



**New Brighton Economic Development Commission
Agenda
Upper Level Conference Room | Zoom
New Brighton City Hall 803 Old Hwy 8 NW, New Brighton , MN
7:30 AM June 4, 2025**

Members of the Economic Development Commission will attend the meeting in person unless eligible to attend remotely per MN Stat. 13D.02.

To participate in this meeting, members of the public may:

- **Attend the meeting in person.**
- **Watch the meeting electronically.** Tune into CTV Channel 8023 (CenturyLink) or Channel 16 (Comcast). To observe the meeting as a livestream or a webcast, visit www.newbrightonmn.gov and click on “I Want To View a Public Meeting.”

I. Call to Order and Roll Call

EDC Chair Brian Krohn	EDC Commissioner Paul Zisla
EDC Vice-Chair Victoria Prasek	EDC Commissioner Jacqui Sauter
EDC Commissioner Bruce Howard	EDC Commissioner Heidi Krampitz
EDC Commissioner Jonathan Dummer	EDC Commissioner Merhawi Yigzaw

II. Approval of Agenda

III. Approval of Past Minutes

1. May 7, 2025 Minutes

IV. Report from City Council Liaison

V. Business Items

1. Tax Increment Financing Tool Overview -- Baker Tilly
2. Review of Past TIF Performance and 2025 TIF Management Plan -- Baker Tilly
3. Monthly Business Contacts Round Table

VI. Adjournment



MINUTES
New Brighton Economic Development Commission
Regular Meeting – May 7, 2025
7:30 a.m.

I. Call to Order

Chair Krohn called the meeting to order at 7:30 a.m.

II. Roll Call

Members Present: Chair Brian Krohn, Commissioners Jonathan Dummer, Bruce Howard, Victoria Prasek, Merhawi Yigzaw (arrived at 7:33 a.m.), and Paul Zisla

Members Absent: Commissioner Heidi Krampitz

Also Present: Ben Gozola-Assistant Director of Community Assets & Development and Carl Gillies-DCAD Technician

III. Approval of Agenda

Motion by Commissioner Zisla, seconded by Commissioner Howard to approve the agenda as presented.

Approved 5-0

IV. Approval of Minutes

Motion by Commissioner Prasek, seconded by Commissioner Zisla to approve the minutes from the April 2, 2025 meeting.

Approved 5-0

V. Report from Council Liaison

There was no report from the City Council.

VI. Business Items

A. Monthly Business Contacts Round Table

Gozola stated each month, we will go around the table and let each Commissioner provide updates on their business contact(s). He stated Commissioners could share information on exciting updates, if business are expanding, hiring, have any recent recognitions, or if there are any issues facing a local business. By making individual connections with our business community, EDC members will become a trusted liaison to the City, and a conduit to ensure questions and concerns from our business community are addressed as quickly as possible.

Discussion included:

- Commissioner Zisla explained he stopped by The Garage and spoke with the new owner Justin Crow.
- Commissioner Howard reported he met with Pets Remembered where he spoke with Jenny Kinney.
- Chair Krohn discussed the economic development research he completed and noted he met with Ryan Ventures.
- The number of home based businesses was reviewed.
- Commissioner Yigzaw commented he met with Gifford Fitness, which was a community based gym owned by Nick Gifford.
- Commissioner Prasek stated she reached out to The Exchange restaurant.
- Commissioner Dummer reported he spoke with the owners from Lucky Strains.
- Further discussion ensued regarding cannabis sales in the community and the OCM permitting process.

B. 2024 Community Survey

Gozola reported to begin the year, the Commission expressed an interest in understanding the community by examining results from the recent resident survey. Staff reviewed the results from the 2024 survey in detail with the Commission.

Discussion included:

- The Commission asked when the next community survey would be completed. Staff indicated this would be completed in 2026.
- The Commission recommended the City work to improve communication with the public regarding the City's water.

C. 2024 Community Data Review

Gozola reported to begin the year, the Commission also wanted to understand where the City was at in terms of metrics on multiple fronts, so staff will be taking an opportunity in May to present multiple data sets to Commissioners. If you have interest, please click on the links

below to review the data ahead of time. Staff will bring up data sets as desired by commissioners at our meeting, and discussion will be led by the commission.

Discussion included:

- The Commission thanked staff for the information presented.

D. Farmers Market 2025

Gozola stated at our 2025-26 kick-off meeting in April, Commissioners expressed an interest in staffing the City's table at the weekly Farmers Market on Wednesdays. Staff will use this opportunity to distribute a sign-up sheet so interested parties can ID the dates & times that work best for them. Attendance at the Farmers Market table is completely optional for Commissioners, but is appreciated.

Discussion included:

- Staff explained the Commission could be in attendance at the farmers market to meet with the public and provide information.

E. Approval of Final 2025-2026 Work Plan

Gozola stated the finalized work plan is based on Commission feedback staff received at the April 2, 2025 EDC meeting. Commissioners are asked to review the final work plan and suggest changes as needed.

Commissioner Zisla asked what was happening with Block B. Gozola stated the City had a user and developer, but the financing backed out.

Chair Krohn stated he was interested in further researching the City's water situation.

The Commission supported the 2025-2026 work plan as presented.

VII. Adjourn

The meeting adjourned at 8:42 am

Respectfully submitted,



Ben Gozola
Assistant Director of Community Assets and Development



Agenda Section:	Business Items
Report Date:	05/27/2025
Meeting Date:	June 4, 2025

REQUEST FOR COUNCIL CONSIDERATION – EXECUTIVE SUMMARY

ITEM DESCRIPTION: Tax Increment Financing Tool Overview -- Baker Tilly

Action Requested:	
Public Hearing	Motion
Discussion	Informational
Form of Action:	
Resolution	Ordinance
Contract/Agreement	N/A or Other
Votes Needed:	
3 Votes	4 Votes
5 Votes	N/A

Summary Statement:	- Baker Tilly will begin the meeting on 6/4/25 with background information on how Tax Increment Financing (TIF) works so all members understand this valuable funding tool.
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Recommendations:	- Learn about, or refresh your understanding of, Tax Increment Financing (TIF) and its value in economic development - Prepare questions on any aspects of TIF that you would like clarified.
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Applicable	None
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Deadlines:	
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Community Impact:	<p>- Livable Community: TIF Districts allow redevelopment where redevelopment would not occur but for support from the City.</p> <p>- Increased Tax Base: As districts are decertified, the City sees significant new contributions to its tax base.</p>
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Legislative History:	<p>For the past 40+ years, the City of New Brighton has successfully utilized Tax Increment Financing as a mechanism to make improvements to areas of the community that otherwise would not be redeveloped. To date, thirty-five (35) different TIF districts have been established resulting in significant local redevelopment and (over time) significant increases to the City’s tax base.</p>
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Strategic Priority:	Financial Sustainability	Staff Capabilities
	Economic Development	Community Engagement & Belonging
	City Assets	Operational Effectiveness
		N/A

Fiscal Impact:	Financial Impact: Is there a financial consideration?		No	Yes \$
	Financing Sources:	Budgeted	Budget Modification	
	New Revenue	Use of Reserves	Other: Long Term Tax Base Expansion	



City of New Brighton EDC

Tax Increment Financing District Update

Mikaela Huot, Baker Tilly
June 4, 2025

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Overview

Introduction

Executive Summary

Fundamentals of Tax Increment Financing

TIF District Summary

Future Considerations

Process for Establishment



Introduction



A method of capturing tax base growth resulting from new development



Fixed term for capture, then new development capacity is added to existing tax base



Tax increment is generated by the increased property value that is created when a property is developed

Fundamentals of Tax Increment Financing



**Existing
land/building
value**

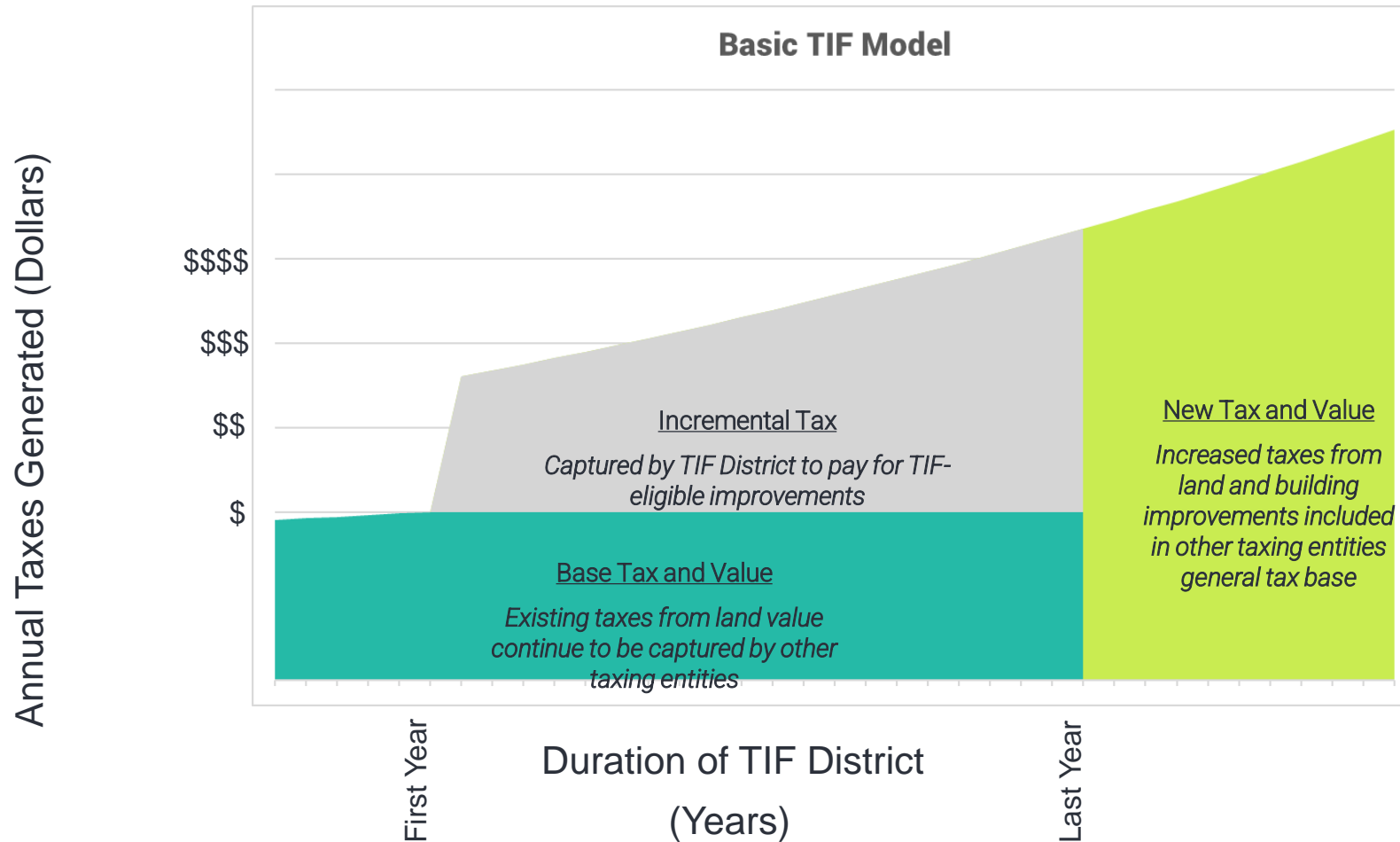


Taxes
“Captured” for
the Term of
the District



Taxes
continue to
flow to city,
county school
etc..

Fundamentals of Tax Increment Financing



Introduction



Tax increment is financing tool to facilitate development objectives:

- Tax base growth
- Expansion and retention of jobs
- Construction of housing
- Redevelopment and revitalization



Different types of TIF Districts

- Dictates statutory requirements
- Qualifying projects
- Uses of tax increment



Prepared annual update of City's existing TIF Districts

- Cash flow analysis
- Projection of future revenues and expenditures

Executive Summary



Purpose of annual review is:

to understand current financial status and abilities to address any future adjustments



Report based on historical and current data



TIF Districts are analyzed by category

City has one type of TIF District (Redevelopment post-1990)



TIF Districts are in compliance with requirements of each



Tax increment has been a beneficial tool to the City

Adding significant tax capacity and market value growth



Fundamentals of Tax Increment Financing

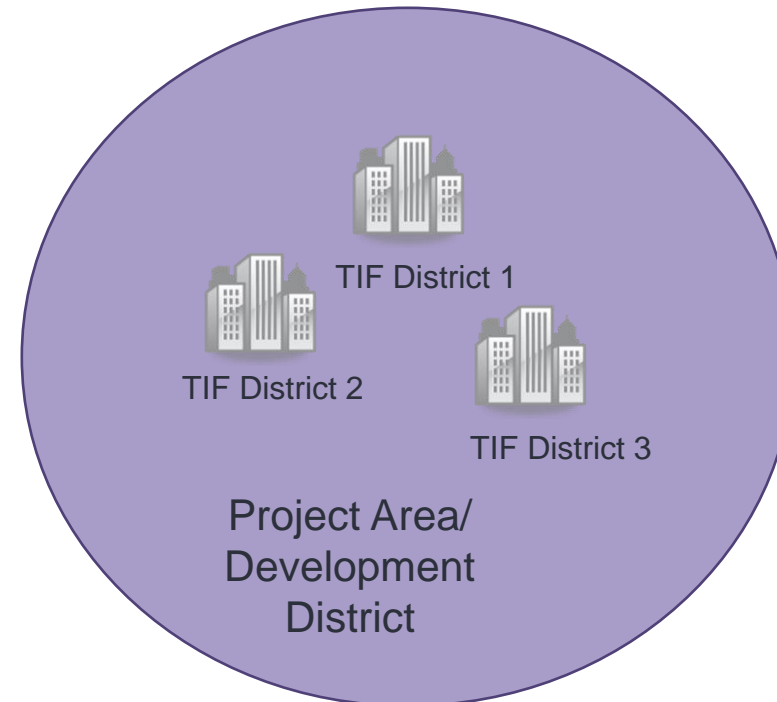
Definitions

- Pooling
- Pre-1990 TIF Districts
- Post-1990 TIF Districts
- Four Year Rule
- Five Year Rule
- Six Year Rule

