



**Request for City Council Committee Action
From the Department of Community Planning & Economic Development**

Date: August 20, 2013

To: Council Member Lisa Goodman, Chair, Community Development Committee

Referral to: Council Member Betsy Hodges, Chair, Ways & Means/Budget Committee

Subject: 2012 Annual Tax Increment Reporting

Recommendation: **Receive And File the 2012 Annual Tax Increment Reports.**

Previous Directives: Not applicable.

Prepared by: Pamela McKenna, Development Finance Specialist (673-5038)

Approved by: Jeff C. Streder, Director, Development Finance _____
Presenter in Committee: Jeff C. Streder

Financial Impact: No financial impact.

Community Impact (Summarize below)

Ward: City-wide

Neighborhood Notification: Not applicable; however, pursuant to State law, a summary of the Annual Disclosure will be published in the Legal Notice section of Finance and Commerce on or prior to August 15, 2013.

City Goals: Not applicable.

Comprehensive Plan: Not applicable.

Zoning Code: Not applicable.

Living Wage/Job Linkage: Not applicable.

Background/Supporting Information:

State statute requires municipalities and redevelopment authorities to annually report on their use of tax increment ("TI") financing. Since 1995, the Office of the State Auditor ("OSA") has assumed responsibility for oversight in this area and developed a set of reporting forms in order to systematize reporting on a statewide basis.

The City was required to prepare and submit 116 reports, consisting of 105 reports for individual TI districts and 11 pooled debt reports. All reports were completed and submitted to the OSA by July 26, prior to the August 1 deadline.

A summary of the final reports is required to be provided to the School Board and the County, as well as published in a newspaper of general circulation within the City. The summary, a copy of which is attached to this report for your information, was published in Finance and Commerce

on August 15, 2013. As required by statute, the City has also submitted copies of each of the individual reports to the County Auditor.

A complete set of the 2012 Annual TI Reports is on file electronically in the office of the Finance and Property Services Department, Development Finance Division.

In calendar year 2012, four (4) TI districts were established within the City: Dunwoody Apartments, Hi-Lake Triangle Apartments, 520 Second Street SE, and Spirit on Lake. Ten (10) TI districts were decertified in 2012: Clare Housing, Creamette, MILES I, Nicollet-Franklin, SEMI Phase IV, United Van/Bus, Urban Village, Village in Phillips – Phase 2, Conservatory and South Nicollet Mall. Two of the districts (Conservatory and South Nicollet Mall) were decertified at the end of their statutory term while the remaining eight (8) districts were decertified early. As a result of these decertifications, the tax base of the City that contributes to the General Fund increased by approximately \$517 million, based on market values for taxes payable in 2012.

The percent of the City's net tax capacity being captured within TI districts decreased from 8.9% in 2012 to 6.6% in 2013, as a result of the decertification of the ten TI districts. In 2014, with the captured value of the Consolidated TI District returning to its original size, it is estimated that approximately 7.75% of the City's net tax capacity will be captured within TI districts. As a benchmark, in 2009 prior to decertification of the Pre-1979 TI Districts, approximately 15.2% of the City's net tax capacity was captured within TI districts.

