



**Lyndale Green
Tax Increment Financing Plan**

Draft for Public Review
July 9, 2010

Lyndale Green Tax Increment Financing Plan

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Lyndale Green Tax Increment Financing Plan

I. Introduction

The Lyndale Green Tax Increment Financing (TIF) Plan has been prepared to facilitate the redevelopment of the Salem English Lutheran Church site at 28th Street West and Lyndale Avenue South. The mixed-use, mixed-income new construction project will provide 63 housing units, including 14 affordable units, and approximately 6,000 square feet of commercial space in a new four-story building on the site of an addition to the church and a surface parking lot. The original church building will be renovated for joint use by two congregations. No TIF revenues will pay for expenses related to the shared church building renovations.

The Lyndale Green TIF Plan establishes a new housing TIF district within the Lyndale Green Redevelopment Project area to help finance various public project costs and to establish a TIF budget for the use of TIF revenue generated by the new TIF district.

II. TIF District Boundary

The Lyndale Green TIF District will consist of one tax parcel identified below by a metes and bounds description. This will be a new parcel resulting from the division of an existing larger parcel. A Property Identification Number has not yet been assigned to the new parcel that will comprise the TIF District. The parcel is located within the Whittier neighborhood of south Minneapolis.

Metes and Bounds Description

Lot 6, Lot 7, Lot 8, Lot 9, Lot 10, and the West 19.42 feet of Lot 5 except the North 8.00 feet thereof, Block 2, Grover's Addition to Minneapolis, Hennepin County, Minnesota;

Together with that part of the vacated north-south alley in said Block 2, Grover's Addition to Minneapolis, lying south of the westerly extension of the South line of the North 8 feet of said Lot 5;

Together with, Lot 4, Lot 5, Lot 6, and the West 25.42 feet of Lot 3, Block 1, Coe's Addition to Minneapolis, Hennepin County, Minnesota;

Together with that part of vacated east-west alley in said Block 1 lying northerly and adjoining said Lot 3, Lot 4, Lot 5, and Lot 6 and lying west of the northerly extension of east line of the West 25.42 feet of said Lot 3.

The TIF District Boundary Map is attached as Exhibit 1.

III. Type of TIF District

The Lyndale Green TIF District is a "housing district" as defined in M.S. Section 469.174, Subd. 11 and Section 469.1761, Subd. 1 and 3.

M.S. Section 469.174, Subd. 11 "Housing district" means a type of tax increment financing district which consists of a project, or a portion of a project, intended for

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occupancy, in part, by persons or families of low and moderate income, as defined in chapter 462A, Title II of the National Housing Act of 1934, the National Housing Act of 1959, the United States Housing Act of 1937, as amended, Title V of the Housing Act of 1949, as amended, any other similar present or future federal, state, or municipal legislation, or the regulations promulgated under any of those acts and that satisfies the requirements of section 469.1761. Housing project means a project, or a portion of a project, that meets all of the qualifications of a housing district under this subdivision, whether or not actually established as a housing district.

M.S. Section 469.1761, Subd. 1. (a) In order for a tax increment financing district to qualify as a housing district: (1) the income limitations provided in this section must be satisfied; and (2) no more than 20 percent of the square footage of buildings that receive assistance from tax increments may consist of commercial, retail, or other nonresidential uses. (b) The requirements imposed by this section apply to property receiving assistance financed with tax increments, including interest reduction, land transfers at less than the authority's cost of acquisition, utility service or connections, roads, parking facilities, or other subsidies. The provisions of this section do not apply to districts located in a targeted area as defined in M.S. Section 462C.02, Subd. 9, clause (e).

M.S. Section 469.1761, Subd. 3. For residential rental property, the property must satisfy the income requirements for a qualified residential rental project as defined in section 142(d) of the Internal Revenue Code. The requirements of this subdivision apply for the duration of the tax increment financing district.

Additional information about the district's eligibility as a housing TIF district is provided in the Documentation of Eligibility (Exhibit 2).

IV. Maximum Duration of the TIF District

The maximum duration of the Lyndale Green TIF District is that which is prescribed by the Tax Increment Financing Act (the "TIF Act", M.S. Sections 469.174-469.1799) for a housing district. At the time this document was prepared, the TIF Act allowed for a maximum of 26 years of tax increment collection.

V. Statement of Objectives

The City of Minneapolis seeks to achieve the following objectives through this TIF plan:

- Increase the supply of housing choices.
- Stabilize an historic resource.
- Encourage a mix of land uses to create a vibrant, transit-oriented community.
- Support redevelopment efforts that enhance and preserve unique urban features and amenities.
- Support the goals related to Commercial Corridors articulated in The Minneapolis Plan for Sustainable Growth.
- Increase the city's property tax base.
- Create jobs.
- Eliminate blighting influences.

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- Clean contaminated land to provide a site for a use that achieves the City's redevelopment objectives.
- Support neighborhood retail services.