Fundamentals of Tax Increment Financing

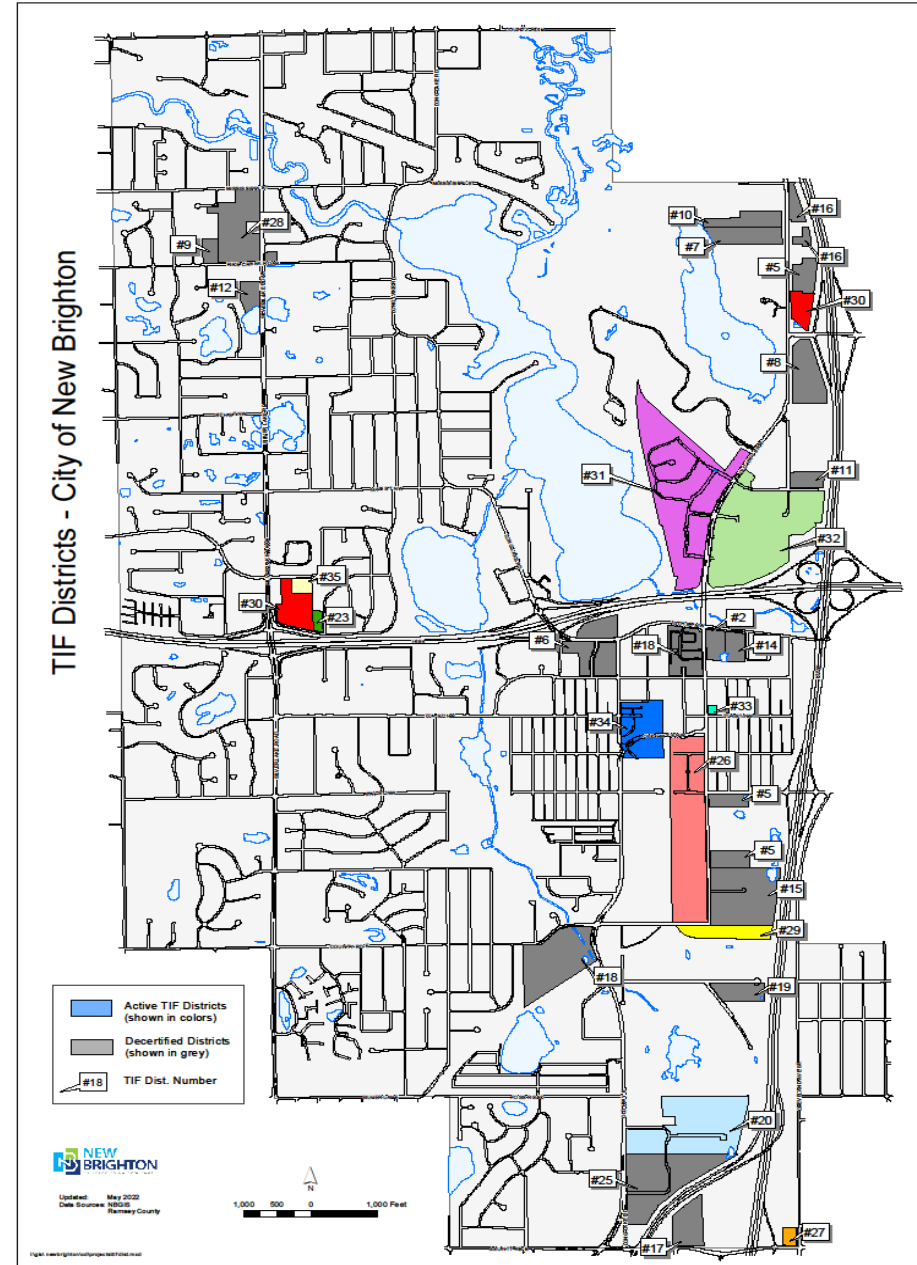
Use of Tax Increments

- Project Area (Development District)
 - Where portion of TIF dollars can be spent, with limitations
- TIF District (Specific Project)
 - TIF Plan
 - Budget
 - Geographic boundaries
 - Purpose
 - Public Hearing
 - Certification



Fundamentals of Tax Increment Financing Use of Tax Increments

Boundaries of
the City's Tax
Increment
Financing
Districts within
Development
District No. 1



Fundamentals of Tax Increment Financing

Use of Tax Increments

- ‘Pooling’ is ability to spend portion of tax increments outside District and within Project Area
- Redevelopment District: up to 35% of tax increment
 - Administrative (up to 10%)
 - Redevelopment related (up to 25% - includes admin.)
 - Qualified housing (up to additional 10%)
- Economic Development District: up to 20%
- Housing District: no percent limit

Fundamentals of Tax Increment Financing

Use of Tax Increments

Maximize use of Tax Increments

- Finance specific district project costs plus allowable pooling expenses
- Collect up to full term of TIF District
- Maximum potential uses of tax increment revenues

Finance direct improvements only & no/limited pooling

- Minimize term of collection
- Property value increase on tax roll as soon as possible

Fundamentals of Tax Increment Financing But-For Test

Statutory Findings:

- The TIF Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for development by private enterprise
- The TIF Plan conforms to general plans for development of the City as a whole
- The project will qualify as a TIF District
 - MN Statutes include specific criteria for each type of Tax Increment Finance district
 - TIF Districts include:
 - Housing TIF District
 - Redevelopment TIF District
 - Renovation & Renewal TIF District
 - Economic Development TIF District
 - Soils Condition TIF District

Fundamentals of Tax Increment Financing But-For Test

- that the proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future
- the but/for test:
 - *The proposed development would not occur but/for the use of tax increment financing*
- estimated market value created on the site is greater with the use of tax increment financing than if no TIF had been provided

Fundamentals of Tax Increment Financing Financial Needs

Purpose of financial review is to assist the City with making a determination:

1. if the project as proposed would be unlikely to proceed “but-for” the requested Tax Increment Financing (TIF) assistance and
 2. if assistance is necessary, to determine the appropriate amount and terms of public assistance.
- *Determination of extraordinary costs not supported by project*

Does public assistance constitute a Business Subsidy?

Fundamentals of Tax Increment Financing

Types of TIF Districts

Types of Districts	Criteria	Term
Redevelopment	Heavy blight and concentrated development—70%	25 years
Renewal and renovation	Lighter blight and concentration	15 years
Soils condition	Contaminated soils	20 years
Housing	Low and moderate income housing	25 years
Economic development	Manufacturing	8 years

Fundamentals of Tax Increment Financing Financing Options

- Pay-as-you-go (Developer financed)
 - Project financed upfront by developer
 - TIF Note(s) issued by City to developer
 - Developer is reimbursed over time with available increment
- Upfront (City financed)
 - Interfund Loan
 - Bonds
 - General obligation: issued without referendum if tax increment contributes at least 20% of debt service costs
 - Revenue Bonds: seasoned development with “coverage” factor and/or guaranty

Fundamentals of Tax Increment Financing Use of Tax Increments – TIF-Eligible Costs

- Public Improvements
- Land Acquisition
- Soil Correction – Site Grading
- Site Preparation/Demolition
- Relocation
- Cost of Qualifying Housing
- Financing Fees/Capitalized Interest
- Administrative Costs

Fundamentals of Tax Increment Financing

Use of Tax Increments – Not-TIF Eligible Costs

- Public buildings such as a City Center, Public Safety, and Public Works buildings
- Culture and recreation such as parks, community centers, golf courses, etc.
- Administration beyond 10% of TIF collections

Summary of Tax Increment Financing Districts

TIF District Status – Decertified Districts

- TIF 1 – TIF 19 – all previously decertified
- TIF 20 and TIF 23 – decertified 12/31/19
- TIF 25 – decertified 12/31/18
- **TIF 26 – decertified 12/31/24**
- **TIF 27 – decertified 12/31/22**
- **TIF 29 – decertified 12/31/21**
 - *Early decertification date due to fulfillment of district obligations*
- TIF 30 – decertified 12/31/19

Summary of Tax Increment Financing Districts Assumptions

- Projected revenues generally do not account for
 - additional development or inflation of existing values
 - decreases or increases in the tax rate or inflationary changes on taxable value
- Interest revenue is projected assuming 1% rate
- Interfund loan interest payments based on 4% rate of unpaid principal balance

Summary of Tax Increment Financing Districts Estimated Tax Base Growth from TIF

District	Base Year	Original Market Value	Inflated Original Market Value	Payable 2023 Market Value	Percent Increase in
TIF 26 Brighton Corporate Business Park III	1999	\$ 4,153,000	\$ 6,206,840	\$ 56,608,686	812%
TIF 31 Northwest Quadrant (West Side)	2006	\$ 2,404,000	\$ 2,969,119	\$ 99,678,365	3257%
TIF 32 (Northwest Quadrant (East Side)	2007	\$ 1,509,800	\$ 1,813,075	\$ 37,760,836	1983%
TIF 33 Marv's Transmission Site Office Condo Devel.	2007	\$ 141,700	\$ 170,163	\$ 1,146,324	574%
TIF 34 Midtown Village	2021	\$ 4,356,560	\$ 4,356,560	\$ 69,278,647	1490%
TIF 35 The Exchange	2022	\$ 1,673,300	\$ 1,673,300	\$ 11,922,180	612%
		\$ 14,238,360	\$ 17,189,057	\$ 276,395,038	1508%



Summary of Tax Increment Financing Districts Estimated Tax Base Growth from TIF

District	Base Year	Original Market Value	Inflated Original Market Value	Payable 2024 Market Value	Percent Increase in Value
TIF 5		487,733	880,901	18,161,532	1962%
TIF 6		801,467	1,447,538	30,710,875	2022%
TIF 7		83,667	151,111	10,651,962	6949%
TIF 8		531,733	960,370	24,429,942	2444%
TIF 9		18,333	33,112	7,964,951	23955%
TIF 10		109,133	197,107	12,410,633	6196%
TIF 11		57,733	104,273	4,218,594	3946%
TIF 12		39,067	70,559	12,444,829	17538%
TIF 14		311,267	484,943	6,387,666	1217%
TIF 15		3,483,000	5,426,401	42,405,173	681%
TIF 16		107,867	168,053	3,721,049	2114%
TIF 17		1,026,133	1,598,682	12,801,299	701%
TIF 18	1993	2,895,700	5,229,956	22,941,800	339%
TIF 19		212,000	330,289	4,609,922	1296%
TIF 20	1994	496,500	896,734	16,948,135	1790%
TIF 23	1995	73,600	132,930	2,256,936	1598%
TIF 25	1997	1,477,500	2,668,529	15,972,107	499%
TIF 26	1999	4,153,000	7,500,780	58,306,947	677%
TIF 31	2006	2,404,000	3,745,354	102,668,716	2641%
TIF 32	2007	1,509,800	2,352,219	38,893,661	1553%
TIF 33	2007	141,700	220,764	1,180,714	435%
TIF 34	2021	4,356,560	4,903,347	71,357,006	1355%
TIF 35	2022	1,673,300	1,828,460	28,000,000	1431%
		26,450,793	41,332,411	549,444,449	1229%



estimated values based on County records of base, current and captured tax capacities



Summary of Tax Increment Financing Redevelopment District No. 26 Brighton Corporate Business Park III

- Facilitated development of mixed-use development consisting of 32 housing units, 60,000 square feet of commercial/retail development, and 306,000 square feet of light industrial development
- Established/certified in 1999
- Decertification date no later than December 31, 2024
- District obligations paid in full
- Available funds pooled to TIF 31 & TIF 32 with special legislation

Summary of Tax Increment Financing Redevelopment District No. 31 Northwest Quadrant (New Brighton Exchange) West Side

- Established to assist with redevelopment of the project site
- New development of a large mixed-use site with owner-occupied homes, multifamily housing and office/commercial space
- Established/certified in 2005
- Decertification date no later than December 31, 2035
- District obligations outstanding
 - Interfund loan from Fund #460
 - Pooled bonds
 - 2015B
 - 2016A
 - 2017A

Summary of Tax Increment Financing Redevelopment District No. 31 Northwest Quadrant (New Brighton Exchange) West Side HSS

- Base value of TIF District No. 31
 - finance specific costs related to contamination
- Certified 2006
- Decertification date no later than December 31, 2035
- District obligations outstanding
 - Interfund loan from Fund #460
 - Pooled bonds
 - 2015B
 - 2016A
 - 2017A

Summary of Tax Increment Financing Redevelopment District No. 32 Northwest Quadrant (New Brighton Exchange) East Side

- Established to assist with the development of several corporate headquarters/office space including: CSI, TUV SUD, DSI, etc.
- Certified 2007
- Decertification date no later than December 31, 2036
- District obligations outstanding
 - Interfund loan from Fund #460
 - Pooled bonds
 - 2015B
 - 2016A
 - 2017A

Summary of Tax Increment Financing Redevelopment District No. 32 Northwest Quadrant (New Brighton Exchange) East Side HSS

- Certified 2007
- Decertifies December 31, 2036
- District obligations outstanding
 - Interfund loan from Fund #460
 - Pooled bonds
 - 2015B
 - 2016A
 - 2017A

Summary of Tax Increment Financing Redevelopment District No. 33 Marv's Transmission Site

- Facilitated redevelopment of the existing property into a new office condo building
- Certified 2007
- Decertifies December 31, 2033 for taxes payable 2034
- District obligations outstanding
 - Interfund loan from Fund #460

Summary of Tax Increment Financing Redevelopment District No. 34 Midtown Village

- Facilitated redevelopment of the existing property into new residential properties consisting of owner-occupied townhomes and rental senior and workforce apartments
- Certified 2020 with first collection 2022
- Decertifies December 31, 2047 (maximum term) for taxes payable 2048
 - Goal is for reduced term of 15 years
- District obligations outstanding
 - Interfund loan from Fund #460
 - PayGO Note for Senior
 - PayGO Note for Workforce Housing

Summary of Tax Increment Financing Redevelopment District No. 35 The Exchange Apartments

- Facilitated redevelopment of the existing property into new residential properties consisting of owner-occupied townhomes and rental senior and workforce apartments
- Certified 2022 with first collection 2024
- Decertifies December 31, 2049 (maximum term) for taxes payable 2050
 - Maximize pooling for redevelopment and affordable housing
- District obligations outstanding
 - PayGO Note

Recommendations

- Continued annual review of TIF Districts and use of increments for:
 - Continue to finance authorized project area and district obligations
 - Annually review budgets to determine when/if modifications may be necessary
 - Support pooled debt service payments as necessary
 - Decertify upon fulfillment of obligations
 - Return/use available increment

Recommendations

- Budget modifications
 - TIF 33: Monitor annually
- Early decertification as obligations fulfilled and no pooling opportunities
 - Monitor annually
- Pooled debt: 2015B, 2016A and 2017A
- Excess increment: None currently
- Pooling
 - Special legislation
 - TIF 26 to TIF 31 and TIF 32
 - G.O. Tax Increment Bonds
 - Post-1990 districts have less flexibility
 - TIF 35: 10% for affordable housing

Administrative Expenses

- The City has worked to ensure that the majority of the TIF districts are within the 10% limitation for administrative expenses with annual monitoring of each districts' activities. With future market value growth, one district that previously was projected to exceed the 10% administrative cap is now expected to be within the limitation. That district is listed below:
 - TIF #32: NWQ Regular TIF
- Based on current estimates for future revenues and expenditures all other districts are expected to be within the 10% limitation as shown on the following page

Administrative Expenses

a) For districts for which certification was requested before August 1, 1979, or after June 30, 1982 and before August 1, 2001, no tax increment shall be used to pay any administrative expenses for a project which exceed ten percent of the total estimated tax increment expenditures authorized by the tax increment financing plan or the total tax increment expenditures for the project, whichever is less.

Administrative Expenses Limit Test MN Statutes 469.176 Subd. 3	TIF 26 Brighton Corporate Business Park III		
Test 1 Estimated TIF Admin Allowable (10%) Estimated Total TIF Expenditures per TIF Plan	1,950,625		
Test 2 Cumulative TIF Admin Allowable (10%) Total TIF Expenditures for the Project	1,318,822 17,765,044		
Actual Percentage	7.4%		

(c) For districts for which certification was requested after July 31, 2001, no tax increment may be used to pay any administrative expenses for a project which exceed ten percent of total estimated tax increment expenditures authorized by the tax increment financing plan or the total tax increments, as defined in section 469.174, subdivision 25, clause (1), from the district, whichever is less.

