 2036
2015B (Refunded 2006A) – Through 2032 2016A (Refunded 2007B) – Through 2033

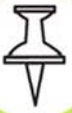
Three Year Rule:

Four Year Rule:

Five Year Rule:

Geographic Enlargements:

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6. Summary of Individual Tax Increment Financing Districts





6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
Tax Increment Financing (Redevelopment) District No. 32
North Quadrant East Side

District Summary Details		
	Original	Modification
Approval Date	12/13/2005	----
Request for Certification	6/14/2006	----
Certification Date	4/19/2007	----
Decertification Date	12/30/2032	----

2008 Laws (Ch. 366)
12/31/2036

Observations:
District has zero cash balance while paying down Interfund Loan.
Projecting full repayment of district obligations
Actual budget not expected to exceed cumulative modified budget

	Beginning Fund Balance		-						(5,130,653)	(5,273,444)	(5,347,781)	(5,403,785)	(5,274,522)
	Original Budget	Cumulative Modified Budget	Projected over District Term										
Tax increment revenue	60,000,000	64,800,000	23,420,397	2,544,963	625,022	724,288	670,358	863,971	17,991,795				
MVHC	-	-	-	-	-	-	-	-	-				
Investment earnings	1,000,000	1,048,000	(290,039)	(294,413)	485	2,080	4,175	(2,366)	-				
Special Assessments	20,500,000	23,375,000	-	-	-	-	-	-	-				
Sales/lease proceeds	-	-	223,330	223,330	-	-	-	-	-				
Sale of property	5,428,000	5,428,000	2,429,846	2,429,846	-	-	-	-	-				
Loan/advance payments	-	-	-	-	-	-	-	-	-				
Grants	4,600,000	4,600,000	-	-	-	-	-	-	-				
Other: Plan deposit	-	-	-	-	-	-	-	-	-				
Other: Refund	-	-	-	-	-	-	-	-	-				
Transfer In	-	-	1,990,331	1,990,331	-	-	-	-	-				
Estimated Tax Increment Revenues	91,528,000	99,251,000	27,773,865	6,894,057	625,507	726,368	674,533	861,606	17,991,795				
			726,371										

Land/building acquisition	11,900,000	11,900,000	14,357,945	13,250,840	233,075	291,343	233,075	233,075	116,537
Site improvements/preparation costs	-	8,600,000	4,830,739	4,722,929	60,798	25,986	9,775	11,251	-
Utilities	3,700,000	3,700,000	-	-	-	-	-	-	-
Other qualifying improvements	12,176,000	11,700,000	2,969,106	2,969,106	-	-	-	-	-
Construction of affordable housing	-	-	-	-	-	-	-	-	-
Temporary ED	-	-	-	-	-	-	-	-	-
Authority Admin	6,000,000	6,480,000	2,292,201	2,293,146	-	-	(945)	-	-
County Admin	-	-	15,509	10,123	1,014	1,072	2,129	1,171	-
Other qualifying improvements	-	476,000	-	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-	-	-	-
Estimated Tax Increment Project Costs	33,776,000	42,856,000	24,465,499	23,246,144	294,887	318,401	244,034	245,496	116,537
Interest expense	31,000,000	33,020,000	1,693,559	1,055,584	66,541	65,436	62,118	58,724	385,156
Total	64,776,000	75,876,000	26,159,058	24,301,728	361,428	383,837	306,152	304,220	501,693

Bonds	20,500,000	23,375,000
Surplus / (Deficit)	6,252,000	-

Bond Principal Payments	(3,046,256)	(564,006)	(120,550)	(127,150)	(130,500)	(131,650)	(1,972,400)
Bond Proceeds Original	9,758,376	9,758,376	-	-	-	-	-
Bond Proceeds Refunding	-	-	-	-	-	-	-
Bond Premium/(Discount)	5,227,647	5,227,647	-	-	-	-	-
Net Bond Payments	11,939,767	14,422,017	(120,550)	(127,150)	(130,500)	(131,650)	(1,972,400)
Interfund Interest	4,348,920	2,144,999	286,320	289,718	293,885	296,472	1,037,525
Total Interfund Payments	4,348,920	2,144,999	286,320	289,718	293,885	296,472	1,037,525
Projected Ending Fund Balance	9,205,654	(5,130,653)	(5,273,444)	(5,347,781)	(5,403,785)	(5,274,522)	9,205,654



6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota

Tax Increment Financing (Redevelopment) District No. 32

North Quadrant East Side

Administrative Expenditures (MN Statutes 469.176, Subd. 3)		
	Revenues	
Accumulated Admin Expenses	7,927,600	
Accumulated Total Revenues	79,276,000	
Allowable Admin	10%	

Prior Years		Current		Projected	
2017 & Prior	2018	2019	2020	2021	2022-2036
2,293,147	2,293,147	2,293,147	2,293,147	2,292,202	2,292,202
2,544,963	3,169,985	3,894,273	4,564,631	5,428,602	23,420,397
90.1%	72.3%	58.9%	50.2%	42.2%	9.8%