Attachment: Page 1 of 2

City of Minneapolis										
Annual Disclosure for Tax Increment Districts for the Year Ended December 31, 2012										
TIF District Name	Current Net Tax Capacity	Original Net Tax Capacity	Captured Net Tax Capacity	Principal and Interest Payments Due in 2013	Tax Increment Received	Tax Increment Expended	First Tax Increment Receipt	Date of Required Decertification	Increased Property Tax Imposed on Other Properties as a Result of Fiscal Disparities Contribution*	
2nd Street North Hotel/Apartment**	177,000	11,970	165,030	213,710	238,981	217,446	2002	12/31/2027	45,207	
10th Ave N. & Washington Ave N.**	392,220	72,286	319,934	415,278	462,799	423,483	2002	12/31/2027	126,821	
13th & Harmon***	232,453	30,250	202,203	251,974	247,486	224,570	2004	12/31/2029	1,107	
20th & Central**	85,700	7,200	78,500	-	121,772	-	1988	12/31/2013	8,540	
50th & France**	174,530	21,070	153,460	202,300	226,258	208,483	2002	12/31/2017	60,749	
110 Grant***	-	-	-	-	-	-	1985	12/31/2010	-	
520 Second Street SE***	-	-	-	-	-	-	2013	12/31/2038	-	
900 6th Avenue SE**	87,250	45,300	41,950	49,552	62,068	59,684	2003	12/31/2028	16,633	
1900 Central Avenue**	52,319	2,040	50,279	68,988	76,833	73,301	2006	12/31/2031	4,083	
2700 East Lake Street**	61,250	11,320	49,930	43,420	72,055	68,923	2001	12/31/2026	19,798	
Antiques Minnesota**	34,012	9,608	24,404	32,818	35,801	36,283	2005	12/31/2030	9,676	
Block 33***	12,569	4,104	8,465	-	13,535	-	1988	12/31/2013	3,272	
Bottineau***	144,206	33,404	110,802	142,656	160,918	148,697	2003	12/31/2028	-	
Broadway 35W (HSS)	-	-	-	-	-	103,193	1979	8/1/2009	-	
Camden Medical Facility**	33,750	4,050	29,700	-	44,913	-	1999	12/31/2024	11,711	
Cedar-Riverside	-	-	-	-	-	182,903	1975	8/1/2009	-	
Central Avenue Lofts**	78,585	38,290	40,295	43,650	49,784	48,142	2009	12/31/2034	4,416	
Chicago-Lake Modifications 1&2**	179,050	4,658	174,392	-	270,671	130,000	1988	12/31/2013	69,139	
City Center	-	-	-	-	-	1,215,397	1980	8/1/2009	-	
Clare Apartments***	17,565	8,181	9,384	-	12,464	913	2007	12/31/2032	-	
Coloplast Redevelopment**	355,480	104,250	251,230	262,231	300,166	287,898	2009	12/31/2034	99,594	
Conservatory**	2,968,570	375,650	2,592,920	6,477,954	4,000,072	1,488,531	1987	12/31/2012	1,025,471	
Consolidated District	18,412,830	9,058,839	9,353,991	5,272,286	7,777,450	7,752,586	2011	12/31/2020	-	
Convention Hotel & Retail**	7,055,298	546,230	6,509,068	-	10,025,944	5,150,228	1987	12/31/2012	2,564,112	
Creamette***	120,625	10,250	110,375	-	162,244	99,955	1999	12/31/2024	-	
Dunwoody***	-	-	-	-	-	14,151	2014	12/31/2039	-	