Administrative Expenses Limit Test MN Statutes 469.176 Subd. 3	TIF 31 Northwest Quadrant West Side	TIF 32 Northwest Quadrant East Side	TIF 33 Marv's Transmission Site	TIF 34 Midtown Village	TIF 35 The Exchange Apts
Test 1 Estimated TIF Admin Allowable (10%) Estimated Total TIF Expenditures per TIF Plan	2,888,115	2,318,361	50,478	972,403	904,548
Test 2 Cumulative TIF Admin Allowable (10%) Total TIF Revenues for the Project	2,744,278 28,881,152	2,292,001 23,183,614	43,856 504,781	898,794 9,724,033	824,112 9,045,484
Actual Percentage	9.5%	9.9%	8.7%	9.2%	9.1%



Administrative Expenses

District Name	TIF 26 Brighton Corporate Business Park III	TIF 31 Northwest Quadrant West Side	TIF 32 Northwest Quadrant East Side	TIF 33 Marv's Transmission Site	TIF 34 Midtown Village	TIF 35 The Exchange
District Type	Redevelopment	Redevelopment	Redevelopment	Redevelopment	Redevelopment	Redevelopment
Expected/Actual Term	12/31/2024	12/31/2035	12/31/2036	12/31/2033	12/31/2047	12/31/2049
Year						
2022	1,976	1,811	-	-	10,483	18,996
2023	18,686	-	-	-	11,232	4,777
2024	7,279	-	-	-	23,274	-
2025	-	-	-	-	32,254	32,014
2026		-	-	-	32,254	32,014
2027		-	-	-	32,254	32,014
2028		-	-	-	32,254	32,014
2029		-	-	-	32,254	32,014
2030		-	-	-	32,254	32,014
2031		-	-	-	32,254	32,014
2032		-	-	-	32,254	32,014
2033		-	-	-	32,254	32,014
2034		-	-	-	32,254	32,014
2035		-	-	-	32,254	32,014
2036			-		32,254	32,014
2037					32,254	32,014
2038					32,254	32,014
2039					32,254	32,014
2040					32,254	32,014
2041					32,254	32,014
2042					32,254	32,014
2043					32,254	32,014
2044					32,254	32,014
2045					32,254	32,014
2046					32,254	32,014
2047					32,254	32,014
2048						32,014
2049						32,014
Total	1,318,822	2,744,278	2,292,001	43,856	898,794	824,112



Questions/Discussion



Agenda Section:	Business Items
Report Date:	05/27/2025
Meeting Date:	June 4, 2025

REQUEST FOR COUNCIL CONSIDERATION – EXECUTIVE SUMMARY

ITEM DESCRIPTION: Review of Past TIF Performance and 2025 TIF Management Plan -- Baker Tilly

Action Requested:	
Public Hearing	Motion
Discussion	Informational
Form of Action:	
Resolution	Ordinance
Contract/Agreement	N/A or Other
Votes Needed:	
3 Votes	4 Votes
5 Votes	N/A

Summary Statement:	<ul style="list-style-type: none"> - Mikaela Hout from Baker Tilly will present the 2025 TIF Management Plan Report which examines the performance of active TIF districts through the end of 2024. - As requested by the Commission, this year's report also includes data on closed TIF districts to provide a complete picture of the City's successful use of Tax Increment Financing over time.
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Recommendations:	- Learn about the status of all active TIF Districts
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	<ul style="list-style-type: none"> - Get answers to your questions regarding tax increment financing as a tool - Understand how current TIF districts are performing
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Applicable Deadlines:	None
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Community Impact:	Successful use of TIF over time has resulted in significant expansion of the City's tax base which would not have occurred absent this tool.
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Legislative History:	<p>Pre 2000's -- TIF Districts 1 through 30 are successfully established. All such TIF districts are now decertified. Upon closure, all such projects created significant expansions of the City's tax base relative to the pre-existing uses within each district.</p> <p>2006 – TIF 31 Northwest Quadrant (West Side) generates its first year of TIF dollars. Decertification expected in 2035.</p> <p>2007 – TIF 32 Northwest Quadrant (East Side) generates its first year of TIF dollars. Decertification expected in 2036.</p> <p>2007 – TIF 33 Marv’s Transmission generates its first year of TIF dollars. Decertification expected in 2033.</p> <p>2020 – TIF 34 Midtown Village generates its first year of TIF dollars. Decertification expected around 2047.</p> <p>2023 – TIF 35 Exchange Apartments generates its first year of TIF dollars. Decertification expected around 2050.</p>
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Strategic Priority:	Financial Sustainability	Staff Capabilities
	Economic Development	Community Engagement & Belonging
	City Assets	Operational Effectiveness
		N/A

Fiscal Impact:	Financial Impact: Is there a financial consideration?		No	Yes \$
	Financing Sources:	Budgeted	Budget Modification	
	New Revenue	Use of Reserves	Other: Long Term Tax Base Expansion	

City of New Brighton, Minnesota

Summary of the City's Tax Increment
Financing Districts

Draft for Review

Dated: June 2025



BAKER TILLY PROVIDES HIGH QUALITY, INDEPENDENT FINANCIAL AND MANAGEMENT ADVISORY SERVICES TO PUBLIC AND NON-PROFIT ORGANIZATIONS, AND WORKS WITH THEM IN THE LONG-TERM PROCESS OF BUILDING THEIR COMMUNITIES ON A FISCALLY SOUND AND WELL-MANAGED BASIS.

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APPENDIX.....



1. Introduction

Tax Increment Financing (TIF) uses the increased property taxes generated by increased property tax value within a tax increment financing district to pay for certain eligible costs associated with the development. The value that is “captured” (i.e., the increase in value over the year the TIF district was established) generates “incremental” property taxes that go to the development authority or the city authority rather than to the city, county, school district, and other taxing jurisdictions that normally share in the total local share of a property tax bill. The captured taxes are used to finance eligible project costs such as land acquisition, demolition, public and site improvements, and related administrative costs. The value of the property prior to development (i.e., the “non-captured” portion) continues to generate property taxes which are distributed to all appropriate taxing jurisdictions.

Tax increment is one of the more powerful financing tools that communities have available to assist with meeting development objectives including tax base growth, expansion and retention of desirable jobs, construction of housing (senior, workforce, affordable, mixed income), and redevelopment and revitalization. In addition to assisting core development and redevelopment, peripheral growth outside of the established TIF districts provides a direct benefit to all taxing jurisdictions.

Using the available information, we were able to determine each district’s type which dictates statutory requirements on use, authorized budget authority, and future budget capacity. We prepared a cash flow analysis for each district and projected future revenues and expenditures through the term of existing obligations and districts. In most cases, the TIF Plans authorize the districts to remain open for the entire statutory maximum terms. With this information, we were able to make recommendations for additional spending and the timing of closing districts in the future.

Depending on the statutory authorities for the districts, as individual obligations are fulfilled, the districts may be required to be decertified. Therefore, the estimated fund balances may not reflect actual amounts available for pooling or other projects if individual obligations are already fulfilled and if districts then need to pay the balance to other taxing entities. Depending on the type of district (as further described in this report), the City may have the ability to extend the collection of increment for up to the statutory maximum term of the districts for financing of eligible projects. The estimated amount of increment available for future spending from each district outlined in the report may be adjusted depending on the City’s objectives.



2. Executive Summary

The primary purpose of the review is to understand the current financial status for each of the City's TIF Districts and to determine what flexibility there may be in each district to deal with excess increments, deficits, pooling, administrative payments, additional expenditures, etc. In preparing this report, Baker Tilly has relied on information provided by the City based on previously prepared reports and district activities. Due to the timing for availability of information, the report is based on a combination of historical and current financial data. When available, all estimates will be updated with current information.

For the purpose of this report, we have evaluated the City's districts and placed them into separate categories dependent upon the type of district and the date of approval and certification. Statutory powers relate directly to the type and certification dates of a TIF district. The City has currently one type of TIF District: Redevelopment District certified post-1990 as any other types of districts have been decertified. The ability to use tax increment revenues is dependent upon the type and establishing dates of a TIF District.

The City is in compliance with the requirements of each district. Several of the districts support existing pooled debt obligations and have some flexibility regarding the use of future funds. Post-90 districts have less flexibility as outlined in the first sections of the report and were established to assist with development and redevelopment of individual projects within the districts. Once the obligations have been fulfilled, there will be limited opportunities to finance additional projects. The City has been utilizing special legislation that eliminates the restrictions on pooling for several of its districts including TIF District 20 and 26. Available increment from those districts are authorized to be spent on TIF Districts 31 and 32 to reduce the existing district obligation burdens.

Tax Increment has been a benefit to the City of New Brighton with significant tax capacity and market value growth in the TIF districts. As each district is certified, the captured tax capacity is added to the City's tax base as increased tax capacity that wouldn't have occurred but for the use of this tool.

Ongoing, we recommend the City annually review the current status of existing TIF Districts and use available surplus increments to:

- Continue to finance authorized project area and district obligations
- Annually review budgets to determine when/if modifications may be necessary
- Support pooled debt service payments as necessary
- Decertify upon fulfillment of obligations
- Return/use available increment



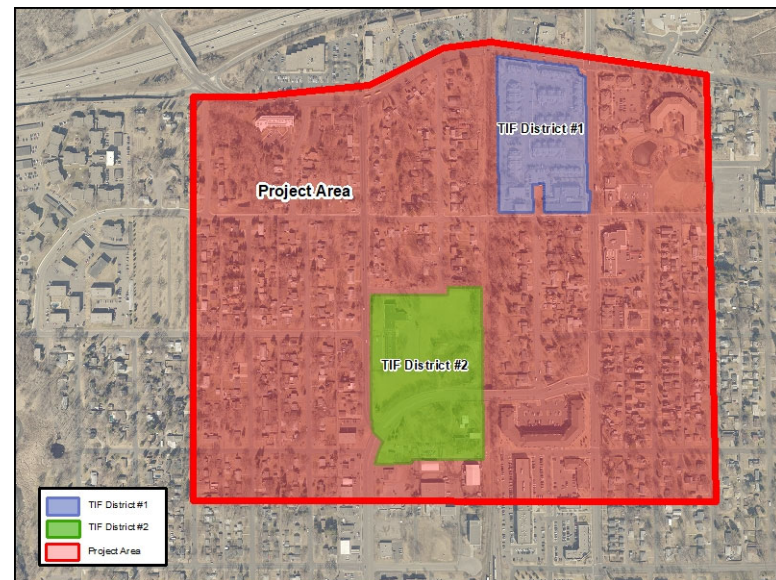
3. Fundamentals of TIF

Pooling is described as dollars spent outside the geographic boundaries of a TIF District and, in most cases, within the geographic boundaries of a Project Area. TIF District and Project Area boundaries may be coterminous, or the Project Area boundaries may be larger than the TIF District boundaries. The City's TIF Districts have been established within the Development District of the City. A map showing the boundaries of the TIF Districts is included in Section 5.

Project Area and TIF District can be the same



Project Area can be larger than the TIF District





3. Fundamentals of TIF

Pre-90 Districts

Pre-90 districts have considerable flexibility regarding the use of tax increment. These districts are generally not subject to the pooling percentage limitations and the timing rules that were implemented in later years for Tax Increment Financing Districts. The City's pre-90 districts have been decertified.

Post-90 Districts

Post-90 districts are subject to the pooling percentage limitations for individual districts and the timing rules as further described.

Pooling Percentage Limitations

For redevelopment districts, at least 75% of the tax increments from a TIF District must be expended on activities within the district or to pay for bonds used to finance the estimated public costs of the TIF District. No more than 25% of the tax increments may be spent on costs outside of the TIF District but within the boundaries of the Project Area. All administrative expenses are considered to have been spent outside of the TIF District.

Pooled tax increment from a housing district may be used to fund other eligible housing-related costs outside of the geographic boundaries of the TIF District and within the Project Area without pooling percentage or timing limitations. However, the use of pooled tax increment from the housing district is limited to qualifying affordable housing projects.

In order to exercise the pooling opportunities described above, the TIF Plan for the TIF District(s) must provide authority regarding the use of tax increment funds. In addition, for Redevelopment Districts, pooling activities must occur within the Project Area. When considering future potential pooling activities, the City should verify that the activities are within the TIF Districts and/or Project Areas. In addition, based on the restrictions outlined above, it should be verified that the anticipated expenditure is within the pooling percentage limitations as described. The summaries for each individual district will outline the estimated pooling opportunities for each district.

Three Year Rule

Minnesota Statutes section 469.176 sub 1a was repealed in 2005. However, the requirement is still effective for districts that were established when the rule was in effect. The three-year rule states that, within three years from certification date, bonds must be issued; the authority has acquired land or has caused public improvements to be constructed in the district.



3. Fundamentals of TIF

Four Year Rule

Minnesota Statutes section 469.176 sub 6 requires that, within four years from certification date, certain activities must have taken place on each parcel with the TIF district. Required activities include demolition, rehabilitation, renovation and site improvements. If these activities have not taken place within the required time, the parcel is 'knocked down' from the district, meaning, that no increment may be collected from that individual parcel for the duration of the district. The law does, however, allow for reinstatement procedures should the required activity later occur on the parcel.

Five Year Rule

For post-90 districts, the majority of activities of the district must occur within 5 years of certification. After 5 years, spending is limited to existing obligations, administrative expenses and limited future activities that are subject to the pooling percentage limitations. In order to qualify under the 5-year rule, tax increments are considered to have been spent within a TIF District if such amounts are:

- actually paid to a third party for activities performed within the TIF District within five years after certification of the district.
- used to pay bonds that were issued and sold to a third party, the proceeds of which are reasonably expected on the date of issuance to be spent within the later of the five-year period or a reasonable temporary period or are deposited in a reasonably required reserve or replacement fund.
- used to make payments or reimbursements to a third party under binding contracts for activities performed within the TIF District, which were entered into within five years of certification of the district; or
- used to reimburse a party for payment of eligible costs (including interest) incurred within five years from certification of the district.

Six Year Rule

Beginning with the sixth year following certification of the TIF District, at least 75% of the tax increments must be spent or obligated to pay outstanding bonds or make contractual payments obligated within the first five years. When outstanding bonds have been defeased and sufficient money has been set aside to pay for such contractual obligations, the TIF District must be decertified.

Administrative Expenses

Administrative expenses include amounts paid for services provided by bond counsel, fiscal consultants, planning or economic development consultants, and city staff time. The City may allocate administrative expenses on a district-by-district basis.



3. Fundamentals of TIF

Delinquent Taxes for Existing Districts

When property owners within a tax increment district pay their taxes late or not at all, it can affect a city's ability to pay outstanding obligations on time or require the city to find alternative temporary sources (such as an interfund loan) until those property taxes are paid. If there are delinquent taxes when a TIF district expires, the city can notify the county auditor when there are outstanding bonds or contractual obligations that will go unpaid or be paid by other sources. (M.S. 469.176 Subd. 1f.) In that case, the county will continue to send the delinquent tax increment to the city even after the district has expired. The county auditor may request information regarding the number of outstanding obligations or other information necessary to administer the payment.

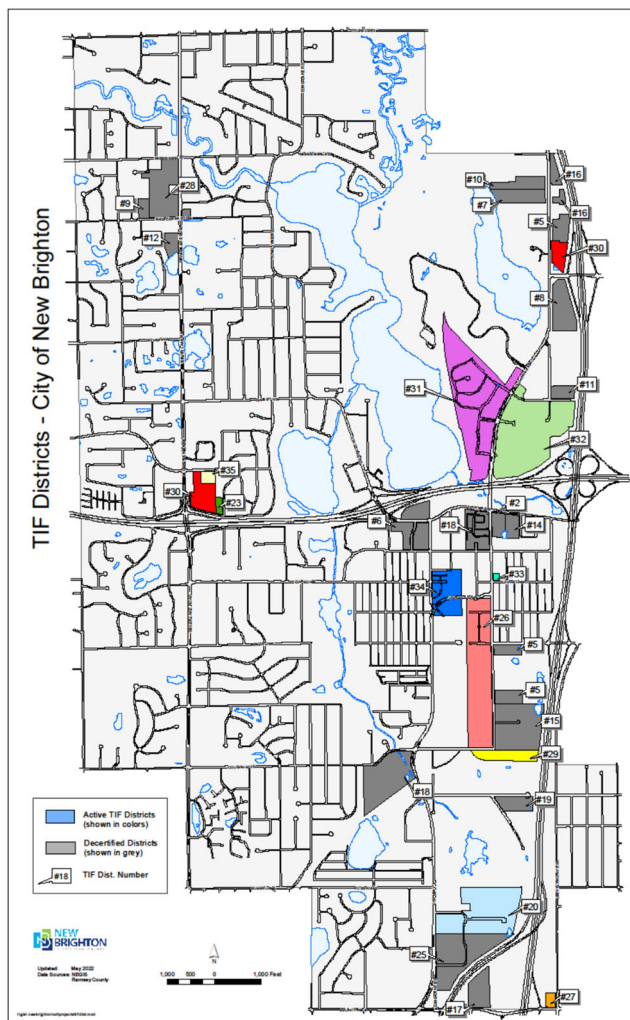
Tax Court Petitions for Existing and Expired Districts

When property owners within a tax increment financing district contest their prior years' values tax court, it can also affect a city's ability to pay obligations. Property owners can contest their values by going back several years, which can result in negative tax increment after a district has been decertified. In the case where a decertified TIF district has negative tax increment as part of the County tax settlement, the City will need to find other sources if the TIF fund has been closed or there are insufficient cash balances available in the TIF Fund.



4. City of New Brighton TIF District Summary

The following pages provide a short summary of each TIF district, and the map below shows all the City's TIF District boundaries.