VI. Proposed Development Activity

A. Description of Proposed Development Activity

Lyndale Green is a mixed-use, mixed-income new construction project to be located at 610 28th Street West within the Whittier neighborhood of Minneapolis. Brighton Lyndale Development LLC proposes to redevelop a portion of the Salem English Lutheran Church site with a new four-story building consisting of three stories of housing over a mix of first floor commercial space and housing units. The development site is currently occupied by a surface parking lot fronting Lyndale Avenue and a 1960s-era addition to the original church building. The addition would be demolished and the original church stabilized and renovated for joint use by the congregations of Salem English Lutheran Church and Lyndale United Church of Christ.

Lyndale Green will contain 63 units of housing and approximately 6,000 square feet of commercial space. The new building and the church will be served by 99 parking spaces, 52 of which will be underground. At least fourteen of the housing units (22 percent of the overall total) will be affordable to households earning 50 percent of the MMI (Metropolitan Median Income) or less, in compliance with the City's Unified Housing Policy. In addition, for the duration of the TIF District, the project will meet the requirements of section 142(d) of the Internal Revenue Code (26 USCA § 142(d)).

A site plan and perspectives are attached as Exhibit 6.

B. Property That May Be Acquired

Brighton Lyndale Development LLC has a purchase agreement to acquire the site from Salem English Evangelical Lutheran Church of Minneapolis.

C. Other Expected Development Activity

No additional development activity is anticipated within the TIF district.

VII. Description of Financing

The figures, sources, and methods of financing identified in this TIF plan are based on the best estimates and projections available at the time this plan was prepared. Slight changes can be expected. However, if significant changes occur that affect the structure or financial feasibility of the project, or increase the project costs to be paid with tax increment or bonded indebtedness to be incurred beyond the amounts listed in this plan, then a formal modification to this plan may become necessary. Such a modification would require the same review and approval process as the original approval of this TIF plan.

Lyndale Green Tax Increment Financing Plan

A. Costs to be Paid With Tax Increment

The total cost of the project is currently estimated to be approximately \$13,700,000. The maximum amount of project costs that can be paid utilizing tax increment revenues generated from within the Lyndale Green TIF District is shown below. Such tax increment will only be used to reimburse project costs associated with the housing portion of the project and the City's administrative costs relating to the district.

The City reserves the right to administratively adjust the amount of any of the line items listed, or to incorporate additional eligible line items, provided that the total use figures listed below are not exceeded.

<u>Sources</u>	<u>Up-Front</u>	<u>Over Time</u>
Developer Funds	\$567,200	---
Tax Increment	---	<u>\$1,414,000</u>
Total Sources	\$567,200	\$1,414,000
 <u>Uses</u>		
Housing Construction	\$442,200	---
Parking Construction	125,000	---
Pay-As-You-Go Note Principal	---	\$567,200
Pay-As-You-Go Note Interest	---	705,400
City Administration Costs	---	<u>141,400</u>
Total Uses	\$567,200	\$1,414,000

B. Maximum Bonds to be Issued

The City does not currently anticipate issuing any tax increment bonds for the Lyndale Green Project. It is anticipated that the City will issue the developer two pay-as-you-go TIF notes in a combined amount not to exceed \$567,200. The projected individual note amounts will be \$442,200, supported by tax increment from the proposed apartments, and \$125,000, supported by tax increment from the proposed commercial uses. The City will semi-annually distribute net tax increment to the developer under the terms of the TIF notes.

C. Other Sources of Funding

The City provided the project with an Affordable Housing Trust Fund award in 2008 and 2009. The Metropolitan Council and Hennepin County have also awarded funds to Lyndale Green, and the Minnesota Housing Finance Agency is currently underwriting the project for the remaining project financing.

D. Original Net Tax Capacity

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As of the date of this TIF Plan, the property in the TIF district has an unknown estimated market value (EMV), because it has yet to be subdivided from a larger parcel and individually assessed. This subdivision is underway, and City staff has projected that the property in the TIF district will have an EMV of approximately \$1,000,000. Upon project completion and reclassification it is projected that the original net tax capacity (ONTC) of the TIF district will be approximately \$7,500.

E. Original Tax Capacity Rate

The original tax capacity rate for the TIF district will be the total local tax capacity rate for all applicable taxing jurisdictions for taxes payable in 2011. At the time this TIF plan was drafted this rate was not yet available. For the purpose of calculating the hypothetical impact on other taxing jurisdictions (see Section VIII), the total tax capacity rate for taxes payable in 2010 was used (127.461%). For tax increment projection purposes, the same total tax capacity rate of 127.461% was assumed (see Section VIII).

F. Fiscal Disparities Election

For the purpose of calculating tax increment, the City of Minneapolis elects that the fiscal disparity contribution required for all commercial/industrial property located within the TIF district will be made from "outside" the TIF district (M.S. Section 469.177, Subd. 3, Paragraph (a)).

G. Projected Captured Net Tax Capacity and Tax Increment

Upon project completion it is projected that the total EMV of the property in the TIF district will be \$6,504,000, and the total net tax capacity (NTC) will be \$56,943. The captured net tax capacity of the TIF district at completion is therefore projected to be \$49,443.