Pooling Calculation			Projected Total Pooling
Step 1:	Cumulative Tax Increment	-	23,130,358
	Current Year	-	
	Total	-	23,130,358
Step 2:	In-District Expenditures	75%	
	Current Year		
	Total		28,215,777
	Maximum Allowable Expenses		37,621,036

Prior Years		Current		Projected	
2017 & Prior	2018	2019	2020	2021	2022-2036
1,692,698	2,250,550	2,876,057	3,602,425	4,276,958	4,276,958
557,852	625,507	726,368	674,533	861,606	18,853,400
2,250,550	2,876,057	3,602,425	4,276,958	5,138,564	23,130,358
18,790,650	24,153,581	24,801,329	25,474,884	26,075,867	26,075,867
5,362,931	647,748	673,555	600,983	600,692	2,139,911
24,153,581	24,801,329	25,474,884	26,075,867	26,676,559	28,215,777
32,204,775	33,068,439	33,966,512	34,767,822	35,568,745	37,621,036

Return to County		
Annual Qualifying Costs	25%	5,782,590
Less: Out-of-district spending		
Admin		(2,292,202)
Transfers Out		-
Cumulative Available Amount for Pooling		3,490,388
Ending Cash Balance		

562,638	156,377	181,592	168,633	215,401	4,497,949
(222)	-	-	945	-	-
562,416	156,377	181,592	169,579	215,401	4,497,949
0	0	0	0	0	(5,274,522)

Available for Pooling (lesser of cash balance or cumulative pooling amount)		
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0	0	0	0	0	(5,274,522)
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6. Summary of Individual Tax Increment Financing Districts

Special Legislation:

In 1998 Session Laws (Chapter 389, Article 11, Section 24), the Minnesota Legislature approved the creation of this TIF District.

*Subdivision 1. **Special Rules.** (a) If the city elects upon the adoption of the tax increment financing plan for the district, the rules under this section apply to redevelopment or soils condition tax increment financing districts established by the city of New Brighton or a development authority of the city of New Brighton in the area bounded on the north by the south boundary line of tax increment district number 8 extended to Long Lake regional park. (b) The five-year rule under Minnesota Statutes, section 469.1763, subdivision 3, is extended to nine years for the district. (c) The limitations on spending increment outside of the district under Minnesota Statutes, section 469.1763, subdivision 2, do not apply, but increments may only be expended on improvements or activities within the area defined in paragraph (a).*

*Subdivision 2. **Expiration.** (a) The exception from the limitations of Minnesota Statutes, section 469.1763, subdivision 2, expires 18 years after the receipt of first increment from a district to which the city has elected that this section applies. (b) The authority to approve tax increment financing plans to establish a tax increment financing district under this section expires on December 31, 2008.*

*Subdivision 3. **Effective Date.** This section is effective upon approval by the governing bodies of the city of New Brighton and Ramsey County and upon compliance by the city with Minnesota Statutes, section 645.021, subdivision 3.*

In 2008 Session Laws (Chapter 366, Article 5, Section 24), the Minnesota Legislature allowed pooling from TIF Districts 9, 20, & 26 to this TIF district and TIF District #32 in the Northwest Quadrant.

*Subdivision 2. **District duration extension.** Notwithstanding the provisions of Minnesota Statutes 469.176, subdivision 1b, or any other law to the contrary, the duration limits that apply to redevelopment tax increment financing districts numbers 31 and 32 established under Laws 1998, chapter 389, article 11, section 24, and hazardous substance subdistricts numbers 31A and 32A established under Minnesota Statutes, sections 469.174 to 469.1799, are extended by four years.*



6. Summary of Individual Tax Increment Financing Districts

Tax Increment Financing Redevelopment District No. 33 – Active Marv's Transmission Office Condo Development

Description:

This Redevelopment District was established in order to assist with the development within the Development District.

Adopted:	12/12/2006
Requested Date:	12/26/2006
Certified Date:	06/11/2007
Decertifies:	12/31/2033
Modifications:	None

Current PIN Number(s):

Current PIN Number(s)
29.30.23.11.0093

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

Frozen Tax Rate: 109.170%

First Receipt of Increment: July 2008

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 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.



6. Summary of Individual Tax Increment Financing Districts

Obligations:

The Marv's Transmission Site Office Condo Development TIF District currently has an interfund loan for \$276,326 from the Municipal Development Fund #560.

In-District Obligations: Interfund Loan from the Municipal Development Fund – Through 2030

Pooled Obligations: None

Three Year Rule:

MN Statute 469.176 sub 1a was repealed in 2005 and does not apply to this district.

