

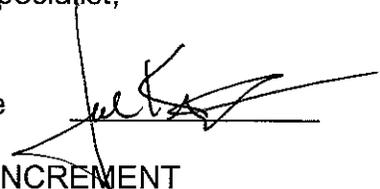


**Request for City Council Committee Action
From the Department of Community Planning & Economic Development**

Date: August 23, 2005

To: Council Member Lisa Goodman, Community Development Cmte
Council Member Barbara Johnson, Ways and Means/Budget Cmte

Prepared by: Pamela Frantum, Development Finance Specialist,
Phone 612-673-5038

Approved by: Jack Kryst, Director, Development Finance 

Subject: RECEIVE AND FILE 2004 ANNUAL TAX INCREMENT
DISCLOSURE REPORT

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AND FILE THE 2004
ANNUAL TAX INCREMENT DISCLOSURE REPORT.

Previous Directives: Not applicable.

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.
(If checked, go directly to next box)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact (Summarize below)

Ward: City-wide

Neighborhood Notification: Not applicable; however, pursuant to statute, a summary version of the Annual Disclosure was published in the Legal Notice section of the Minneapolis Star Tribune on August 15, 2005.

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 report annually on their use of tax increment financing. In 1995, the Office of the State Auditor assumed broader responsibility for oversight in this area and developed a new set of reporting forms in order to systematize reporting on a statewide basis. This year three types of forms were completed: (1) a Tax Increment Financing ("TIF") District Report for each tax increment district; including an Excess Tax Increment Calculation Report for each tax increment district; (2) a TIF Non-District Fund Report for the Tax Increment Administration Fund (CAD), the Common Project Reserve Fund (CPZ), the Preliminary Planning Fund (CPP), Neighborhood Revitalization Program Fund (CNR) and the Common Project Uncertified Fund (CAZ); and (3) a Pooled Indebtedness Report for each bond issue or other debt supported by pooling tax increment revenue from more than one TIF district.

For the year ended December 31, 2004, the City completed and submitted 111 forms to the State Auditor. These forms were based on 97 reportable TIF districts, five reportable funds and nine pooled debt issues. These forms were submitted using the online reporting system developed by the Office of the State

In addition to the State Auditor, the City is required to submit a copy of the Annual Tax Increment Disclosure Report to the county board, county auditor, school board, and the governing body of the municipality. Given the size of the report, a copy of the summary, which was published in the Minneapolis Star-Tribune on August 15, 2005, is being provided for your information.

A copy of the full 2004 Annual Tax Increment Disclosure Report is on file in the office of the Finance Department, Development Finance Division.

City of Minneapolis
Annual Disclosure for Tax Increment Districts for the Year Ended December 31, 2004

