



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

**Date:** August 5, 2014

**To:** Council Member Lisa Goodman, Chair, Community Development and Regulatory Services Committee

**Referral to:** Council Member John Quincy, Chair, Ways and Means Committee

**Subject:** 2013 Annual Tax Increment Reporting

**Recommendation:** **Receive And File the 2013 Annual Tax Increment Reports.**

**Previous Directives:** Not applicable.

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

Approved by: Sandra Christensen, Deputy Finance Officer \_\_\_\_\_

Presenter in Committee: Sandra Christensen

**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, 2014.

**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 100 reports, consisting of 91 reports for individual TI districts and 9 pooled debt reports. All reports were completed and submitted to the OSA by July 22, 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, 2014. 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 2013 Annual TI Reports is on file electronically in the office of the Finance and Property Services Department, Development Finance Division.

In calendar year 2013, two (2) TI districts were established within the City: Currie Park and Greenway Heights. Five (5) TI districts were decertified in 2013: 20<sup>th</sup> & Central, Block 33, Chicago-Lake, LaSalle Plaza and NBA Arena. As a result of these decertifications, the tax base of the City that contributes to the General Fund increased by approximately \$205 million, based on market values for taxes payable in 2013.

In 2014 the net tax capacity of the City captured within TI districts is approximately 8.6% of the net tax capacity of taxable value located within the City. 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, the highest percentage to be captured within the last ten years.

As part of the reporting process, we have been reviewing each individual TI district to determine whether the City should look to decertify any districts prior to their statutory end date. We will be reporting back to the Council with any recommendation prior to year-end.

