



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

Date: August 12, 2008

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

Referral to: Council Member Paul Ostrow, Chair, Ways & Means/Budget Committee

Subject: Receive and File 2007 Annual Tax Increment Disclosure Report

Recommendation: **Receive And File the 2007 Annual Tax Increment Disclosure Report.**

Previous Directives: Not applicable.

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

Approved by: Jack Kryst, Director, Development Finance _____

Presenter in Committee: Pamela McKenna

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 August 15, 2008.

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 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, 2007, the City completed and submitted 118 forms to the State Auditor. These forms were based on 102 reportable TIF districts, five reportable funds and eleven pooled debt issues. These forms were submitted using the online reporting system developed by the Office of the State Auditor.

In addition to the State Auditor, the City is required to submit copies of the Annual Tax Increment Disclosure Reports to the county auditor. A summary of the disclosure reports are 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, will be published in Finance and Commerce on or prior to August 15, 2008.

A complete set of the 2007 Annual Tax Increment Disclosure Reports are on file in the office of the Finance Department, Development Finance Division.

Attachment

City of Minneapolis									
Annual Disclosure for Tax Increment Districts for the Year Ended December 31, 2007									
TIF District Name	Current Net Tax Capacity	Original Net Tax Capacity	Captured Net Tax Capacity	Principal and Interest Payments Due in 2008	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**	95,250	45,300	49,950	55,093	61,213	60,107	2003	12/31/2028	11,892
10th Ave N. & Washington Ave N.**	287,250	72,286	214,964	743,425	263,436	839,458	2002	12/31/2027	51,173
110 Grant**	298,750	12,213	286,537	62,683,279	351,146	250,000	1985	12/31/2010	-
13th & Harmon***	245,000	30,250	214,750	230,688	263,172	238,704	2004	12/31/2029	-
1900 Central Avenue***	55,113	2,040	53,073	58,536	65,040	58,936	2006	12/31/2031	2,633
20th & Central**	92,350	7,200	85,150	62,683,279	104,350	115,000	1988	12/31/2013	5,645
2700 East Lake Street**	70,800	11,320	59,480	92,184	72,892	67,023	2001	12/31/2026	14,161
2nd Street North Hotel/Apartment**	164,750	11,970	152,780	168,506	187,229	170,603	2002	12/31/2027	25,831
36th & Marshall Street NE**	-	-	-	-	-	-	1997	7/29/2006	-
50th & France**	174,250	21,070	153,180	167,566	186,183	168,105	2002	12/31/2017	36,391
Antiques Minnesota**	38,452	9,608	28,844	31,813	35,348	50,657	2005	12/31/2030	6,867
Block 33***	18,265	4,104	14,161	62,683,279	17,196	19,855	1988	12/31/2013	-
Block E***	-	-	-	62,683,279	-	-	1991	12/31/2000	-
Bottineau**	172,630	36,198	136,432	150,461	165,091	148,582	2003	12/31/2028	-
Broadway 35W (HSS)	1,169,922	41,749	1,128,173	44,054,500	1,376,187	114,261	1979	8/1/2009	N/A
Camden Medical Facility**	31,250	4,050	27,200	62,683,279	32,742	38,750	1999	12/31/2024	6,447
Cedar-Riverside	2,954,713	151,261	2,803,452	44,054,500	3,427,534	3,339,500	1975	8/1/2009	N/A
Central Avenue Lofts***	33,324	38,290	-	-	-	-	2008	12/31/2033	-
Central Avenue Supermarket***	-	-	-	62,683,279	-	-	1993	12/31/1995	-
Chicago-Lake Modifications 1&2**	139,250	4,658	134,592	62,683,279	164,941	156,625	1988	12/31/2014	32,042
City Center	2,949,388	407,979	2,541,409	44,054,500	2,312,215	2,187,500	1980	8/1/2009	N/A