TIF District Name	Current Net Tax Capacity	Original Net Tax Capacity	Captured Net Tax Capacity	Outstanding Bonds, Notes & PAYG Contracts	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*
900 6th Avenue SE**	87,250	45,300	41,950	1,745,293	61,722	55,762	2009	12/31/28	12,899
10th Ave N. & Washington Ave N**	152,260	72,286	79,964	10,800,000	116,057	1,612	2002	12/31/2027	24,839
110 Grant**	280,525	12,213	248,412	1,552,321	385,723	145,000	1985	12/31/2010	-
13th & Harmon**	225,000	30,250	194,750	2,755,090	284,311	239,911	2003	12/31/2028	-
1900 Central Avenue**	-	-	-	608,000	-	-	2006	12/31/2031	-
20th & Central**	86,736	7,200	79,536	-	117,116	382,500	1988	12/31/2013	6,653
2700 East Lake Street**	47,450	11,320	36,130	1,254,560	52,029	47,081	2001	12/31/2026	11,246
2nd Street North Hotel/Apartment**	153,600	11,970	141,630	2,811,267	120,276	74,048	2002	12/31/2027	31,685
36th & Marshall Street NE**	118,250	14,850	101,300	654,863	142,892	-	1997	7/29/2006	31,213
50th & France**	148,650	21,070	127,580	2,065,607	185,389	166,860	2002	12/31/2017	39,319
Antiques Minnesota	-	-	-	-	-	-	2007	6/1/2033	-
Block 33**	11,591	4,104	7,487	-	8,176	11,619	1988	12/31/2013	-
Block E	-	-	-	-	-	-	1991	12/31/2016	N/A
Bottineau**	65,915	32,901	53,014	1,954,175	77,585	76,827	2003	12/31/2028	2,315
Broadway 35VV	1,076,656	41,749	1,034,907	-	1,523,632	680,000	1979	8/1/2009	N/A
Camden Medical Facility**	29,270	4,050	24,220	-	34,991	85,000	1999	12/31/2024	7,420
Cedar-Riverside	2,663,042	151,281	2,511,761	-	1,996,825	3,565,000	1975	8/1/2009	N/A
Central Avenue Supermarket	-	-	-	-	-	-	1993	12/31/1995	N/A
Chicago-Lake Modifications 1&2**	109,050	4,668	104,382	-	163,690	560,000	1968	12/31/2014	32,300
City Center	2,631,760	407,979	2,223,771	830,000	2,268,055	2,116,482	1980	6/1/2009	N/A
Clare Apartments	-	-	-	-	-	-	2007	6/1/2003	-
Conservatory**	2,534,538	375,650	2,158,888	-	2,901,882	5,391,133	1987	12/31/2012	-
Convention Hotel & Retail**	6,130,540	546,230	5,584,310	-	8,183,008	9,007,051	1987	12/31/2012	1,718,460
Creamlets	108,750	10,250	98,500	560,170	144,034	130,544	1999	12/31/2024	-
Deep Rock & Hazardous Subst Subd**	72,750	-	72,750	-	107,099	246,852	1997	1/1/2007	22,546
East Bank I-335	1,637,193	133,847	1,503,346	-	1,988,997	350,000	2004	12/31/2029	N/A
East Hennepin & University**	661,030	36,135	624,895	12,673,730	690,632	322,439	2001	12/31/2026	30,386
East Phillips Commons Phase I**	22,510	13,937	8,573	668,368	10,265	-	2003	12/31/2028	45
East River/Unocal	1,242	12,304	(11,062)	1,500,000	-	188,679	2001	12/31/2026	-
East Village Housing**	170,168	12,964	157,204	2,929,818	226,194	207,178	2001	12/31/2026	1,931
Elliot Park I & II	515,267	121,567	393,700	477,513	565,953	1,296,081	1983	12/31/2008	-
Former Federal Reserve**	189,250	14,250	175,000	8,733,683	251,802	213,600	2001	12/31/2026	54,114
Franklin Avenue**	38,472	12,953	25,519	-	42,311	210,174	1982	12/31/2007	7,548
Graco**	327,466	171,000	156,466	272,822	11,862	132,865	2002	12/31/2027	48,319
Grain Belt Brew House**	93,250	6,870	86,380	1,116,947	124,290	111,991	2003	12/31/2028	-
Grain Belt Housing**	-	-	-	-	-	-	2006	12/31/2030	-
Grant	617,783	50,420	567,363	-	707,564	795,000	1973	8/1/2009	N/A
Hennepin & 7th Entertainment**	876,700	200,290	676,410	29,000,000	784,270	491,606	2001	12/31/2026	208,700
Hennepin-Lake	716,605	52,002	664,603	-	1,018,635	640,000	1981	8/1/2009	N/A
Heritage Landing Housing District	324,355	7,500	316,855	6,674,242	461,443	415,467	2001	12/31/2026	2,765
Hilawatha Commons	-	-	-	-	-	-	2007	6/1/2003	-
Historic Milwaukee Depot Reuse**	587,250	63,250	524,000	8,890,000	763,108	652,626	2002	12/31/2027	161,960
Hollman Housing Transition**	-	-	-	6,900,000	-	-	2005	12/31/2024	-
Holmes	1,720,871	179,334	1,545,537	-	1,970,888	2,167,500	1975	8/1/2009	N/A
Housing for Chronic Alcoholics**	33,219	4,650	28,569	285,000	40,299	40,265	1996	12/31/2019	-
Housing Replacement District I	198,492	21,862	176,630	-	229,690	4,765	1998	Undetermined	-
Housing Replacement District II	-	-	-	-	-	-	2005	Undetermined	-
Humboldt Greenway**	118,192	26,637	91,555	4,500,000	112,879	222,092	2004	12/31/2029	-
IDS Data Center**	2,704,921	413,810	2,291,111	-	3,373,062	2,832,500	1999	12/31/2014	706,757