4. City of New Brighton TIF District Summary

Summary of Non-Pooled Obligations as of December 31, 2024

District	District Name	Obligation and Fund Advance	Outstanding
31	New Brighton Exchange (West Side)	Interfund Loan - Municipal Development Fund	\$7,963,537
32	New Brighton Exchange (East Side)	Interfund Loan - Municipal Development Fund	\$4,511,075
33	Marv's Transmission	Interfund Loan - Municipal Development Fund	\$220,359
34	Midtown Village	Interfund Loan - Municipal Development Fund	\$2,636,804

Summary of Outstanding Pooled Obligations as of December 31, 2024

Districts	Obligations	Proceeds to District(s)	District(s) Expected to Pay	Final Payment	Issue Amount	Outstanding
TIF Districts 31 & 32	G.O. TIF Bond 2015B <i>Refunded 2006A Issue</i>	31 & 32	31 & 32	2/1/2032	\$17,385,000	\$10,380,000
TIF Districts 31 & 32	G.O. TIF Bond 2016A <i>Refunded 2007B Issue</i>	31 & 32	31 & 32	2/1/2032	\$8,705,000	\$8,465,000
TIF Districts 31 & 32	G.O. TIF Bond 2017A	31 & 32	31 & 32	2/1/2032	\$5,040,000	\$300,000
	Total Obligations				\$31,130,000	\$19,145,000



4. City of New Brighton TIF District Summary

Summary of Bond Proceeds as of December 31, 2024

Districts	Obligations	Non-Pooled / Pooled	Proceeds Received	Outstanding by District
New Brighton Exchange TIF Districts 31 & 32	G.O. TIF Bond 2015B	Pooled	\$17,385,000	\$10,380,000
	G.O. TIF Bond 2016A	Pooled	\$8,705,000	\$8,465,000
	G.O. TIF Bond 2017A	Pooled	\$5,040,000	\$300,000
	Total Obligations		\$31,130,000	\$19,145,000



4. City of New Brighton TIF District Summary

The City of New Brighton has utilized TIF for key economic development, redevelopment and housing projects in the City. Utilizing this tool to accomplish the various goals of the City has strengthened the overall diversity of housing options, land uses and tax base, while increasing employment opportunities and cleaning up contaminated sites. One immediate benchmark of the benefit in utilizing TIF is the overall increase in market value from when the district was created to when it is fully developed and aging. As illustrated in the following table, the City's overall market value has increased in the various TIF districts that are still active for taxes payable 2024 and do not include those decertified as of December 31, 2024, or earlier by over 1508% on a cumulative basis:

District	Base Year	Original Market Value	Inflated Original Market Value	Payable 2023 Market Value	Percent Increase in
TIF 26 Brighton Corporate Business Park III	1999	\$ 4,153,000	\$ 6,206,840	\$ 56,608,686	812%
TIF 31 Northwest Quadrant (West Side)	2006	\$ 2,404,000	\$ 2,969,119	\$ 99,678,365	3257%
TIF 32 (Northwest Quadrant (East Side)	2007	\$ 1,509,800	\$ 1,813,075	\$ 37,760,836	1983%
TIF 33 Marv's Transmission Site Office Condo Devel.	2007	\$ 141,700	\$ 170,163	\$ 1,146,324	574%
TIF 34 Midtown Village	2021	\$ 4,356,560	\$ 4,356,560	\$ 69,278,647	1490%
TIF 35 The Exchange	2022	\$ 1,673,300	\$ 1,673,300	\$ 11,922,180	612%
		\$ 14,238,360	\$ 17,189,057	\$ 276,395,038	1508%



4. City of New Brighton TIF District Summary

For illustrative purposes of projecting the City's overall market value increases in current and prior TIF districts, including those that have been previously decertified, we prepared a modified chart that includes more of the City's TIF Districts. Assumptions were made relative to estimates of original and current market values for decertified TIF Districts. The larger TIF District picture illustrates growth by over 1229% on a cumulative basis:

District	Base Year	Original Market Value	Inflated Original Market Value	Payable 2024 Market Value	Percent Increase in Value
TIF 5		487,733	880,901	18,161,532	1962%
TIF 6		801,467	1,447,538	30,710,875	2022%
TIF 7		83,667	151,111	10,651,962	6949%
TIF 8		531,733	960,370	24,429,942	2444%
TIF 9		18,333	33,112	7,964,951	23955%
TIF 10		109,133	197,107	12,410,633	6196%
TIF 11		57,733	104,273	4,218,594	3946%
TIF 12		39,067	70,559	12,444,829	17538%
TIF 14		311,267	484,943	6,387,666	1217%
TIF 15		3,483,000	5,426,401	42,405,173	681%
TIF 16		107,867	168,053	3,721,049	2114%
TIF 17		1,026,133	1,598,682	12,801,299	701%
TIF 18	1993	\$ 2,895,700	5,229,956	\$ 22,941,800	339%
TIF 19		212,000	330,289	4,609,922	1296%
TIF 20	1994	\$ 496,500	896,734	\$ 16,948,135	1790%
TIF 23	1995	\$ 73,600	132,930	\$ 2,256,936	1598%
TIF 25	1997	\$ 1,477,500	2,668,529	\$ 15,972,107	499%
TIF 26	1999	\$ 4,153,000	7,500,780	\$ 58,306,947	677%
TIF 31	2006	\$ 2,404,000	3,745,354	\$ 102,668,716	2641%
TIF 32	2007	\$ 1,509,800	2,352,219	\$ 38,893,661	1553%
TIF 33	2007	\$ 141,700	220,764	\$ 1,180,714	435%
TIF 34	2021	\$ 4,356,560	4,903,347	\$ 71,357,006	1355%
TIF 35	2022	\$ 1,673,300	1,828,460	\$ 28,000,000	1431%
		\$ 26,450,793	\$ 41,332,411	\$ 549,444,449	1229%

estimated values based on County records of base, current and captured tax capacities



4. City of New Brighton TIF District Summary

Many cities utilize TIF as a development tool as they realize the benefits it can provide. However, there sometimes may be concern if the tool may be over or underutilized. Measuring a city's use of TIF as compared to existing tax base is one way of understanding how it is being used. A common measurement of TIF usage is the percentage of gross tax base captured in TIF districts. The chart below demonstrates the City's current and projected tax base that is captured on an annual basis in the TIF districts.

Projected Captured TIF Tax Capacity

	Decertification Date	Actual 2024	Projected			
			2025	2026	2027	2028
TIF 26 Brighton Corporate Business Park III	12/31/2024	\$ 871,488	\$ -	\$ -	\$ -	\$ -
TIF 31 Northwest Quadrant (West Side)	12/31/2035	\$ 1,203,998	\$ 1,256,767	\$ 1,256,767	\$ 1,256,767	\$ 1,256,767
TIF 32 Northwest Quadrant (East Side)	12/31/2036	\$ 793,010	\$ 779,984	\$ 779,984	\$ 779,984	\$ 779,984
TIF 33 Marv's Transmission	12/31/2033	\$ 19,188	\$ 20,346	\$ 20,346	\$ 20,346	\$ 20,346
TIF 34 Midtown Village	12/31/2047	\$ 587,685	\$ 317,417	\$ 317,417	\$ 317,417	\$ 317,417
TIF 35 The Exchange	12/31/2049	\$ 141,395	\$ 329,084	\$ 329,084	\$ 329,084	\$ 329,084
Total Captured		\$ 3,616,764	\$ 2,703,598	\$ 2,703,598	\$ 2,703,598	\$ 2,703,598
Total Tax Capacity		32,246,494	33,314,358	33,314,358	33,314,358	33,314,358
Percentage of Tax Base in TIF		11.22%	8.12%	8.12%	8.12%	8.12%



4. City of New Brighton TIF District Summary

Redevelopment also plays an important factor in future market value growth for communities. The following table demonstrates the historical market value growth of the City of New Brighton.

Tax Payable Year	Taxable Market Value	Percent Change from prior year
2025	3,386,508,248	0.91%
2024	3,355,966,294	5.42%
2023	3,183,532,577	13.93%
2022	2,794,236,300	3.86%
2021	2,690,464,500	7.97%
2020	2,491,749,400	6.86%
2019	2,331,776,400	9.03%
2018	2,138,618,500	9.25%
2017	1,957,574,500	7.37%
2016	1,823,144,000	5.26%
2015	1,732,108,600	6.02%
2014	1,633,681,900	0.03%



5. Assumptions

Many assumptions were utilized to prepare the projections and analysis as included within this report.

- Fund balances shown are based on amounts as provided for December 31, 2024.
- Pay 2024 and future tax increment revenues are based upon tax increment calculations, assuming 100% collections, as provided by Ramsey County property tax records.
- Projected revenues do not account for additional development or inflation of existing values.
- Projected revenues also do not account for decreases or increases in the tax rate or inflationary changes on taxable value.
- Interest revenue is projected individually for each district based on beginning fund balance assuming 1% rate.
- Interfund loan interest payments are based on individual district assumptions that include 4% of unpaid principal balance.



6. Summary of Individual Tax Increment Financing Districts

Tax Increment Financing Redevelopment District No. 26 – Active Brighton Corporate Park III

Description

This Redevelopment District was established to assist with the development of a mixed-use development consisting of 32 housing units, 60,000 square foot of commercial/retail development, and 306,000 square feet of light industrial development within the Development District.

Adopted:	07/28/1997
Requested Date:	08/15/1997
Certified Date:	01/22/1999
First Year Increment	1999
Decertifies:	12/31/2024
Modifications:	03/27/2001- Budget modification
	11/25/2003- Budget modification
	12/14/2004- Budget modification
	12/13/2005- Budget modification

Current PIN Number(s)

29.30.23.13.0058 through 29.30.23.13.0186
29.30.23.42.0032 through 29.30.23.42.0034
29.30.23.42.0036 through 29.30.23.42.0037
29.30.23.43.0005
29.30.23.43.0023
29.30.23.43.0025
63-910200 (Personal Property)

Frozen Tax Rate 122.918%

Fiscal Disparities Election Option A – outside district.



6. Summary of Individual Tax Increment Financing Districts

Allowable Uses:

For redevelopment districts, Minnesota Statutes section 469.176 sub 4j specifies the activities on which tax increment may be spent. In general, tax increment must be spent correcting those conditions which caused the area to be designated a redevelopment district. Allowable uses include property acquisition, demolition, rehabilitation, installation of public utilities, road, sidewalks, public parking facilities, and allowable administrative expenses.

Obligations:

All district obligations have been paid in full. Any remaining has been used to pool to TIF #31 and #32.

Three Year Rule:

The Brighton Corporate Park III TIF met the 3-year rule.

Four Year Rule:

The Brighton Corporate Park III TIF Four Year Rule deadline was January 2003.

Five Year Rule:

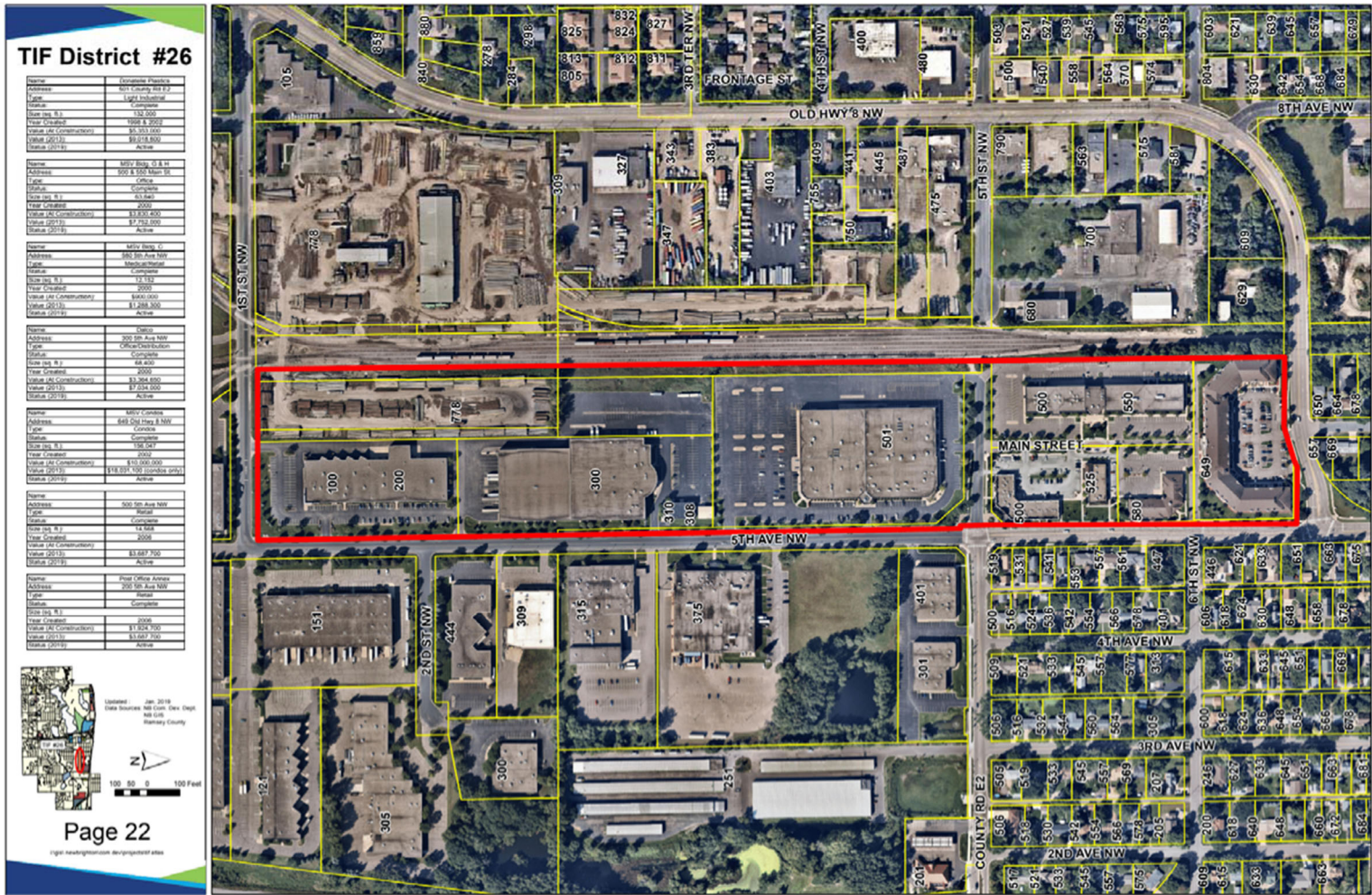
The five-year deadline was January 2004, by which time the development agreement was signed and obligations were issued.

Geographic Enlargements:

Minnesota Statutes section 469.175 sub 4(f) places limits on the length of time a TIF district may add parcels. No parcels may be added five years after the certification date. The Brighton Corporate Park III TIF may not be enlarged after January 2004.



