

HOUSING DEVELOPMENT AND REDEVELOPMENT PLAN FOR
WILSON II HOUSING PROJECT
AND
TAX INCREMENT FINANCING PLAN
for
TAX INCREMENT FINANCING DISTRICT
(Wilson II Housing Project)

HOUSING AND REDEVELOPMENT AUTHORITY
OF THE CITY OF SAINT PAUL
RAMSEY COUNTY
STATE OF MINNESOTA

[Approved by the City Council: May 18, 2016]
[Adopted by the HRA Board: May 25, 2016]

This document was drafted by:
KENNEDY & GRAVEN, CHARTERED (JSB)
Lawson Commons
380 Saint Peter Street, Suite 750
Saint Paul, MN 55102

TABLE OF CONTENTS
(for reference purposes only)

	<u>Page</u>
SECTION 1 DEFINITIONS.....	1
SECTION 2 HOUSING DEVELOPMENT AND REDEVELOPMENT PLAN FOR THE WILSON II HOUSING PROJECT	2
Subsection 2.1 STATEMENT OF FINDING OF PUBLIC PURPOSE.....	2
Subsection 2.2 STATUTORY AUTHORITY	2
Subsection 2.3 STATEMENT OF OBJECTIVES.....	3
Subsection 2.4 ESTIMATED PUBLIC COSTS AND SUPPORTIVE DATA.....	4
Subsection 2.5 ENVIRONMENTAL CONTROLS	5
Subsection 2.6 PROJECT PROPOSALS AND DEVELOPMENT TECHNIQUES	5
Subsection 2.7 ADMINISTRATION OF ACTIVITIES IN THE PROJECT AREA	6
Subsection 2.8 REHABILITATION	7
Subsection 2.9 RELOCATION	7
Subsection 2.10 BOUNDARIES OF REDEVELOPMENT PROJECT.....	7
Subsection 2.11 PARCELS TO BE ACQUIRED OR MAY BE ACQUIRED WITHIN THE REDEVELOPMENT PROJECT	7
Subsection 2.12 FINANCING HOUSING DEVELOPMENT	8
Subsection 2.13 OTHER PROVISIONS NECESSARY TO MEET STATE AND LOCAL REQUIREMENTS	8
SECTION 3. TAX INCREMENT FINANCING PLAN FOR THE TAX INCREMENT FINANCING DISTRICT (WILSON II HOUSING PROJECT).....	9
Subsection 3.1 FORWARD	9
Subsection 3.2 STATUTORY AUTHORITY	9
Subsection 3.3 STATEMENT OF OBJECTIVES.....	9
Subsection 3.4 REDEVELOPMENT PLAN OVERVIEW	9
Subsection 3.5 PARCELS TO BE INCLUDED IN THE TAX INCREMENT FINANCING DISTRICT	10
Subsection 3.6 PARCEL IN ACQUISITION AND PARCELS TO BE ACQUIRED	10
Subsection 3.7 DEVELOPMENT ACTIVITY IN THE TAX INCREMENT FINANCING DISTRICT FOR WHICH CONTRACTS HAVE BEEN SIGNED	10
Subsection 3.8 OTHER SPECIFIC DEVELOPMENT EXPECTED TO OCCUR WITHIN REDEVELOPMENT PROJECT.....	10
Subsection 3.9 ESTIMATED COST OF REDEVELOPMENT PROJECT AND TAX INCREMENT FINANCING PLAN BUDGET	11
Subsection 3.10 ESTIMATED AMOUNT OF BONDED INDEBTEDNESS	11
Subsection 3.11 SOURCES OF REVENUE	11
Subsection 3.12 ESTIMATED CAPTURED TAX CAPACITY AND ESTIMATE OF TAX INCREMENT.....	11
Subsection 3.13 TYPE OF TAX INCREMENT FINANCING DISTRICT	12

Subsection 3.14	DURATION OF THE TIF DISTRICT	13
Subsection 3.15	ESTIMATED IMPACT ON OTHER TAXING JURISDICTIONS	13
Subsection 3.16	MODIFICATIONS TO THE TAX INCREMENT FINANCING DISTRICT	13
Subsection 3.17	ADMINISTRATIVE EXPENSES	14
Subsection 3.18	LIMITATION OF INCREMENT: 4-YEAR RULE	15
Subsection 3.19	USE OF TAX INCREMENT	15
Subsection 3.20	NOTIFICATION OF PRIOR PLANNED IMPROVEMENTS	16
Subsection 3.21	EXCESS TAX INCREMENTS	16
Subsection 3.22	REQUIREMENTS FOR AGREEMENTS WITH THE DEVELOPER	17
Subsection 3.23	ASSESSMENT AGREEMENTS	17
Subsection 3.24	ADMINISTRATION OF TAX INCREMENT FINANCING DISTRICT	17
Subsection 3.25	FINANCIAL REPORTING REQUIREMENTS	18
Subsection 3.26	OTHER LIMITATIONS ON THE USE OF TAX INCREMENT	18
Subsection 3.27	COUNTY ROAD COSTS	19
Subsection 3.28	NO BUSINESS SUBSIDY	19
EXHIBIT A	Map of Redevelopment Project and TIF District	A-1
EXHIBIT B	TIF Plan Budget	B-1
EXHIBIT C	Assumption Report	C-1
EXHIBIT D	Projected Tax Increment	D-1
EXHIBIT E	Estimated Impact on Other Taxing Jurisdictions Report	E-1
EXHIBIT F	Reconfiguration of Parcels in TIF District	F-1

SECTION 1. DEFINITIONS

The terms defined below shall, for purposes of the Redevelopment Plan and TIF Plan have the meaning herein specified, unless the context otherwise specifically requires:

“Captured Tax Capacity” means the amount by which the current net tax capacity of the tax increment financing district exceeds the original net tax capacity, including the value of property normally taxable as personal property by reason of its location on or over property owned by a tax-exempt entity.

“City” means the City of Saint Paul, Minnesota.

“Comprehensive Plan” means the City’s Comprehensive Plan which contains the objectives, policies, standards and programs to guide public and private land use, development, redevelopment and preservation for all lands and water within the City.