Four Year Rule:

*In 2009, the Minnesota Legislature extended the time frame of this provision from four to six years for districts that were certified between January 1, 2005 and April 20, 2009. **The Marv's Transmission TIF six-year deadline was June 2013.***

Five Year Rule:

*In 2009, the Minnesota Legislature extended the time frame of this provision from five years to ten for districts certified between June 30, 2003 and April 20, 2009. **The ten-year deadline is June 2017.***

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 Marv's Transmission TIF may not be enlarged after June 2012.



6. Summary of Individual Tax Increment Financing Districts





6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
Tax Increment Financing (Redevelopment) District No. 33
Marv's Transmission Site

District Summary Details		
	Original	Modification
Approval Date	12/21/2006	----
Request for Certification	12/26/2006	----
Certification Date	6/11/2007	----
Decertification Date	12/31/2033	----

Observations:
District has zero cash balance while paying down Interfund Loan.
Not projected to be repaid in full with existing funds

Actual budget not expected to exceed cumulative modified budget

	Beginning Fund Balance			(285,247) (283,026) (276,326) (267,924) (255,947)					
	Original Budget	Cumulative Modified Budget	Projected over District Term						
Tax increment revenue	475,000	-	517,698	162,858	15,602	18,263	19,991	23,153	277,831
MVHC	-	-	-	-	-	-	-	-	-
Investment earnings	47,500	-	(28,649)	(6,071)	86	241	332	(278)	(22,959)
Special Assessments	237,500	-	-	-	-	-	-	-	-
Sales/lease proceeds	175,000	-	-	-	-	-	-	-	-
Sale of property	-	-	173,960	173,960	-	-	-	-	-
Loan/advance payments	-	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-	-
Other:	-	-	-	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-	-	-	-
Estimated Tax Increment Revenues	935,000	-	663,009	330,747	15,688	18,504	20,323	22,875	254,872
Land/building acquisition	350,000	-	354,721	354,721	-	-	-	-	-
Site improvements/preparation costs	15,000	-	47,996	47,996	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-
Other qualifying improvements	-	-	16,967	16,967	-	-	-	-	-
Construction of affordable housing	-	-	-	-	-	-	-	-	-
Temporary ED	-	-	-	-	-	-	-	-	-
Authority Admin	47,500	-	43,856	43,856	-	-	336	(336)	-
County Admin	-	-	10,719	3,237	457	483	530	528	5,484
Other qualifying improvements	-	-	-	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-	-	-	-
Estimated Tax Increment Project Costs	412,500	-	474,259	466,777	457	483	865	192	5,484
Interest expense	285,000	-	-	-	-	-	-	-	-
Total	697,500	-	474,259	457	483	865	192	5,484	

Bonds 237,500 -

Surplus / (Deficit) -

Bond Principal Payments	-								
Bond Proceeds Original	-								
Bond Proceeds Refunding	-								
Bond Premium/(Discount)	-								
Net Bond Payments	-	-	-	-	-	-	-	-	-
Interfund	-								
Interfund Principal	-								
Interfund Interest	287,146	149,217	13,010	11,321	11,056	10,706	91,836		
Total Interfund Payments	287,146	149,217	13,010	11,321	11,056	10,706	91,836		
Projected Ending Fund Balance	(98,395)	(285,247)	(283,026)	(276,326)	(267,924)	(255,947)	(98,395)		



6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
Tax Increment Financing (Redevelopment) District No. 33
Marv's Transmission Site

Administrative Expenditures (MN Statutes 469.176, Subd. 3)			Prior Years		Actual			Projected
	Revenues		2017 & Prior	2018	2019	2020	2021	2022-2033
Accumulated Admin Expenses	88,750		43,856	43,856	43,856	44,192	43,856	43,856
Accumulated Total Revenues	887,500		162,857	178,459	196,722	216,713	239,866	517,697
Allowable Admin	10%		26.9%	24.6%	22.3%	20.4%	18.3%	8.5%

Pooling Calculation			Prior Years	Current	Projected			
		Projected Total	2017 & Prior	2018	2019	2020	2021	2021-2033
Step 1:								
Cumulative Tax Increment	-	489,049	137,891	156,787	172,475	190,979	211,302	211,302
Current Year	-		18,896	15,688	18,504	20,323	22,875	277,747
Total	-	489,049	156,787	172,475	190,979	211,302	234,177	489,049
Step 2:								
In-District Expenditures	75%		558,505	572,138	585,605	597,409	608,994	608,994
Current Year			13,633	13,467	11,804	11,585	11,234	108,554
Total		717,548	572,138	585,605	597,409	608,994	620,228	717,548
Maximum Allowable Expenses		956,731	762,851	780,807	796,546	811,992	826,971	956,731

Return to County			0	0	0	0	0	0
Annual Qualifying Costs	25%	122,262	39,197	3,922	4,626	5,081	5,719	63,718
Less: Out-of-district spending								
Admin		(43,856)	(43,856)	-	-	(336)	336	(43,856)
Transfers Out		-						
Cumulative Available Amount for Pooling		78,406	(4,659)	3,922	4,626	4,745	6,054	19,862
Ending Cash Balance			0	0	0	0	0	0
Available for Pooling (lesser of cash balance or cumulative pooling amount)			0	0	0	0	0	0



6. Summary of Individual Tax Increment Financing Districts

Tax Increment Financing Redevelopment District No. 34 – Active Midtown Village

Description:

Establishment of TIF 34 facilitated redevelopment of New Brighton Elementary School into a mixed-use project comprising of 154 workforce housing units, 200 senior housing units and 54 townhome owner-occupied housing units within the Development District.

