



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

Date: August 23, 2011

To: Council Member Lisa Goodman, Chair, Community Development Committee
Referral to: Council Member Betsy Hodges, Chair, Ways & Means/Budget Committee

Subject: 2010 Annual Tax Increment Reporting

Recommendation: **Receive And File the 2010 Annual Tax Increment Reports.**

Previous Directives: Not applicable.

Prepared by: Pamela McKenna, Development Finance Specialist (673-5038)
Approved by: Jeff C. Streder, Director, Development Finance _____
Presenter in Committee: Jeff C. Streder

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, 2011.

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 form of report was revised this year as a result of changes in State statute. Because of these revisions, the City was required to prepare and submit a separate special form for each of 108 individual TI districts that were either active or maintained a revenue balance. Initial online access to these reports was available on May 13. All special reports were completed and submitted to the OSA on June 6, prior to the June 10 deadline.

The final set of reporting forms was made available to the City on Monday, June 27. We prepared 108 individual district reports and 9 pooled debt reports. All final reports were completed and submitted to the OSA by Friday, July 29.

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 12, 2010. As required by statute, the City also submitted copies of each of the individual reports to the County Auditor.

A complete set of the 2010 Annual TI Reports are on file electronically in the office of the Finance Department, Development Finance Division.

In calendar year 2010, one TI district was established within the City for the Lyndale Green housing project and one TI district was decertified: 110 Grant. The percentage of the City's net tax capacity being captured in TI districts dropped from 15.2 % in 2009 to 7.6% in 2010. For 2011, approximately 10% of the City's net tax capacity is being captured in TI Districts.