“County” means Ramsey County, Minnesota.

“Development” means the development within the TIF District of a 3-story multifamily rental housing facility containing approximately 114 units with underground and surface parking.

“Governing Body” means the duly appointed City Council of the City.

“Housing Act” means Minnesota Statutes, Section 469.001 to 469.047.

“HRA” means the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, a body corporate and politic;

“Redevelopment Plan” means this Housing Development and Redevelopment Plan for the Wilson II Housing Project.

“Redevelopment Project” means the Wilson II Housing Project area depicted on **Exhibit A** attached hereto and described in the Redevelopment Plan.

“State” means the State of Minnesota.

“TIF Act” means Minnesota Statutes, Section 469.174 through 469.1794.

“TIF District” means the Tax Increment Financing District (Wilson II Housing Project) described in the TIF Plan and depicted on **Exhibit A**.

“TIF Plan” means the Tax Increment Financing Plan for the TIF District.

SECTION 2. HOUSING DEVELOPMENT AND REDEVELOPMENT PLAN FOR THE WILSON II HOUSING PROJECT

Subsection 2.1 STATEMENT OF FINDING OF PUBLIC PURPOSE

The Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (the “HRA”) has determined that there is a need for development and redevelopment within the corporate limits of the City and within the Redevelopment Project to provide housing opportunities for low and moderate income households and to improve the general economy of the City. It is found that the Redevelopment Project is potentially more useful and valuable than is being realized currently, is less productive than is possible and therefore is not contributing to the tax base to its full potential.

The HRA has determined to exercise its authority to develop a plan for improving the Redevelopment Project to provide impetus for private development of low and moderate income housing, to utilize existing potential in the Redevelopment Project and to provide other facilities as are outlined in this Redevelopment Plan to be adopted by the HRA.

The HRA has also determined that the proposed development within the Redevelopment Project would not occur solely through private investment in the foreseeable future; that the TIF Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development and redevelopment of the Redevelopment Project by private enterprise.

Subsection 2.2 STATUTORY AUTHORITY

The purpose of this Redevelopment Plan is (a) to increase the supply of decent, safe, and sanitary housing available or to be made available to meet the demand, not being adequately met by private enterprise, for housing at sale prices or rents within the financial means of persons and families of low and moderate income by qualifying properties comprising the Redevelopment Project as a housing project defined under Minnesota Statutes, Section 469.002, Subdivision 13, a housing development project defined under Section 469.002, Subdivision 15, a redevelopment project defined under Section 469.002, Subdivision 14, and as a housing district under Section 469.174, Subdivision 11 of the TIF Act; (b) to develop or redevelop sites comprising the Redevelopment Project which qualify as blighted or deteriorated areas under 469.002, Subdivision 11 or as a housing district under 469.174, Subdivision 11; (c) to assist in the provision of housing to persons or families who qualify under income definitions contained in Section 469.002, Subdivisions 17 and 18 and Section 469.1761 and who reside in such housing developments; and (d) to undertake and finance these actions as under the Redevelopment Plan and TIF Plan.

The property which is to be included in the Redevelopment Project has been reviewed and meets the following criteria:

- The properties in the Redevelopment Project are underutilized and contain vacant structures, and the assistance to be provided under the Redevelopment Plan and TIF Plan will remove, prevent or reduce those blighting influences, as that term is used in Section 469.002, Subdivision 11.

- Housing constructed in the Redevelopment Project will be made available to persons who qualify under the limitations contained in Section 469.1761.

Funding of the necessary activities and improvements in the Redevelopment Project shall be accomplished through available financing methods including the use of tax increment financing in accordance with the TIF Act and through the use of housing revenue bonds pursuant to the provisions of Minnesota Statutes, Chapter 462C.

Subsection 2.3 STATEMENT OF OBJECTIVES

The HRA determines that the Wilson II Housing Project will provide the HRA with the ability to achieve certain public purpose goals not otherwise obtainable in the foreseeable future without HRA intervention in the normal development process.

The public purpose goals and objectives of the Redevelopment Plan are as follows:

1. To increase the supply of adequate housing within the community for persons of all income levels including rehabilitation of existing housing stock where feasible and development of new housing to increase home ownership and rental opportunities.
2. To provide such housing on land or in areas which qualify as redevelopment projects and housing districts under the Housing Act with emphasis upon lands potentially useful for contributing to the public welfare, but which by reason of special problems or conditions, have not reached full development potential by the ordinary operations of private enterprise.
3. To carry out the provision of housing and development of underdeveloped lands within the Redevelopment Project compatible with the plan for such Redevelopment Project, and consistent with the general land use plan and other components of the City's Comprehensive Plan. Specifically, policies 1.1, 1.2, and 1.9 of the Land Use Chapter and policies 1.1, 1.3, 2.1 2.15, and 3.2 of the Housing Chapter.
4. To coordinate such housing provision and land development within the Redevelopment Project to meet the objectives of the housing policy plan of the City's Comprehensive Plan and project development financing requirements.
5. To coordinate development to meet the objectives of the Gold Line Station Area Plan for the Etna station, which is adjacent to the Redevelopment Project.
6. To coordinate acquisition, site preparation and improvements, provision of necessary public improvements and facilities within the Redevelopment Project, and to spread and equalize the costs hereof, in order to develop the entire Redevelopment Project at a cost reasonably related to the public purpose to be served.

7. To provide private developers with information regarding zoning; land use controls and other City and Plan requirements; information and assistance in obtaining construction and permanent financing; and information and assistance regarding construction of site and public improvements and financing necessary to correct site subsoil conditions of other characteristics which are inhibiting normal development, all in accordance with development agreements.
8. To assist in the development and rehabilitation of housing to persons of all incomes for homeownership and rental. To assist developers in securing financing for housing improvements.
9. To finance the development and rehab costs of the Redevelopment Project and the provision of low and moderate income housing by means of tax increment generated by improvements and development.
10. To finance housing development and rehab by a combination of private and public financing under authority and subject to the requirements of federal, State and local laws and ordinances for the provision of revenue bond financing for housing purposes.