Adopted:	4/23/2019
Requested Date:	
Certified Date:	1/28/2020
Decertifies:	12/31/2047
Modifications:	None

Current PIN Number(s):

Current PIN Number(s)
29.30.23.13.0020
29.30.23.13.0020
29.30.23.13.0224
29.30.23.13.0223
29.30.23.13.0225
29.30.23.12.0176
29.30.23.12.0149-0175
29.30.23.13.0187-0221

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

Frozen Tax Rate: 124.538%

First Receipt of Increment: July 2022

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



6. Summary of Individual Tax Increment Financing Districts

increment must be spent 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:

The TIF District currently is supporting two pay-as-you go notes and also has an interfund loan from the Municipal Development Fund #560.

In-District Obligations: \$2.1M Pay GO Note for Senior Housing
\$1.6M Pay GO Note for Multifamily Housing
Interfund Loan from the Municipal Development Fund – Through term of district

Pooled Obligations: None

Three Year Rule:

MN Statute 469.176 sub 1a was repealed in 2005 and does not apply to this district.

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 with the TIF district. Required activities include demolition, rehabilitation, renovation and site improvements. If these activities have not taken place within the required time, the parcel is 'knocked down' from the district, meaning, that no increment may be collected from that individual parcel for the duration of the district. The law, does, however allow for reinstatement procedures should the required activity later occur on the parcel. The TIF six-year deadline is January 2024.

Five Year Rule:

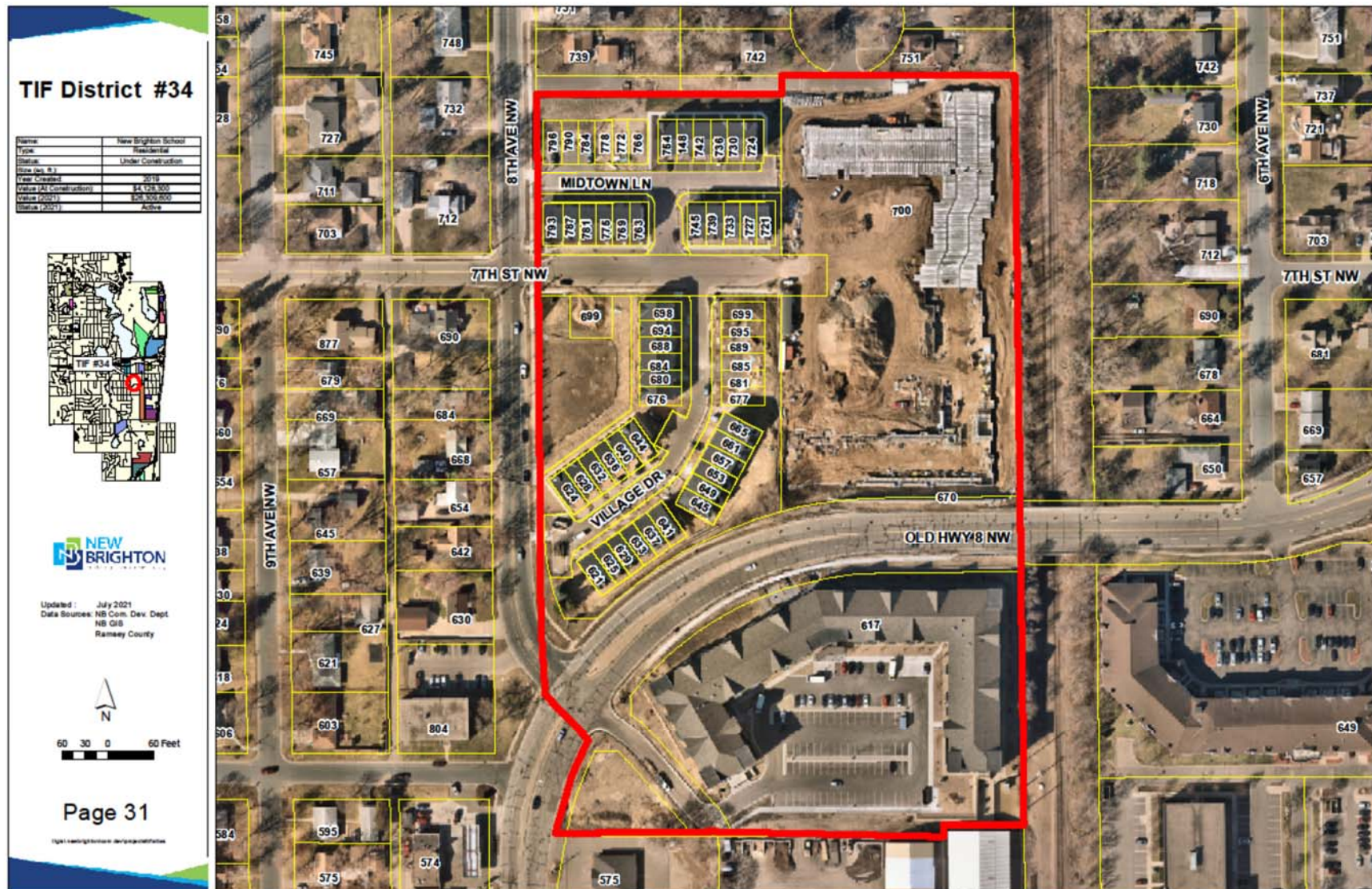
MN Statute 469.1763 Subd. 3 states that for Post-1990 districts, tax increment is only considered to be expended on an in-district activity if certain activities occur. The five-year deadline is January 2025.