The Assumptions Schedule (Exhibit 3) shows the various assumptions used in projecting net tax increment from the TIF district.

The Projected Tax Increment Schedule (Exhibit 4) shows how tax increment was projected over a 26-year period (2012 to 2037).

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VIII. Estimated Impact on Other Taxing Jurisdictions

It is the position of the City of Minneapolis that the development of the property included in this TIF district would not occur as proposed without tax increment financing assistance.

Nevertheless, if it is assumed for the purpose of analysis that the proposed development would occur without tax increment financing assistance, and that the estimated captured net tax capacity at project completion would be immediately available, then the estimated annual impact to the applicable taxing jurisdictions would be as follows:

Taxing Jurisdiction	Pay 2010 Tax Capacity Rate	Property Taxes Resulting From \$49,443 in Captured Net Tax Capacity
City of Minneapolis	58.368%	\$28,859
Hennepin County	41.970	20,751
Special School District #1	20.038	9,908
Other	<u>7.085</u>	<u>3,503</u>
Total	127.461%	\$63,021

Fiscal and Economic Implications of the TIF District

The estimated amount of total tax increment that would be generated over the maximum duration of the TIF district is \$1,414,000.

The probable impact of the TIF district on City-provided services such as police and fire protection, public infrastructure, and borrowing costs attributable to the TIF district is projected to be very minor due to the small size of the project in comparison to the size of the City budget and tax base.

The estimated amount of tax increment generated over the life of the TIF district that would be attributable to the School District, assuming the School District's tax rate remains at approximately 15 percent of the total tax rate, would equal \$223,000.

The estimated amount of tax increment generated over the life of the TIF district that would be attributable to the County, assuming the County's tax rate remains at approximately 33 percent of the total tax rate, would equal \$465,000.

As of the date this plan was prepared, neither the County nor School District have requested any additional information which could assist them in determining additional costs that may accrue due to the development in the TIF district.

IX. Basis for Finding That Development Would Not Occur Without TIF Assistance

M.S. Section 469.175, Subd. 3 provides that, prior to the approval of a TIF plan, the City Council must find that the proposed development or redevelopment would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future, and therefore the use of tax increment financing is deemed necessary.

It is the position of the City of Minneapolis that the private development to be constructed in the TIF district would not occur without public participation and financial assistance. This conclusion and finding is based upon the factors and circumstances described below.

The developer has stated that “but-for” the use of tax increment financing the development will not proceed. A financial analysis conducted by the City indicated that projected development costs exceed available funding sources and that a funding gap exists. In order to close this funding gap, tax increment financing assistance is deemed necessary and appropriate.

The project is consistent with development objectives set forth in the Minneapolis Tax Increment Policy in that it will 1) provide housing choices that meet the needs of current residents and attract new residents to the city, 2) provide affordable housing, 3) develop an underutilized site, 4) eliminate blighting influences and 5) provide employment opportunities.

The amount of tax increment financing requested is reasonable when compared to the overall cost of developing the project, and the developer has explored other options to secure private and public funding for these costs prior to requesting tax increment financing assistance from the City.

The funding gap is in part due to the inclusion of 14 affordable rental units within the project. This is in compliance with the City’s Unified Housing Policy. The Unified Housing Policy recognizes the serious shortage of affordable housing in Minneapolis and seeks to “grow the population and to have no net loss of housing across all income levels”. The Policy also states that the City will focus on linking incentives to housing opportunities in proximity to jobs and transit. The project will introduce new housing units to a site that is within a half-mile of the Uptown Transit Station, and within walking distance of numerous bus routes. The project will replace an existing surface parking lot on Lyndale Avenue with a new mixed-use building. The project includes a smaller surface parking lot behind the new building as well as underground parking. The site is also a block from the Midtown Greenway. All of these elements will improve the site’s relationship to transit.

A tax increment financing district site must also pass a “market value test” in order to support the finding that the development could not occur without tax increment assistance (M.S. Section 469.175, Subd. 3(b)(2)(ii)). Exhibit 5 contains the calculations necessary to demonstrate that this test has been satisfied.

Lyndale Green Tax Increment Financing District Boundary Map

Legend

 Lyndale Green TIF District Boundary

27TH ST W

ALDRICH AVE S

LYNDALE AVE S

HARRIET AVE

28TH ST W

GARFIELD AVE

City of Minneapolis
Development Finance Division
July 2010

0 150 300 Feet



Documentation of Eligibility

The purpose of this exhibit is to describe the conditions that qualify the Lyndale Green Tax Increment Financing (TIF) district as a housing district as defined in Minnesota Statutes Section 469.174, Subd. 11:

"Housing district" means a type of tax increment financing district which consists of a project, or a portion of a project, intended for occupancy, in part, by persons or families of low and moderate income, as defined in chapter 462A, Title II of the National Housing Act of 1934, the National Housing Act of 1959, the United States Housing Act of 1937, as amended, Title V of the Housing Act of 1949, as amended, any other similar present or future federal, state, or municipal legislation, or the regulations promulgated under any of those acts and that satisfies the requirements of section 469.1761. Housing project means a project, or a portion of a project, that meets all of the qualifications of a housing district under this subdivision, whether or not actually established as a housing district.