Subsection 2.4 ESTIMATED PUBLIC COSTS AND SUPPORTIVE DATA

The estimated capital and administrative costs to be incurred within the Redevelopment Project are included in Section 3.9 of the TIF Plan. To the extent legally possible and as approved by the Governing Body and the HRA, tax increment revenues will be used to assist in funding the estimated costs of the Redevelopment Project, in accordance with the TIF Plan.

Subsection 2.5 ENVIRONMENTAL CONTROLS

Any proposed development activities in the Redevelopment Project which present significant environmental concerns, including the remediation or removal of certain hazardous substances, will be accomplished in accordance with a development action response plan approved by the Minnesota Pollution Control Agency. All actions, public improvements and private development shall be carried out in a manner consistent with existing environmental standards.

Subsection 2.6 PROJECT PROPOSALS AND DEVELOPMENT TECHNIQUES

Land Acquisition. The HRA may acquire as authorized by this Redevelopment Plan and the TIF Plan:

1. Blighted areas and other real property for the purpose of removing, preventing and reducing blight or the cause of blight;
2. Open or undeveloped land blighted by virtue of conditions which have prevented normal development by private enterprise;

3. Underused or inappropriately used land which may be converted to housing use at reasonable cost without major residential clearance activity; and
4. Lands acquired by the HRA in the undertaking of other redevelopment activities and presently available for and suitable to the provision of housing and neighborhood stabilization.
5. Land necessary to complete parcels that are suitable for development.
6. Lands or property declared to be unsafe or otherwise hazardous to public health and safety.
7. Other real or personal property necessary to accomplish the objectives of this Redevelopment Plan.

Site Preparation and Public Improvements. The HRA may carry out:

1. Activities to correct adverse physical characteristics of the land, faulty subdivision or plat lots, inadequate access or utility service or other development inhibiting conditions;
2. Activities deemed necessary or desirable to remove, reduce or prevent other blighting factors and cause of blight;
3. Activities deemed necessary or desirable to improve and prepare sites for development or redevelopment for housing and related use in accordance with this Redevelopment Project; and
4. Installation, construction or reconstruction of streets, utilities, parks, playgrounds, and other public improvements or facilities as necessary or desirable for carrying out Redevelopment Project objectives.
5. Demolition, removal or rehabilitation of buildings and improvements;

Land Disposition and Development Agreements. The HRA shall sell, lease or otherwise dispose of acquired property in accordance with law, the requirements of the Redevelopment Plan, and after review of the proposed disposition by the appropriate district council, by any combination of the following methods:

1. After clearance and provision of site improvement;
2. After rehabilitation and at its fair market or rental reuse value so improved;
3. Without clearance subject to development agreements to rehabilitate or otherwise improve the property for the purposes and in accordance with the objectives and requirements of Redevelopment Plan; and

4. To public bodies for the purpose of providing public improvements or supporting facilities.

The HRA may, without property acquisition, enter into contracts with property owners or other persons in control of sites to provide or cause to be provided development of necessary sites and public improvements. Proposals must be within the framework of cited goals and objectives, and must clearly demonstrate feasibility. The HRA will require a binding contract, performance bond or other evidence or guarantees that a supporting tax increment or other funds will result in the needed development and other improvements. These funds may be in the form of loans or grants.

The land disposition and controls shall contain the following general requirements and covenants by the private parties:

- A. to develop the land in accordance with the objectives and requirements of Redevelopment Plan;
- B. to commence, continue and complete contract improvements within the times specified and provided for in said agreements;
- C. to provide such security or other guarantee of faithful performance as the HRA shall require;
- D. to comply with all environmental, non-discrimination and other applicable federal and State laws and local ordinances respecting purchase, improvement and use of the land;
- E. to use the land or any improvement thereon, only in accordance and in conformity with the land use plan provisions of this Redevelopment Plan.

Subsection 2.7 ADMINISTRATION OF ACTIVITIES IN THE REDEVELOPMENT PROJECT

This Redevelopment Plan will be administered by the Executive Director of the HRA according to the provisions of the Housing Act and TIF Act.

Subsection 2.8 REHABILITATION

Owners of properties within the Redevelopment Project will be encouraged to rehabilitate their properties to conform with the applicable State and local codes and ordinances, as well as any design standards. Owners of the properties who purchase property within the Redevelopment Project from the HRA may be required to rehabilitate their properties as a condition of the sale of land. The HRA will provide such rehabilitation assistance as may be available from federal, State or local sources.

Subsection 2.9 RELOCATION

The HRA accepts its responsibility for providing for relocation pursuant to Minnesota Statutes, Chapter 117, when applicable.

Subsection 2.10 BOUNDARIES OF REDEVELOPMENT PROJECT

A map showing the boundaries of the Redevelopment Project is attached as **Exhibit A**.

Subsection 2.11 PARCELS TO BE ACQUIRED OR MAY BE ACQUIRED WITHIN THE REDEVELOPMENT PROJECT

As an alternative and/or complementary redevelopment technique, the HRA or the City may choose to acquire certain property either through voluntary purchase or, to the extent authorized by law, through exercise of eminent domain according to the procedures established under Minnesota Statutes, Chapter 117. Acquisition of property will be considered when property is found to have any of the following characteristics:

1. Blighted areas, building and other real property, where removing such can remove, prevent or reduce blight or the cause of blight;
2. Open or undeveloped land blighted by virtue of conditions which have inhibited normal development by private enterprise;
3. Under used or inappropriately used property which may be converted to other uses recommended by this Plan;
4. Property necessary to complete parcels which would be suitable for development;
5. Property declared to be unsafe or otherwise hazardous to public health and safety;
6. Such other property as necessary to accomplish the objectives of this Plan.

Specific properties to be acquired by the HRA or the City pursuant to the exercise of the power of eminent domain will be identified by resolution or by final order.

Subsection 2.12 FINANCING HOUSING DEVELOPMENT

The accomplishment of the provision of new housing in accordance with this Redevelopment Plan will depend upon the availability, in sufficient amounts and at affordable rates, of adequate construction and permanent development financing beyond that available from private lending institutions. The HRA's assistance to developers in obtaining private, Minnesota Housing Finance Agency, and municipal housing revenue bond financing, will be necessary to meet Redevelopment Plan objectives. The HRA may consider the issue of housing revenue bonds to finance developments in accordance with the following requirements:

1. Section 142 of the Internal Revenue Code; and
2. Minnesota Statutes, Chapter 462C and Minnesota Statutes, Section 469.1761.