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City of Minneapolis									
Annual Disclosure for Tax Increment Districts for the Year Ended December 31, 2010									
TIF District Name	Current Net Tax Capacity	Original Net Tax Capacity	Captured Net Tax Capacity	Principal and Interest Payments Due in 2011	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**	184,000	11,970	172,030	202,582	220,591	203,240	2002	12/31/2027	35,736
10th Ave N. & Washington Ave N.**	440,550	72,286	368,264	450,671	469,916	428,989	2002	12/31/2027	108,508
13th & Harmon***	245,000	30,250	214,750	246,983	272,586	251,331	2004	12/31/2029	-
20th & Central**	90,250	7,200	83,050	-	105,628	-	1988	12/31/2013	6,777
50th & France**	183,750	21,070	162,680	212,004	207,901	190,503	2002	12/31/2017	47,896
110 Grant***	400,000	12,213	387,787	-	493,942	-	1985	12/31/2010	-
900 6th Avenue SE**	103,250	45,300	57,950	62,777	73,673	69,901	2003	12/31/2028	17,079
1900 Central Avenue**	55,113	2,040	53,073	96,158	67,593	33,926	2006	12/31/2031	3,241
2700 East Lake Street**	80,170	11,320	68,850	71,030	87,894	83,521	2001	12/31/2026	20,291
Antiques Minnesota**	40,712	9,608	31,104	32,006	34,460	38,688	2005	12/31/2030	9,167
Block 33***	21,941	4,104	17,837	-	23,169	-	1988	12/31/2013	-
Bottineau***	164,686	33,404	131,282	330,000	167,570	152,741	2003	12/31/2028	-
Broadway 35W (HSS)	-	-	-	-	-	-	1979	8/1/2009	-
Camden Medical Facility**	36,250	4,050	32,200	-	41,544	-	1999	12/31/2024	9,446
Cedar-Riverside	-	-	-	-	-	514,844	1975	8/1/2009	-
Central Avenue Lofts**	97,563	38,290	59,273	63,416	78,717	89,199	2009	12/31/2034	7,412
Central Avenue Supermarket	-	-	-	-	-	-	1993	12/31/1995	-
Chicago-Lake Modifications 1&2**	172,250	4,658	167,592	-	215,441	200,000	1988	12/31/2013	-
City Center	-	-	-	-	-	169,125	1980	8/1/2009	-
Clare Apartments***	14,876	4,468	10,408	-	13,709	375	2007	12/31/2032	-
Coloplast Redevelopment**	306,050	104,250	201,800	254,917	240,971	113,504	2009	12/31/2034	59,467
Conservatory**	3,510,300	375,650	3,134,650	2,435,249	3,996,341	691,809	1987	12/31/2012	921,666
Consolidated District	-	-	-	3,686,326	-	-	2011	12/31/2020	-
Convention Hotel & Retail**	8,023,214	546,230	7,476,984	6,262,826	9,311,298	5,120,711	1987	12/31/2012	2,191,194
Creamette***	120,625	10,250	110,375	135,333	140,674	126,472	1999	12/31/2024	-
Deep Rock	-	-	-	-	-	-	1997	1/1/2007	-
East Bank I-335	-	-	-	-	-	1,312,260	1973	8/1/2009	-
East Phillips Commons Phase I***	23,711	3,029	20,682	21,111	26,397	26,647	2003	12/31/2028	-
East River/Unocal***	168,325	6,633	161,692	122,095	206,837	130,964	2005	12/31/2030	-
East Village**	179,414	12,964	166,450	198,990	213,057	195,456	2001	12/31/2026	2,335
Elliot Park I & II	-	-	-	-	(69)	11	1983	12/31/2008	-
Former Federal Reserve**	1,021,250	14,250	1,007,000	1,135,586	1,284,788	1,107,459	2001	12/31/2026	296,564
Franklin Avenue	-	-	-	-	9	2,159	1982	12/31/2007	-
Graco**	246,600	159,170	87,430	47,648	110,888	104,044	2002	12/31/2027	25,766
Grain Belt Brew House**	135,250	6,870	128,380	155,889	164,002	151,383	2003	12/31/2028	37,834
Grain Belt Housing**	72,000	33,697	38,303	-	49,424	41,937	2005	12/31/2030	11,289
Grant	-	-	-	-	-	-	1973	8/1/2009	-
Grant Park***	1,095,145	18,628	1,076,517	777,245	1,387,623	795,250	2004	12/31/2029	-
Hennepin & 7th Entertainment**	1,202,224	200,290	1,001,934	1,603,306	2,196,943	3,720,328	2001	12/31/2026	295,072
Hennepin-Lake	-	-	-	-	-	-	1981	8/1/2009	-
Heritage Landing**	364,402	7,500	356,902	467,258	462,217	417,009	2001	12/31/2026	2,748
Hiawatha Commons**	65,700	1,005	64,695	71,810	82,314	77,732	2007	12/31/2032	6,670
Historic Milwaukee Depot Reuse**	667,250	63,250	604,000	335,712	774,784	311,501	2002	12/31/2027	177,934
Hollman Housing Transition***	340,977	-	340,977	502,851	388,874	497,181	2005	12/31/2025	-
Holmes	-	-	-	-	-	112,559	1975	8/1/2009	-
Housing for Chronic Alcoholics***	25,650	4,650	21,000	-	27,304	-	1995	12/31/2020	-
Housing Replacement District I***	273,316	22,431	250,885	-	321,276	142,445	1998	12/31/2013	-
Housing Replacement District II***	75,935	21,768	54,167	-	61,006	148,094	2005	12/31/2030	-
Housing Replacement District III***	-	-	-	-	-	-	2011	12/31/2026	-
Humboldt Greenway***	278,729	64,852	213,877	251,275	340,306	478,937	2004	12/31/2029	-
Humboldt Industrial Park**	181,250	33,842	147,408	144,530	177,790	160,205	2008	12/31/2028	43,396
IDS Data Center**	3,286,595	413,810	2,872,785	-	3,669,688	-	1989	12/31/2014	844,838
Impact Mailing Expansion***	-	-	-	-	-	16	1998	12/31/2023	-
Industry Square	-	-	-	-	-	2,925	1981	8/1/2009	-
Ivy Tower**	718,184	19,520	698,664	679,500	888,388	1,032,414	2003	12/31/2028	86,036
Lake Street Center**	1,806,802	-	1,806,802	2,375,376	995,205	1,367,144	2004	9/13/2032	387,071
LaSalle Plaza**	1,774,168	141,130	1,633,038	-	2,054,420	220,295	1988	12/31/2013	452,809
Laurel Village**	965,689	102,667	863,022	1,806,710	5,084,588	9,032,984	1987	12/31/2015	33,520
Longfellow Station	-	-	-	-	-	-	2011	12/31/2036	-
Loring Park	-	-	-	-	-	2,453,004	1975	8/1/2009	-
Lowry Ridge***	86,445	9,169	77,276	95,311	95,650	83,546	1998	12/31/2023	-