and Section 469.1761, Subd. 1:

(a) In order for a tax increment financing district to qualify as a housing district: (1) the income limitations provided in this section must be satisfied; and (2) no more than 20 percent of the square footage of buildings that receive assistance from tax increments may consist of commercial, retail, or other nonresidential uses. (b) The requirements imposed by this section apply to property receiving assistance financed with tax increments, including interest reduction, land transfers at less than the authority's cost of acquisition, utility service or connections, roads, parking facilities, or other subsidies. The provisions of this section do not apply to districts located in a targeted area as defined in M.S. Section 462C.02, Subd. 9, clause (e).

and Section 469.1761, Subd. 3:

For residential rental property, the property must satisfy the income requirements for a qualified residential rental project as defined in section 142(d) of the Internal Revenue Code. The requirements of this subdivision apply for the duration of the tax increment financing district.

Compliance with Income Restrictions

The income requirements for a qualified residential rental project as defined in section 142(d) of the Internal Revenue Code are such that one of two tests must be met:

- a. **20-50 Test** Twenty percent or more of the residential units in the project are occupied by individuals whose income is 50 percent or less of area median gross income.

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- b. **40-60 Test** Forty percent or more of the residential units in the project are occupied by individuals whose income is 60 percent or less of area median gross income.

Fourteen of the 63 units in the Lyndale Green development, or 22 percent, will be occupied by individuals whose income is 50 percent or less of the area median gross income, and thus the project meets the first test.

Compliance with Requirements for Non-Residential Uses

M.S. Section 469.1761, Subd. 1(a) provides that no more than 20 percent of the square footage of buildings that receive tax increment assistance may consist of commercial, retail or other non-residential uses. The 76,552-square foot Lyndale Green development will include 6,000 square feet of non-residential (commercial) uses, which is 7.8 percent of the total building area.

Exhibit 3 Assumptions Schedule

Lyndale Green Projections for TIF Plan EMV Upon Completion = \$6,504,000

Type of Tax Increment Financing (TIF) District	Housing
Certification Request Date	09/15/10
Decertification Date	12/31/37

Construction Year =	2009	2010	2011	2012
Assessment Year =	2010	2011	2012	2013
Taxes Payable Year =	2011	2012	2013	2014

Apartments

Total Estimated Market Value (1)(2)	\$1,000,000	\$1,447,750	\$5,791,000	\$5,791,000
Times: 4d Class Rate	0.75%	0.75%	0.75%	0.75%
Total Net Tax Capacity (NTC)	\$7,500	\$10,858	\$43,433	\$43,433

Commercial Space

Total Estimated Market Value (1)(3)	\$0	\$178,250	\$713,000	\$713,000
Times: First	\$150,000	1.50%	0	2,250
Excess		2.00%	0	565
Net Tax Capacity (NTC)			\$0	\$2,815
			\$13,510	\$13,510
Total Net Tax Capacity (NTC)			\$7,500	\$13,673
			\$56,943	\$56,943

Assessment Year =	2010
Taxes Payable Year =	2011

Original Estimated Market Value (EMV)	\$1,000,000 (Estimate)
Times: 4d Class Rate	0.75%
Original Net Tax Capacity (ONTC)	\$7,500

Total Tax Capacity Rate	127.461% (Pay 2010 Tax Rate)
City Administrative Fee	10.00%

Pay-As-You-Go Note

Note Date	12/01/10
Annual Rate	6.50% Housing
	7.50% Commercial

Notes

1. Estimated Market Value (EMV) as of 1/2/11 assumed to be 25% of total value upon completion.
2. Total EMV upon completion projected to be \$91,900 per unit.
3. Total EMV upon completion based on 6,200 s.f. at a projected EMV of \$115 per square foot.

**Exhibit 4-A
Projected Tax Increment Schedule**

**Lyndale Green - Housing Component Only
Projections for TIF Plan
EMV Upon Completion = \$6,504,000**

Year Ending (1)	Total Net Tax Capacity (2)	<u>Less:</u> Original Net Tax Capacity (3)	<u>Less:</u> Fiscal Disp. @ 0.0000% (4)	<u>Equals:</u> Retained Captured NTC (5)	<u>Times:</u> Total Tax Capacity Rate (6)	<u>Equals:</u> Annual Gross Tax Increment (7)	<u>Less:</u> State Aud. Fee @ 0.36% (8)	<u>Equals:</u> Increment Distributed to City (9)	<u>Less:</u> City Adm. Fee @ 10.00% (9)	<u>Less:</u> Pooling for Housing @ 0.00% (10)	<u>Equals:</u> Net Tax Increment (10)
12/31/10	7,500	7,500	0	0	127.461%	0	0	0	0	0	0
12/31/11	7,500	7,500	0	0	127.461%	0	0	0	0	0	0
12/31/12	10,858	7,500	0	3,358	127.461%	4,280	15	4,265	427	0	3,838
12/31/13	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/14	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/15	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/16	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/17	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/18	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/19	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/20	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/21	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/22	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/23	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/24	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/25	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/26	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/27	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/28	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/29	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/30	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/31	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/32	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/33	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/34	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/35	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/36	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
12/31/37	43,433	7,500	0	35,933	127.461%	45,800	165	45,635	4,564	0	41,071
						\$1,149,280	\$4,140	\$1,145,140	\$114,527	\$0	\$1,030,613

