

SECOND AMENDMENT TO AMENDED AND RESTATED
TAX INCREMENT FINANCING PLAN

FOR THE

SAINT PAUL NEIGHBORHOOD SCATTERED SITE
TAX INCREMENT FINANCING DISTRICT NO. 100 AND NO. 148

ORIGINALLY ADOPTED: MAY, 1988
AMENDED AND RESTATED: SEPTEMBER 22, 2004
AMENDED: MARCH 10, 2010
SECOND AMENDMENT: NOVEMBER 12, 2015

SECOND AMENDMENT TO
AMENDED AND RESTATED
TAX INCREMENT FINANCING PLAN
SAINT PAUL NEIGHBORHOOD SCATTERED SITE
TAX INCREMENT FINANCING DISTRICT NO. 100 AND NO. 148

1. INTRODUCTION - - IDENTIFICATION OF NEED

The Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (the “Authority”), has heretofore created the Saint Paul Neighborhood Scattered Site Tax Increment Financing District No. 100 and No. 148 (the “Tax Increment District”) located within the Saint Paul Neighborhood Redevelopment Project Area and adopted the Saint Paul Neighborhood Business Development Program Supplemental Tax Increment Financing Plan in May 1988. On September 22, 2004, the Authority amended and restated the Tax Increment Financing Plan for the Tax Increment District to increase the amount of bonded indebtedness and the authorized expenditures. The Amended and Restated Tax Increment Financing Plan did not expand the geographical area of the Tax Increment District. On March 10, 2010, the Authority amended the Amended and Restated Tax Increment Financing Plan for the Tax Increment District.

The Authority has determined that it is necessary to further amend the Tax Increment Financing Plan to increase the budgeted revenues to reflect certain revenues which may be characterized as tax increments and adjust the authorized expenditures in connection with development and redevelopment anticipated to occur within the Saint Paul Neighborhood Redevelopment Project Area, including, but not limited to development along the Green Line and the construction of affordable housing within the City. To accomplish these goals, it is necessary to further amend the Tax Increment Financing Plan to better align expected revenues with anticipated uses of funds. This amendment does not increase the total revenue derived from tax increments paid by properties in the Tax Increment District.

The area commonly known as the “Empire Builder” within the Tax Increment District has been reported separately by Ramsey County as the Empire Builder, No. 148 and has a distinct budget and term.

2. AMENDMENTS

The Tax Increment Financing Plan is hereby amended as follows:

- A. Section F entitled “Property in Acquisition” is amended to authorize acquisition of all of the property within the Saint Paul Neighborhood Redevelopment Project Area, which map is included in Exhibit A attached hereto.

- B. Section I entitled “Estimated Cost of Project; Tax Increment Financing Plan Budget; Fiscal Disparities Estimate” is amended as set forth on Exhibit B attached hereto.
- C. Section J entitled “Sources of Revenue to Finance Public Cost” is amended to include the following information:
- As shown in Exhibit B, the total tax increment revenue for the duration of the Tax Increment District is estimated to total \$41,765,680.
- D. Section K entitled “Duration of the District” is amended as follows:
- As Pursuant to Minnesota Statutes, Section 469.176, Subdivision 1, the maximum duration of the Tax Increment District is 25 years from the date of receipt of the first increment by the Authority. The date of receipt of the first tax increment for area No. 100 was 1991, so it is estimated that the Authority could collect tax increments on district No. 100 through the year 2016; the date of receipt of the first tax increment for the Empire Builder No. 148 was 1992, so it is estimated that the Authority could collect tax increments on the Empire Builder No. 148 through the year 2017.
- E. Except as herein amended, all other provisions of the Tax Increment Plan, as previously amended, shall remain unchanged and in full force and effect.