6. Summary of Individual Tax Increment Financing Districts





6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
 Tax Increment Financing (Redevelopment) District No. 26
 Brighton Corporate Business Park III

District Summary Details		
	Original	Modification
Approval Date	7/28/1997	12/13/2005
Request for Certification	8/15/1997	-----
Certification Date	1/22/1999	-----
Decertification Date	12/31/2024	12/31/2024

	Original Budget	Cumulative Modified Budget	Projected over District Term	Prior Years		Current
				2022	2023	2024
				14,140	7,504	3,234
Tax increment revenue	6,294,800	12,500,000	17,386,695	14,214,745	1,034,586	1,000,193
MVHC		-	76,433	76,433	-	-
Investment earnings		1,250,000	94,205	74,698	3,125	6,834
Bond Proceeds	5,653,125	5,653,125	-	-	-	-
Sales/lease proceeds	2,000,000	2,000,000	2,065,964	2,065,964	-	-
TIF credits	700,000	700,000	-	-	-	-
Loan/advance payments		100,000	-	-	-	-
Bond Premium		-	-	-	-	-
Other: Developer Deficiency		-	-	-	-	-
Transfer In		4,206,250	-	-	-	-
Estimated Tax Increment Revenues	6,294,800	26,409,375	19,623,298	16,431,841	1,037,710	1,007,028
Land/building acquisition	4,122,500	2,570,000	1,772,596	1,772,596	-	-
Site improvements/preparation costs		850,000	638,497	638,497	-	-
Utilities		500,000	398,515	398,515	-	-
Other qualifying improvements		202,500	2,690,176	2,690,176	-	-
Construction of affordable housing		-	-	-	-	-
Temporary ED		-	-	-	-	-
Authority Admin	1,600,000	1,250,000	1,318,822	1,290,881	1,976	18,686
County Admin		-	40,092	33,673	2,370	2,612
Other qualifying improvements		400,000	-	-	-	-
Transfer Out	572,300	8,200,000	9,664,642	6,495,000	1,040,000	990,000
Estimated Tax Increment Project Costs	6,294,800	13,972,500	16,523,340	13,319,338	1,044,346	1,011,298
Interest expense	-	6,783,750	1,508,700	1,508,700	-	-
Total	6,294,800	20,756,250	18,032,040	14,828,038	1,044,346	1,011,298
Bonds		5,653,125				
Surplus / (Deficit)	-	-				
Bond Principal Payments			(5,037,627)	(5,037,627)	-	-
Bond Proceeds Original			3,866,296	3,866,296	-	-
Bond Proceeds Refunding			-	-	-	-
Bond Premium/(Discount)			633,494	633,494	-	-
Net Bond Payments			(537,837)	(537,837)	-	-
Interfund			-	-	-	-
Interfund Principal			-	-	-	-
Interfund Interest			1,051,826	1,051,826	-	-
Total Interfund Payments			1,051,826	1,051,826	-	-
Projected Ending Fund Balance			1,595	14,140	7,504	3,234



6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
Tax Increment Financing (Redevelopment District No. 26
Brighton Corporate Business Park III

Administrative Expenses Limit Test MN Statutes 469.176 Subd. 3	
	Expenses
Accumulated Admin Expenses	1,950,625
Accumulated Total Expenses	19,506,250
Allowable Admin	10%

	Prior Years			Current
	2021 & Prior	2022	2023	2024
	1,290,881	1,292,857	1,311,543	1,318,822
	14,588,983	15,631,352	16,623,965	17,765,044
	8.8%	8.3%	7.9%	7.4%

*Due to Special Legislation there are no pooling limitations for this TIF District to the Northwest Quadrant TIF District #31 and #32.
Available balances could be used for pooling or admin (subject to 10% limit)*



6. Summary of Individual Tax Increment Financing Districts

Special Legislation:

In 2008 Session Laws (Chapter 366, Article 5, Section 24), the Minnesota Legislature allowed pooling from this district to TIF Districts #31 & #32 in the Northwest Quadrant (New Brighton Exchange).

*Subdivision. 1. **Expenditures outside district.** Notwithstanding the provisions of Minnesota Statutes sections 469.176, subdivision 4d, and 469.1763 subdivision 2, or any other law to the contrary, the city of New Brighton may expend increments generated from its tax increment financing districts 9, 20, and 26. The increments may be used to pay for eligible expenses as permitted by Minnesota Statutes, section 469.176 subdivision 4j, outside the boundaries of tax increment financing districts 9, 20, and 26, but only within the area described in Laws 1998, chapter 389, article 11, section 24, subdivision 1 and commonly referred to as the Northwest Quadrant. Minnesota Statutes, section 469.1763, subdivision 3 and 4, do not apply to expenditures permitted by this section.*



6. Summary of Individual Tax Increment Financing Districts

**Tax Increment Financing Redevelopment District No. 31 – Active
Northwest Quadrant a.k.a “New Brighton Exchange” (West Side)**

Description:

This Redevelopment District was established in order to assist with the development of a large mixed-use site with owner-occupied homes, multifamily housing and office/commercial space within the Development District.

Adopted:	12/14/2004
Requested Date:	12/23/2004 (TIF District)
	06/14/2006 (Hazardous Substance Subdistrict & Geographic Expansion)
Certified Date:	09/30/2005 (TIF District)
	04/19/2007 (Hazardous Substance Subdistrict & Geographic Expansion)
First Year Increment	2006
Decertifies:	12/31/2035 (HSS – 12/31/2036)
Modifications:	12/14/2004- Budget modification
	12/13/2005- Budget modification

Current PIN Number(s):

20.30.23.42.0015 through 20.30.23.42.0018	Original District
20.30.23.42.0028 through 20.30.23.42.0029	
20.30.23.43.0065	
20.30.23.41.0030 through 20.30.23.41.0083	Original HSS
20.30.23.42.0026 through 20.30.23.42.0027	
20.30.23.42.0030 through 20.30.23.42.0033	
20.30.23.42.0052 through 20.30.23.42.0059	
20.30.23.13.0009 through 20.30.23.13.0067	
20.30.23.14.0012	
20.30.23.14.0016 through 20.30.23.14.0027	



6. Summary of Individual Tax Increment Financing Districts

Three Year Rule:

The NWQ Special Law TIF District me the 3-year rule.

Four Year Rule:

*In 2009, the Minnesota Legislature extended the time frame of this provision from four to six years for districts that were certified between January 1, 2005, and April 20, 2009. **The NWQ Special Law TIF six-year deadline was September 2011.***

Five Year Rule:

*In 2009, the Minnesota Legislature extended the time frame of this provision from five years to ten for districts certified between June 30, 2003, and April 20, 2009. **The ten-year deadline is September 2015.***

Geographic Enlargements:

MN Statute 469.175 sub 4(f) places limits on the length of time a TIF district may add parcels. No parcels may be added five years after the certification date. The NWQ Special Law TIF may not be enlarged after September 2010.



6. Summary of Individual Tax Increment Financing Districts





6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
 Tax Increment Financing (Redevelopment) District No. 31
 North Quadrant West Side

District Summary Details		
	Original	Modification
Approval Date	12/14/2004	12/13/2005
Request for Certification	12/23/2004	6/14/2006
Certification Date	9/30/2005	4/19/2007
Decertification Date	12/31/2031	12/31/2031

2008 Laws (Ch. 366)
12/31/2035

Observations:
 District has zero cash balance while paying down Interfund Loan.
 Not projected to be repaid in full with existing funds
 Assumes pooled funds from other districts
 Actual budget not expected to exceed cumulative modified budget

Prior Years	Current	Projected
2024	2025	2026-2035

Beginning Fund Balance		(7,849,095)	(7,963,536)	(9,031,501)			
	Original Budget	Cumulative Modified Budget	Projected over District Term				
Tax increment revenue	23,500,000	58,200,000	28,881,152	9,673,685	1,356,645	1,393,747	16,457,074
MVHC	-	-	-	-	-	-	-
Investment earnings	750,000	1,026,000	(365,214)	(367,504)	2,290	-	-
Special Assessments	8,000,000	21,125,000	-	-	-	-	-
Sales/lease proceeds	-	-	166,626	166,626	-	-	-
Sale of property	5,500,000	18,660,000	2,544,906	2,544,906	-	-	-
Loan/advance payments	-	-	849,593	849,593	-	-	-
Grants	-	1,000,000	5,342,841	5,342,841	-	-	-
Other: Plan deposit	-	-	5,758	5,758	-	-	-
Other: Refund	-	750,000	61,880	61,880	-	-	-
Transfer In	-	1,200,000	20,343,877	19,204,235	1,139,642	-	-
Estimated Tax Increment Revenues	37,750,000	101,961,000	57,831,419	37,482,021	2,498,578	1,393,747	16,457,074
Land/building acquisition	9,000,000	28,400,000	30,635,437	30,635,437	-	-	-
Site improvements/preparation costs	2,500,000	10,300,000	8,108,745	8,108,008	737	-	-
Utilities	1,500,000	3,300,000	212	212	-	-	-
Other qualifying improvements	1,000,000	2,300,000	2,241,358	2,241,358	-	-	-
Construction of affordable housing	-	-	-	-	-	-	-
Temporary ED	-	-	-	-	-	-	-
Authority Admin	2,350,000	5,820,000	2,744,278	2,744,278	-	-	-
County Admin	-	-	76,150	47,067	1,583	2,500	25,000
Other qualifying improvements	-	876,000	-	-	-	-	-
Transfer Out	-	-	23,547	23,547	-	-	-
Estimated Tax Increment Project Costs	16,350,000	50,996,000	43,829,727	43,799,907	2,320	2,500	25,000
Interest expense	13,150,000	29,840,000	16,688,689	12,484,443	560,167	502,941	1,857,053
Total	29,500,000	80,836,000	60,518,416	56,284,350	562,487	505,441	1,882,053
Bonds	8,000,000	21,125,000					
Surplus / (Deficit)	250,000	-					
Bond Principal Payments			(32,613,744)	(13,286,994)	(1,736,400)	(1,797,000)	(15,793,350)
Bond Proceeds Original			29,796,682	29,796,682	-	-	-
Bond Proceeds Refunding			-	-	-	-	-
Bond Premium/(Discount)			-	-	-	-	-
Net Bond Payments			(2,817,062)	16,509,688	(1,736,400)	(1,797,000)	(15,793,350)
Interfund Interest			7,384,925	4,272,369	314,132	159,271	2,639,154
Total Interfund Payments			7,384,925	4,272,369	314,132	159,271	2,639,154
Projected Ending Fund Balance			(12,888,984)	(6,565,011)	(7,963,536)	(9,031,501)	(12,888,984)



6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
 Tax Increment Financing (Redevelopment) District No. 31
 North Quadrant West Side

Administrative Expenses Limit Test MN Statutes 469.176 Subd. 3		
Admin Limit is based on:	Revenues	
Accumulated Admin Expenses	2,888,115	
Accumulated Total Revenues	28,881,152	
Allowable Admin	10%	

Prior Years	Current	Projected		
2023	2024	2025	2026	2027-2035
2,744,278	2,744,278	2,744,278	2,744,278	2,744,278
9,673,685	11,030,331	12,424,077	13,859,636	28,881,152
28.4%	24.9%	22.1%	19.8%	9.5%

Pooling Calculation		
		Projected Total Pooling
Step 1:	Cumulative Tax Increment	-
	Current Year	-
	Total	28,515,938
Step 2:	In-District Expenditures	75%
	Current Year	-
	Total	65,734,689
	Maximum Allowable Expenses	87,646,252

Prior Years	Current	Projected		
2023	2024	2025	2026	2027-2035
9,306,181	9,306,181	10,665,117	12,058,863	9,306,181
-	1,358,936	1,393,747	1,435,559	19,209,756
9,306,181	10,665,117	12,058,863	13,494,422	28,515,938
58,754,251	59,672,151	60,548,769	61,213,482	65,442,785
917,900	876,619	664,712	628,088	291,903
59,672,151	60,548,769	61,213,482	61,841,569	65,734,689
79,562,868	80,731,693	81,617,975	82,455,426	87,646,252

Return to County		
Annual Qualifying Costs	25%	7,128,984
Less: Out-of-district spending		
Admin		(2,744,278)
Transfers Out		23,547
Cumulative Available Amount for Pooling		4,408,254
Ending Cash Balance		

Prior Years	Current	Projected		
-	339,734	348,437	358,890	4,802,439
(2,744,278)	-	-	-	-
23,547	-	-	-	-
(7,849,095)	(7,963,536)	(9,031,501)	(10,146,880)	(12,888,984)

Available for Pooling (lesser of cash balance or cumulative pooling amount)

- - - - -



6. Summary of Individual Tax Increment Financing Districts

Special Legislation:

In 1998 Session Laws (Chapter 389, Article 11, Section 24), the Minnesota Legislature approved the creation of this TIF District.

*Subdivision 1. **Special Rules.** (a) If the city elects upon the adoption of the tax increment financing plan for the district, the rules under this section apply to redevelopment or soils condition tax increment financing districts established by the city of New Brighton or a development authority of the city of New Brighton in the area bounded on the north by the south boundary line of tax increment district number 8 extended to Long Lake regional park. (b) The five-year rule under Minnesota Statutes, section 469.1763, subdivision 3, is extended to nine years for the district. (c) The limitations on spending increment outside of the district under Minnesota Statutes, section 469.1763, subdivision 2, do not apply, but increments may only be expended on improvements or activities within the area defined in paragraph (a).*

*Subdivision 2. **Expiration.** (a) The exception from the limitations of Minnesota Statutes, section 469.1763, subdivision 2, expires 18 years after the receipt of first increment from a district to which the city has elected that this section applies. (b) The authority to approve tax increment financing plans to establish a tax increment financing district under this section expires on December 31, 2008.*

*Subdivision 3. **Effective Date.** This section is effective upon approval by the governing bodies of the city of New Brighton and Ramsey County and upon compliance by the city with Minnesota Statutes, section 645.021, subdivision 3.*

In 2008 Session Laws (Chapter 366, Article 5, Section 24), the Minnesota Legislature allowed pooling from TIF Districts 9, 20, & 26 to this TIF district and TIF District #32 in the Northwest Quadrant.

*Subdivision 2. **District duration extension.** Notwithstanding the provisions of Minnesota Statutes 469.176, subdivision 1b, or any other law to the contrary, the duration limits that apply to redevelopment tax increment financing districts numbers 31 and 32 established under Laws 1998, chapter 389, article 11, section 24, and hazardous substance subdistricts numbers 31A and 32A established under Minnesota Statutes, sections 469.174 to 469.1799, are extended by four years.*



6. Summary of Individual Tax Increment Financing Districts

Tax Increment Financing Redevelopment District No. 32 – Active New Brighton Exchange (East Side)

Description:

This Redevelopment District was established in order to assist with the development of several corporate headquarters/office space including CSI, TUV SUD, DSI, etc. within the Development District.

Adopted:	12/13/2005
Requested Date:	06/14/2006 (TIF District)
	06/14/2006 (Hazardous Substance Subdistrict)
Certified Date:	04/19/2007 (TIF District)
	04/19/2007 (Hazardous Substance Subdistrict)
Decertifies:	12/31/2036
Modifications:	None

Current PIN Number(s):

20.30.23.14.0014	Original & HSS District
20.30.23.41.0021 and 20.30.23.41.0028	
20.30.23.41.0084 and 20.30.23.41.0085	
20.30.23.44.0028	
21.30.23.32.0016 and 21.30.23.32.0017	

Fiscal Disparities Election: The City elected to calculate fiscal disparities from outside (A election) the district.