Clare Apartments**	21,287	4,468	16,819	-	13,712	-	2007	12/31/2032	1,340
Conservatory**	3,217,820	375,650	2,842,170	62,683,279	3,459,959	3,381,600	1987	12/31/2012	675,329
Convention Hotel & Retail**	7,191,612	546,230	6,645,382	62,683,279	8,143,771	6,474,638	1987	12/31/2012	1,574,748
Creamette***	120,625	10,250	110,375	62,683,279	135,263	124,206	1999	12/31/2024	-
Deep Rock** (HSS)	-	-	-	62,683,279	-	146,399	1997	1/1/2007	-
East Bank I-335	2,269,918	133,847	2,136,071	44,054,500	2,587,299	2,566,976	1973	8/1/2009	N/A
East Phillips Commons Phase I**	45,331	14,297	31,034	33,838	38,573	33,615	2003	12/31/2028	429
East River/Unocal***	183,709	6,633	177,076	175,816	213,015	78,526	2005	12/31/2030	-
East Village**	169,422	12,964	156,458	172,562	191,736	173,250	2001	12/31/2026	1,614
Elliot Park I & II	632,542	121,567	510,975	62,683,279	624,413	510,786	1983	12/31/2008	-
Former Federal Reserve**	579,250	14,250	565,000	623,156	692,397	558,348	2001	12/31/2026	134,467
Franklin Avenue**	74,792	12,432	62,360	62,683,279	53,661	29,153	1982	12/31/2007	14,285
Graco**	228,054	159,170	68,884	76,735	84,417	78,286	2002	12/31/2027	16,400
Grain Belt Brew House**	123,220	6,870	116,350	128,326	142,585	129,894	2003	12/31/2028	27,700
Grain Belt Housing**	83,254	34,386	48,868	-	59,887	14,253	2005	12/31/2030	11,635
Grant	591,965	50,420	541,545	44,054,500	624,110	661,866	1973	8/1/2009	N/A
Grant Park***	1,280,491	23,406	1,257,085	790,870	1,508,289	534,876	2004	12/31/2029	-
Hennepin & 7th Entertainment**	1,108,974	200,290	908,684	2,226,981	893,035	2,318,999	2001	12/31/2026	216,208
Hennepin-Lake	1,124,681	52,002	1,072,679	44,054,500	1,284,754	1,324,500	1981	8/1/2009	N/A
Heritage Landing**	364,185	7,500	356,685	393,399	437,109	396,108	2001	12/31/2026	2,101
Hiawatha Commons**	11,073	1,005	10,068	74,921	12,338	11,104	2007	12/31/2032	816
Historic Milwaukee Depot Reuse**	675,450	63,250	612,200	896,434	750,243	639,581	2002	12/31/2027	145,696
Hollman Housing Transition**	480,854	-	480,854	412,314	487,679	264,601	2005	12/31/2025	-
Holmes	2,067,883	175,334	1,892,549	44,054,500	2,283,366	2,264,000	1975	8/1/2009	N/A
Housing for Chronic Alcoholics***	26,835	4,650	22,185	62,683,279	27,187	27,500	1995	12/31/2020	-
Housing Replacement District I***	313,620	22,519	291,101	-	339,954	475,352	1998	Undetermined	-
Housing Replacement District II***	27,027	2,325	24,702	-	236,839	29,037	2005	Undetermined	-
Humboldt Greenway***	330,487	63,738	266,749	289,135	273,549	224,397	2004	12/31/2029	-
Humboldt Industrial Park***	-	-	-	73,736	-	-	2008	12/31/2028	-
IDS Data Center**	3,161,651	413,810	2,747,841	62,683,279	3,367,424	1,750,750	1989	12/31/2014	652,957
Impact Mailing Expansion***	-	-	-	62,683,279	-	-	1998	12/31/2023	-
Industry Square	3,107,660	481,274	2,626,386	44,054,500	2,769,407	2,724,500	1981	8/1/2009	N/A
Ivy Tower**	23,614	19,520	4,094	274,055	5,017	5,617	2003	12/31/2028	975
Lake Street Center**	1,781,968	-	1,781,968	1,273,812	2,050,776	1,129,672	2004	9/13/2032	327,890
LaSalle Plaza**	1,594,180	141,130	1,453,050	62,683,279	1,780,692	1,090,000	1988	12/31/2013	326,441
Laurel Village**	950,399	102,667	847,732	65,161,334	1,038,885	2,593,148	1987	12/31/2015	24,511
Loring Park	4,197,961	254,368	3,943,593	44,054,500	4,411,339	4,616,498	1975	8/1/2009	N/A
Lowry Ridge***	112,938	9,169	103,769	112,513	128,180	106,395	1998	12/31/2023	-
Magnum Loft Apartments**	50,786	11,138	39,648	43,729	48,588	45,642	2002	12/31/2027	2,416
Many Rivers East**	50,750	3,687	47,063	51,907	57,675	52,323	2003	12/31/2028	2,250
Many Rivers West**	40,667	3,623	37,044	40,856	45,396	40,856	2005	12/31/1930	1,872

