



**Request for City Council Committee Action
From the Finance and Property Services Department**

Date: August 11, 2015

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

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

Subject: 2014 Annual Tax Increment Report

Recommendation: **Receive and File the 2014 Annual Tax Increment Report.**

Previous Directives: Not applicable.

Prepared by: Pamela McKenna, Development Finance Specialist (612-673-5038)

Approved by: Sandra Christensen, Deputy Finance Officer _____

Presenter in Committee: Mark Winkelhake, Manager, Development Finance

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 2014 Annual Disclosure will be published in the Legal Notice section of Finance and Commerce on or prior to August 15, 2015.

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 has developed a set of reporting forms in order to systematize reporting on a statewide basis.

For the year ending December 31, 2014, the City was required to prepare and submit 101 TI reports, consisting of 93 reports for individual TI districts and 8 pooled debt reports. All reports were completed and submitted to the OSA by July 14, 2015 prior to the August 1, 2015 deadline.

A summary of the final reports is required to be provided to the Minneapolis School Board and the Hennepin County Board, as well as published in a newspaper of general circulation within the City. The summary, a copy of which is attached to this report, is scheduled to be published in Finance and Commerce on August 14, 2015. As required by State statute, the City has also submitted copies of each of the 101 individual reports to the Hennepin County Auditor.

A complete set of the 2014 Annual TI Reports is on file electronically in the office of the Finance and Property Services Department, Enterprise Financial Management & Budget Division, Development Finance.

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City of Minneapolis

Annual Disclosure for Tax Increment Districts for the Year Ended December 31, 2014