## Attachment: Page 1 of 2

City of Minneapolis										
Annual Disclosure for Tax Increment Districts for the Year Ended December 31, 2013										
TIF District Name	Current Net Tax Capacity	Original Net Tax Capacity	Captured Net Tax Capacity	Principal and Interest Payments Due in 2014	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**	183,250	11,970	171,280	221,803	245,956	222,222	2002	12/31/2027	43,665	
10th Ave N. & Washington Ave N.**	392,970	72,286	320,684	415,275	460,942	421,490	2002	12/31/2027	117,127	
13th & Harmon**	236,540	30,250	206,290	251,977	279,888	257,277	2004	12/31/2029	955	
20th & Central**	86,034	7,200	78,834	-	123,779	-	1988	12/31/2013	7,249	
50th & France**	174,530	21,070	153,460	202,302	224,490	207,050	2002	12/31/2017	55,994	
520 Second Street SE**	10,732	9,337	1,395	-	2,125	-	2013	12/31/2038	510	
900 6th Avenue SE**	82,700	45,300	37,400	49,525	54,763	52,573	2003	12/31/2028	13,663	
1900 Central Avenue**	52,319	2,040	50,279	68,988	76,607	72,255	2006	12/31/2031	3,810	
2700 East Lake Street**	44,850	11,320	33,530	54,306	48,200	46,403	2001	12/31/2026	12,250	
Antiques Minnesota**	29,622	9,608	20,014	26,520	29,382	32,975	2005	12/31/2030	7,312	
Block 33***	12,531	2,715	9,816	-	15,332	-	1988	12/31/2013	-	
Bottineau***	140,379	32,647	107,732	138,114	139,435	129,516	2003	12/31/2028	-	
Camden Medical Facility**	32,250	4,050	28,200	-	40,932	-	1999	12/31/2024	10,254	
Central Avenue Lofts**	75,424	38,290	37,134	41,171	49,344	49,208	2009	12/31/2034	3,775	
Chicago-Lake Modifications 1&2**	179,050	4,658	174,392	-	273,648	-	1988	12/31/2013	63,703	
Clare Apartments***	-	-	-	-	(105)	2,500	2007	12/31/2032	-	
Coloplast Redevelopment**	341,250	104,250	237,000	255,867	283,369	267,567	2009	12/31/2034	86,568	
Conservatory***	-	-	-	-	3,750	6,477,954	1987	12/31/2012	-	
Consolidated District	18,007,432	9,025,163	8,982,269	4,250,332	7,861,585	7,990,557	2011	12/31/2020	-	
Convention Hotel & Retail***	-	-	-	-	(17,607)	-	1987	12/31/2012	-	
Creamette***	-	-	-	-	(153)	-	1999	12/31/2024	-	
Dunwoody***	21,250	22,188	-	-	(138)	6,351	2014	12/31/2039	-	
East Phillips Commons Phase I***	17,813	3,029	14,784	19,577	21,726	21,752	2003	12/31/2028	-	
East River/Unocal***	131,641	6,431	125,210	120,772	183,458	127,396	2005	12/31/2030	-	
East Village**	170,181	12,964	157,217	203,593	225,942	208,354	2001	12/31/2026	2,688	
Former Federal Reserve**	859,250	14,250	845,000	1,094,251	1,214,190	1,085,602	2001	12/31/2026	308,485	
Graco**	175,180	159,170	16,010	-	39,584	-	2002	12/31/2027	5,849	
Grain Belt Brew House**	123,658	6,870	116,788	151,238	167,896	155,417	2003	12/31/2028	42,664	
Grain Belt Housing**	65,600	33,697	31,903	-	46,693	-	2005	12/31/2030	11,655	
Grant Park***	972,270	18,274	953,996	781,495	1,385,412	803,767	2004	12/31/2029	-	
Hennepin & 7th Entertainment**	1,183,624	200,290	983,334	1,559,744	1,740,301	1,568,393	2001	12/31/2026	358,943	
Heritage Landing**	369,675	7,500	362,175	484,409	695,034	1,407,470	2001	12/31/2026	3,683	
Hiawatha Commons**	56,408	1,005	55,403	63,584	70,613	66,792	2007	12/31/2032	6,875	
Historic Milwaukee Depot Reuse**	623,250	63,250	560,000	353,750	812,746	359,546	2002	12/31/2027	204,491	
Hi-Lake Triangle Apartments***	-	-	-	-	-	-	2014	12/31/2039	-	
Hollman Housing Transition**	295,877	-	295,877	242,763	325,549	195,464	2005	12/31/2025	23,565	
Housing for Chronic Alcoholics***	23,202	4,650	18,552	60,000	26,031	-	1995	12/31/2020	-	
Housing Replacement District I***	186,375	20,492	165,883	-	236,503	64,332	1998	12/31/2022	-	
Housing Replacement District II***	43,263	15,836	27,427	-	39,939	2,894	2005	12/31/2030	-	
Housing Replacement District III***	52,650	22,761	29,889	-	36,578	-	2013	12/31/2026	-	
Humboldt Greenway***	168,999	54,929	114,070	205,875	162,163	257,256	2004	12/31/2029	-	
Humboldt Industrial Park**	136,250	33,842	102,408	-	123,099	90,061	2008	12/31/2028	37,234	
IDS Data Center**	2,251,033	413,810	1,837,223	-	2,883,645	1,121,125	1989	12/31/2014	670,131	
Ivy Tower**	524,725	19,511	505,214	702,863	671,351	623,980	2003	12/31/2028	94,334	
Lake Street Center**	1,194,117	-	1,194,117	1,597,756	1,650,876	1,678,057	2004	9/13/2032	335,602	
LaSalle Plaza**	1,542,537	141,130	1,401,407	-	2,205,295	-	1988	12/31/2013	478,707	
Laurel Village**	1,056,597	102,667	953,930	2,074,449	3,532,985	2,166,884	1987	12/31/2015	42,068	
Longfellow Station***	25,653	24,702	951	-	312	33,827	2013	12/31/2038	-	
Lowry Ridge***	72,001	9,086	62,915	84,932	94,155	86,655	1998	12/31/2023	-	
Lyndale Green***	73,088	15,120	57,968	75,544	83,888	40,278	2012	12/31/2037	4,840	
Magnum Loft Apartments**	53,408	11,138	42,270	51,631	57,317	54,705	2002	12/31/2027	4,710	
Many Rivers East**	35,536	3,687	31,849	43,780	46,828	42,174	2003	12/31/2028	1,256	
Many Rivers West**	19,853	3,623	16,230	21,505	23,881	23,894	2005	12/31/2030	1,204	
Marshall River Run***	50,722	14,400	36,322	-	(470)	137,730	2007	12/31/2032	-	
MILES I***	-	-	-	-	(883)	-	1992	12/31/2017	-	
NBA Arena**	703,300	128,219	575,081	-	895,524	3,864,000	1988	12/31/2013	209,995	
Neiman Marcus**	1,607,246	179,250	1,427,996	350,300	1,395,665	2,338,154	1990	12/31/2015	521,050	
Nicollet-Franklin***	-	-	-	-	(334)	2,500	2001	12/31/2026	-	
Ninth & Hennepin**	73,570	13,600	59,970	67,440	86,735	68,224	1997	12/31/2022	21,909	
Nokomis Homes***	-	-	-	-	(1,489)	-	1986	12/31/2011	-	
Nokomis Senior Hsg ***	119,283	-	119,283	136,386	149,487	92,118	2013	12/31/2038	-	