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Magnum Loft Apartments**	54,251	11,138	43,113	48,900	55,098	77,500	2002	12/31/2027	3,811
Many Rivers East**	58,879	3,687	53,192	60,977	67,362	64,408	2003	12/31/2028	3,490
Many Rivers West**	38,396	3,623	34,773	37,695	44,728	43,544	2005	12/31/2030	1,853
Marshall River Run***	82,677	14,590	68,087	80,049	87,742	110,970	2007	12/31/2032	-
MILES I**	157,026	38,222	118,804	-	135,770	109,700	1992	12/31/2017	32,416
NBA Arena**	899,100	128,219	770,881	3,686,326	849,675	3,148,426	1988	12/31/2013	227,067
Neiman Marcus**	1,875,650	179,250	1,696,400	380,841	1,667,049	672,546	1990	12/31/2015	499,329
Nicollet-Franklin** (HSS)	205,312	33,690	171,622	33,920	218,032	200,368	2001	12/31/2026	31,862
Nicollet Island East Bank	-	-	-	-	-	3,177	1984	8/1/2009	-
Nicollet-Lake	-	-	-	-	-	21,571	1974	8/1/2009	-
Ninth & Hennepin**	63,250	13,600	49,650	71,794	63,057	212,582	1997	12/31/2022	14,633
Nokomis Homes***	236,516	8,570	227,546	-	287,205	-	1986	12/31/2011	-
Nokomis Senior Hsg ***	-	-	-	-	-	-	2011	12/31/2036	-
North Loop	-	-	-	-	-	1,749,940	1980	8/1/2009	-
North Washington Industrial Park (HSS)	-	-	-	-	-	8,251	1975	8/1/2009	-
Parcel C**	407,263	40,867	366,396	412,607	481,458	425,978	2004	12/31/2029	84,368
Park Ave. East***	-	-	-	-	1,016	238,058	2011	12/31/2036	-
Phillips Park***	57,806	5,780	52,026	39,408	65,742	56,459	2001	12/31/2026	-
Portland Place***	83,988	12,997	70,991	-	88,783	454,254	2001	12/31/2026	-
Ripley Gardens***	48,850	4,000	44,850	50,778	56,500	52,666	2006	12/31/2031	-
Rosacker Nursery Site**	120,990	6,619	114,371	-	150,714	-	1999	12/31/2024	11,245
St. Anne's Housing***	53,065	9,842	43,223	28,356	28,018	36,377	2006	12/31/2031	-
St. Anthony Mills Apartments**	74,987	6,012	68,975	78,560	87,893	102,217	2007	12/31/2032	1,933
SEMI Phase I (University Indus. Park)**	446,374	46,290	400,084	183,370	519,895	170,693	1998	12/31/2023	117,880
SEMI Phase II (HSS)(CSM - Kasota)**	197,640	8,390	189,250	139,148	258,306	130,962	1998	12/31/2023	55,770
SEMI Phase III (Hubbard)**	95,705	35,459	60,246	-	41,705	3,739	2001	12/31/2026	17,294
SEMI Phase IV (Malcolm)**	171,750	6,230	165,520	-	210,862	25,678	1998	12/31/2012	48,777
SEMI Phase V (HSS)**	134,440	7,190	127,250	156,123	161,959	150,075	2001	12/31/2026	37,501
Seward South	-	-	-	-	-	368,926	1973	8/1/2009	-
Shingle Creek***	63,925	4,100	59,825	69,173	75,292	71,037	2004	12/31/2029	-
Spring & Central**	25,650	7,950	17,700	-	17,997	-	1998	12/31/2023	5,217
Stinson Technology Campus**	777,956	113,939	664,017	782,511	847,022	766,904	2002	12/31/2027	195,605
Stone Arch Apartments***	230,000	17,210	212,790	268,767	271,845	249,073	2004	12/31/2029	-
The Jourdain**	40,608	1,273	39,335	41,762	49,989	48,364	2006	12/31/2031	2,382
United Van/Bus**	55,998	5,608	50,390	-	66,852	-	1999	12/31/2024	14,851
University & E. Hennepin**	1,074,069	36,138	1,037,931	1,008,687	1,323,764	1,042,794	2001	12/31/2026	43,942
Urban Village**	358,631	32,738	325,893	-	409,261	2,775,705	2002	12/31/2027	8,101
Van Cleve East***	35,000	6,708	28,292	28,855	33,523	34,123	2010	12/31/2035	-
Van Cleve West***	12,500	6,706	5,794	49,192	6,588	25,358	2010	12/31/2035	-
Van Cleve Redevelopment***	19,900	17,228	2,672	-	1,477	22,242	2010	12/31/2035	340
Village in Phillips***	47,027	3,343	43,684	46,276	55,627	48,911	2006	12/31/2031	-
Village in Phillips Phase II***	331	886	-	-	(3)	-	2010	12/31/2035	-
Washington Court Apartments***	24,000	5,755	18,245	19,031	22,357	31,659	2008	12/31/2033	-
Wellstone***	3,298	5,842	-	36,995	47,045	42,762	2008	12/31/2033	-
West Broadway	-	-	-	-	-	319,930	1980	8/1/2009	-
West River Commons**	85,731	8,887	76,844	89,786	97,728	91,581	2004	12/31/2029	5,088
West Side Milling District** (HSS)	1,583,528	68,854	1,514,674	1,614,043	2,043,501	1,124,163	2000	12/31/2025	56,345

\$ 7,662,862

*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 2010, 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 2010 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