Attachment - Continued

Marshall River Run***	64,315	14,590	49,725	85,342	60,937	207	2007	12/31/2032	-
MILES I**	141,297	38,222	103,075	62,683,279	117,307	50,000	1992	12/31/2017	22,528
NBA Arena**	973,100	128,219	844,881	6,431,440	1,035,392	2,917,105	1988	12/31/2013	201,038
Neiman Marcus**	1,677,250	179,250	1,498,000	62,683,279	1,467,435	1,265,062	1990	12/31/2015	356,280
Nicollet Island East Bank	1,723,608	55,285	1,668,323	44,054,500	2,047,904	2,069,415	1984	8/1/2009	N/A
Nicollet-Franklin** (HSS)	201,095	33,690	167,405	177,639	198,946	178,090	2001	12/31/2026	22,744
Nicollet-Lake	740,097	101,741	638,356	44,054,500	567,323	574,500	1974	8/1/2009	N/A
Ninth & Hennepin**	63,050	13,600	49,450	62,000	88,431	108,218	1997	12/31/2022	10,018
Nokomis Homes***	225,129	8,570	216,559	62,683,279	262,132	270,000	1986	12/31/2011	-
North Loop	7,363,948	224,256	7,139,692	44,054,500	8,527,773	8,689,585	1980	8/1/2009	N/A
North Washington Industrial Park (HSS)	2,613,326	316,384	2,296,942	44,054,500	2,660,181	2,677,500	1975	8/1/2009	N/A
Parcel C**	433,243	40,867	392,376	428,540	480,802	448,857	2004	12/31/2029	71,723
Park Ave. East***	1,216	1,216	-	-	-	-	2007	12/31/2032	-
Phillips Park***	56,363	5,780	50,583	62,683,279	59,844	53,860	2001	12/31/2026	-
Portland Place***	93,825	12,997	80,828	69,198	88,663	69,056	2001	12/31/2026	-
Ripley Gardens***	5,063	4,000	1,063	-	1,281	343	2006	12/31/2031	-
Rosacker Nursery Site**	122,180	6,619	115,561	62,683,279	138,331	-	1999	12/31/2024	6,640
St. Anne's Housing***	11,465	9,941	1,524	8,867	1,808	5,699	2006	12/31/2031	179
St. Anthony Mills Apartments***	8,230	4,796	3,434	53,061	12,059	-	2007	12/31/2032	-
SEMI Phase I (University Industrial Park)**	470,986	46,290	424,696	156,789	520,457	158,117	1998	12/31/2023	101,086
SEMI Phase II (HSS)(CSM - Kasota)**	206,640	8,390	198,250	126,822	242,952	127,701	1998	12/31/2023	47,195
SEMI Phase III (Hubbard)**	149,850	35,459	114,391	-	139,173	723	2001	12/31/2026	22,031
SEMI Phase IV (Malcolm)**	163,050	6,230	156,820	173,000	192,179	174,082	1998	12/31/2012	37,333
SEMI Phase V (HSS)**	117,740	7,190	110,550	121,928	135,477	123,283	2001	12/31/2026	26,319
Seward South	1,868,714	150,821	1,717,893	44,054,500	2,070,749	2,003,500	1973	8/1/2009	N/A
Shingle Creek***	78,919	4,100	74,819	81,056	90,063	82,206	2004	12/31/2029	-
Spring & Central**	19,200	7,950	11,250	62,187,623	11,888	-	1998	12/31/2023	2,679
Stinson Technology Campus**	584,780	113,939	470,841	519,307	577,009	522,211	2002	12/31/2027	112,066
Stone Arch Apartments***	242,500	17,210	225,290	242,009	276,089	249,117	2004	12/31/2029	-
The Jourdain***	3,060	1,273	1,787	51,093	2,190	343	2006	12/31/2031	425
United Van/Bus**	49,370	5,608	43,762	62,683,279	53,629	51,500	1999	12/31/2024	10,419
University & E. Hennepin**	1,200,319	36,138	1,164,181	1,030,189	1,403,296	1,742,802	2001	12/31/2026	31,016
Urban Village**	288,256	32,738	255,518	194,600	295,544	2,255,398	2002	12/31/2027	4,840
Village in Phillips***	47,359	3,343	44,016	50,665	48,991	58,042	2006	12/31/2031	-
Village in Phillips Phase II***	-	-	-	-	-	-	2008	12/31/2033	-
Washington Court Apartments***	-	-	-	-	-	4,875	2009	12/31/2034	-
Wellstone***	-	-	-	-	-	-	2009	12/31/2034	-
West Broadway	791,970	131,775	660,195	44,054,500	783,484	802,000	1980	8/1/2009	N/A
West River Commons**	81,467	8,887	72,580	85,325	88,837	80,309	2004	12/31/2029	3,870
West Side Milling District** (HSS)	1,634,746	68,854	1,565,892	1,402,975	1,927,276	1,435,488	2000	12/31/2025	41,526

5,487,117.00

*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 2007, 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 2007 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 McKenna, 105 Fifth Avenue South, Suite 200
Minneapolis, MN 55401 (612) 673-5038