

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA

REPORT TO THE COMMISSIONERS

DATE: June 25, 2014

REGARDING: RESOLUTION APPROVING THE ADOPTION OF AN AMENDMENT TO THE
TAX INCREMENT FINANCING PLAN FOR THE SPRUCE TREE/METZ
BAKERTY TAX INCREMENT FINANCING DISTRICT

Ward 1 and 4, District 7 and 13

Requested Board Action

The purpose of this report is to request approval by the Housing and Redevelopment Authority of the City of Saint Paul (HRA) Board of Commissioners of the attached resolution authorizing:

- The adoption of the Fourth Amendment to the Spruce Tree/Metz Bakery Tax Increment Financing Plan to increase and adjust the authorized expenditures.

Background

The HRA created the Spruce Tree/Metz Bakery TIF District in 1987 and constructed the Spruce Tree Parking Ramp with 353 parking spaces on 4 levels. The adjacent Spruce Tree Centre constructed at the same time is owned by Metro Plains. The HRA and Metro Plains have been in discussions regarding renovation of the Spruce Tree ramp and expansion of the ramp to accommodate future development in and around Spruce Tree Centre.

The Fourth Amendment to the Spruce Tree/Metz Bakery TIF Plan is included as **Attachment B**. This Amendment details added “Development Activities” to include all eligible redevelopment activities, including without limitation additional parking facilities, to further development and redevelopment of properties within the Saint Paul Neighborhood Redevelopment Project Area, which includes properties along the Central Corridor Light Rail line (the Green Line). To accomplish these goals, it is necessary to further amend the Tax Increment Financing Plan to increase and adjust the authorized expenditures to be paid for with tax increments.

See **Attachment C** for a Map of the TIF District and Project Area. The final year of the TIF district is 2014 for the receipt of tax increments; although the TIF law does not institute a deadline for expenditures.

The City Council held a public hearing on June 18, 2014, and adopted a resolution approving the amendment to the TIF Plan.

Budget Action

The HRA will request an amendment to the TIF Budget at a future meeting.

Future Action

Funding for activities in the Project Area will require approval by the HRA Board of Commissioners.

Financing Structure

The funding for activities would include tax increment funds collected through 12/31/2014 (the final year of the TIF district).

PED Credit Committee Review

If appropriate, the PED Credit Committee will review future activities prior to requested action from the HRA Board.

Compliance

All activities will conform to required compliance triggered with tax increment funds.

Green/Sustainable Development

All activities will conform to required sustainability policies triggered with tax increment funds.

Environmental Impact Disclosure

N/A

Historic Preservation

N/A

Public Purpose/Comprehensive Plan Conformance

The HRA has determined that it is necessary to further amend the Tax Increment Financing Plan to increase and adjust the authorized expenditures in connection with additional development anticipated to occur within the Saint Paul Neighborhood Redevelopment Project Area, including, but not limited to additional parking facilities, and development along the Central Corridor Light Rail line (the Green Line).

All activities will conform to previously adopted Citywide and neighborhood plans.

Recommendation:

The Executive Director recommends and requests that the HRA Board of Commissioners approve the attached Resolution which approves the Fourth Amendment to the Spruce Tree/Metz Bakery Tax Increment Financing Plan.

Sponsored by: Commissioner Stark

Staff: Jenny Wolfe, 266-6680

Attachments

- **Attachment A -- Resolution**
- **Attachment B – Fourth Amendment to Spruce Tree/Metz Bakery TIF Plan**
- **Attachment C – Map of TIF District & Project Area**