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Parcel C**	352,244	40,712	311,532	407,919	456,368	418,427	2004	12/31/2029	88,734	
Park Ave. East***	-	-	-	-	(1,041)	1,000	2014	12/31/2039	-	
Phillips Park***	44,020	5,288	38,732	50,900	55,385	50,078	2001	12/31/2026	-	
Portland Place***	59,587	11,413	48,174	-	69,570	3,169	2001	12/31/2026	-	
Ripley Gardens***	43,021	3,828	39,193	47,134	52,353	50,157	2006	12/31/2031	-	
Rosacker Nursery Site**	105,023	6,281	98,742	-	142,598	-	1999	12/31/2024	12,716	
St. Anne's Housing**	27,927	9,842	18,085	21,749	24,151	23,909	2006	12/31/2031	-	
St. Anthony Mills Apartments**	69,849	6,012	63,837	73,263	81,271	76,388	2007	12/31/2032	2,181	
SEMI Phase I (University Indus. Park)**	388,894	46,290	342,604	144,957	499,472	150,970	1998	12/31/2023	125,131	
SEMI Phase II (HSS)( CSM - Kasota)**	182,640	8,390	174,250	77,587	253,452	138,969	1998	12/31/2023	63,652	
SEMI Phase III (Hubbard)**	77,684	35,459	42,225	-	58,703	3,089	2001	12/31/2026	14,981	
SEMI Phase IV (Malcolm)***	-	-	-	-	(286)	74,715	1998	12/31/2012	-	
SEMI Phase V (HSS)**	108,440	7,190	101,250	132,708	147,376	136,684	2001	12/31/2026	36,988	
Shingle Creek***	53,667	4,100	49,587	61,876	67,230	63,741	2004	12/31/2029	-	
Spirit on Lake**	-	-	-	-	-	-	-	2014	12/31/2039	-
Spring & Central**	19,750	7,950	11,800	-	11,353	-	1998	12/31/2023	4,311	
Stinson Technology Campus**	720,190	113,939	606,251	785,075	871,243	840,167	2002	12/31/2027	221,373	
Stone Arch Apartments***	237,001	17,210	219,791	290,000	334,819	307,426	2004	12/31/2029	-	
The Jourdain**	33,601	1,273	32,328	39,548	43,924	42,487	2006	12/31/2031	2,400	
United Van/Bus***	-	-	-	-	(262)	51,181	1999	12/31/2024	-	
University & E. Hennepin**	939,414	35,893	903,521	1,056,928	1,332,660	1,059,054	2001	12/31/2026	47,178	
Urban Village***	-	-	-	-	(1,448)	2,500	2002	12/31/2027	-	
Van Cleve East***	38,181	6,708	31,473	33,810	37,164	48,665	2010	12/31/2035	-	
Van Cleve West***	54,056	6,706	47,350	50,865	56,076	61,628	2010	12/31/2035	-	
Van Cleve Redevelopment***	12,821	15,935	-	-	(458)	14,246	2010	12/31/2035	-	
Village in Phillips***	29,034	2,809	26,225	33,053	39,728	38,683	2006	12/31/2031	-	
Washington Court Apartments***	21,394	5,755	15,639	17,249	18,782	17,249	2008	12/31/2033	-	
Wellstone**	39,264	5,842	33,422	39,790	40,901	39,772	2008	12/31/2033	1,166	
West River Commons**	66,684	8,827	57,857	81,644	88,125	121,705	2004	12/31/2029	4,680	
West Side Milling District** (HSS)	1,795,734	96,910	1,698,824	1,283,306	2,558,322	1,257,230	2000	12/31/2025	60,222	
									\$ 4,504,486	
*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 2013, 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 2013 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							