Exhibit A - Map of Saint Paul Neighborhood Redevelopment Project Area

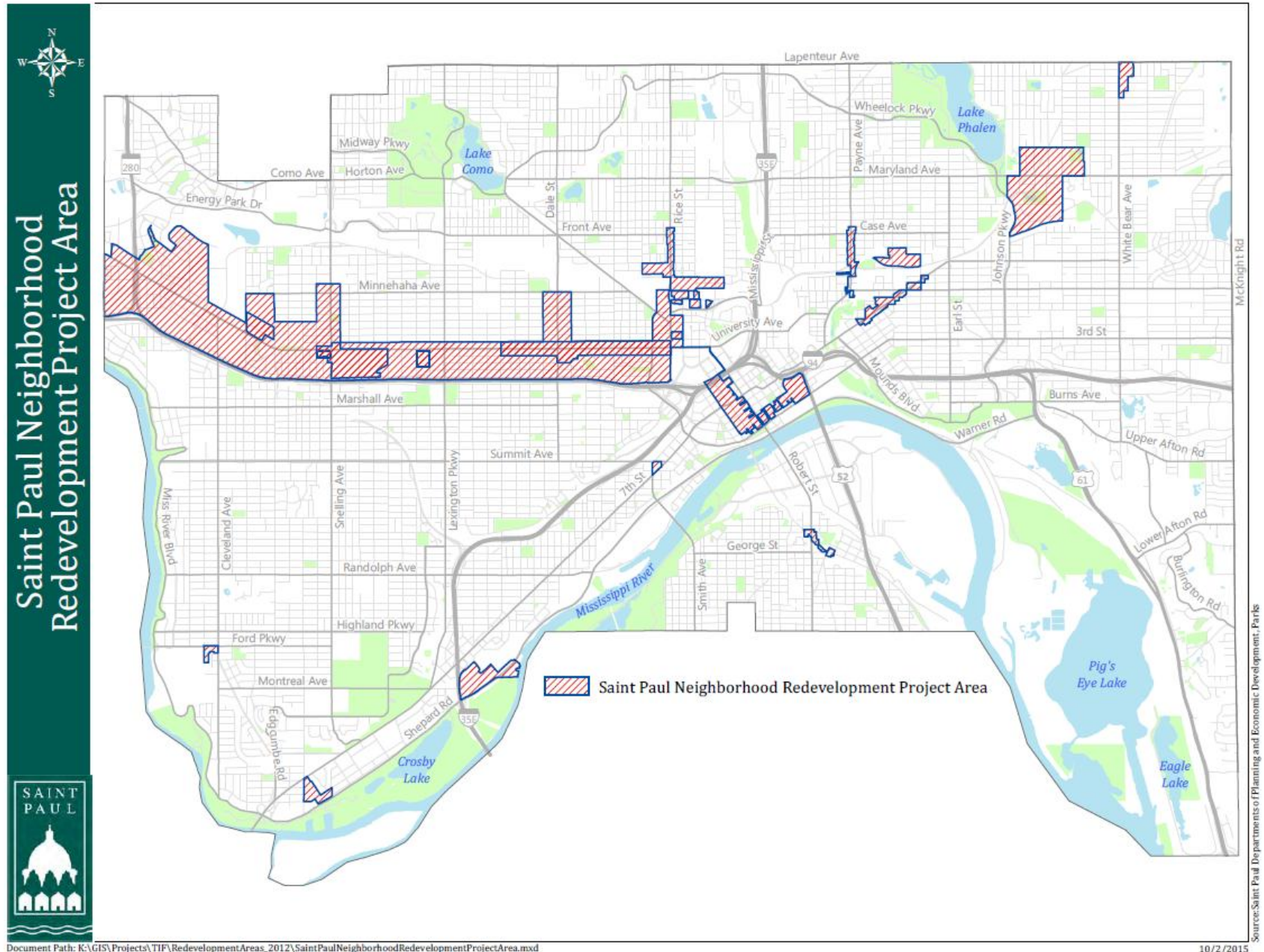


Exhibit B
Estimated Cost of Project, Tax Increment Financing Plan Budget;
Fiscal Disparities Estimate

The Authority has determined that it will be necessary to provide assistance for certain public costs occurring pursuant to the restated TIF plan, as amended, and this amendment to authorize expenditures in connection with development and redevelopment anticipated to occur within the Saint Paul Neighborhood Redevelopment Project Area, including, but not limited to development along the Green Line and the construction of affordable housing within the City. Therefore, to facilitate the development and redevelopment activities within the Tax Increment Financing District, this amendment authorizes the use of tax increment financing to pay for the cost of certain eligible expenses. The estimate of public costs and uses of funds associated with the Tax Increment Financing District as amended is on the following page.