East Bank I-335	-	-	-	-	-	146,270	1973	8/1/2009	-	
East Phillips Commons Phase I***	17,239	3,029	14,210	19,576	14,418	14,794	2003	12/31/2028	-	
East River/Unocal***	146,210	6,633	139,577	123,068	210,129	128,597	2005	12/31/2030	-	
East Village**	166,627	12,964	153,663	203,592	222,383	205,117	2001	12/31/2026	2,849	
Former Federal Reserve**	823,250	14,250	809,000	1,070,945	1,168,454	1,101,923	2001	12/31/2026	320,527	
Graco**	175,180	159,170	16,010	-	1,564	960	2002	12/31/2027	6,348	
Grain Belt Brew House**	123,658	6,870	116,788	151,237	168,823	156,703	2003	12/31/2028	46,304	
Grain Belt Housing**	66,900	33,697	33,203	-	50,004	3,996	2005	12/31/2030	13,165	
Grant	-	-	-	-	-	2,112	1973	8/1/2009	-	
Grant Park***	972,339	18,628	953,711	787,495	1,435,708	810,964	2004	12/31/2029	368,306	
Hennepin & 7th Entertainment**	1,161,624	200,290	961,334	1,763,156	2,177,093	7,610,161	2001	12/31/2026	380,804	
Hennepin-Lake	-	-	-	-	-	281,306	1981	8/1/2009	-	
Heritage Landing**	364,402	7,500	356,902	474,695	895,886	480,359	2001	12/31/2026	3,657	
Hiawatha Commons**	62,135	1,005	61,130	63,584	78,118	74,493	2007	12/31/2032	8,349	
Historic Milwaukee Depot Reuse**	601,250	63,250	538,000	348,113	794,193	355,167	2002	12/31/2027	213,214	
Hollman Housing Transition***	241,485	-	241,485	189,706	325,609	6,303,710	2005	12/31/2025	-	
Holmes	-	-	-	-	-	1,325,999	1975	8/1/2009	-	
Housing for Chronic Alcoholics***	24,316	4,650	19,666	20,000	28,211	-	1995	12/31/2020	-	
Housing Replacement District I***	214,715	23,145	191,570	-	289,491	44,711	1998	12/31/2013	-	
Housing Replacement District II***	42,968	18,273	24,695	-	35,037	6,639	2005	12/31/2030	-	
Housing Replacement District III***	7,721	12,950	-	-	-	1,299	2013	12/31/2026	-	
Humboldt Greenway***	182,272	64,852	117,420	207,675	168,208	245,321	2004	12/31/2029	-	
Humboldt Industrial Park**	136,250	33,842	102,408	86,327	123,595	89,337	2008	12/31/2028	40,377	
IDS Data Center**	2,330,257	413,810	1,916,447	1,121,125	2,962,774	-	1989	12/31/2014	758,448	
Ivy Tower**	537,690	19,520	518,170	696,263	743,345	701,705	2003	12/31/2028	94,080	
Lake Street Center**	1,341,549	-	1,341,549	1,907,000	2,176,653	1,988,062	2004	9/13/2032	379,860	
LaSalle Plaza**	1,501,879	141,130	1,360,749	-	2,074,200	1,603,602	1988	12/31/2013	504,155	
Laurel Village**	1,017,989	102,667	915,322	2,166,885	3,438,223	2,052,484	1987	12/31/2015	40,536	
Longfellow Station***	23,843	24,702	-	-	-	32,289	2013	12/31/2038	-	
Loring Park	-	-	-	-	-	13,105	1975	8/1/2009	-	
Lowry Ridge***	75,789	9,169	66,620	81,887	89,433	80,876	1998	12/31/2023	-	
Lyndale Green	15,124	15,120	4	-	-	467	2012	12/31/2037	-	