Subsection 2.13 FINDINGS AND DECLARATION.

The HRA makes the following findings:

1. The land in the Redevelopment Project would not be made available for redevelopment without the financial aid sought.
2. The Redevelopment Plan for the Redevelopment Project in the City will afford maximum opportunity consistent with the needs of the locality as a whole, for the redevelopment of the area by private enterprise.
3. The Redevelopment Plan conforms to the general plan for development of the City as a whole.

Subsection 2.14. OTHER PROVISIONS NECESSARY TO MEET STATE AND LOCAL REQUIREMENTS

If required by City and HRA policies, agreements between the HRA or the City and property owners or other persons in control of project sites will require that any contract for sale, lease or redevelopment of property in the Redevelopment Project will include prohibitions against land speculation, require compliance with all state and local laws in effect from time to time, prohibit discrimination or segregation by reasons of race, religion, color, sex, or national origin in the sale, lease or occupancy of the property, and may require that this latter provision be made a covenant running with the land and be binding upon the redeveloper and every successor in interest to the property.

SECTION 3. TAX INCREMENT FINANCING PLAN FOR THE TAX INCREMENT FINANCING DISTRICT (WILSON II HOUSING PROJECT)

Subsection 3.1 FORWARD

The Housing and Redevelopment Authority of the City of Saint Paul (the “HRA”), and its staff and consultants have prepared the following information for the establishment of the Tax Increment Financing District (Wilson II Housing Project) (“TIF District”), a housing tax increment financing district, located in and furthering the goals of the Wilson II Housing Project.

Subsection 3.2 STATUTORY AUTHORITY

Within the City, there exist areas where public involvement is necessary to cause development to occur. To this end, the HRA has certain statutory powers pursuant to Minnesota Statutes, Section 469.001 to 469.047 (the “Housing Act”) and Sections 469.174 through 469.1794 (the “TIF Act”), to assist in financing public costs related to a project.

Subsection 3.3 STATEMENT OF OBJECTIVES

The TIF District will consist of one parcel of land and adjacent and internal rights-of-way based on a reconfiguration to create a new legal description of an area that currently includes portions of 3 tax parcels. Such parcel (identified as Parcel B-1 in **Exhibit F**) will be assembled by combining excess land subdivided from the existing Wilson Ridge Apartments facility located at 1276 Wilson Avenue with the parcels formerly identified as 1254 and 1256 Wilson Avenue immediately west as depicted in **Exhibit F**. A map showing the boundaries of the TIF District is attached as **Exhibit A**.

The TIF District is created to facilitate the development of a 3-story multifamily rental housing facility containing approximately 114 units with underground and surface parking (the “Development”). The TIF Plan is expected to achieve many of the objectives outlined in the Redevelopment Plan.

The activities contemplated in the Redevelopment Plan and this TIF Plan do not preclude the undertaking of other qualified development or redevelopment activities. These activities are anticipated to occur over the life of the TIF District.

Subsection 3.4 REDEVELOPMENT PLAN OVERVIEW

1. Property to be Acquired - Any property located within the Redevelopment Project may be acquired by the HRA.
2. Relocation - if necessary, complete relocation services are available pursuant to Minnesota Statutes, Chapter 117 and other relevant state and federal laws.
3. Upon approval of a developer’s plan relating to a project and completion of the necessary legal requirements, the HRA may sell or assist a developer with the acquisition cost of selected properties within the TIF District, or may lease land or facilities to a developer.

4. The HRA may perform or provide financing for some or all necessary environmental removal or remediation, acquisition, construction, relocation, landscaping, site work, demolition, and required streets and utilities within the TIF District.

Subsection 3.5 PARCELS TO BE INCLUDED IN THE TIF DISTRICT

The Tax Increment Financing District currently includes the following tax parcels:

<u>Current Parcel ID</u>	<u>Current Address</u>	<u>Portion in District</u>
33-29-22-41-0087	1254 Wilson Avenue	100%
33-29-22-41-0088	1256 Wilson Avenue	100%
33-29-22-41-0027	1276 Wilson Avenue	Approx. 50%

Parcel 33-29-22-41-0027 will be subdivided and combined with the other parcels above prior to the construction of the Development (as shown in **Exhibit F**). A new parcel identification number will be assigned to the newly created parcel.

Subsection 3.6 PARCELS IN ACQUISITION AND PARCELS TO BE ACQUIRED

The HRA may finance all or a part of the costs of acquisition of the parcels in the Redevelopment Project. The HRA may use its powers of eminent domain, as permitted by law, to acquire parcels which neither it or a private developer can obtain through private negotiation.

The following are conditions under which properties not designated to be acquired may be acquired at a future date:

1. The HRA may acquire property by gift, dedication, condemnation or direct purchase from willing sellers in order to achieve the objectives of the TIF Plan; and
2. Such acquisitions will be undertaken only when there is assurance of funding to finance the acquisition and related costs.

Subsection 3.7 DEVELOPMENT ACTIVITY IN THE TIF DISTRICT FOR WHICH CONTRACTS HAVE BEEN SIGNED

The HRA will enter into a Development Agreement with the Wilson II Apartments, Limited Partnership (the “Developer”) with respect to the construction of the Development.

At the time this TIF Plan was prepared there were no signed construction contracts with respect to the construction of the Development.

Subsection 3.8 OTHER SPECIFIC DEVELOPMENT EXPECTED TO OCCUR WITHIN THE REDEVELOPMENT PROJECT.

In addition to the Development, no unrelated development is expected to occur within the Redevelopment Project.

Subsection 3.9 ESTIMATED COST OF REDEVELOPMENT PROJECT AND TIF PLAN BUDGET

The HRA has determined that it will be necessary to provide assistance for certain public costs of the Redevelopment Project. To facilitate the development of the TIF District, this TIF Plan authorizes the use of tax increment financing to pay for the cost of certain eligible expenses of the Redevelopment Project. The estimate of public costs and uses of funds associated with the TIF District is outlined on the table attached hereto as **Exhibit B**. Estimated costs associated with the TIF District are subject to change. The cost of all activities to be considered for tax increment financing will not exceed, without formal modification, the budget set forth in **Exhibit B**. The dollar amounts for specific line items in the budget may be adjusted between the line items by resolution of the HRA without a public hearing as long as the total expenditures are not increased.

