

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

REPORT TO THE COMMISSIONERS

DATE: September 10, 2014

**REGARDING: RESOLUTION AMENDING THE TAX INCREMENT FINANCING PLAN FOR
THE MINNESOTA EVENT TAX INCREMENT FINANCING DISTRICT
(DISTRICT 17, WARD 2)**

Requested Board Action

The specific action being requested of the HRA Board is approval of a resolution authorizing the First Amendment to the Tax Increment Financing Plan for the Minnesota Event TIF District to authorize expenditures for the TIF district as amended by Laws of Minnesota 2014, Chapter 150, Article 5, Section 5.

Background

In July, 2008, the City and HRA approved the establishment of the Minnesota Event Tax Increment Financing District (the “MN Event TIF District”) following the passage of Laws of Minnesota 2008, Chapter 366, Article 5, Section 36 (the “2008 Special Law”), allowing a new redevelopment TIF district to be established with certain parameters. The establishment of the MN Event TIF District after passage of the 2008 Special Law was specifically to assist in the repayment of bonds issued to finance capital improvements for the RiverCentre Arena complex.

The parameters included execution of an agreement with the County to pay the County, from the annual tax increments from the MN Event TIF District, the amount of taxes they otherwise would have received; and then only to pay principal and interest on the HRA’s Sales Tax Revenue Refunding Bonds, Series 1996 (Civic Center Project) (the “Series 1996 Bonds”).

In April, 2014, both the City and HRA approved the refunding of the Series 1996 Bonds with proceeds from the City-issued Taxable Revenue Refunding Notes (State of Minnesota Continuing Appropriation Grant), Series 2014 (the “Series 2014 Notes”).

In anticipation of the refunding of the Series 1996 Bonds, the City received Special Legislation (Laws of Minnesota 2014, Chapter 150, Article 5, Section 5), that amended the 2008 Special Law with regard to the authorized expenditures to replace the Series 1996 Bonds with the City's Taxable Variable Rate Demand Sales Tax Revenue Refunding Bonds (RiverCentre Arena Project), Series 2009A (the "2009 Bonds"). The 2009 Bonds were issued to refinance 1999 bonds issued to construct the RiverCentre Arena.

The Tax Increment Financing Plan needs to be amended to allow the expenditures in accordance with the 2014 Special Law.

Budget Action

N/A

Future Action

N/A

Financing Structure

The First Amendment will allow the tax increments from the MN Event TIF District to be used to pay principal and interest on the 2009 Bonds.

PED Credit Committee Review

N/A

Compliance

N/A

Green/Sustainable Development

N/A

Environmental Impact Disclosure

N/A

Historic Preservation

N/A

Public Purpose/Comprehensive Plan Conformance

N/A

Recommendation:

The HRA Executive Director recommends approval of the resolution which approves the First Amendment to the Tax Increment Financing Plan for the Minnesota Event TIF District.

Sponsored by: **Commissioner Thune**

Staff: Jenny Wolfe, 266-6680

Attachments

- **Attachment A** – Resolution
- **Attachment B** – Map of MN Event TIF District
- **Attachment C** – First Amendment to TIF Plan