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CITY OF SAINT PAUL

INTRODUCTION TO AMENDMENT TO TEMPORARY TIF SPENDING PLAN

November 12, 2025



PURPOSE - REQUIREMENTS

- 2025 State Legislature amended Temporary TIF Act to extend the date by which transferred increment may be used from December 31, 2025 to December 31, 2026, and to authorize use of interest earned on transferred increment
- **To enable the HRA to utilize the additional revenues and extended period, we need to amend our Spending Plan, after holding a public hearing at the City Council**
- The interest earned is eligible to advance private development that:
 - Includes the construction or substantial rehabilitation of buildings
 - Creates or retains jobs in the state, including construction jobs
 - Commences construction before December 31, 2026, and would not have without the assistance



TEMPORARY TIF SPENDING PLAN BACKGROUND

- In 2021, the Legislature provided temporary authority to expend unobligated tax increments to advance private development that commenced construction by December 31, 2025
- Unobligated tax increments needed to be transferred out by December 31, 2022
- The Spending Plan identified categories for the proposed spending, as follows:
 - Installation of required infrastructure serving specific area on west side flats
 - Private development of HRA owned sites
 - Private development of underutilized, privately owned sites
 - Private development of commercial properties for purpose of preventing displacement of emerging and small businesses
 - Private development of all types of housing production and private facilities serving unsheltered populations
 - Private developments demonstrating substantial job impacts



TEMPORARY TIF SPENDING PLAN BACKGROUND

- The HRA adopted a Spending Plan authorizing the transfer of unobligated tax increments to a separate Spending Plan account
 - We transferred \$27,549,047 by December 31, 2022

In 2022 through 2024, the HRA Board authorized projects and spending for ten (10) projects for the total of \$27,549,047 (the transferred tax increments) as shown here

Project Name	Amount	Project Name	Amount
Listening House	\$1,400,000	Mali Center	\$440,000
Water Street Infrastructure	\$5,000,000	Habitat Phase I Heights	\$4,200,000
Little Africa Plaza	\$1,832,997	Snelling Midway/United Village	\$4,000,000
Landmark Towers	\$3,825,000	892 E 7th St - PPL	\$684,569
652 Sherburne Project	\$386,279	The Heights Infrastructure-SPPA	\$5,780,202



TEMPORARY TIF SPENDING PLAN **APPROVED** PROJECTS

Installation of required infrastructure serving specific area on west side flats to advance new housing



Esox House: 221 Market Rate rental units

Harbourline: 63 Affordable rental units

Water Street Sanitary Sewer Lift Station





TEMPORARY TIF SPENDING PLAN **APPROVED PROJECTS**

Private development of underutilized, privately owned sites

United Village: Redevelopment of vacant strip center to add two restaurant pads, 160 room hotel and 80,000 SF office building



The Heights Infrastructure: Financial contribution to infrastructure to advance construction of new Xcel Energy service center retaining 350 jobs





TEMPORARY TIF SPENDING PLAN **APPROVED PROJECTS**

Private development of underutilized, privately owned sites and of commercial properties for purpose of preventing displacement of emerging and small businesses

Little Africa Plaza: Renovation of vacant, condemned commercial building to include a new grocery store, micro retail spaces, community space and new offices for AEDS



Mali Center: 5,400 SF commercial renovation for gym and health focused business hub





TEMPORARY TIF SPENDING PLAN **APPROVED PROJECTS**

Private development of all types of housing production and private facilities serving unsheltered populations

- **Listening House:** Renovation of former restaurant to day-time drop-in center to the unsheltered
- **Habitat at The Heights:** 73 new affordable ownership homes at The Heights (phase one)
- **Landmark Towers:** 187 market rate rental, office to housing conversion
- **892 East 7th/PPL:** 60 affordable rental apartments
- **652 Sherburne:** Rehabilitation to preserve 6 units of 30% AMI rental housing on HRA owned property

Photos on following slides



TEMPORARY TIF SPENDING PLAN **APPROVED** PROJECTS

Private development of all types of housing production and private facilities serving unsheltered populations



Listening House

Habitat Phase One at The Heights



TEMPORARY TIF SPENDING PLAN **APPROVED** PROJECTS

Private development of all types of housing production and private facilities serving unsheltered populations



652 Sherburne

892 East 7th



Landmark Towers Office to Housing Conversion



AMENDMENT TO SPENDING PLAN

- The Spending Plan will be amended and restated to:
 - identify specific expenditures that have been requested and approved by the HRA Board, and which are authorized uses identified in the Spending Plan (as detailed on the prior slides),
 - authorize the expenditure of interest earnings on funds held in the Spending Plan account for authorized uses identified in the Spending Plan (the spending categories detailed on the prior slides),
 - **extend the deadline for spending funds**, including transferred tax increments and interest earned thereon under the Spending Plan to **December 31, 2026**.
 - **increase total spending to \$29,049,047** (increase of \$1,500,000)



REQUIRED APPROVALS/CONSIDERATIONS

- The HRA Board is required to approve the amended Spending Plan
- The City Council is required to hold a public hearing and approve the HRA's amended Spending Plan
- **Resolutions will be considered by both the HRA Board and City Council on December 3 (including a public hearing at the City Council)**
- Future action of the HRA Board will be required to advance any new projects and spending of the interest earnings
- The interest earnings are tax increments - the amendment provides the HRA the opportunity to utilize additional funding for qualifying projects
 - Any interest earnings remaining in our Spending Plan account on 12/31/2026 will be transferred back to one or more TIF districts



Questions?

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