Frozen Tax Rate: 111.508%

First Receipt of Increment: July 2007



6. Summary of Individual Tax Increment Financing Districts





6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
 Tax Increment Financing (Redevelopment) District No. 32
 North Quadrant East Side

District Summary Details		
	Original	Modification
Approval Date	12/13/2005	----
Request for Certification	6/14/2006	----
Certification Date	4/19/2007	----
Decertification Date	12/30/2032	----

2008 Laws (Ch. 366)
12/31/2036

Observations:
 District has zero cash balance while paying down Interfund Loan.
 Projecting full repayment of district obligations
 Actual budget not expected to exceed cumulative modified budget

Prior Years	Current	Projected
2024	2025	2026-2036

Beginning Fund Balance		(4,836,111)	(4,511,075)	(4,017,048)			
	Original Budget	Cumulative Modified Budget	Projected over District Term				
Tax increment revenue	60,000,000	64,800,000	23,183,614	6,890,043	791,198	866,613	14,635,759
MVHC	-	-	-	-	-	-	-
Investment earnings	1,000,000	1,048,000	(286,091)	(288,415)	2,324	-	-
Special Assessments	20,500,000	23,375,000	-	-	-	-	-
Sales/lease proceeds	-	-	223,330	223,330	-	-	-
Sale of property	5,428,000	5,428,000	2,429,846	2,429,846	-	-	-
Loan/advance payments	-	-	-	-	-	-	-
Grants	4,600,000	4,600,000	-	-	-	-	-
Other: Plan deposit	-	-	-	-	-	-	-
Other: Refund	-	-	-	-	-	-	-
Transfer In	-	-	1,990,331	1,990,331	-	-	-
Estimated Tax Increment Revenues	91,528,000	99,251,000	27,541,030	11,245,136	793,522	866,613	14,635,759
Land/building acquisition	11,900,000	11,900,000	14,299,677	14,299,677	-	-	-
Site improvements/preparation costs	-	8,600,000	4,853,615	4,844,083	9,533	-	-
Utilities	3,700,000	3,700,000	-	-	-	-	-
Other public improvements	12,176,000	11,700,000	2,969,752	2,969,752	-	-	-
Construction of affordable housing	-	-	-	-	-	-	-
Temporary ED	-	-	-	-	-	-	-
Authority Admin	6,000,000	6,480,000	2,292,001	2,292,001	-	-	-
County Admin	-	-	17,570	17,167	403	-	-
Other qualifying improvements	-	476,000	-	-	-	-	-
Transfer Out	-	-	-	-	-	-	-
Estimated Tax Increment Project Costs	33,776,000	42,856,000	24,432,614	24,422,679	9,935	-	-
Interest expense	31,000,000	33,020,000	1,681,693	1,415,336	47,967	44,144	174,247
Total	64,776,000	75,876,000	26,114,307	25,838,015	57,902	44,144	174,247
Bonds	20,500,000	23,375,000					
Surplus / (Deficit)	6,252,000	-					
Bond Principal Payments			(3,046,256)	(1,348,006)	(143,600)	(148,000)	(1,406,650)
Bond Proceeds Original			9,758,376	9,758,376	-	-	-
Bond Proceeds Refunding			-	-	-	-	-
Bond Premium/(Discount)			5,227,647	5,227,647	-	-	-
Net Bond Payments			11,939,767	13,638,017	(143,600)	(148,000)	(1,406,650)
Interfund Interest			4,821,038	3,881,249	266,983	180,443	492,362
Total Interfund Payments			4,821,038	3,881,249	266,983	180,443	492,362
Projected Ending Fund Balance			8,545,452	(4,836,111)	(4,511,075)	(4,017,048)	8,545,452



6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
 Tax Increment Financing (Redevelopment) District No. 32
 North Quadrant East Side

Administrative Expenditures (MN Statutes 469.176, Subd. 3)		
Admin Limit is based on:	Revenues	
	Accumulated Admin Expenses	2,318,361
Accumulated Total Revenues	23,183,614	
Allowable Admin	10%	

Prior Years	Current	Projected		
2023	2024	2025	2026	2027-2036
2,292,001	2,292,001	2,292,001	2,292,001	2,292,001
6,890,043	7,681,241	8,547,855	9,475,131	23,183,614
33.3%	29.8%	26.8%	24.2%	9.9%

Pooling Calculation			Projected Total Pooling
Step 1:	Cumulative Tax Increment		
	Current Year		
	Total		22,897,523
Step 2:	In-District Expenditures	75%	
	Current Year		
	Total		28,643,344
	Maximum Allowable Expenses		38,191,126

Prior Years	Current	Projected		
2023	2024	2025	2026	2027-2036
	6,601,629	7,395,150	8,261,764	6,601,629
	793,522	866,613	927,276	16,295,894
6,601,629	7,395,150	8,261,764	9,189,040	22,897,523
27,427,263	27,427,263	27,752,149	27,976,735	27,427,263
-	324,886	224,587	200,449	1,216,081
27,427,263	27,752,149	27,976,735	28,177,184	28,643,344
36,569,684	37,002,865	37,302,314	37,569,579	38,191,126

Return to County		
Annual Qualifying Costs	25%	5,906,504
Less: Out-of-district spending		
Admin		(2,292,001)
Transfers Out		-
Cumulative Available Amount for Pooling		3,614,503
Ending Cash Balance		

Prior Years	Current	Projected		
-	198,380	216,653	231,819	4,073,974
(2,292,001)	-	-	-	-
(4,836,111)	(4,511,075)	(4,017,048)	(3,452,371)	8,545,452

Available for Pooling (lesser of cash balance or cumulative pooling amount)

- - - - 3,614,503



6. Summary of Individual Tax Increment Financing Districts

Special Legislation:

In 1998 Session Laws (Chapter 389, Article 11, Section 24), the Minnesota Legislature approved the creation of this TIF District.

*Subdivision 1. **Special Rules.** (a) If the city elects upon the adoption of the tax increment financing plan for the district, the rules under this section apply to redevelopment or soils condition tax increment financing districts established by the city of New Brighton or a development authority of the city of New Brighton in the area bounded on the north by the south boundary line of tax increment district number 8 extended to Long Lake regional park. (b) The five-year rule under Minnesota Statutes, section 469.1763, subdivision 3, is extended to nine years for the district. (c) The limitations on spending increment outside of the district under Minnesota Statutes, section 469.1763, subdivision 2, do not apply, but increments may only be expended on improvements or activities within the area defined in paragraph (a).*

*Subdivision 2. **Expiration.** (a) The exception from the limitations of Minnesota Statutes, section 469.1763, subdivision 2, expires 18 years after the receipt of first increment from a district to which the city has elected that this section applies. (b) The authority to approve tax increment financing plans to establish a tax increment financing district under this section expires on December 31, 2008.*

*Subdivision 3. **Effective Date.** This section is effective upon approval by the governing bodies of the city of New Brighton and Ramsey County and upon compliance by the city with Minnesota Statutes, section 645.021, subdivision 3.*

In 2008 Session Laws (Chapter 366, Article 5, Section 24), the Minnesota Legislature allowed pooling from TIF Districts 9, 20, & 26 to this TIF district and TIF District #32 in the Northwest Quadrant.

*Subdivision 2. **District duration extension.** Notwithstanding the provisions of Minnesota Statutes 469.176, subdivision 1b, or any other law to the contrary, the duration limits that apply to redevelopment tax increment financing districts numbers 31 and 32 established under Laws 1998, chapter 389, article 11, section 24, and hazardous substance subdistricts numbers 31A and 32A established under Minnesota Statutes, sections 469.174 to 469.1799, are extended by four years.*



6. Summary of Individual Tax Increment Financing Districts

Tax Increment Financing Redevelopment District No. 33 – Active Marv’s Transmission Office Condo Development

Description:

This Redevelopment District was established in order to assist with the development within the Development District.

Adopted:	12/12/2006
Requested Date:	12/26/2006
Certified Date:	06/11/2007
Decertifies:	12/31/2033
Modifications:	None

Current PIN Number(s):

29.30.23.11.0093

Fiscal Disparities Election: The City elected to calculate fiscal disparities from outside (A election) the district.

Frozen Tax Rate: 109.170%

First Receipt of Increment: July 2008

Allowable Uses:

MN Statute 469.176 sub 4j specifies the activities on which tax increment from a redevelopment district may be spent. In general, tax increment must be spent correcting those conditions which caused the area to be designated a redevelopment district. Allowable uses include property acquisition, demolition, rehabilitation, installation of public utilities, road, sidewalks, public parking facilities, and allowable administrative expenses.



6. Summary of Individual Tax Increment Financing Districts

Obligations:

The Marv's Transmission Site Office Condo Development TIF District currently has an interfund loan for \$276,326 from the Municipal Development Fund #560.

In-District Obligations: Interfund Loan from the Municipal Development Fund – Through 2030

Pooled Obligations: None

Three Year Rule:

MN Statute 469.176 sub 1a was repealed in 2005 and does not apply to this district.

Four Year Rule:

*In 2009, the Minnesota Legislature extended the time frame of this provision from four to six years for districts that were certified between January 1, 2005, and April 20, 2009. **The Marv's Transmission TIF six-year deadline was June 2013.***

Five Year Rule:

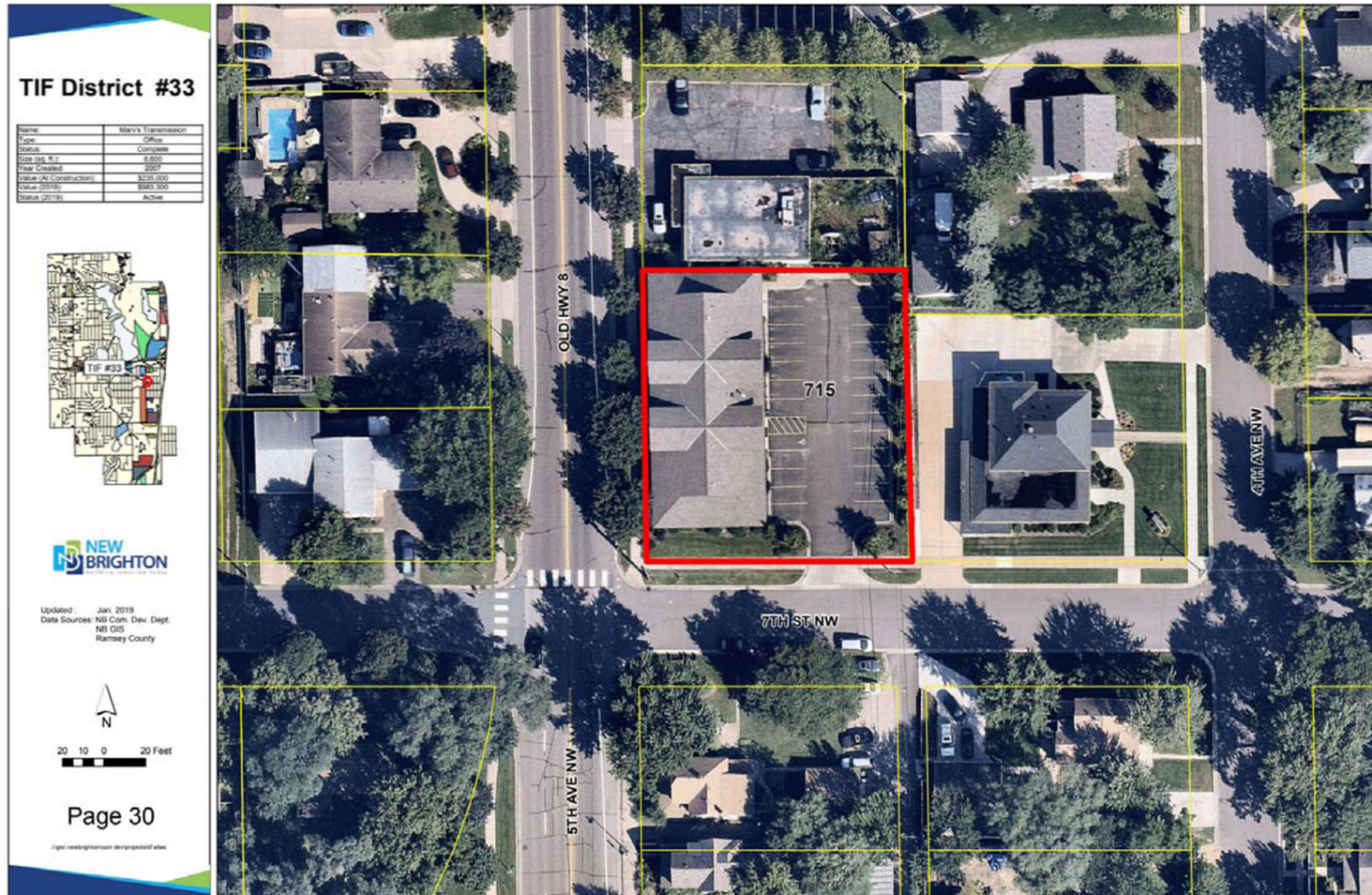
*In 2009, the Minnesota Legislature extended the time frame of this provision from five years to ten for districts certified between June 30, 2003, and April 20, 2009. **The ten-year deadline is June 2017.***

Geographic Enlargements:

MN Statute 469.175 sub 4(f) places limits on the length of time a TIF district may add parcels. No parcels may be added five years after the certification date. The Marv's Transmission TIF may not be enlarged after June 2012.



6. Summary of Individual Tax Increment Financing Districts





6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
 Tax Increment Financing (Redevelopment) District No. 33
 Marv's Transmission Site

District Summary Details		
	Original	Modification
Approval Date	12/21/2006	----
Request for Certification	12/26/2006	----
Certification Date	6/11/2007	----
Decertification Date	12/31/2033	----

Observations:
 District has zero cash balance while paying down Interfund Loan.
 Not projected to be repaid in full with existing funds

Actual budget not expected to exceed cumulative modified budget

Prior Years	Current	Projected
2024	2025	2026-2033

Beginning Fund Balance		(234,101)	(220,359)	(209,702)			
Original Budget	Cumulative Modified Budget	Projected over District Term					
Tax increment revenue	475,000	-	504,781	282,412	23,183	22,132	177,054
MVHC	-	-	-	-	-	-	-
Investment earnings	47,500	-	(20,829)	(5,494)	178	(2,204)	(13,309)
Special Assessments	237,500	-	-	-	-	-	-
Sales/lease proceeds	-	-	-	-	-	-	-
Sale of property	175,000	-	173,960	173,960	-	-	-
Loan/advance payments	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-
Other:	-	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-	-
Estimated Tax Increment Revenues	935,000	-	657,912	450,878	23,361	19,928	163,745
Land/building acquisition	350,000	-	354,720	354,720	-	-	-
Site improvements/preparation costs	15,000	-	47,995	47,995	-	-	-
Utilities	-	-	-	-	-	-	-
Other qualifying improvements	-	-	16,967	16,967	-	-	-
Construction of affordable housing	-	-	-	-	-	-	-
Temporary ED	-	-	-	-	-	-	-
Authority Admin	47,500	-	43,856	43,856	-	-	-
County Admin	-	-	10,514	6,127	274	457	3,656
Other qualifying improvements	-	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-	-
Estimated Tax Increment Project Costs	412,500	-	474,053	468,774	274	457	3,656
Interest expense	285,000	-	-	-	-	-	-
Total	697,500	-	474,053	468,774	274	457	3,656
Bonds	237,500	-	-	-	-	-	-
Surplus / (Deficit)	-	-	-	-	-	-	-
Bond Principal Payments	-	-	-	-	-	-	-
Bond Proceeds Original	-	-	-	-	-	-	-
Bond Proceeds Refunding	-	-	-	-	-	-	-
Bond Premium/(Discount)	-	-	-	-	-	-	-
Net Bond Payments	-	-	-	-	-	-	-
Interfund	-	-	-	-	-	-	-
Interfund Principal	-	-	-	-	-	-	-
Interfund Interest	286,709	195,309	9,344	8,814	53,237		
Total Interfund Payments	286,709	195,309	9,344	8,814	53,237		
Projected Ending Fund Balance	(102,850)	(213,204)	(220,359)	(209,702)	(102,850)		



6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
 Tax Increment Financing (Redevelopment) District No. 33
 Marv's Transmission Site

Administrative Expenditures (MN Statutes 469.176, Subd. 3)		
Admin Limit is based on:	Revenues	
	Accumulated Admin Expenses	50,478
Accumulated Total Revenues	504,781	
Allowable Admin	10%	

Prior Years	Current	Projected		
2023	2024	2025	2026	2027-2033
43,856	43,856	43,856	43,856	43,856
282,412	305,595	327,727	349,859	504,781
15.5%	14.4%	13.4%	12.5%	8.7%

Pooling Calculation			Projected Total
Step 1:	Cumulative Tax Increment	-	483,952
	Current Year	-	
	Total	-	483,952
Step 2:	In-District Expenditures	75%	
	Current Year		
	Total		716,907
	Maximum Allowable Expenses		955,875

Prior Years	Current	Projected		
2023	2024	2025	2026	2027-2033
256,188	276,918	300,279	320,207	276,918
20,730	23,361	19,928	20,035	207,034
276,918	300,279	320,207	340,242	483,952
630,845	641,124	650,742	660,013	650,742
10,279	9,618	9,271	8,845	66,165
641,124	650,742	660,013	668,858	716,907
854,832	867,656	880,018	891,811	955,875

Return to County		
Annual Qualifying Costs	25%	131,673
Less: Out-of-district spending		
Admin		(43,856)
Transfers Out		-
Cumulative Available Amount for Pooling		87,817
Ending Cash Balance		

Prior Years	Current	Projected		
5,183	5,840	4,982	5,009	120,988
(43,856)	-	-	-	-
-	-	-	-	(102,850)

Available for Pooling (lesser of cash balance or cumulative pooling amount)		
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-	-	-	-	-
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6. Summary of Individual Tax Increment Financing Districts

Tax Increment Financing Redevelopment District No. 34 – Active Midtown Village

Description:

Establishment of TIF Redevelopment District No. 34 facilitated redevelopment of New Brighton Elementary School into a mixed-income and diversified housing project comprising of 154 workforce housing units, 200 senior housing units and 54 owner-occupied townhome housing units within the project area.