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 Midtown Village TIF may not be enlarged after January 2025.



6. Summary of Individual Tax Increment Financing Districts





6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota

Tax Increment Financing (Redevelopment) District No. 34

New Brighton Elementary

District Summary Details		
	Original	Modification
Approval Date	4/23/2019	----
Request for Certification		----
Certification Date	1/28/2020	----
Decertification Date	12/31/2047 *	----

* first increment expected to be collected in 2022

Notes:

Tax increment revenue estimates based on 3 development types:

200 senior housing units valued at \$160,000/unit with construction occurring 2021-2022 supporting \$2.1M TIF Note at 4.75%

154 workforce housing units valued at \$160,000/unit with construction occurring 2020-2021 supporting \$1.6M TIF Note at 4.5%

53 townhomes valued at \$250,000/unit with construction occurring 2020-2023 supporting City infrastructure obligations

9% annual increment set aside for admin expenses

Past years		Actual				Projected			
2018	2019	2020	2021	2022	2023	2024	2025	2026-2047	
-		(18,981)	(877,388)	(1,151,831)	(2,187,012)	(2,328,172)	(2,432,698)	(2,381,576)	(2,293,336)
n 6	-	-	-		138,014	394,021	577,829	618,934	13,616,548
			-	-	-	-	-	-	-
									-
									-
									-
									-
6	-	-	-	-	138,014	394,021	577,829	618,934	13,616,548
5		284,893		8,912					-
8		8,928							-
7		522,296	221,255	977,136					-
									-
5	18,981	41,921	36,955	14,107	12,421	35,462	52,005	55,704	1,225,489
6				1,996					-
									-
0	18,981	858,038	258,210	1,002,150	12,421	35,462	52,005	55,704	1,225,489
0	18,981	858,038	258,210	1,002,150	12,421	35,462	52,005	55,704	1,225,489

Senior									
PayGO	-	-	-	-	-	-	-	-	-
PayGO Principal	2,100,000	-	-	-	-	57,370	144,120	151,047	1,747,462
PayGO Interest	922,075	-	-	-	117,166	182,084	95,334	88,407	439,085
Total PayGO Payments	3,022,075	-	-	-	117,166	239,454	239,454	239,454	2,186,547
Workforce									
PayGO	-	-	-	-	-	-	-	-	-
PayGO Principal	1,600,000	-	-	-	26,107	60,279	70,601	76,172	1,366,843
PayGO Interest	645,316	-	-	-	36,000	70,225	67,340	64,101	407,650
Total PayGO Payments	2,245,316	-	-	-	62,107	130,504	137,941	140,273	1,774,493
Interfund									
Interfund Principal	-	-	-	-	-	-	-	-	-
Interfund Interest	1,265,768	-	369	16,233	33,031	87,480	93,127	97,308	842,956
Total Interfund Payments	1,265,768	-	369	16,233	33,031	87,480	93,127	97,308	842,956
Projected Ending Fund Balance									
	5,293,727	(18,981)	(877,388)	(1,151,831)	(2,187,012)	(2,328,172)	(2,432,698)	(2,381,576)	(2,293,336)



6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
Tax Increment Financing (Redevelopment) District No. 34
Midtown Village

Administrative Expenditures (MN Statutes 469.176, Subd. 3)		Prior Years	Current	Projected						
	Revenues	2019	2020	2021	2022	2023	2024	2025	2026-2047	
Accumulated Admin Expenses	2,217,923	60,902	97,857	111,964	124,385	159,847	211,851	267,556	1,493,045	
Accumulated Total Revenues	22,179,231	-	-	-	138,014	532,035	1,109,864	1,728,798	15,345,346	
Allowable Admin	10%				90.1%	30.0%	19.1%	15.5%	9.7%	