Subsection 3.10 ESTIMATED AMOUNT OF BONDED INDEBTEDNESS

The expenditures authorized by this TIF Plan may be paid for either on a pay-as-you-go basis or paid from the proceeds of tax increment revenue bonds or notes or an interfund loan. The HRA anticipates issuing a pay-as-you-go note to assist in financing a portion of the Developer's construction costs of the Development. If bonding is required to finance the costs set forth in **Exhibit B**, the reasonable and customary expenses for that bonding, such as capitalized interest, interest on the debt, bond discount, and fiscal and legal fees, would be included. Bonding may include traditional general obligation or revenue bonding, including interest-bearing "pay-as-you-go" financing, an interfund loan or other internal, interest bearing HRA-financed borrowing in an amount not to exceed \$3,540,000.

Subsection 3.11 SOURCES OF REVENUE

The costs outlined in Section 3.9 above under the Estimated Cost of Redevelopment Project will be financed through the annual collection of tax increments as described below. In addition, the HRA anticipates issuing housing revenue bonds pursuant to Minnesota Statutes, Chapter 462C for the Development and the Developer will obtain tax credit financing.

Subsection 3.12 ESTIMATED CAPTURED TAX CAPACITY AND ESTIMATE OF TAX INCREMENT

The current tax capacity of the TIF District as of January 2, 2015 is estimated to be \$7,897 based on the proposed reconfiguration of the parcels and their current classification. The original tax capacity will adjust to an estimated \$5,135 after reclassification to qualified 4d housing.

The estimated Captured Tax Capacity of the TIF District upon completion of the Development is estimated to be \$88,616 as of January 2, 2018.

The HRA elects to retain all of the captured tax capacity to finance the costs of the Redevelopment Project. The HRA elects the method of tax increment computation set forth in Minnesota Statutes, Section 469.177, Subd. 3(a).

Subsection 3.13 TYPE OF TAX INCREMENT FINANCING DISTRICT

The HRA, in determining the need to create a tax increment financing district in accordance with the TIF Act, finds that the TIF District, is a housing district pursuant to Minnesota Statutes, Section 469.174, Subd. 11 as defined below:

“Housing district” means a type of tax increment financing district which consists of a project or a portion of a project intended for occupancy, in part, by persons or families of low and moderate income as defined in Chapter 462A, Title II of the National Housing Act of 1934; the National Housing Act of 1959; the United States Housing Act of 1937, as amended; Title V of the Housing Act of 1949, as amended; and any other similar present or future federal, state or municipal legislation or the regulations promulgated under any of those acts. A project does not qualify under this subdivision if more than 20% of the square footage of the buildings that receive assistance consist of commercial, retail or other non-residential uses.

In meeting the statutory criteria described above, the HRA relies on the following facts and findings:

The Development will consist of approximately 114 rental housing units and at least 40% of the units (i.e., 46 units) will be rented to and occupied by individuals or families whose income is not greater than 60% of area median income.

The building included in the Development is not expected to be used for commercial, retail or other non-residential use. The TIF District qualifies as a housing district, in that it meets all of the criteria listed above. It is anticipated that 100% of the planned improvements in the TIF District will be for low and moderate income housing purposes, as detailed above.

Except as otherwise noted herein, the above requirements apply for the duration of the TIF District. Tax increments derived from a housing district must be used solely to finance the cost of housing projects as defined above. The cost of public improvements directly related to the housing projects and the allocated administrative expenses of the City may be included in the cost of a housing project.

Subsection 3.14 DURATION OF THE TIF DISTRICT

The duration of the TIF District will be 25 years after the receipt of the first tax increment. Pursuant to Minnesota Statutes, Section 469.175, Subd. 1(b), the HRA elects to first receive increment in 2019, resulting in an estimated final year of 2044.

Subsection 3.15 ESTIMATED IMPACT ON OTHER TAXING JURISDICTIONS

The impact of this TIF District on the affected taxing jurisdictions is reflected in the HRA's anticipated need to utilize the tax increments generated from this TIF District during the period described in Section 3.14 above for the purposes of financing the public costs referenced in Section 3.9 above, as the same may be amended, following which period the increased assessed valuations will inure to the benefit of such taxing jurisdictions.

For the payable 2016 property taxes, the respective tax capacity rates and net tax capacities of these taxing jurisdictions are set out in **Exhibit E**.

On the assumption that the estimated captured tax capacity of this TIF District would be available to the above taxing jurisdictions without creation of this TIF District, the impact of this tax increment financing on the tax capacities of those taxing jurisdictions is relatively small, as shown by comparing on a percentage basis the marginal effect on tax capacity rates and by comparing the estimated \$88,616 of captured tax capacity in assessment year 2018 which assumes no annual inflation, to the tax capacities of each of those jurisdictions, respectively.

On the alternate assumption, which has been found to be the case, that none of the estimated captured tax capacity would be available to these taxing jurisdictions without the creation of this TIF District, during the period of this District's existence, there would be no effect on the above tax capacities, but upon the expiration or earlier termination of this TIF District, each taxing jurisdiction's tax capacity would be increased by the captured tax capacity, as it may be adjusted over that time period.

The estimated amount of tax increment that will be generated over the life of the TIF District is approximately \$3,514,292. The estimated amount of tax increment attributable to the School District and County levies is estimated to be approximately \$973,802 and \$1,240,953, respectively. It is not expected that the Development in the TIF District will have any significant impact on the need for new or improved public infrastructure, other than the infrastructure paid for by tax increments or from other public and private funds currently appropriated. Existing roads and utilities will serve the Development in the TIF District. The City's police and fire departments currently serve the area so the City's budget for services such as police and fire protection is expected not to increase and the probable impact of the TIF District on such services is expected to be minimal. The HRA anticipates that it will issue a pay as you go tax increment revenue note to the Developer for a portion of the Public Costs but such note or other obligations will not affect the City's or the HRA's ability to issue other debt for general fund purposes.