TIF District Name	Current Net Tax Capacity	Original Net Tax Capacity	Captured Net Tax Capacity	Principal and Interest Payments Due in 2015	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**	191,350	11,970	179,380	232,294	256,828	232,207	2002	12/31/2027	45,228
10th Ave N. & Washington Ave N.**	392,970	72,286	320,684	525,345	416,533	380,778	2002	12/31/2027	113,936
13th & Harmon**	241,288	30,250	211,038	257,774	286,680	264,244	2004	12/31/2029	976
20th & Central**	-	-	-	-	2,477	-	1988	12/31/2013	-
50th & France**	179,250	21,070	158,180	208,525	233,039	214,329	2002	12/31/2017	56,141
520 Second Street SE**	6,048	9,337	-	-	5	506	2013	12/31/2038	-
900 6th Avenue SE**	82,700	45,300	37,400	49,525	55,122	53,193	2003	12/31/2028	13,291
1900 Central Avenue**	51,735	2,040	49,695	68,187	75,933	72,110	2006	12/31/2031	3,235
2700 East Lake Street**	52,430	11,320	41,110	54,306	59,374	56,940	2001	12/31/2026	14,610
Antiques Minnesota**	29,622	9,608	20,014	26,519	29,443	29,880	2005	12/31/2030	7,113
Block 33***	-	-	-	-	598	-	1988	12/31/2013	-
Bottineau**	139,132	32,647	106,485	141,005	157,346	146,009	2003	12/31/2028	-
Camden Medical Facility**	30,750	4,050	26,700	-	40,421	-	1999	12/31/2024	9,436
Central Avenue Lofts**	79,564	38,290	41,274	45,853	51,059	47,131	2009	12/31/2034	5,267
Chicago-Lake Modifications 1&2**	-	-	-	-	4,892	-	1988	12/31/2013	-
Clare Apartments***	-	-	-	-	595	67,500	2007	12/31/2032	-
Coloplast Redevelopment**	341,250	104,250	237,000	290,268	283,369	282,413	2009	12/31/2034	84,211
Conservatory***	-	-	-	-	60,337	-	1987	12/31/2012	-
Consolidated District	18,491,203	2,731,854	15,759,349	-	16,371,870	15,085,790	2011	12/31/2020	-
Convention Hotel & Retail***	-	-	-	-	83,673	-	1987	12/31/2012	-
Creamette***	-	-	-	-	1,051	-	1999	12/31/2024	-
Currie Park	-	-	-	-	-	-	2015	12/31/2040	-
Dunwoody***	21,250	22,188	-	84,370	40	499	2014	12/31/2039	-
East Phillips Commons Phase I***	18,705	3,029	15,676	20,184	23,100	23,599	2003	12/31/2028	-
East River/Unocal***	150,971	6,431	144,540	123,350	210,865	126,425	2005	12/31/2030	-
East Village**	173,609	12,964	160,645	211,663	232,326	213,838	2001	12/31/2026	2,738
Former Federal Reserve**	859,250	14,250	845,000	1,094,257	1,219,116	1,820,736	2001	12/31/2026	300,088
Graco**	188,152	159,170	28,982	-	39,509	545	2002	12/31/2027	10,300
Grain Belt Brew House**	123,660	6,870	116,790	150,510	168,787	156,285	2003	12/31/2028	41,502
Grain Belt Housing**	64,600	33,697	30,903	-	46,666	593	2005	12/31/2030	10,982
Grant Park***	948,104	18,274	929,830	779,870	1,401,589	877,190	2004	12/31/2029	-
Greenway Heights	-	-	-	-	-	-	2015	12/31/2040	-
Hennepin & 7th Entertainment**	1,211,474	200,290	1,011,184	1,589,495	1,802,913	1,579,858	2001	12/31/2026	359,052
Heritage Landing**	377,084	7,500	369,584	535,174	685,155	495,648	2001	12/31/2026	3,742
Hiawatha Commons**	57,152	1,005	56,147	66,448	71,749	68,309	2007	12/31/2032	6,790
Historic Milwaukee Depot Reuse**	655,250	63,250	592,000	358,913	872,974	367,153	2002	12/31/2027	210,284
Hi-Lake Triangle Apartments***	11,202	-	11,202	-	17,482	-	2014	12/31/2039	3,981
Hollman Housing Transition**	225,277	-	225,277	244,112	305,785	248,462	2005	12/31/2025	-
Housing for Chronic Alcoholics***	23,202	4,650	18,552	10,000	26,757	-	1995	12/31/2020	-
Housing Replacement District I***	177,766	20,126	157,640	-	255,585	366,460	1998	12/31/2022	-
Housing Replacement District II***	44,534	15,836	28,698	-	41,488	915	2005	12/31/2030	-
Housing Replacement District III***	80,684	23,457	57,227	-	71,487	1,370	2013	12/31/2026	-
Humboldt Greenway***	165,574	54,929	110,645	203,875	152,542	270,377	2004	12/31/2029	-
Humboldt Industrial Park**	143,250	33,842	109,408	-	132,040	4,586	2008	12/31/2028	38,663
IDS Data Center**	2,354,793	413,810	1,940,983	-	3,061,314	-	1989	12/31/2014	688,649
Ivy Tower**	624,660	19,511	605,149	713,895	889,996	718,000	2003	12/31/2028	96,231
Lake Street Center**	1,185,702	-	1,185,702	1,801,202	1,813,334	1,594,326	2004	9/13/2032	331,220
LaSalle Plaza**	-	-	-	-	23,974	250,000	1988	12/31/2013	-
Laurel Village**	1,092,074	102,667	989,407	2,273,335	3,725,007	9,673,473	1987	12/31/2015	41,605
Longfellow Station***	50,275	24,702	25,573	155,908	28,903	21,535	2013	12/31/2038	-
Lowry Ridge***	72,001	9,086	62,915	74,207	84,323	68,642	1998	12/31/2023	-
Lyndale Green***	77,758	15,120	62,638	82,260	90,677	82,697	2012	12/31/2037	6,212
Magnum Loft Apartments**	55,291	11,138	44,153	53,956	60,134	57,661	2002	12/31/2027	4,707
Many Rivers East**	35,717	3,687	32,030	43,584	47,155	42,990	2003	12/31/2028	1,248
Many Rivers West**	19,853	3,623	16,230	22,215	23,946	24,433	2005	12/31/2030	1,193
Marshall River Run***	50,994	14,400	36,594	28,734	49,871	600	2007	12/31/2032	-
MILES I***	-	-	-	-	1,678	165,435	1992	12/31/2017	-
NBA Arena**	-	-	-	-	40,268	-	1988	12/31/2013	-
Neiman Marcus**	1,681,690	179,250	1,502,440	394,637	1,479,609	359,125	1990	12/31/2015	533,259
Nicollet-Franklin***	-	-	-	-	3,156	382,126	2001	12/31/2026	-
Ninth & Hennepin**	73,570	13,600	59,970	67,440	87,384	68,090	1997	12/31/2022	21,312