Pooling Calculation			Prior Years	Current	Projected					
		Projected Total	2019	2020	2021	2022	2023	2024	2025	2026-2047
Step 1:	Cumulative Tax Increment	-	-	-	-	-	138,014	532,035	1,109,864	1,728,798
	Current Year	-	-	-	-	138,014	394,021	577,829	618,934	13,616,548
	Total	-	-	-	-	138,014	532,035	1,109,864	1,728,798	15,345,346
Step 2:	In-District Expenditures	75%	-	816,486	1,053,974	2,075,049	2,341,802	2,804,886	3,279,588	3,754,578
	Current Year		816,486	237,487	1,021,075	266,753	463,084	474,702	474,990	4,803,996
	Total		816,486	1,053,974	2,075,049	2,341,802	2,804,886	3,279,588	3,754,578	8,558,575
	Maximum Allowable Expenses	11,411,433	1,088,648	1,405,298	2,766,731	3,122,402	3,739,848	4,372,784	5,006,104	11,411,433

Return to County										
Annual Qualifying Costs	25%	3,836,337	-	-	-	34,504	98,505	144,457	154,734	3,404,137
Less: Out-of-district spending										
Admin		(1,493,045)	(60,902)	(36,955)	(14,107)	(12,421)	(35,462)	(52,005)	(55,704)	(1,493,045)
Transfers Out		-								
Cumulative Available Amount for Pooling		2,343,292	(60,902)	(36,955)	(14,107)	22,082	63,043	92,453	99,029	1,911,092
Ending Cash Balance			0	0	0	0	0	0	0	0
Available for Pooling (lesser of cash balance or cumulative pooling amount			0	0	0	0	0	0	0	0



7. Future Considerations

Upon completion of our analysis it appears the City's objectives regarding the use of tax increment financing has been to assist with development/redevelopment activities of the districts and project areas, through individual developer obligations and pooling opportunities, followed by anticipated decertification upon fulfillment of obligations. The City's goal with the use of tax increment financing has been to explore opportunities that maximize the use of funds collected by the TIF Districts through pooling.

A TIF District is required to be decertified once all obligations have been paid and the objectives of the TIF Plan have been met. However, in some cases a TIF District can remain open and continue to collect tax increment to finance additional eligible project costs. Continuing to receive tax increment from the districts through the maximum terms will enable the City to retain the captured tax capacity to finance additional TIF eligible projects, as allowed by the individual TIF Plans and TIF District establishment dates. However, decertifying the TIF districts once obligations have been met will allow the captured tax capacity to be added to the city's total tax capacity thereby helping to reduce property owners' overall tax burden.

Several of the districts are supporting existing pooled debt obligations and have some flexibility regarding the use of future funds. Post-90 districts have less flexibility as outlined in the first sections of the report and were established to assist with development and redevelopment of individual projects within the districts. Once the obligations have been fulfilled, there will be limited opportunities to finance additional projects.

For purposes of our analysis we will provide estimated fund balances for the projected maximum term as authorized by current TIF Plans, original and modified. In some cases, to the extent the individual obligations are fulfilled the districts may be required to be decertified. Depending on the type of district and status of outstanding obligations, the City may have the ability to extend the collection of increment for up to the statutory maximum term of the districts for financing of eligible projects. The City has previously modified the TIF Plans to generally authorize pooling. In circumstances in which pooling activities would cause a district to exceed its total revenue and expenditure authority, a budget modification to increase the total amounts would be required.

The estimated amount of increment available for each district could be adjusted depending on the City's objectives. Additionally, new districts created by the City may have the ability to provide additional pooling capacity to the existing TIF Districts. It's important to study the cost/benefit of using any surplus tax increment revenues for desired existing projects already in place before releasing TIF funds and risk levying or creating new TIF districts for key projects.

Ongoing, we recommend the City annually review the current status of existing TIF Districts and use available surplus increments to:



7. Future Considerations

- Continue to finance authorized project area and district obligations
- Annually review budgets to determine when/if modifications may be necessary
- Support pooled debt service payments as necessary
- Decertify upon fulfillment of obligations
- Return/use available increment



8. Recommendations

The financial analysis of the City of New Brighton's TIF Districts results in the following preliminary recommendations:

Budget Modifications

Budget modifications may be necessary for the following TIF Districts and should be monitored on a regular basis:

TIF No. 26 Brighton Corporate Business Park III – It is expected that the revenues and/or expenditures of the district may exceed the budget. This district should be closely monitored annually to ensure actual activities do not exceed budget authority.

TIF No. 33 Marv's Transmission - This district should be closely monitored to ensure TIF expenses don't exceed the TIF budget.