Subsection 3.16 MODIFICATIONS TO THE TIF DISTRICT

In accordance with Minnesota Statutes, Section 469.175, Subd. 4, any:

1. reduction or enlargement of the geographic area of Redevelopment Project or TIF District;
2. increase in amount of bonded indebtedness to be incurred, including a determination to capitalize interest on debt if that determination was not a part of

the original plan, or to increase or decrease the amount of interest on the debt to be capitalized;

3. increase in the portion of the captured net tax capacity to be retained by the HRA;
4. increase in total estimated tax increment expenditures; or
5. designation of additional property to be acquired by the HRA;

shall be approved upon the notice and after the discussion, public hearing and findings required for approval of the original plan.

The geographic area of the TIF District may be reduced, but shall not be enlarged after five years following the date of certification of the original net tax capacity by the county auditor. The requirements of this paragraph do not apply if (1) the only modification is elimination of parcel(s) from the Redevelopment Project or TIF District and (2)(a) the current net tax capacity of the parcel(s) eliminated from TIF District equals or exceeds the net tax capacity of those parcel(s) in the TIF District's original net tax capacity or (b) the HRA agrees that, notwithstanding Minnesota Statutes, Section 469.177, Subd. 1, the original net tax capacity will be reduced by no more than the current net tax capacity of the parcel(s) eliminated from the TIF District.

The HRA must notify the County Auditor of any modification that reduces or enlarges the geographic area of the TIF District or Redevelopment Project. Modifications to the TIF District in the form of a budget modification or an expansion of the boundaries will be recorded in the Redevelopment Plan.

Subsection 3.17 ADMINISTRATIVE EXPENSES

In accordance with Minnesota Statutes, Section 469.174, Subd. 14, and Minnesota Statutes, Section 469.176, Subd. 3, administrative expenses means all expenditures of the HRA, other than:

1. amounts paid for the purchase of land or amounts paid to contractors or others providing materials and services, including architectural and engineering services, directly connected with the physical development of the real property in the district;
2. relocation benefits paid to or services provided for persons residing or businesses located in the district; or
3. amounts used to pay interest on, fund a reserve for, or sell at a discount bonds issued pursuant to Minnesota Statutes, Section 469.178.

Administrative expenses also include amounts paid for services provided by bond counsel, fiscal consultants, and planning or economic development consultants. Tax increment may be used to pay any authorized and documented administrative expenses for the Redevelopment Project up to, but not to exceed, 10% of the total estimated tax increment

expenditures authorized by the TIF Plan or 10% of the total tax increments from the TIF District, whichever is less.

Pursuant to Minnesota Statutes, Section 469.176, Subd. 4h, tax increments may be used to pay for the county's actual administrative expenses incurred in connection with said District. The county may require payment of those expenses by February 15 of the year following the year the expenses were incurred.

Pursuant to Minnesota Statutes, Section 469.177, Subd. 11, the county treasurer shall deduct an amount equal to approximately 0.36% of any increment distributed to the HRA and the county treasurer shall pay the amount deducted to the state treasurer for deposit in the state general fund to be appropriated to the State Auditor for the cost of financial reporting of tax increment financing information and the cost of examining and auditing authorities' use of tax increment financing.

Subsection 3.18 LIMITATION OF INCREMENT: 4-YEAR RULE

Pursuant to Minnesota Statutes, Section 469.176, Subd. 6:

if after 4 years from the date of certification of the original net tax capacity of the tax increment financing district pursuant to Minnesota Statutes, Section 469.177, no demolition, rehabilitation or renovation of property or other site preparation, including qualified improvement of a street adjacent to a parcel but not installation of utility service including sewer or water systems, has been commenced on a parcel located within a tax increment financing district by the authority or by the owner of the parcel in accordance with the tax increment financing plan, no additional tax increment may be taken from that parcel and the original net tax capacity of that parcel shall be excluded from the original net tax capacity of the tax increment financing district. If the authority or the owner of the parcel subsequently commences demolition, rehabilitation or renovation or other site preparation on that parcel including qualified improvement of a street adjacent to that parcel, in accordance with the tax increment financing plan, the authority shall certify to the county auditor that the activity has commenced and the county auditor shall certify the net tax capacity thereof as most recently certified by the commissioner of revenue and add it to the original net tax capacity of the tax increment financing district. The county auditor must enforce the provisions of this subdivision. For purposes of this subdivision, qualified improvements of a street are limited to (1) construction or opening of a new street, (2) relocation of a street, and (3) substantial reconstruction or rebuilding of an existing street.

Subsection 3.19 USE OF TAX INCREMENT

The HRA hereby determines that it will use 100% of the captured net tax capacity of taxable property located in the TIF District for the following purposes:

1. to pay the principal of and interest on bonds used to finance a project;

2. to finance, or otherwise pay the capital and administration costs of the Redevelopment Project pursuant to the Minnesota Statutes, Sections 469.001 to 469.047;
3. to pay for project costs as identified in the budget;
4. to finance, or otherwise pay for other purposes as provided in Minnesota Statutes, Section 469.174, Subd. 11;
5. to pay principal and interest on any loans, advances or other payments made to the HRA or for the benefit of the Redevelopment Project by the developer;
6. to finance or otherwise pay premiums and other costs for insurance, credit enhancement, or other security guaranteeing the payment when due of principal and interest on tax increment bonds or bonds issued pursuant to the Plan or pursuant to Minnesota Statutes, Chapter 462C and Minnesota Statutes, Sections 469.152 to 469.165, or both; and
7. to accumulate or maintain a reserve securing the payment when due of the principal and interest on the tax increment bonds or bonds issued pursuant to Minnesota Statutes, Chapter 462C and Minnesota Statutes, Sections 469.152 to 469.165, or both.

These revenues shall not be used to circumvent any levy limitations applicable to the City nor for other purposes prohibited by Minnesota Statutes, Section 469.176, subd. 4.

Revenues derived from tax increment from a housing district must be used solely to finance the cost of housing projects as defined in Minnesota Statutes Section 469.174, subd. 11. The cost of public improvements directly related to the housing projects and the allocated administrative expenses of the HRA may be included in the cost of a housing project.

