


# SAINT PAUL PORT AUTHORITY

## MEMORANDUM

**TO:** BOARD OF COMMISSIONERS  
(February 28, 2012 Regular Meeting)

**FROM:** Laurie J. Hansen 

**SUBJECT:** JOBS BILL TIF SPENDING PLAN  
RESOLUTION NO. 4413

**DATE:** Feb. 23, 2012

**Action Requested:** Approval of the Jobs Bill TIF Spending Plan.

### **Background:**

During the 2010 Minnesota Legislative Session, the Jobs Bill that passed included new opportunities to use TIF from existing districts to stimulate new construction of private buildings. During the 2011 Legislative Session, this bill was extended for another year.

Cash balances in existing TIF districts can be used to provide improvements, loans, interest rate subsidies or assistance in any form to private development consisting of the construction or substantial rehabilitation of buildings and ancillary facilities, if doing so will create or retain jobs in this State, including construction jobs, and that the construction commences before July 1, 2012, and would not have commenced before that date without the assistance. The only procedural requirement is a public hearing with a 10-day notice in the newspaper. Any cash balances must be expended by December 31, 2012.

### **Current Status:**

The Port Authority has two TIF districts that have cash balances that could be utilized as described.

Cash balances the Port has available:

	<u>Cash on Hand 12-31-11</u>	<u>Excess Generated 2012</u>	<u>Total Available</u>
Great Northern South	\$135,000	\$265,000	\$400,000
Energy Lane	\$ 0	<u>100,000</u>	<u>100,000</u>
	\$135,000	\$365,000	\$500,000

**Proposal:**

We are recommending that the attached resolution and spending plan be approved and presented to the City Council for their approval at a public hearing. The proposed spending plan allows the President of the Port Authority to identify potential uses of the TIF balances that meet the terms of the legislation and requires the approval of the Port Authority Board prior to the use of any portion of the TIF balances. This would meet the legislative requirements and allow us to react quickly when the right opportunity occurs.

This approval process is the same process we used for the 2010 Jobs Bill spending plan. Those funds were used to provide assistance which resulted in the construction of the third building at River Bend on a spec basis. This construction would not have commenced on that timeline without our assistance.

**Recommendation:**

We recommend approval.

LJH:ca

Attachment