Adopted:	4/23/2019
Requested Date:	
Certified Date:	1/28/2020
Decertifies:	12/31/2047
Modifications:	None

Current PIN Number(s):

29.30.23.13.0020
29.30.23.13.0020
29.30.23.13.0224
29.30.23.13.0223
29.30.23.13.0225
29.30.23.12.0176
29.30.23.12.0149-0175
29.30.23.13.0187-0221

Fiscal Disparities Election: The City elected to calculate fiscal disparities from within (B election) the district.

Frozen Tax Rate: 124.538%

First Receipt of Increment: July 2022



6. Summary of Individual Tax Increment Financing Districts

Allowable Uses:

MN Statute 469.176 sub 4j specifies the activities on which tax increment from a redevelopment district may be spent. In general, tax increment must be spent correcting those conditions which caused the area to be designated a redevelopment district. Allowable uses include property acquisition, demolition, rehabilitation, installation of public utilities, road, sidewalks, public parking facilities, and allowable administrative expenses.

Obligations:

The TIF District currently supports two pay-as-you go notes and also has an interfund loan from the Municipal Development Fund #560.

In-District Obligations: \$2.1M Pay GO Note for Senior Housing
 \$1.6M Pay GO Note for Multifamily Housing
 Interfund Loan from the Municipal Development Fund – Through term of district
Pooled Obligations: None

Three Year Rule:

MN Statute 469.176 sub 1a was repealed in 2005 and does not apply to this district.

Four Year Rule:

MN Statute 469.176 sub 6 requires that, within four years from certification date, certain activities must have taken place on each parcel with the TIF district. Required activities include demolition, rehabilitation, renovation and site improvements. If these activities have not taken place within the required time, the parcel is 'knocked down' from the district, meaning that no increment may be collected from that individual parcel for the duration of the district. The law does, however, allow for reinstatement procedures should the required activity later occur on the parcel. The TIF four-year deadline is January 2024.

Five Year Rule:

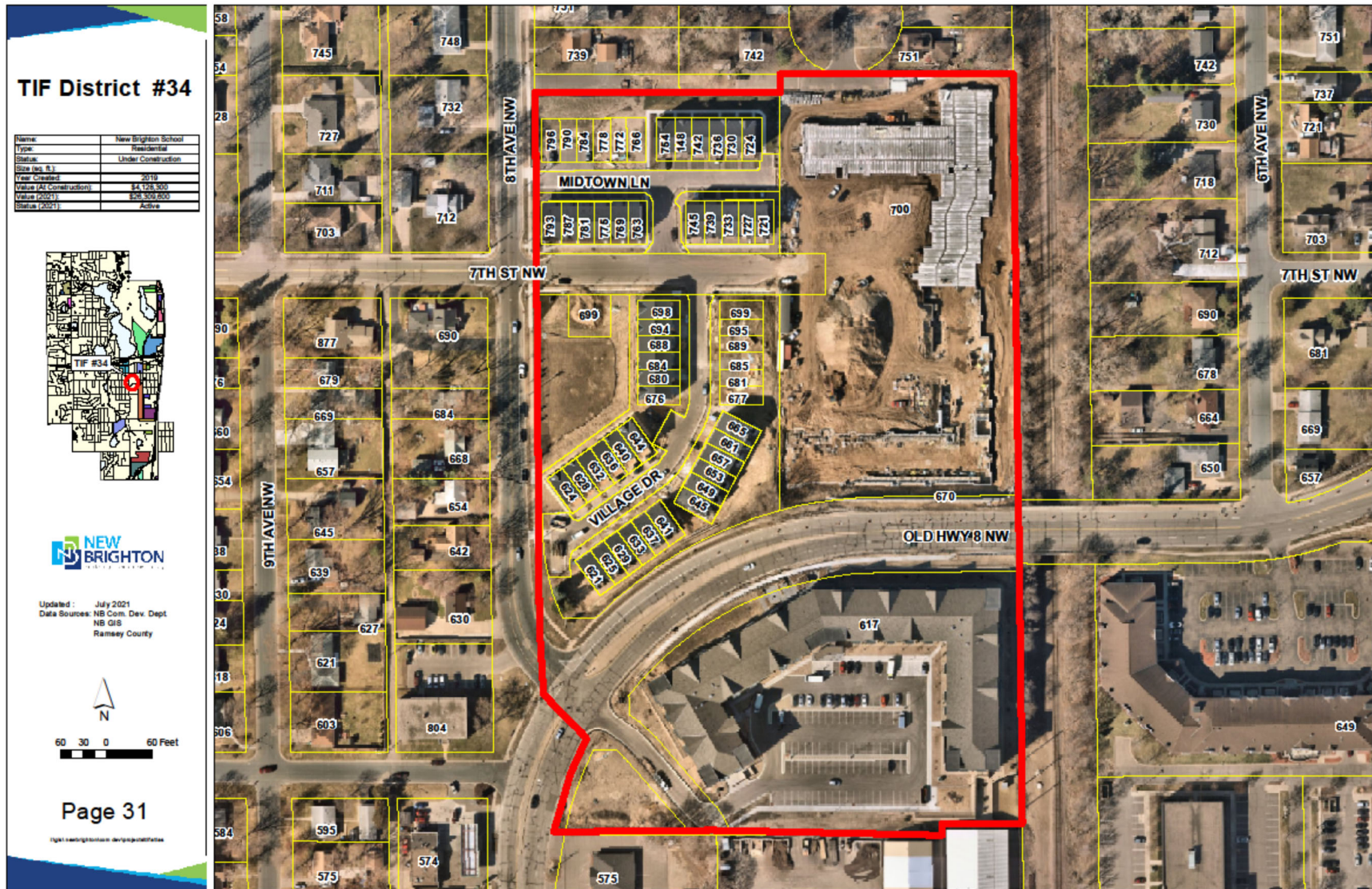
MN Statute 469.1763 Subd. 3 states that for post-1990 districts, tax increment is only considered to be expended on an in-district activity if certain activities occur. The five-year deadline is January 2025.

Geographic Enlargements:

MN Statute 469.175 sub 4(f) places limits on the length of time a TIF district may add parcels. No parcels may be added five years after the certification date. The Midtown Village TIF may not be enlarged after January 2025.



6. Summary of Individual Tax Increment Financing Districts





6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
 Tax Increment Financing (Redevelopment) District No. 34
 Midtown Village

District Summary Details		
	Original	Modification
Approval Date	4/23/2019	----
Request for Certification		----
Certification Date	1/28/2020	----
Decertification Date	12/31/2047 *	----

* first increment to be collected in 2022

Notes:

Tax increment revenue estimates based on 3 development types:
 200 senior housing units valued at \$160,000/unit with construction occurring 2021-2022 supporting \$2.1M TIF Note at 4.75%
 154 workforce housing units valued at \$160,000/unit with construction occurring 2020-2021 supporting \$1.6M TIF Note at 4.5%
 53 townhomes valued at \$250,000/unit with construction occurring 2020-2023 supporting City infrastructure obligations
 9% annual increment set aside for admin expenses

	Original Budget	Cumulative Modified Budget	Projected over District Term	Projected					
				2024	2025	2026	2027	2027-2047	
Beginning Fund Balance				-	(1,765,496)	(2,636,804)	(2,683,016)	(2,683,342)	(2,683,682)
Tax increment revenue	22,179,231	-	9,724,033	927,733	553,623	358,377	358,377	358,377	7,167,545
MVHC	-	-	-	-	-	-	-	-	-
Investment earnings	2,217,923	-	1,383	1,313	70	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-	-
Sales/lease proceeds	-	-	-	-	-	-	-	-	-
Sale of property	-	-	61,100	61,100	-	-	-	-	-
Loan/advance payments	-	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-	-
Other:	-	-	-	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-	-	-	-
Estimated Tax Increment Revenues	24,397,154	-	9,786,516	990,146	553,693	358,377	358,377	358,377	7,167,545
Land/building acquisition	3,627,000	-	358,922	358,922	-	-	-	-	-
Site improvements/preparation costs	1,500,000	-	832,870	-	832,870	-	-	-	-
Utilities	1,500,000	-	8,928	8,928	-	-	-	-	-
Other qualifying improvements	1,340,042	-	1,773,052	1,773,052	-	-	-	-	-
Construction of affordable housing	5,000,000	-	-	-	-	-	-	-	-
Temporary ED	-	-	-	-	-	-	-	-	-
Authority Admin	2,217,923	-	898,794	133,679	23,274	32,254	32,254	32,254	645,079
County Admin	-	-	5,759	4,903	856	-	-	-	-
Other qualifying improvements	-	-	-	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-	-	-	-
Estimated Tax Increment Project Costs	15,184,965	-	3,878,325	2,279,484	857,000	32,254	32,254	32,254	645,079
Interest expense	9,212,189	-	-	-	-	-	-	-	-
Total	24,397,154	-	3,878,325	2,279,484	857,000	32,254	32,254	32,254	645,079

Senior								
	PayGO							
	PayGO Principal	767,803	-	230,325	76,095	30,165	31,203	400,015
	PayGO Interest	876,758	-	136,752	62,730	60,927	59,890	556,458
	Total PayGO Payments	1,644,561	-	367,077	138,826	91,093	91,093	956,472
Workforce								
	PayGO							
	PayGO Principal	1,473,124	217,774	76,357	73,309	76,443	79,711	949,529
	PayGO Interest	539,550	60,411	57,674	54,727	51,593	48,326	266,820
	Total PayGO Payments	2,012,675	278,185	134,031	128,037	128,037	128,037	1,216,349
	Interfund							
	Interfund Principal	-	-	-	-	-	-	-
	Interfund Interest	2,284,331	197,973	66,893	105,472	107,321	107,334	1,699,339
	Total Interfund Payments	2,284,331	197,973	66,893	105,472	107,321	107,334	1,699,339
	Projected Ending Fund Balance	(33,376)	(1,765,496)	(2,636,804)	(2,683,016)	(2,683,342)	(2,683,682)	(33,376)



6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
 Tax Increment Financing (Redevelopment) District No. 34
 Midtown Village

Administrative Expenditures (MN Statutes 469.176, Subd. 3)		
Admin Limit is based on:		Revenues
Accumulated Admin Expenses		972,403
Accumulated Total Revenues		9,724,033
Allowable Admin		10%

Prior Years	Current	Projected		
2023	2024	2025	2026	2027-2047
133,679	156,953	189,207	221,461	898,794
927,733	1,481,356	1,839,733	2,198,111	9,724,033
14.4%	10.6%	10.3%	10.1%	9.2%

Pooling Calculation		
		Projected Total
Step 1:	Cumulative Tax Increment	-
	Current Year	-
	Total	9,725,416
Step 2:	In-District Expenditures	75%
	Current Year	-
	Total	8,921,098
	Maximum Allowable Expenses	11,894,797

Current		Projected		
2023	2024	2025	2026	2026-2047
929,046	929,046	1,482,739	1,841,116	1,841,116
-	553,693	358,377	358,377	7,884,300
929,046	1,482,739	1,841,116	2,199,494	9,725,416
-	2,621,963	4,023,690	4,396,025	4,023,690
2,621,963	1,401,728	372,335	326,450	4,897,408
2,621,963	4,023,690	4,396,025	4,722,475	8,921,098
3,495,950	5,364,920	5,861,366	6,296,633	11,894,797

Return to County		
Annual Qualifying Costs	25%	2,273,531
Less: Out-of-district spending		
Admin		(898,794)
Transfers Out		-
Cumulative Available Amount for Pooling		1,374,737
Ending Cash Balance		

Prior Years	Current	Projected		
-	138,423	89,594	89,594	1,971,075
(133,679)	(23,274)	(32,254)	(32,254)	(709,587)
(1,765,496)	(2,636,804)	(2,683,016)	(2,683,342)	(33,376)

Available for Pooling (lesser of cash balance or cumulative pooling amount)

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6. Summary of Individual Tax Increment Financing Districts

Tax Increment Financing Redevelopment District No. 35 – Active The Exchange Apartments

Description:

Establishment of TIF 35 facilitated redevelopment of the existing US Bank property that was determined to be substandard into a 132-unit multifamily housing development with a mix of studios, 1-bedroom units and 2-bedroom units. Pursuant to the TIF Agreement terms, the developer agreed to maintain 10% of the units as affordable for occupants with incomes no greater than 60% AMI with the remaining units as market rate.

Adopted:	9/14/2021
Requested Certification Date:	6/29/2022
Certification Date:	12/22/2022
Decertifies:	12/31/2049
Modifications:	Admin Amendment

Current PIN Number(s):

19.30.23.43.0034

Fiscal Disparities Election: The City elected to calculate fiscal disparities from within (B election) the district.

Frozen Tax Rate: 118.755%

First Receipt of Increment: July 2024

Allowable Uses:

MN Statute 469.176 sub 4j specifies the activities on which tax increment from a redevelopment district may be spent. In general, tax increment must be spent correcting those conditions which caused the area to be designated a redevelopment district. Allowable uses include property acquisition, demolition, rehabilitation, installation of public utilities, road, sidewalks, public parking facilities, and allowable administrative expenses.



6. Summary of Individual Tax Increment Financing Districts

Obligations:

The TIF District currently is supporting one pay-as-you-go note.

In-District Obligation: \$3,968,962M Pay GO Note

65% pledged semi-annually for up to 26 years

Pooled Obligation: None current but future ability: 35% withheld by City for eligible redevelopment (up to 25% including administrative expenses) and affordable housing (up to 10% for qualifying housing projects).

Three Year Rule:

MN Statute 469.176 sub 1a was repealed in 2005 and does not apply to this district.

Four Year Rule:

MN Statute 469.176 sub 6 requires that, within four years from certification date, certain activities must have taken place on each parcel with the TIF district. Required activities include demolition, rehabilitation, renovation and site improvements. If these activities have not taken place within the required time, the parcel is 'knocked down' from the district, meaning that no increment may be collected from that individual parcel for the duration of the district. The law does, however, allow for reinstatement procedures should the required activity later occur on the parcel. The TIF four-year deadline is 2026.

Five Year Rule:

MN Statute 469.1763 Subd. 3 states that for post-1990 districts, tax increment is only considered to be expended on an in-district activity if certain activities occur. The five-year deadline would be 2027.

Geographic Enlargements:

MN Statute 469.175 sub 4(f) places limits on the length of time a TIF district may add parcels. No parcels may be added five years after the certification date. The TIF District may not be enlarged after 2027.