Subsection 3.20 NOTIFICATION OF PRIOR PLANNED IMPROVEMENTS

The HRA shall, after due and diligent search, accompany its request for certification to the County Auditor or its notice of the TIF District enlargement with a listing of all properties within the TIF District or area of enlargement for which building permits have been issued during the 18 months immediately preceding approval of the TIF Plan by the City pursuant to Minnesota Statutes, Section 469.175, Subd. 3. The County Auditor shall increase the original tax capacity of the TIF District by the value of improvements for which a building permit was issued.

Subsection 3.21 EXCESS TAX INCREMENTS

Pursuant to Minnesota Statutes, Section 469.176, Subd 2, in any year in which the tax increment exceeds the amount necessary to pay the costs authorized by the Plan, including the amount necessary to cancel any tax levy as provided in Minnesota Statutes, Section 475.61, Subd. 3, the HRA shall use the excess amount to do any of the following:

1. prepay any outstanding bonds;
2. discharge the pledge of tax increment therefore;
3. pay into an escrow account dedicated to the payment of such bond; or
4. return the excess to the County Auditor for redistribution to the respective taxing jurisdictions in proportion to their local tax rates.

In addition, the HRA may, subject to the limitations set forth herein, choose to modify the Plan in order to finance additional public costs in the TIF District or Redevelopment Project.

Subsection 3.22 REQUIREMENTS FOR AGREEMENTS WITH THE DEVELOPER

The HRA will review any proposal for private development to determine its conformance with the Redevelopment Plan and with applicable municipal ordinances and codes. To facilitate this effort, the following documents may be requested for review and approval: site plan, construction, mechanical, and electrical system drawings, landscaping plan, grading and storm drainage plan, signage system plan, and any other drawings or narrative deemed necessary by the HRA to demonstrate the conformance of the development with city plans and ordinances. The HRA may also use the Agreements to address other issues related to the Development.

Pursuant to Minnesota Statutes, Section 469.176, Subd. 5, no more than 10%, by acreage, of the property to be acquired within the TIF District as set forth in the Plan shall at any time be owned by the HRA as a result of acquisition with the proceeds of bonds issued pursuant to Minnesota Statutes, Section 469.178, without the HRA having, prior to acquisition in excess of 10% of the acreage, concluded an agreement for the development or redevelopment of the property acquired and which provides recourse for the HRA should the development or redevelopment not be completed.

Subsection 3.23 ASSESSMENT AGREEMENTS

Pursuant to Minnesota Statutes, Section 469.177, Subd. 8, the HRA may enter into an agreement in recordable form with the developer of property within the TIF District which establishes a minimum market value of the land and completed improvements for the duration of TIF District. The assessment agreement shall be presented to the assessor who shall review the plans and specifications for the improvements constructed, review the market value previously assigned to the land upon which the improvements are to be constructed and, so long as the minimum market value contained in the assessment agreement appear, in the judgment of the assessor, to be a reasonable estimate, the assessor may certify the minimum market value agreement. The HRA does not anticipate entering into assessment agreements establishing a minimum market value upon completion.

Subsection 3.24 ADMINISTRATION OF TIF DISTRICT

Administration of the TIF District will be handled by the Executive Director of the HRA.

Subsection 3.25 FINANCIAL REPORTING REQUIREMENTS

The HRA will comply with all reporting requirements of Minnesota, Statutes, Section 469.175, Subd. 5 and 6.

Subsection 3.26 OTHER LIMITATIONS ON THE USE OF TAX INCREMENT

1. General Limitations. All revenue derived from tax increment shall be used in accordance with the TIF Plan. The revenues shall be used to finance, or otherwise pay the capital and administration costs of the Redevelopment Project pursuant to the Housing Act;

These revenues shall not be used to circumvent existing levy limit law. No revenues derived from tax increment shall be used for the acquisition, construction, renovation, operation or maintenance of a building to be used primarily and regularly for conducting the business of a municipality, county, school district, or any other local unit of government or the state or federal government, or for a commons area used as a public park, or a facility used for social, recreational or conference purposes. This provision shall not prohibit the use of revenues derived from tax increments for the construction or renovation of a parking structure or a privately owned facility for conference purposes.

2. Pooling Limitations. At least 80% of tax increments from the TIF District must be expended on activities in the TIF District or to pay bonds, to the extent that the proceeds of the bonds were used to finance activities within said district or to pay, or secure payment of, debt service on credit enhanced bonds. Not more than 20% of said tax increments may be expended, through a development fund or otherwise, on activities outside of the TIF District except to pay, or secure payment of, debt service on credit enhanced bonds. For purposes of applying this restriction, all administrative expenses must be treated as if they were solely for activities outside of the TIF District. As set forth in paragraph 4 below, the HRA elects to increase its pooling percentage by up to 10% on activities located outside the TIF District as permitted by Minnesota Statutes, Section 469.1763, Subd. 2(d).
3. Five Year Limitation on Commitment of Tax Increments. Tax increments derived from the TIF District shall be deemed to have satisfied the 80% test set forth in paragraph 2 above only if the 5-year rule set forth in Minnesota Statutes, Section 469.1763, Subd. 3, has been satisfied; and beginning with the 6th year following certification of the TIF District, use of tax increments may be restricted as more fully set forth in Minnesota Statutes, Section 469.1763, Subd. 4.
4. Expenditures Outside District. The HRA hereby elects to authorize spending up to an additional 10% of the tax increments on activities located outside the TIF District as permitted by Minnesota Statutes, Section 469.1763, Subd. 2(d) provided that the expenditures meet the following requirements, as such requirements may be amended from time to time:

(A) they are used exclusively to assist housing that meets the requirements for a qualified low-income building as defined in Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”);

(B) they do not exceed the qualified basis of housing as defined under Section 42(c) of the Code less the amount of any credit allowed under Section 42 of the Code, and

(C) they are used to (i) acquire and prepare the site for housing, (ii) acquire, construct or rehabilitate the housing or (iii) make public improvements directly related to the housing.