**Exhibit 4-B
Projected Tax Increment Schedule**

**Lyndale Green - Commercial Component Only
Projections for TIF Plan
EMV Upon Completion = \$6,504,000**

Year Ending (1)	Total Net Tax Capacity (2)	<u>Less:</u> Original Net Tax Capacity (3)	<u>Less:</u> Fiscal Disp. @ 0.0000% (4)	<u>Equals:</u> Retained Captured NTC (5)	<u>Times:</u> Total Tax Capacity Rate (6)	<u>Equals:</u> Annual Gross Tax Increment (7)	<u>Less:</u> State Aud. Fee @ 0.36% (8)	<u>Equals:</u> Increment Distributed to City (9)	<u>Less:</u> City Adm. Fee @ 10.00% (9)	<u>Less:</u> Pooling for Housing @ 0.00% (10)	<u>Equals:</u> Net Tax Increment (10)	
12/31/10	0	0	0	0	127.461%	0	0	0	0	0	0	
12/31/11	0	0	0	0	127.461%	0	0	0	0	0	0	
12/31/12	2,815	0	0	2,815	127.461%	3,588	13	3,575	358	0	3,217	
12/31/13	13,510	0	0	13,510	127.461%	17,220	62	17,158	1,716	0	15,442	
12/31/14	13,510	0	0	13,510	127.461%	17,220	62	17,158	1,716	0	15,442	
12/31/15	13,748	0	0	13,748	127.461%	17,523	63	17,460	1,746	0	15,714	
12/31/16	13,990	0	0	13,990	127.461%	17,831	64	17,767	1,777	0	15,990	
12/31/17	14,236	0	0	14,236	127.461%	18,145	65	18,080	1,808	0	16,272	
12/31/18	14,487	0	0	14,487	127.461%	18,465	66	18,399	1,840	0	16,559	
12/31/19	14,741	0	0	14,741	127.461%	18,790	68	18,722	1,872	0	16,850	
12/31/20	15,001	0	0	15,001	127.461%	19,120	69	19,051	1,905	0	17,146	
12/31/21	15,265	0	0	15,265	127.461%	19,457	70	19,387	1,939	0	17,448	
12/31/22	15,534	0	0	15,534	127.461%	19,799	71	19,728	1,973	0	17,755	
12/31/23	15,807	0	0	15,807	127.461%	20,148	73	20,075	2,008	0	18,067	
12/31/24	16,085	0	0	16,085	127.461%	20,502	74	20,428	2,043	0	18,385	
12/31/25	16,368	0	0	16,368	127.461%	20,863	75	20,788	2,079	0	18,709	
12/31/26	16,656	0	0	16,656	127.461%	21,230	76	21,154	2,115	0	19,039	
							\$269,902	\$971	\$268,931	\$26,895	\$0	\$242,036