6. Summary of Individual Tax Increment Financing Districts





6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
 Tax Increment Financing (Redevelopment) District No. 35
 The Exchange Apartments

District Summary Details		
	Original	Modification
Approval Date	9/14/2021	----
Request for Certification	6/29/2022	----
Certification Date	12/22/2022	----
Decertification Date	12/31/2049	----

* first increment expected to be collected in 2025

Notes:

Tax increment revenue estimates based on 2024 and 2025 County recd
 65% annual revenues supporting \$3,968,962 TIF Note
 10% retained for housing
 25% retained for redevelopment pooling (including 10% admin)

Prior Years	Current	Projected	
	2024	2025	2026-2049

Beginning Fund Balance		(23,641)	78,792	171,275
	Original Budget	Cumulative Modified Budget	Projected over District Term	
Tax increment revenue	11,739,682	-	9,045,484	-
MVHC	-	-	-	-
Investment earnings	-	-	(219)	132
Special Assessments	-	-	-	(351)
Sales/lease proceeds	-	-	-	-
Sale of property	-	-	-	-
Loan/advance payments	-	-	-	-
Grants	-	-	-	-
Other:	-	-	-	-
Transfer In	-	-	-	-
Estimated Tax Increment Revenues	11,739,682	-	9,045,265	132
			152,483	355,706
				8,536,944
Land/building acquisition	-	-	-	-
Site improvements/preparation costs	10,565,713	-	-	-
Utilities	-	-	-	-
Other qualifying improvements	-	-	-	-
Construction of affordable housing	-	-	-	-
Temporary ED	-	-	-	-
Authority Admin	1,173,969	-	824,112	23,773
County Admin	-	-	274	-
Other qualifying improvements	-	-	-	-
Transfer Out	-	-	-	-
Estimated Tax Increment Project Costs	11,739,682	-	824,386	274
				32,014
				768,325
Interest expense	-	-	-	-
Total	11,739,682	-	824,386	274
				32,014
				768,325

PayGO				
PayGO Principal	-	-	-	-
PayGO Interest	-	-	-	-
Total PayGO Payments	5,829,894	-	49,671	231,209
				5,549,014

Interfund				
Interfund Principal	-	-	-	-
Interfund Interest	105	-	105	-
Total Interfund Payments	105	-	105	-

Projected Ending Fund Balance	2,390,881	132	78,792	171,275	2,390,881
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6. Summary of Individual Tax Increment Financing Districts

City of New Brighton, Minnesota
 Tax Increment Financing (Redevelopment) District No. 35
 The Exchange Apartments

Administrative Expenditures (MN Statutes 469.176, Subd. 3)		
Admin Limit is based on:	Revenues	
Accumulated Admin Expenses	904,548	
Accumulated Total Revenues	9,045,484	
Allowable Admin	10%	

Prior Years	Current	Projected		
2023	2024	2025	2026	2027-2049
23,773	23,773	55,787	87,800	824,112
-	152,834	508,540	864,246	9,045,484
	15.6%	11.0%	10.2%	9.1%

Pooling Calculation		
		Projected Total
Step 1:	Cumulative Tax Increment	- 9,045,265
	Current Year	-
	Total	- 9,045,265
Step 2:	In-District Expenditures	65%
	Current Year	
	Total	5,830,273
	Maximum Allowable Expenses	8,969,650

Prior Years	Current	Projected		
2023	2024	2025	2026	2027-2049
132	132	152,615	508,321	1,219,733
	152,483	355,706	355,706	7,825,532
132	152,615	508,321	864,027	9,045,265
-	-	50,050	281,259	743,677
-	50,050	231,209	231,209	5,086,596
-	50,050	281,259	512,468	5,830,273
-	77,000	432,706	788,412	8,969,650

Return to County		
Annual Qualifying Costs	35%	3,165,737
Less: Out-of-district spending		
Admin		(824,112)
Transfers Out		-
Cumulative Available Amount for Pooling		2,341,625
Ending Cash Balance		

Prior Years	Current	Projected		
-	53,369	124,497	124,497	2,738,936
(23,773)	-	(32,014)	(32,014)	(768,325)
(23,641)	78,792	171,275	263,759	2,390,881

Available for Pooling (lesser of cash balance or cumulative pooling amount)		
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-	78,792	171,275	263,759	2,341,625
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7. Future Considerations

Upon completion of our analysis, it appears the City's objectives regarding the use of tax increment financing has been to assist with development/redevelopment activities of the districts and project areas, through individual developer obligations and pooling opportunities, followed by anticipated decertification upon fulfillment of obligations. The City's goal with the use of tax increment financing has been to explore opportunities that maximize the use of funds collected by the TIF Districts through pooling.

A TIF District is required to be decertified once all obligations have been paid and the objectives of the TIF Plan have been met. However, in some cases a TIF District can remain open and continue to collect tax increment to finance additional eligible project costs. Continuing to receive tax increment from the districts through the maximum terms will enable the City to retain the captured tax capacity to finance additional TIF eligible projects, as allowed by the individual TIF Plans and TIF District establishment dates. However, decertifying the TIF districts once obligations have been met will allow the captured tax capacity to be added to the city's total tax capacity thereby helping to reduce property owners' overall tax burden.

Several of the districts support existing pooled debt obligations and have some flexibility regarding the use of future funds. Post-90 districts have less flexibility as outlined in the first sections of the report and were established to assist with development and redevelopment of individual projects within the districts. Once the obligations have been fulfilled, there will be limited opportunities to finance additional projects.

For purposes of our analysis, we will provide estimated fund balances for the projected maximum term as authorized by current TIF Plans, original and modified. In some cases, to the extent the individual obligations are fulfilled, the districts may be required to be decertified. Depending on the type of district and status of outstanding obligations, the City may have the ability to extend the collection of increment up to the statutory maximum term of the districts for financing of eligible projects. The City has previously modified the TIF Plans to generally authorize pooling. In circumstances in which pooling activities would cause a district to exceed its total revenue and expenditure authority, a budget modification to increase the total amounts would be required.

The estimated amount of increment available for each district could be adjusted depending on the City's objectives. Additionally, new districts created by the City may have the ability to provide additional pooling capacity to the existing TIF Districts. It's important to study the cost/benefit of using any surplus tax increment revenues for desired existing projects already in place before releasing TIF funds and risk levying or creating new TIF districts for key projects.

Ongoing, we recommend the City annually review the current status of existing TIF Districts and use available surplus increments to:

- Continue to finance authorized project area and district obligations



7. Future Considerations

- Annually review budgets to determine when/if modifications may be necessary
- Support pooled debt service payments as necessary
- Decertify upon fulfillment of obligations
- Return/use available increment



8. Recommendations

The financial analysis of the City of New Brighton's TIF Districts results in the following preliminary recommendations:

Budget Modifications

Budget modifications may be necessary for the following TIF Districts and should be monitored on a regular basis:

TIF No. 33 Marv's Transmission - This district should be closely monitored to ensure TIF expenses don't exceed the TIF budget – current projections indicate this could be possible.

Early Decertification

Once a district has paid off all outstanding obligations, it may need to be decertified early (depending on the district). Any early decertifications will continually be monitored.

Cash Balances and Uses

Pre-1990 Districts: All of the City's pre-1990 districts have been decertified.

Special Legislation Districts: TIF No. 26 has special legislation which allows pooling with TIF #31 and TIF #32. There continues to be estimated available annual revenues from this district through the remaining term of collection (December 31, 2024) for pooling prior to the date in which it expires.

Post-1990 Districts: TIF 27 – TIF 35 (excluding TIF No. 26) are subject to pooling limitations, thus will be looked at individually.

TIF No. 31 & No. 32: These districts currently have \$0 cash balances while paying off an interfund loan from the Municipal Development Fund and other debt obligations. Development is occurring or is expected to occur in all but two blocks. The city is exploring options for projects on those blocks to assist in paying the outstanding debt. Pooling from Special Legislation Districts and Pre-1990 districts are continuing to assist with repayment of the obligations.

TIF No. 33: This district currently has a \$0 cash balance while paying off an interfund loan from the Municipal Development Fund. Collection and repayment are expected to continue until the district expires.

TIF No. 34: This district currently has a \$0 cash balance while paying off an interfund loan from the Municipal Development Fund. Collection and repayment are expected to continue until the district expires. The district also will support repayment of two pay-as-you-go obligations that commenced payments in 2022 and 2023.

TIF No. 35: This is a new district that has started generating increment in 2024. It currently has a \$0 cash balance. Collection and



8. Recommendations

payment of district obligations commence when increment is collected. The district supports repayment of one pay-as-you-go obligation with payments commencing in 2024.

Pooled Debt Service

The allocations of pooled debt payments may be subject to change based on pooling opportunities, cash flow, and other factors. We recommend a periodic review of the allocation of all pooled debt obligations.

Excess Increment on TIF Reporting

At this time there are no districts with Excess Increment as reported in the annual TIF Reports that are submitted prior to August 1 to the Office of the State Auditor (OSA). We recommend this be monitored annually.

Four Year Rule

MN Statute 469.176 sub 6 requires that, within four years from certification date, certain activities must have taken place on each parcel with the TIF district. Required activities include demolition, rehabilitation, renovation and site improvements. If these activities have not taken place within the required time, the parcel is 'knocked down' from the district, meaning that no increment may be collected from that individual parcel for the duration of the district. The law does, however, allow for reinstatement procedures should the required activity later occur on the parcel. The following districts have had parcels removed from the district due to inactivity:

A list of parcels (if any) is pending from Ramsey County.



8. Recommendations

Five Year Rule

MN Statute 469.1763 Subd. 3 states that for post-1990 districts, tax increment is only considered to be expended on an in-district activity if certain activities occur. For redevelopment and renewal & renovation districts certified after June 30, 2003, and before April 20, 2009, this deadline is extended to ten years due to the downturn in the economy. We recommend the City monitor the Five-Year deadlines to avoid missing any obligation opportunities.

Pooling Recommendations

Pre-1990 TIF Districts: These districts were created prior to the pooling limitations we have today and are able to pool to other TIF districts without restriction. The City's pre-1990 districts have been decertified. Any available increment may be used to assist with the bond payments for the Northwest Quadrant TIF Districts 31 & 32.

Special Legislation: TIF District 26 has special legislation which allows this district to pool with the Northwest Quadrant TIF Districts No. 31 and 32 without restriction, similar to the Pre-1990 TIF districts.



Appendix

Administrative Expenses

Minnesota TIF law defines certain costs to administer and maintain the district as allowable costs that can be paid for from tax increment revenues. These generally include City staff time, legal expenses, financial advisory expenses and publication and reporting expenses. This allows a City to defray documented staff time that is most likely a General Fund expense, such as Finance staff, Community Development staff, Assessing staff and Administration such as the City Manager. Time spent can be paid for from TIF revenues rather than general property tax or other revenues. The table on the next page shows the estimated amount of increment remaining in the City's TIF districts for payable 2018 after district obligations have been paid and after estimated administrative costs.

The City has worked to ensure that the majority of the TIF districts are within the 10% limitation for administrative expenses with annual monitoring of each district's activities. One district (Northwest Quadrant TIF No. 32) has previously been calculating administrative expenses in excess of the 10% limit. However, with assumptions made to future taxable value and/or tax increment revenue growth, we are projecting the district may cumulatively be below 10% administrative cap. We will continue to monitor annual activities of the TIF District, as well as the City's other districts, to ensure the administrative expenses remain below the 10% limit on a cumulative basis.

There continues to be time remaining in the life of the districts to work towards being at or below the 10% limitation prior to expiration. Based on current estimates for future revenues and expenditures all of the identified districts are expected to be within the 10% limitation. The tables on the following pages illustrate each district's current status relative to the administrative expense limitation.



Appendix

a) For districts for which certification was requested before August 1, 1979, or after June 30, 1982 and before August 1, 2001, no tax increment shall be used to pay any administrative expenses for a project which exceed ten percent of the total estimated tax increment expenditures authorized by the tax increment financing plan or the total tax increment expenditures for the project, whichever is less.

Administrative Expenses Limit Test MN Statutes 469.176 Subd. 3		TIF 26 Brighton Corporate Business Park III		
Test 1	Estimated TIF Admin Allowable (10%) Estimated Total TIF Expenditures per TIF Plan		1,950,625	
Test 2	Cumulative TIF Admin Allowable (10%) Total TIF Expenditures for the Project		1,318,822 17,765,044	
	Actual Percentage		7.4%	

(c) For districts for which certification was requested after July 31, 2001, no tax increment may be used to pay any administrative expenses for a project which exceed ten percent of total estimated tax increment expenditures authorized by the tax increment financing plan or the total tax increments, as defined in section 469.174, subdivision 25, clause (1), from the district, whichever is less.

Administrative Expenses Limit Test MN Statutes 469.176 Subd. 3	TIF 31 Northwest Quadrant West Side	TIF 32 Northwest Quadrant East Side	TIF 33 Marv's Transmission Site	TIF 34 Midtown Village	TIF 35 The Exchange Apts	
Test 1	Estimated TIF Admin Allowable (10%) Estimated Total TIF Expenditures per TIF Plan	2,888,115	2,318,361	50,478	972,403	904,548
Test 2	Cumulative TIF Admin Allowable (10%) Total TIF Revenues for the Project	2,744,278 28,881,152	2,292,001 23,183,614	43,856 504,781	898,794 9,724,033	824,112 9,045,484
	Actual Percentage	9.5%	9.9%	8.7%	9.2%	9.1%



Appendix

Annual Administrative Costs Projected by Year

Below are the actual and projected Administrative Costs for active or recently decertified TIF District by year to assist with annual budgeting. The projections show the maximum Admin allowed (up to 10%). Please note that administrative costs must be documented if they are to be paid for with tax increment revenues. The City cannot simply retain 10% of tax increment revenues received for administrative expenses.

District Name	TIF 26 Brighton Corporate Business Park III	TIF 31 Northwest Quadrant West Side	TIF 32 Northwest Quadrant East Side	TIF 33 Marv's Transmission Site	TIF 34 Midtown Village	TIF 35 The Exchange
District Type	Redevelopment	Redevelopment	Redevelopment	Redevelopment	Redevelopment	Redevelopment
Expected/Actual Term	12/31/2024	12/31/2035	12/31/2036	12/31/2033	12/31/2047	12/31/2049
Year						
2022	1,976	1,811	-	-	10,483	18,996
2023	18,686	-	-	-	11,232	4,777
2024	7,279	-	-	-	23,274	-
2025	-	-	-	-	32,254	32,014
2026		-	-	-	32,254	32,014
2027		-	-	-	32,254	32,014
2028		-	-	-	32,254	32,014
2029		-	-	-	32,254	32,014
2030		-	-	-	32,254	32,014
2031		-	-	-	32,254	32,014
2032		-	-	-	32,254	32,014
2033		-	-	-	32,254	32,014
2034		-	-	-	32,254	32,014
2035		-	-	-	32,254	32,014
2036			-		32,254	32,014
2037					32,254	32,014
2038					32,254	32,014
2039					32,254	32,014
2040					32,254	32,014
2041					32,254	32,014
2042					32,254	32,014
2043					32,254	32,014
2044					32,254	32,014
2045					32,254	32,014
2046					32,254	32,014
2047					32,254	32,014
2048						32,014
2049						32,014
Total	1,318,822	2,744,278	2,292,001	43,856	898,794	824,112



Agenda Section:	Business Items
Report Date:	05/27/2025
Meeting Date:	June 4, 2025

REQUEST FOR COUNCIL CONSIDERATION – EXECUTIVE SUMMARY

ITEM DESCRIPTION: Monthly Business Contacts Round Table

Action Requested:	
Public Hearing	Motion
Discussion	Informational
Form of Action:	
Resolution	Ordinance
Contract/Agreement	N/A or Other
Votes Needed:	
3 Votes	4 Votes
5 Votes	N/A

Summary Statement:	<p>Each month, we will go around the table and let each Commissioner provide updates on their business contact(s).</p> <ul style="list-style-type: none"> - Any exciting updates to share about your business(es)? - Expanding? Hiring? Awards? Recognitions? - What issues are your business(es) facing? - Are there things the City or this Commission can do to help?
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Recommendations: Ideally, each commissioner will have made contact with at least one or more businesses by the June 4th meeting. You will simply need to give a brief update on your business(es), and listen to the updates from your fellow commissioners. Ask questions as necessary to spur discussion.

Applicable Deadlines: None.

Community Impact: By making individual connections with our business community, EDC members will become a trusted liaison to the City, and a conduit to ensure questions and concerns from our business community are addressed as quickly as possible.

Legislative History: n/a

Strategic Priority:	Financial Sustainability	Staff Capabilities
	Economic Development	Community Engagement & Belonging
	City Assets	Operational Effectiveness
		N/A

Fiscal Impact:	Financial Impact: Is there a financial consideration?		No	Yes \$
	Financing Sources:	Budgeted	Budget Modification	
	New Revenue	Use of Reserves	Other	

	Brian Krohn	Bruce Howard	Jonathan Dummer	Paul Zisla	Victoria Prasek	Heidi Drampitz	Merhawi Yigzaw
Business #1		Pets Rembered	Lucky Strains	The Garage	The Exchange		Gifford Fitness
<i>frequency</i>		<i>quarterly</i>	<i>quarterly</i>	<i>quarterly</i>	<i>quarterly</i>		<i>quarterly</i>
<i>next visit</i>		<i>July - Sept</i>	<i>July - Sept</i>	<i>July - Sept</i>	<i>July - Sept</i>		<i>July - Sept</i>
Business #2							
<i>frequency</i>							
<i>next visit</i>							
Business #3							
<i>frequency</i>							
<i>next visit</i>							
Business #4							
<i>frequency</i>							
<i>next visit</i>							