

Representative Sample of Bond Issuances Done Directly by City Council per Authorizing State Statutes

- A. **Port authority powers** – If the governing body for a city finds that a given property or group of properties meets the statutory criteria established for making a finding of “marginal property”, then the city can create an “industrial development district”, and using powers granted under the Port Authority Act, can issue bonds to help remediate the conditions. For purposes of this act, “industrial development” includes economic development and housing development. Sample uses by the City of Minneapolis:
- a. Proposed for Downtown East project
 - b. \$16.1 m in issuance in December, 2003 and \$16.4 m in March, 2005 for Riverfront Ramp and
 - c. \$19.2 m in issuance for the Hawthorne Transportation Center in November, 1998 and \$14.0 m for the same project in July, 1999
- B. **TIF bonds** – Per authorizing statutes, and subject to meeting the statutory criteria of “but for” tests, cities are authorized to issue tax increment bonds in support of economic development or housing projects. Sample uses by the City of Minneapolis:
- a. \$29.0 m in issuance for Block E Development in October, 2000
 - b. \$6.9 m in issuance for Heritage Park Development in June, 2003
 - c. \$67.555 m in issuance of TIF bonds for Target Center in January, 1996, refunded November, 2009
 - d. Over last 20 plus years, the City has completed over 30 bond issuances and refunding transactions for financing approximately \$340 m of tax increment projects.
- C. **Common Bond Fund** – Under state statutes related to industrial development bond authorities, and per Council adopted common bond fund basic resolution, the City of Minneapolis periodically issues bonds (supported by a limited tax pledge, among other security features) to finance development or non-profit organization projects. Sample uses:
- a. \$12.595 m for LifeSource Project in October, 2013
 - b. \$25.0 m for Open Access Technology International (OATI) in December, 2010
 - c. Currently, the City has approximately \$94 m outstanding from 14 issues
- D. **Housing Improvement Area (HIA) bonds** – under state statute, cities are authorized to establish an HIA to finance the cost of improvements to common elements of a condominium or townhome property. City of Minneapolis use:
- a. \$1.260 m for Calhoun Place in November, 2013
- E. **Pension bonds** – under state statutes, cities can issue bonds to fund current and future pension obligations. City of Minneapolis use:
- a. \$25.0 m in issuance of MERF bonds and \$10.6 m in MPRA bonds in December, 2002
 - b. \$36.0 m in issuance of MERF bonds in June, 2003 and \$17.9 m in MPRA bonds in October, 2003
 - c. \$4.74 m in issuance of MFRA bonds and \$24.97 m of MPRA bonds in December, 2004
- F. **Other miscellaneous** – cities also have powers to directly issue general obligation bonds or notes, subject to specific authorizing statutes and conditions contained therein, in the following circumstances, among others:
- a. to purchase capital equipment
 - b. to finance parking ramps with special assessments
 - c. to finance qualified housing developments
 - d. to finance unpaid judgments against the city
 - e. to execute debt refunding transactions
 - f. to fund postemployment benefit liabilities