Early Decertification

Once a district has paid off all outstanding obligations, it may need to be decertified early (depending on the district). We recommend the following District(s) be decertified early:

TIF No. 29 BCPII South (Soo Line) – This district has been decertified early as of December 31, 2021 due to fulfillment of district obligations

TIF No. 27 Ken's Market – We anticipate this district could be decertified as of December 31, 2022 due to fulfillment of district obligations and limited ability for use of future funds. Discussion on possible options recommended.

Cash Balances and Uses

Pre-1990 Districts: All of the City's pre-1990 districts have been decertified.

Special Legislation Districts: TIF No. 26 have special legislation which allows pooling with TIF #31 and TIF #32. There is estimated to continue to be available revenues from this district through the remaining term of tax increment revenue collection (December 31, 2024) for pooling prior to the date in which it expires.

Post-1990 Districts: TIF 27 – TIF 34 (excluding TIF No. 26) are subject to pooling limitations, thus will be looked at individually.

TIF No. 27: This district currently has a \$0 cash balance while paying off an interfund loan from the Municipal Development Fund. Collection and repayment are expected to continue until the district expires, which is expected to be in 2022. We will continue to monitor the activities of this district.

TIF No. 29: This district has previously experienced \$0 cash balance while paying off an interfund loan from the Municipal Development Fund. Collection and repayment continued through 2021, at which point all obligations have been paid in full.



8. Recommendations

TIF No. 31 & No. 32: These districts currently have \$0 cash balances while paying off an interfund loan from the Municipal Development Fund and other debt obligations. Development is occurring or is expected to occur on all but two blocks. The city is exploring options for projects on those blocks to assist in paying the outstanding debt. Pooling from Special Legislation Districts and Pre-1990 districts are continuing to assist with repayment of the obligations.

TIF No. 33: This district currently has a \$0 cash balance while paying off an interfund loan from the Municipal Development Fund. Collection and repayment are expected to continue until the district expires.

TIF No. 34: This district currently has a \$0 cash balance while paying off an interfund loan from the Municipal Development Fund. Collection and repayment are expected to continue until the district expires. The district also will support repayment of two pay-as-you-go obligations that will commence payments in 2022 and 2023.

Pooled Debt Service

The allocations of pooled debt payments may be subject to change based on pooling opportunities, cash flow, and other factors. We recommend a periodic review of the allocation of all pooled debt obligations.

Excess Increment on TIF Reporting

At this time there are no districts with Excess Increment as reported in the annual TIF Reports that are submitted prior to August 1 to the Office of the State Auditor (OSA). We recommend this be monitored annually.

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 with the TIF district. Required activities include demolition, rehabilitation, renovation and site improvements. If these activities have not taken place within the required time, the parcel is 'knocked down' from the district, meaning, that no increment may be collected from that individual parcel for the duration of the district. The law, does, however allow for reinstatement procedures should the required activity later occur on the parcel. The following districts have had parcels removed from the district due to inactivity:

A list of parcels (if any) is pending from Ramsey County.



8. Recommendations

Five Year Rule

MN Statute 469.1763 Subd. 3 states that for Post-1990 districts, tax increment is only considered to be expended on an in-district activity if certain activities occur. For redevelopment and renewal & renovation districts certified after June 30, 2003 and before April 20, 2009 this deadline is extended to ten years due to the downturn in the economy. We recommend the City monitor the Five-Year deadlines to avoid missing any obligation opportunities

Pooling Recommendations

Pre-1990 TIF Districts: These districts were created prior to the pooling limitations we have today and are able to pool to other TIF districts without restriction. The City's pre-1990 districts have been decertified. Any available increment may be used to assist with the bond payments for the Northwest Quadrant TIF Districts 31 & 32.

Special Legislation: TIF District 26 has special legislation which allows this district to pool with the Northwest Quadrant TIF Districts No. 31 and 32 without restriction, similar to the Pre-1990 TIF districts.

Post-1990 TIF Districts: In 2015, the Minnesota Office of the State Auditor ("OSA") inquired into the pooling payments for TIF #19, which was decertified in 2012. The City already agreed and returned to Ramsey County \$23,547, which is the amount that was spent in excess of the 25% pooling limitation. However, the OSA had additional questions regarding Minnesota Statute 469.1763 Subd. 4, which discusses spending at least 75% of tax increment revenues to pay outstanding obligations beginning in the sixth year of a district. The OSA has not reached a conclusive opinion on this issue as it is still considering the impact of this section of statute. Based on guidance from the City's TIF attorney, all post-1990 TIF districts now have a calculation included that determines how much, if any would need to be returned to the County as a result of this legislation. The calculation to be used includes a combination of both annual and cumulative testing of the 25% pooling limitation for redevelopment districts to ensure that an adequate amount to be pooled is in a specific year that can accumulate for spending in one particular year. Potentially impacted districts may include:

- TIF No. 27
- TIF No. 29



Appendix

Administrative Expenses

Minnesota TIF law defines certain costs to administer and maintain the district as allowable costs that can be paid for from tax increment revenues. These generally include City staff time, legal expenses, financial advisory expenses and publication and reporting expenses. This allows a City to defray documented staff time that is most likely a General Fund expense, such as Finance staff, Community Development staff, Assessing staff and Administration such as the City Manager. Time spent can be paid for from TIF revenues rather than general property tax or other revenues. The table on the next page shows the estimated amount of increment remaining in the City's TIF districts for payable 2018 after district obligations have been paid and after estimated administrative costs.