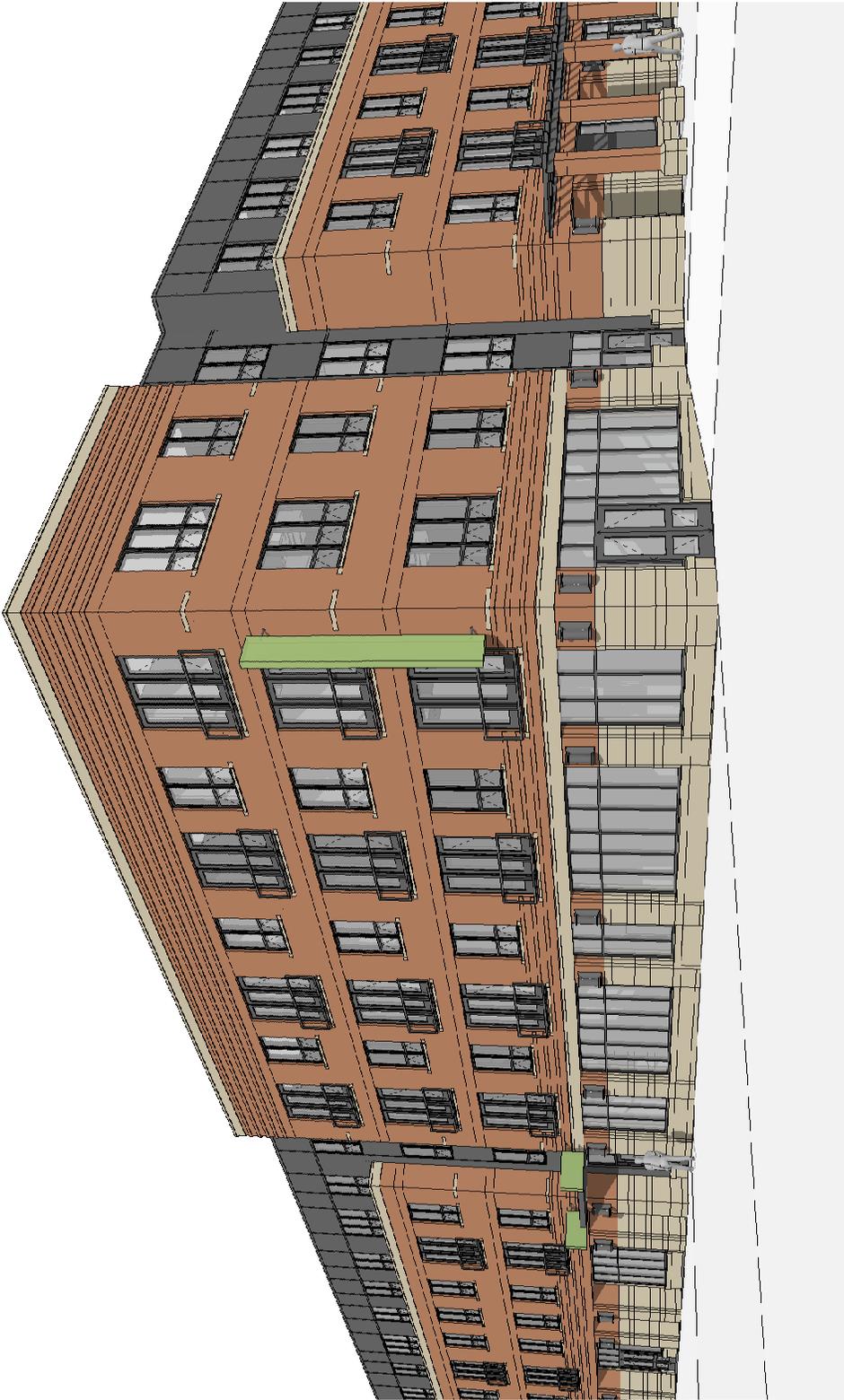
**Exhibit 5
Market Value Test Schedule**

**Lyndale Green
Projections for TIF Plan
EMV Upon Completion = \$6,504,000**

Valuation and Tax Increment Assumptions				
	Pay 2011	Pay 2012	Pay 2013	Pay 2014
Total Estimated Market Value (EMV)	\$1,000,000	\$1,626,000	\$6,504,000	\$6,504,000
Less: Original EMV	1,000,000	1,000,000	1,000,000	1,000,000
Captured EMV	\$0	\$626,000	\$5,504,000	\$5,504,000
Total Net Tax Capacity (NTC)	\$7,500	\$13,673	\$56,943	\$56,943
Less: Original NTC	7,500	7,500	7,500	7,500
Captured NTC	\$0	\$6,173	\$49,443	\$49,443
Times: Projected Total Tax Rate	127.461%	127.461%	127.461%	127.461%
Gross Tax Increment	\$0	\$7,868	\$63,020	\$63,020
Less: State Auditor's Fee (.36%)	0	28	227	227
Tax Increment Distributed to City	\$0	\$7,840	\$62,793	\$62,793

26 Years of TI Collection		
Years of TIF Collection	Payable Year	Tax Increment Distributed To City
---	2010	\$0
---	2011	0
1	2012	7,840
2	2013	62,793
3	2014	62,793
4	2015	63,095
5	2016	63,402
6	2017	63,715
7	2018	64,034
8	2019	64,357
9	2020	64,686
10	2021	65,022
11	2022	65,363
12	2023	65,711
13	2024	66,063
14	2025	66,423
15	2026	66,789
16	2027	45,635
17	2028	45,635
18	2029	45,635
19	2030	45,635
20	2031	45,635
21	2032	45,635
22	2033	45,635
23	2034	45,635
24	2035	45,635
25	2036	45,635
26	2037	45,635
		<u>\$1,414,071</u>
P.V. @ 5.00%		\$758,409

Market Value Test	
<u>Analysis Required by M.S. Section 469.175, Subd. 3 (2)</u>	
(1) "... the increased market value of the site that could reasonably be expected to occur without the use of tax increment ...":	
(a) Projected estimated market value without the use of tax increment	\$1,000,000
(b) Original estimated market value	<u>1,000,000</u>
(c) Increased estimated market value without the use of tax increment = (a) - (b)	\$0
(2) "... increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the district permitted by the plan.":	
(d) Increase in the estimated market value of the completed development.	\$5,504,000
(e) Present value of the projected tax increment for the maximum duration of the district	<u>758,409</u>
(f) Difference = (d) - (e)	\$4,745,591
(3) Since (c) is less than (f), the proposed development or redevelopment passes the test.	