Estimated costs associated with the Tax Increment District are subject to change and may be reallocated between line items by a resolution of the Authority. The cost of all activities to be financed by the tax increment will not exceed, without formal modification, the budget for the tax increments set forth on the following page. The Authority may spend tax increments outside the Tax Increment District but within the Saint Paul Neighborhood Redevelopment Project Area to finance eligible activities.

The increment generated from the Tax Increment District will be used in the following categories:

- 1) To pay principal and interest on bonds to finance project costs;
- 2) To repay any loans including interest on these loans as authorized by the Authority to pay for any eligible public costs;
- 3) To fund and replenish a debt service reserve for the payment of principal and interest on bonds use to the finance project costs;
- 4) To finance or otherwise pay public redevelopment costs of the project pursuant to Minnesota Statutes, Chapter 469.
- 5) To pay administrative expenses of the Authority related to the project; and
- 6) To return to the County of Ramsey for distribution to impacted taxing jurisdictions.

Pursuant to Minnesota Statutes, Section 469.177, Subd. 3, the Authority has elected Subdivision (a) indicating that the fiscal disparities contribution is made from outside the Tax Increment District.

Housing and Redevelopment Authority of the City of Saint Paul
TIF District Budget Amendment
Saint Paul Neighborhood Scattered Site #100 & #148 (Empire Builder)

	TIF #100 (Final Year 2016)			TIF #148 (Final Year 2017)			Combined		
	Current Budget (03-10-2010)	Budget Change	Amended Budget (Nov-2015)	Current Budget (03-10-2010)	Budget Change	Amended Budget (Nov-2015)	Current Budget (03-10-2010)	Budget Change	Amended Budget (Nov-2015)
Revenues									
Tax Increment Revenue	32,150,000	-	32,150,000	3,210,000	-	3,210,000	35,360,000	-	35,360,000
Interest/Investment Earnings	2,820,000	-	2,820,000	-	32,000	32,000	2,820,000	32,000	2,852,000
Market Value Homestead Credit	-	-	-	-	-	-	-	-	-
Loan/Advance Repayments	-	161,249	161,249	-	-	-	-	161,249	161,249
Lease Proceeds	242,519	(238,773)	3,746	328,685	-	328,685	571,204	(238,773)	332,431
Sales Proceeds	-	3,060,000	3,060,000	-	-	-	-	3,060,000	3,060,000
Total Tax Increment Revenue	35,212,519	2,982,476	38,194,995	3,538,685	32,000	3,570,685	38,751,204	3,014,476	41,765,680
Expenditures									
Land/Building Acquisition	7,098,672	(4,000,000)	3,098,672	-	-	-	7,098,672	(4,000,000)	3,098,672
Site Improvement/prep Costs	11,257,760	-	11,257,760	1,382,537	(262,717)	1,119,820	12,640,297	(262,717)	12,377,580
Utilities	-	-	-	-	-	-	-	-	-
Other Qualifying public improvements	17,348,338	4,000,000	21,348,338	1,365,000	284,754	1,649,754	18,713,338	4,284,754	22,998,092
Construction of affordable housing	-	2,840,476	2,840,476	-	-	-	-	2,840,476	2,840,476
Temporary Economic Dev (jobs)	-	142,000	142,000	-	-	-	-	142,000	142,000
Administrative Costs - Authority	3,215,000	-	3,215,000	321,000	-	321,000	3,536,000	-	3,536,000
Administrative Costs - County	-	-	-	-	-	-	-	-	-
Subtotal Project Costs	38,919,770	2,982,476	41,902,246	3,068,537	22,037	3,090,574	41,988,307	3,004,513	44,992,820
Estimated Financing Costs									
Interest Expense	3,333,920	-	3,333,920	489,358	9,963	499,321	3,823,278	9,963	3,833,241
Total Est. Project/Financing Costs to be paid from Tax Increment	42,253,690	2,982,476	45,236,166	3,557,895	32,000	3,589,895	45,811,585	3,014,476	48,826,061
Estimated Financing									
Total amount of Bonds to be Issued	10,359,570	-	10,359,570	665,885	-	665,885	11,025,455	-	11,025,455