

**City of Minneapolis**

**Modification No. 99  
to the  
Common Development and  
Redevelopment Plan and Common  
Tax Increment Finance Plan**

**(Clare Apartments/Old Third  
Avenue Townhomes)**

**May 21, 2004**

Prepared by the Development Finance Division,  
City of Minneapolis Finance Department  
105 5th Avenue South, Minneapolis, Minnesota 55401

**MODIFICATION NO. 99  
TO THE  
COMMON DEVELOPMENT AND REDEVELOPMENT PLAN  
AND COMMON TAX INCREMENT FINANCING PLAN**

**(Clare Apartments/Old Third Avenue Townhomes)**

**May 21, 2004**

---

---

***Plan Documents***

Four plan documents have been prepared that are related to a proposed homeownership and rental project that has been proposed in the St. Anthony East neighborhood in Ward 1 of Northeast Minneapolis. The plan documents include the Clare Apartments/Old Third Avenue Townhomes Tax Increment Finance (“TIF”) Plan, the Clare Apartments/Old Third Avenue Townhomes Redevelopment Plan, Modification No. 15 to the St. Anthony West/East Bank I-335 Urban Renewal and TIF Plan (County Designation No. 18), and Modification No. 99 to the Common Development and Redevelopment and Common TIF Plans (collectively, the “Plans”).

**The Clare Apartments/Old Third Avenue Townhomes Redevelopment Plan**

establishes a new redevelopment project area, establishes objectives for redevelopment, and identifies land uses for the redevelopment of the project area. It authorizes the creation of a new tax increment finance district as a tool for carrying out the redevelopment activities described therein.

**Modification No. 15 to the St. Anthony West/East Bank I-335 Redevelopment and TIF Plan** removes parcels from the Project Area and TIF District in order that those parcels can be included in the new Clare Apartments/Old Third Avenue Townhomes TIF District. The new public redevelopment costs associated with the proposed homeownership and rental projects cannot be financed within the limitations imposed by the existing St. Anthony West/East Bank I-335 TIF District because of statutory limitations on the use of tax increment from the TIF District, the short remaining term of the existing district, and the impact of the prior pledge of revenue from the district to the outstanding debt of other projects. For that reason a request will be made to release the parcels from the prior pledge of TI Revenue Bonds of 1990 (the Common Project) by the MBIA Insurance Corporation. A request will also be made to Hennepin County to decertify and remove the three affected parcels from the existing TIF District. Because the St. Anthony West/East Bank I-335 Redevelopment and TIF Plan are in the Common Project, this **Modification No. 99 to the Common Plans** has also been prepared. The new **Clare Apartments/Old Third Avenue Townhomes TIF District** and project area are not being incorporated into the Common Project and will not be subject to the existing Common Project obligations and commitments, and are being created as a free-standing tax increment district and project area.

**The Clare Apartments/Old Third Avenue Townhomes TIF Plan** provides for the establishment of a new housing TIF district, authorizes public redevelopment activities, and establishes a budget for expenditures. Tax increment will be used to pay for a portion of the public redevelopment costs associated with the project.

*By reference, Modification No. 99 to the Common Plan is incorporated into the Incorporated Project Documents, and in themselves are designated Incorporated Documents.*

**SECTION A. COMMON DEVELOPMENT AND REDEVELOPMENT PLAN**

- Subsection A.1.** Mission Statement (No Change)
- Subsection A.2.** Definitions (No Change)
- Subsection A.3.** Description of Public Purpose (No Change)
- Subsection A.4.** Objectives of Common Project (No Change)
- Subsection A.5.** Structuring of Common Project (No Change)
- Subsection A.6.** History of Establishment and Modification of Projects and TIF Districts Included in Common Project Area **(Changed)**

Subsection A.6. is modified to include the following information:

<b>Project</b>	<b>Plan, Mod or Amendment</b>	<b>City Council Approval Date</b>	<b>Resolution Number</b>
<i>Clare Apartments/Old Third Avenue Townhomes TIF</i>	<i>Modification No. 15 to the St. Anthony West Urban Renewal Plan</i>	<i>Anticipated Date July 2, 2004</i>	<i>04R-____</i>
	<i>Modification 99 to the Common Project  Clare Apartments/Old Third Avenue Townhomes Redevelopment Plan</i>		

- Subsection A.7.** Estimated Public Improvement Costs (No Change)
- Subsection A.8.** Boundaries of the Common Project Area (No Change)
- Subsection A.9.** Development Program Requirements (No Change)
- Subsection A.10.** Modifications to Common Development and Redevelopment Plan (No Change)
- Subsection A.11.** Neighborhood Revitalization Program (No Change)

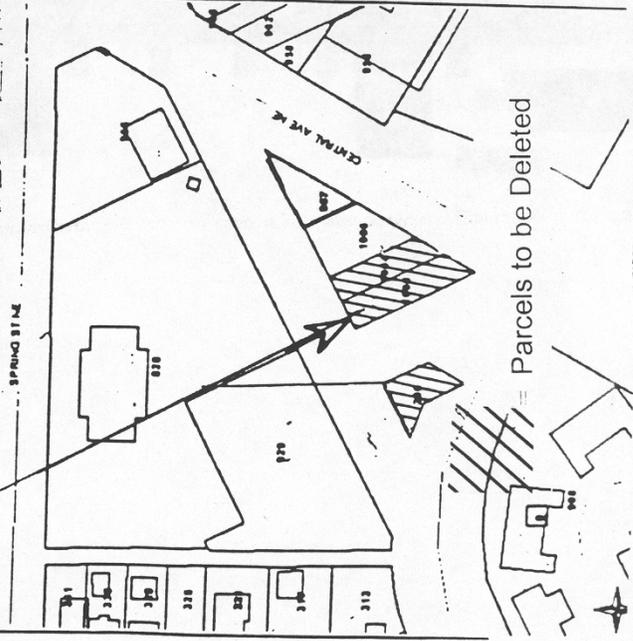
**SECTION B. COMMON TAX INCREMENT FINANCING PLAN (Changed)**

- Subsection B.1.** Summaries of Participating Tax Increment Financing Districts (No Change)
- Subsection B.2.** Boundaries of Participating Tax Increment Financing Districts **(Changed)**

The parcels that will be removed from the St. Anthony West/East Bank I-335 Project, and subsequently decertified from the existing TIF District No. 18 are:

14-029-24-44-0101	200 – 10 <sup>th</sup> Street NE
14-029-24-44-0075	1000 Third Avenue NE
14-029-24-44-0074	1004 Third Avenue NE

- Subsection B.3.** Statement of Objectives and Development Program, Including Property to be Acquired (No Change)
- Subsection B.4.** Properties to be deleted from Participating Tax Increment Financing Districts (No Change)
- Subsection B.5.** Development Activity in the Common Project for Which Contracts Have Been Signed and Other Specific Development Expected to Occur (No Change)
- Subsection B.6.** Description of Financing (No Change)
- Subsection B.7.** Estimated Impact on Other Taxing Jurisdictions (No Change)
- Subsection B.8.** Modifications to Common Tax Increment Financing Plan (No Change)
- Subsection B.9.** Neighborhood Revitalization Program (No Change)
- Subsection B.10** Hazardous Substance Subdistrict Plan (No Change)



**COMMON DEVELOPMENT AND REDEVELOPMENT PROJECT**

**ST. ANTHONY WEST URBAN RENEWAL AREA**

*Modification No. 99 to the Common Plan (Clare Apartments/Old Third Avenue Townhomes)  
May 21, 2004*