The City has worked to ensure that the majority of the TIF districts are within the 10% limitation for administrative expenses with annual monitoring of each districts' activities. One district (Northwest Quadrant TIF No. 32) has previously been calculating administrative expenses in excess of the 10% limit. However, with assumptions made to future taxable value and/or tax increment revenue growth, we are projecting the district may cumulatively be below 10% administrative cap. We will continue to monitor annual activities of the TIF District, as well as the City's other districts, to ensure the administrative expenses remain below the 10% limit on a cumulative basis.

There continues to be time remaining in the life of the districts to work towards being at or below the 10% limitation prior to expiration. Based on current estimates for future revenues and expenditures all of the identified districts are expected to be within the 10% limitation. The tables on the following pages illustrate each district's current status relative to the administrative expense limitation.

a) For districts for which certification was requested before August 1, 1979, or after June 30, 1982 and before August 1, 2001, no tax increment shall be used to pay any administrative expenses for a project which exceed ten percent of the total estimated tax increment expenditures authorized by the tax increment financing plan or the total tax increment expenditures for the project, whichever is less.

Administrative Expenses Limit Test MN Statutes 469.176 Subd. 3		TIF 26 Brighton	TIF 27 Ken's Market	TIF 29 BCPN South (Soo
Test 1				
	Estimated TIF Admin Allowable (10%)	1,950,625	176,000	271,250
	Estimated Total TIF Expenditures per TIF Plan			
Test 2				
	Cumulative TIF Admin Allowable (10%)	1,290,881	59,434	51,853
	Total TIF Expenditures for the Project	17,511,921	603,066	628,295
	Actual Percentage	7.4%	9.9%	8.3%

(c) For districts for which certification was requested after July 31, 2001, no tax increment may be used to pay any administrative expenses for a project which exceed ten percent of total estimated tax increment expenditures authorized by the tax increment financing plan or the total tax increments, as defined in section 469.174, subdivision 25, clause (1), from the district, whichever is less.

Administrative Expenses Limit Test MN Statutes 469.176 Subd. 3		TIF 31 Northwest Quadrant West Side	TIF 32 Northwest Quadrant East Side	TIF 33 Marv's Transmission Site	TIF 34 Midtown Village
Test 1					
	Estimated TIF Admin Allowable (10%)	9,614,100	7,927,600	88,750	2,217,923
	Estimated Total TIF Expenditures per TIF Plan				
Test 2					
	Cumulative TIF Admin Allowable (10%)	2,742,531	2,292,202	43,856	1,470,672
	Total TIF Revenues for the Project	29,084,946	23,420,397	517,697	15,307,664
	Actual Percentage	9.4%	9.8%	8.5%	9.6%

Annual Administrative Costs Projected by Year

Below are the actual and projected Administrative Costs for active or recently decertified TIF District by year to assist with annual budgeting. The projections show the maximum Admin allowed (up to the 10%). Please note that Administrative costs must be documented if they are to be paid for with tax increment revenues. The City cannot simply retain 10% of tax increment revenues received for administrative expenses.

District Name	TIF 26 Brighton Corporate Business Park III	TIF 27 Ken's Market	TIF 29 BCPN South (Soo Line)	TIF 31 Northwest Quadrant West Side	TIF 32 Northwest Quadrant East Side	TIF 33 Marv's Transmission Site	TIF 34 Midtown Village
District Type	Redevelopment	Redevelopment	Redevelopment	Redevelopment	Redevelopment	Redevelopment	Redevelopment
Expected/Actual Term	12/31/2024	12/31/2026	12/31/2027	12/31/2035	12/31/2036	12/31/2033	12/31/2047
Year							
2018 & Prior	1,267,218	52,434	49,053	2,742,467	2,293,146	43,856	
2019	-	-	-	-	-	-	41,921
2020	-	7,000	2,800	64	(945)	336	36,955
2021	23,663	-	-		-	(336)	14,107
2022	-	-	-		-	-	12,421
2023	-	-	-		-	-	35,462
2024	-	-	-		-	-	52,005
2025	-	-	-		-	-	55,704
2026		-	-		-	-	55,704
2027		-			-	-	55,704
2028					-	-	55,704
2029					-	-	55,704
2030					-		55,704
2031					-		55,704
2032					-		55,704
2033					-		55,704
2034					-		55,704
2035					-		55,704
2036					-		55,704
2037					-		55,704
Total	1,290,881	59,434	51,853	2,742,531	2,292,201	43,856	1,474,064