LYNDALE GREEN - BRIGHTON DEVELOPMENT



LYNDALE GREEN - BRIGHTON DEVELOPMENT





KEY NOTES:

- 1 EXISTING CURB TO REMAIN
- 2 NEW B618 CURB TO MATCH EXISTING PROFILE AND ELEVATIONS OF ROADWAY

PARKING SUMMARY

EXTERIOR PARKING	28 STANDARD 18 COMPACT 2 HANDICAP 48 TOTAL EXTERIOR
INTERIOR UNDERGROUND PARKING	34 STANDARD 15 COMPACT 2 HANDICAP 51 TOTAL INTERIOR
99 TOTAL SPACES	

IMPERVIOUS SURFACE SUMMARY

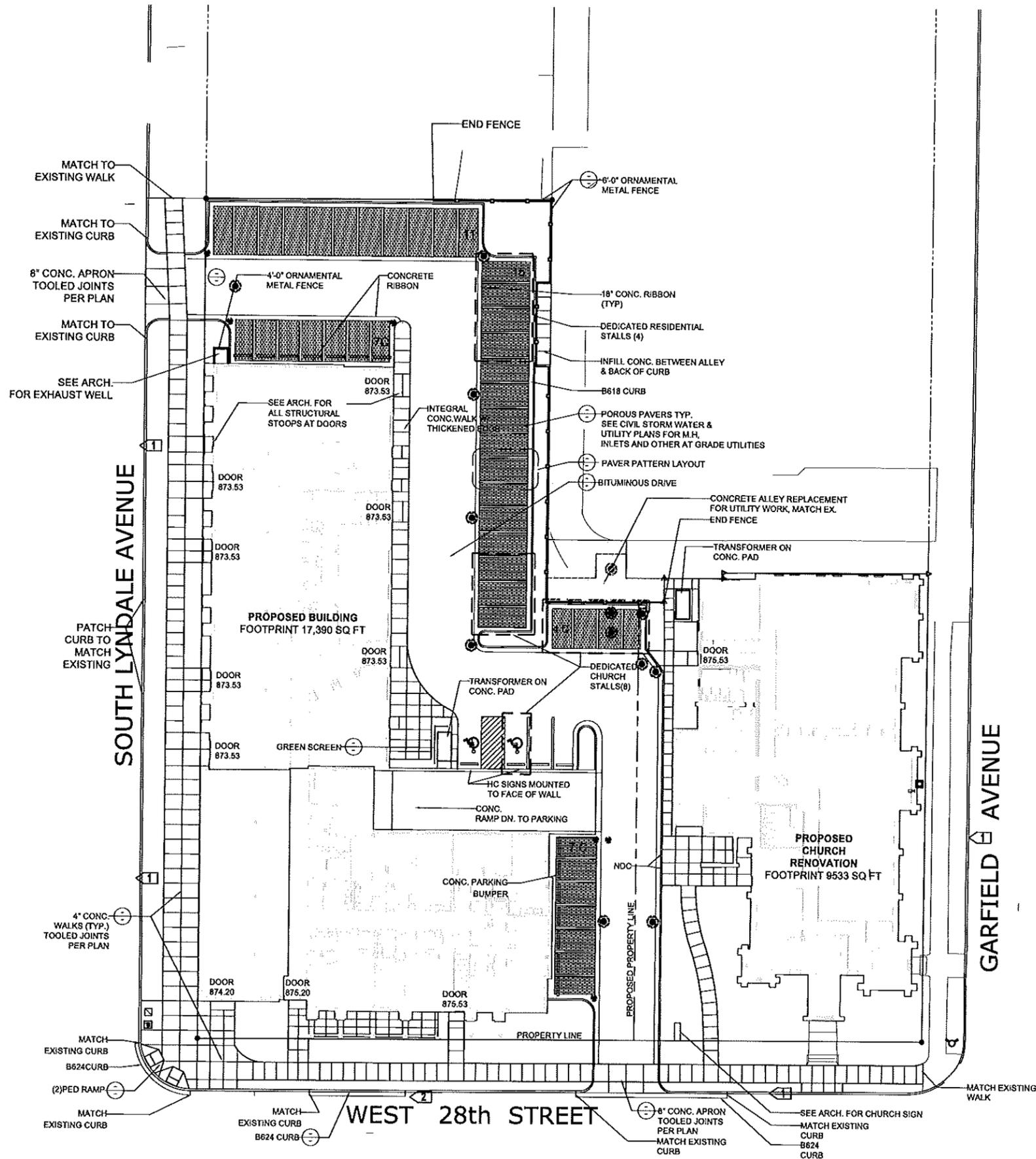
LYNDALE GREEN PARCEL	
TOTAL AREA:	38,535 S.F.
IMPERVIOUS AREA:	36,356 S.F.*
% IMPERVIOUS SITE AREA:	94%**
*OF THIS AREA 5,583 S.F. ARE PERVIOUS PAVERS	
SALEM CHURCH PARCEL	
TOTAL AREA:	15,636 S.F.
IMPERVIOUS AREA:	12,162 S.F.
% IMPERVIOUS SITE AREA:	79%