Magnum Loft Apartments**	50,732	11,138	39,594	51,629	53,972	52,400	2002	12/31/2027	4,537
Many Rivers East**	35,718	3,687	32,031	42,174	47,074	43,425	2003	12/31/2028	1,345
Many Rivers West**	22,140	3,623	18,517	21,506	27,319	27,718	2005	12/31/2030	1,494
Marshall River Run***	77,902	14,590	63,312	76,507	85,132	81,064	2007	12/31/2032	-
MILES I**	127,946	38,222	89,724	-	106,349	-	1992	12/31/2017	33,116
NBA Arena**	738,100	128,219	609,881	-	971,983	2,037,650	1988	12/31/2013	241,682
Neiman Marcus**	1,514,882	179,250	1,335,632	2,334,745	1,233,539	313,871	1990	12/31/2015	528,894
Nicollet-Franklin** (HSS)	190,152	33,690	156,462	-	215,246	6,519	2001	12/31/2026	39,042
Nicollet Island East Bank	-	-	-	-	-	1,211,806	1984	8/1/2009	-
Nicollet-Lake	-	-	-	-	-	329,996	1974	8/1/2009	-
Ninth & Hennepin**	71,470	13,600	57,870	67,440	83,330	71,459	1997	12/31/2022	22,945
Nokomis Homes***	-	-	-	-	10,697	652,632	1986	12/31/2011	-
Nokomis Senior Hsg ***	-	-	-	68,193	-	17,516	2013	12/31/2038	-
North Loop	-	-	-	-	-	129,315	1980	8/1/2009	-
North Washington Industrial Park (HSS)	-	-	-	-	-	125,591	1975	8/1/2009	-
Parcel C**	352,244	40,867	311,377	412,526	464,917	419,486	2004	12/31/2029	95,916
Park Ave. East***	-	-	-	-	-	-	2014	12/31/2039	-
Phillips Park***	45,870	5,780	40,090	64,558	56,614	63,632	2001	12/31/2026	15,496
Portland Place**	64,402	12,997	51,405	-	74,267	4,618	2001	12/31/2026	19,869
Ripley Gardens***	44,246	4,000	40,246	48,398	53,875	54,103	2006	12/31/2031	-
Rosacker Nursery Site**	105,081	6,619	98,462	-	149,324	-	1999	12/31/2024	13,613
St. Anne's Housing***	27,500	9,842	17,658	21,492	23,575	24,093	2006	12/31/2031	-
St. Anthony Mills Apartments**	69,518	6,012	63,506	73,074	81,210	79,966	2007	12/31/2032	2,332
SEMI Phase I (University Indus. Park)**	383,494	46,290	337,204	142,306	517,173	147,203	1998	12/31/2023	133,664
SEMI Phase II (HSS)(CSM - Kasota)**	177,640	8,390	169,250	133,903	262,726	136,559	1998	12/31/2023	67,100
SEMI Phase III (Hubbard)**	79,220	35,459	43,761	-	66,466	4,156	2001	12/31/2026	16,854
SEMI Phase IV (Malcolm)**	111,250	6,230	105,020	-	150,871	5,221	1998	12/31/2012	41,639
SEMI Phase V (HSS)**	114,440	7,190	107,250	132,706	156,578	145,899	2001	12/31/2026	42,522
Seward South	-	-	-	-	-	150,725	1973	8/1/2009	-
Shingle Creek***	60,731	4,100	56,631	60,568	77,194	73,486	2004	12/31/2029	-
Spirit on Lake***	-	-	-	-	-	-	2014	12/31/2039	-
Spring & Central**	21,750	7,950	13,800	10,000	14,176	-	1998	12/31/2023	5,472
Stinson Technology Campus**	704,018	113,939	590,079	785,081	878,436	757,806	2002	12/31/2027	233,842
Stone Arch Apartments***	222,500	17,210	205,290	301,576	314,295	288,960	2004	12/31/2029	-
The Jourdain**	33,601	1,273	32,328	39,548	43,993	43,451	2006	12/31/2031	2,572
United Van/Bus**	51,498	5,608	45,890	-	69,312	-	1999	12/31/2024	18,196
University & E. Hennepin**	947,940	36,138	911,802	1,037,027	1,318,217	1,064,261	2001	12/31/2026	51,318
Urban Village**	326,605	32,738	293,867	-	412,271	9,638	2002	12/31/2027	349
Van Cleve East***	36,875	6,708	30,167	33,107	35,606	48,176	2010	12/31/2035	-
Van Cleve West***	52,500	6,706	45,794	50,028	54,191	63,006	2010	12/31/2035	-
Van Cleve Redevelopment***	16,756	17,228	-	-	(423)	15,146	2010	12/31/2035	-
Village in Phillips***	34,070	3,343	30,727	38,610	44,630	44,580	2006	12/31/2031	-
Village in Phillips Phase II***	803	886	-	-	(6)	888	2010	12/31/2035	-
Washington Court Apartments***	21,394	5,755	15,639	17,249	19,509	19,220	2008	12/31/2033	-
Wellstone***	39,266	5,842	33,424	36,862	41,035	37,825	2008	12/31/2033	1,248
West Broadway	-	-	-	-	-	110,365	1980	8/1/2009	-
West River Commons**	73,801	8,887	64,914	79,386	99,194	93,685	2004	12/31/2029	5,679
West Side Milling District** (HSS)	1,756,376	96,910	1,659,466	1,253,853	2,553,967	2,011,515	2000	12/31/2025	63,804
									\$ 8,955,848
*The fiscal disparity property tax law provides that the growth in commercial-industrial property tax values is shared throughout the area. In a tax increment district, this sharing can either result in a tax increase for other properties in the City or result in a decrease in tax increment revenue, depending on how the tax increment district is established.									
**The districts noted above do not share growth in commercial-industrial property tax values. This results in an increase in property taxes for other properties located in the City. For taxes payable in 2012, this increase in taxes on other properties amounted to the values listed above.									
***Certain districts listed above either did not contain any commercial-industrial property or did not generate any tax increment payable in 2012 and therefore there was no increase in property taxes for other properties located in the City.									
Additional information regarding each district may be obtained from:			Kevin Carpenter, City Finance Officer c/o Pamela McKenna, 105 Fifth Avenue South, Suite 200 Minneapolis, MN 55401 (612) 673-5038						