Impact Mailing Expansion**	-	-	-	-	-	-	1998	12/31/2023	-
Industry Square	1,902,610	481,274	1,421,336	-	2,138,141	3,071,655	1975	8/1/2009	N/A
Ivy Tower**	19,614	19,520	94	-	138	5,934	2003	12/31/2026	13
The Jourdain	-	-	-	-	-	-	2007	6/1/2033	-
Lake Street Center**	360,304	-	360,304	13,216,000	478,505	70	2004	9/13/2032	-
LaSalle Plaza**	1,395,268	141,130	1,254,138	-	1,622,715	4,433,814	1988	12/31/2013	365,246
Laurel Village**	874,384	102,667	771,717	25,460,000	1,138,157	1,900,178	1987	12/31/2016	30,426
Loring Park	3,725,893	254,368	3,471,525	-	4,474,078	1,450,000	1975	8/1/2009	N/A
Lowry Ridge**	83,865	9,169	74,696	2,298,493	105,063	91,540	1998	12/31/2023	-
Magnum Loft Apartments**	40,291	11,138	29,153	589,805	39,566	35,609	2002	12/31/2027	707
Many Rivers East**	19,851	3,687	16,174	-	23,797	15,432	2003	12/31/2026	348
Many Rivers West	-	-	-	-	-	-	2007	6/1/2003	-
Marshall River Run	-	-	-	-	-	-	2007	6/1/2003	-
MILES**	118,408	38,222	80,186	-	92,459	245,000	1992	12/31/2017	23,340
NBA Arena**	981,100	128,219	852,881	72,040,000	1,265,647	10,068,330	1989	12/31/2013	263,586
Neiman Marcus	1,355,250	179,250	1,176,000	10,997,821	969,121	2,931,279	1990	12/31/2015	363,246
Nicollet Island East Bank	1,129,185	55,285	1,073,900	-	1,238,037	2,330,000	1984	8/1/2009	2,369
Nicollet-Franklin Hazardous Sub Subd**	65,754	9,625	56,129	688,160	82,200	98,287	2001	12/31/2026	17,580
Nicollet-Lake	629,639	101,741	527,898	-	573,425	705,000	1974	8/1/2009	N/A
Ninth & Hennepin**	60,000	13,601	46,400	-	8,934	76,423	1997	12/31/2022	-
Nokomis Homes	204,373	8,570	195,803	1,525,978	228,627	595,000	1996	12/31/2006	-
North Loop	5,501,272	224,266	5,277,016	-	7,678,963	3,768,390	1975	8/1/2009	206,504
North Washington Industrial Park	2,083,516	283,480	1,800,036	-	2,608,550	2,859,668	1976	8/1/2009	N/A
Parcel C**	68,412	40,117	28,295	-	71,057	15,803	2004	12/31/2029	14,863
Park Ave. East	-	-	-	-	-	-	2007	6/1/2033	-
Phillips Park**	39,469	5,780	33,709	661,065	44,436	39,181	2001	12/31/2026	-
Portland Place**	56,115	12,997	43,118	564,000	68,844	64,261	2001	12/31/2026	-
Rosacker Nursery Site**	98,824	6,819	92,005	-	130,420	134,960	1999	12/31/2024	6,614
St. Anne's Housing	-	-	-	-	-	-	2007	6/1/2033	-
SEMI Phase I (University Industrial Park)**	452,104	46,290	405,814	1,883,840	597,412	265,287	1998	12/31/2023	125,398
SEMI Phase II (CSM - Kasota)**	193,650	193,650	193,650	650,546	285,081	164,164	1998	12/31/2023	59,922
SEMI Phase III (Hubbard)**	112,676	35,459	77,217	194,741	109,193	9,902	2001	12/31/2026	21,060
SEMI Phase IV (Malcolm)**	119,250	5,230	114,020	695,412	180,009	149,679	1998	12/31/2006	35,001
SEMI Phase V Hazardous Sub Subd**	121,650	-	121,650	969,722	177,161	159,833	2001	12/31/2026	37,703
Seward South	1,480,941	150,821	1,330,120	-	1,855,369	1,932,436	1973	8/1/2009	N/A
Shingle Creek	68,994	4,100	64,894	1,200,000	89,073	60,303	2004	12/31/2029	-
Spring & Central**	20,250	7,850	12,300	-	12,049	-	1998	12/31/2023	3,657
Stinson Technology Campus**	519,781	113,939	404,822	191,307,540	627,143	519,091	2002	12/31/2027	126,042
Stones Arch Apartments**	31,093	17,210	13,883	3,608,468	20,439	20,811	2004	12/31/2029	701
Towers At Elliot Park**	58,718	23,406	35,312	9,620,000	47,991	732,901	2004	12/31/2028	6,165
United Van/Bus**	44,360	5,606	38,754	-	57,049	235,000	1999	12/31/2024	12,034
University & E. Hennepin	661,030	36,136	624,892	12,673,730	690,632	322,439	2001	12/31/2026	30,386
Urban Village**	50,806	37,001	13,807	5,000,000	9,372	744,709	2002	12/31/2027	3,823
Village in Phillips**	-	-	-	-	-	-	2006	12/31/2031	-
West Broadway	662,317	131,775	530,542	-	615,042	821,175	1980	8/1/2009	N/A
West River Commons**	13,005	8,887	4,118	679,182	6,063	8,717	2004	12/31/2029	80
West Side Milling District**	895,643	-	895,643	18,100,000	1,209,054	1,703,317	2000	12/31/2025	84,161

*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 2004, 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 2004 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: Patrick Born, City Finance Officer
c/o Pamela Frantum, 105 Fifth Avenue South, Suite 200
Minneapolis, MN 55401 (612) 673-6038

5,018,143.00