

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

REPORT TO THE COMMISSIONERS

DATE: DECEMBER 8, 2021

**REGARDING: RESOLUTION APPROVING THE DECERTIFICATION OF THE
CARONDELET VILLAGE REDEVELOPMENT TAX INCREMENT
FINANCING DISTRICT, DISTRICT 15, WARD 3**

Requested Board Action

Decertification of the Carondelet Village Redevelopment TIF District.

Background

On June 23, 2010, the Housing and Redevelopment Authority of the City of Saint Paul (HRA) approved the development of the Carondelet Village project which included 259 senior rental housing units with 149 independent living units, 46 assisted living units, 19 memory care units and a 45 bed nursing care center, and created the Carondelet Village Redevelopment TIF District and authorized the execution of a Development Agreement (the “Development Agreement”) with the issuance of a TIF pay-go note (the “TIF Note”). The project was completed in 2013. The TIF District began generating increment that same year and would decertify statutorily on 12/31/2038, however the TIF Note included a provision that enabled the “deemed reduction” of principal, resulting in the full payment of the TIF Note and satisfaction of obligations of the Development Agreement ahead of schedule.

With the satisfaction of the obligations, the HRA can close the 26-year TIF district early (by 17 years). The proposed resolution indicates the TIF district will be closed effective December 31, 2021. The TIF District authorized expenditures for qualifying affordable housing projects anywhere within the City, and this spending will be maximized before the return of any increments to Ramsey County. Any remaining increments not eligible for spending, as determined by the Executive Director of the HRA, will be returned to Ramsey County and redistributed to the appropriate taxing jurisdictions.

Recommendation:

The Executive Director recommends approval of the resolution to authorize decertification of the TIF District.

Sponsored by: Chair Tolbert

Staff: Jenny Wolfe, 266-6680