GENERAL NOTES:

- SITE AND BOUNDARY SURVEY BY: HTPPO INC., 7510 MARKET PLACE DRIVE, EDEN PRAIRIE, MINNESOTA 55344 TO BRIGHTON DEVELOPMENT. SURVEY DATED 07.29.08

PROTECTIONS:

- CONTRACTOR SHALL BE RESPONSIBLE FOR PROTECTING ALL EXISTING STRUCTURES, UTILITIES, TREES, SITE AMENITIES, ETC. THAT ARE NOT INDICATED FOR REMOVAL OR SALVAGE DURING CONSTRUCTION.
- CONTRACTOR SHALL BE RESPONSIBLE FOR CORRECTING ANY DAMAGE TO EXISTING ITEMS NOT INDICATED FOR REMOVAL OR SALVAGE AT CONTRACTOR'S EXPENSE.



CLIENT NAME:

BRIGHTON DEVELOPMENT

715 SECOND STREET SOUTH
MINNEAPOLIS, MINNESOTA 55401

THIS SQUARE APPEARS 1/2" x 1/2" ON FULL SIZE SHEETS.

4	JUNE 18, 2010	2ND PDR REVIEW
3	JULY 14, 2009	AMENDED PLANNING COMM. SUBMITTAL
2	JUNE 30, 2009	PLANNING COMM. SUBMITTAL
1	MAY 19, 2009	SUBMITTAL TO CITY OF MINNEAPOLIS FOR PRELIMINARY DESIGN REVIEW
NO	DATE	REVISION

**PRELIMINARY
NOT FOR CONSTRUCTION
06-18-2010**

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PROJECT NAME:

**LYNDALE GREEN
&
SALEM ENGLISH
LUTHERAN CHURCH**

DRAWING TITLE:

SITE PLAN

FILE: L:\00042\DWG\SLA\000421 SITE.dwg
DRAWN BY: LAN_IPA
CHECKED BY: JPA_IPS
PROJ. NO: 08040
DRAWING NO:



L2.0

250 Third Avenue North
Suite 450
Minneapolis, MN 55401

TEL 612/338-2029
FAX 612/338-2088

http://www.LHBcorp.com

MINNEAPOLIS • DULUTH



2 West Elevation (Lyndale Ave.)
3/32" = 1'-0"



1 South Elevation (28th St.)
3/32" = 1'-0"

- A METAL SIDING
- B BRICK (UTILITY SIZE)
- C CAST STONE
- D BRICK (SOLDIER COURSE)
- E BRICK (PROJECTING COURSE)
- F FRENCH BALCONY
- G FIBERGLASS WINDOW
- H EXTERIOR LIGHT
- J ALUMINUM STOREFRONT SYSTEM
- K BALCONY
- L LUS
- M STORE SIGNAGE
- N BUILDING SIGNAGE
- O CANOPY
- P TRELLIS
- Q CONTROL JOINT

CLIENT:
**BRIGHTON
DEVELOPMENT**

CLIENT
ADDRESS

THIS SQUARE APPEARS 1/2"x1/2" ON FULL SIZE SHEETS

No	Date	Revision
	05/30/09	Planning Commission Submittal
	06/21/10	2ND FOR SUBMITTAL

PRELIMINARY
NOT FOR CONSTRUCTION
6/21/10

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PROJECT TITLE:
LYNDALE GREEN

2743 LYNDALE AVE. S.
MINNEAPOLIS, MN

DRAWING TITLE:
**West and South
Elevations**

FILE:
DRAWN BY: AFM
CHECKED BY: F.E.B.
PROJ. NO: 080040
DRAWING NO:

A2.00



2 East Elevation
3/32" = 1'-0"

4 East Elevation through Ramp
3/32" = 1'-0"



3 North Elevation through Ramp
3/32" = 1'-0"

1 North Elevation
3/32" = 1'-0"

- A METAL SIDING
- B BRICK (UTILITY SIZE)
- C CAST STONE
- D BRICK (SOLDIER COURSE)
- E BRICK (PROJECTING COURSE)
- F FRENCH BALCONY
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- M STORE SIGNAGE
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- P TRELIS
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CLIENT:
**BRIGHTON
DEVELOPMENT**

CLIENT
ADDRESS

THIS SQUARE APPEARS 1/2" X 1/2" ON FULL SIZE SHEETS

No	Date	Revision
	06/30/09	Planning Commission Submittal
	06/24/10	2ND PDR SUBMITTAL

PRELIMINARY
NOT FOR CONSTRUCTION
6/21/10

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PROJECT TITLE:
LYNDALE GREEN

2743 LYNDALE AVE. S.
MINNEAPOLIS, MN

DRAWING TITLE:
**East and North
Elevations**

FILE:
DRAWN BY: ACM
CHECKED BY: JEB
PROJ. NO.: 091040
DRAWING NO.:

A2.01