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Nokomis Homes***	-	-	-	-	-	557	1986	12/31/2011	-
Nokomis Senior Hsg ***	90,769	8,291	82,478	97,459	104,651	122,456	2013	12/31/2038	-
Parcel C**	355,009	40,712	314,297	442,362	467,500	867,123	2004	12/31/2029	86,840
Park Ave. East***	-	-	-	-	605	505	2014	12/31/2039	-
Phillips Park***	47,136	5,288	41,848	55,683	58,052	52,200	2001	12/31/2026	-
Portland Place***	44,370	11,413	32,957	-	49,074	43,762	2001	12/31/2026	-
Ripley Gardens***	42,055	3,828	38,227	47,435	51,169	50,782	2006	12/31/2031	-
Rosacker Nursery Site**	105,674	6,281	99,393	-	151,083	325,000	1999	12/31/2024	13,563
St. Anne's Housing***	27,761	9,842	17,919	22,155	23,920	24,586	2006	12/31/2031	-
St. Anthony Mills Apartments**	69,849	6,012	63,837	79,402	81,555	77,259	2007	12/31/2032	2,165
SEMI Phase I (University Indus. Park)**	390,894	46,290	344,604	136,992	526,318	154,131	1998	12/31/2023	122,434
SEMI Phase II (HSS)(CSM - Kasota)**	186,640	8,390	178,250	-	274,182	83,766	1998	12/31/2023	63,339
SEMI Phase III (Hubbard)**	77,684	35,459	42,225	-	63,780	3,739	2001	12/31/2026	14,582
SEMI Phase IV (Malcolm)***	-	-	-	-	2,649	317,500	1998	12/31/2012	-
SEMI Phase V (HSS)**	108,440	7,190	101,250	140,793	147,821	137,498	2001	12/31/2026	35,980
Shingle Creek***	54,758	4,100	50,658	61,877	69,005	65,709	2004	12/31/2029	18,241
Spirit on Lake***	9,279	-	9,279	25,827	14,083	6,839	2014	12/31/2039	-
Spring & Central**	19,750	7,950	11,800	-	11,790	-	1998	12/31/2023	4,194
Stinson Technology Campus**	746,190	113,939	632,251	860,032	912,970	1,224,111	2002	12/31/2027	224,574
Stone Arch Apartments***	248,750	17,210	231,540	346,478	354,273	324,960	2004	12/31/2029	-
The Jourdain**	33,179	1,273	31,906	45,054	43,406	42,558	2006	12/31/2031	1,338
United Van/Bus***	-	-	-	-	1,229	-	1999	12/31/2024	-
University & E. Hennepin**	981,565	35,893	945,672	1,072,425	1,371,677	1,089,482	2001	12/31/2026	48,257
Urban Village***	-	-	-	-	7,176	2,500	2002	12/31/2027	-
Van Cleve East***	40,088	6,708	33,380	38,546	39,884	37,226	2010	12/31/2035	-
Van Cleve West***	55,138	6,706	48,432	56,466	57,843	52,545	2010	12/31/2035	-
Van Cleve Redevelopment***	13,106	15,935	-	-	109	2,330	2010	12/31/2035	-
Village in Phillips***	28,292	2,809	25,483	11,551	37,649	37,314	2006	12/31/2031	-
Washington Court Apartments***	22,463	5,755	16,708	18,699	20,451	20,417	2008	12/31/2033	-
Wellstone**	40,063	5,842	34,221	39,355	41,963	41,253	2008	12/31/2033	1,189
West River Commons**	68,330	8,827	59,503	84,065	90,769	43,792	2004	12/31/2029	4,749
West Side Milling District** (HSS)	1,849,009	96,856	1,752,153	1,334,588	2,641,416	1,286,718	2000	12/31/2025	59,945
									\$ 3,768,592

*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 2014, 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 2014 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