The HRA does not anticipate that tax increments will be spent outside the TIF District (except for allowable administrative expenses); however, the HRA does reserve the right to allow for tax increment pooling from the TIF District in the future.

Subsection 3.27 COUNTY ROAD COSTS

Pursuant to Minnesota Statutes, Section 469.175, Subd. 1a, the county board may require the HRA to pay for all or part of the cost of county road improvements if, the proposed Development to be assisted by tax increment will, in the judgment of the county, substantially increase the use of county roads requiring construction of road improvements or other road costs and if the road improvements are not scheduled within the next 5 years under a capital improvement plan or other county plan.

In the opinion of the HRA and consultants, the proposed development outlined in this TIF Plan will have little or no impact upon county roads. If the county elects to use increments to improve county roads, it must notify the HRA within thirty days of receipt of this Plan.

Subsection 3.28 NO BUSINESS SUBSIDY.

The HRA is providing tax increment financing for housing and therefore, the provisions of Minnesota Statutes, Sections 116J.993 and 116J.994 (which states that a recipient of a business subsidy must create a net increase in jobs and meet wage level goals within two years of receiving assistance) are not applicable.

EXHIBIT A

Map of Redevelopment Project and TIF District

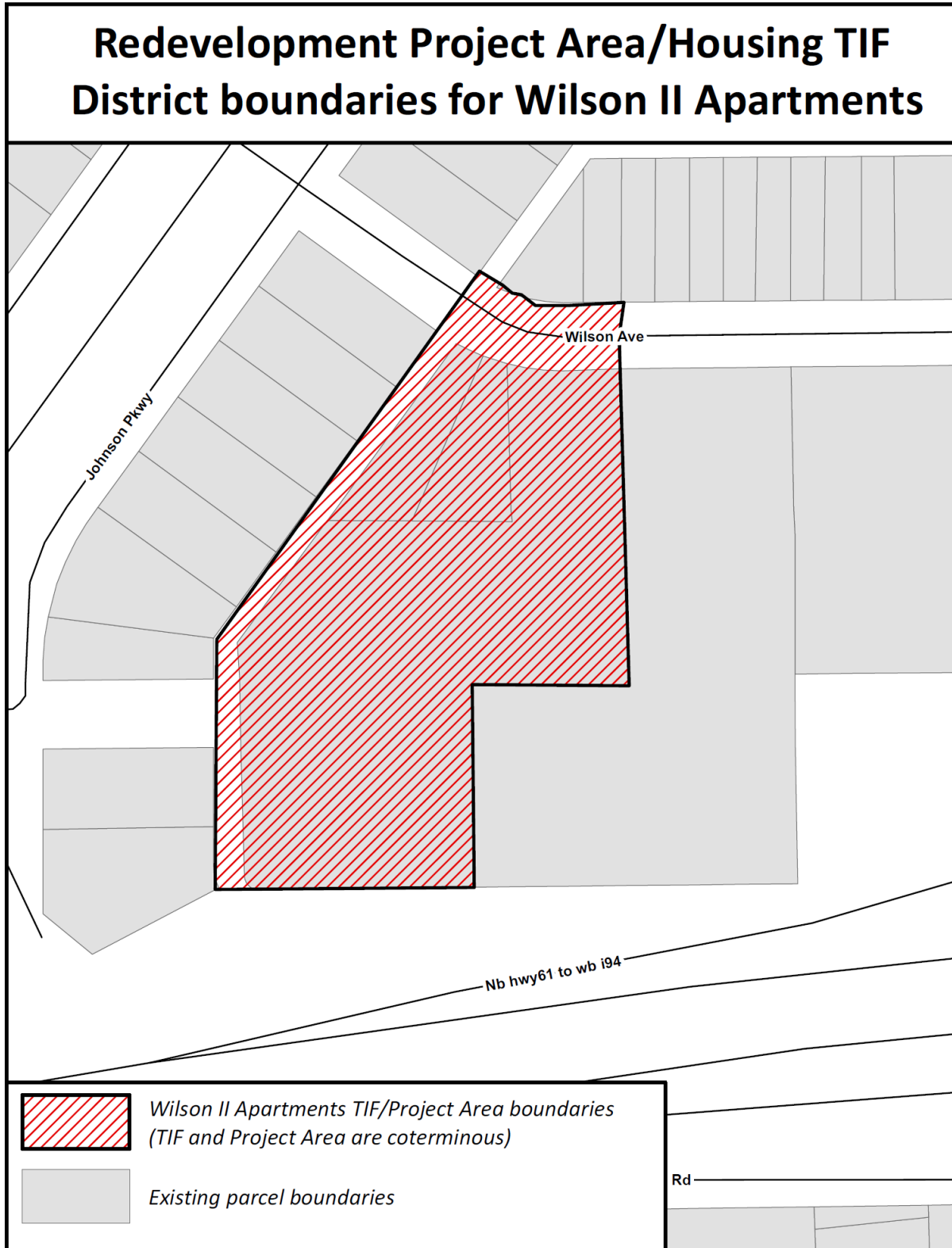


EXHIBIT B

TIF Plan Budget

Estimates of Tax Increments and Uses

Name of District: Wilson II Housing Project
Type of District: Housing District
Duration of District: 25 years following 1st collection

ESTIMATED TAX INCREMENT REVENUES	Estimated Amount
Tax Increment Revenue (1)	\$3,510,000
Interest and Investment Earnings	\$30,000
Estimated Tax Increment Revenues	\$3,540,000
ESTIMATED PROJECT/FINANCING COSTS	Estimated Amount
Land/Building Acquisition	\$0
Site Improvements/Preparation Costs	\$0
Utilities	\$0
Other Qualifying Public Improvements	\$0
Construction of Affordable Housing	\$1,720,000
Administrative Costs	\$351,000
Estimated Tax Increment Project Costs	\$2,071,000
Estimated Financing Costs	
Interest Expense	\$1,469,000
Total Est. Project/Financing Costs Paid From Tax Increment	\$3,540,000

(1) Net of State Auditor Deduction

EXHIBIT C

Assumption Report

Housing & Redevelopment Authority of the City of St. Paul

Name of Project	Wilson II Housing Project
Name of Developer	Lupe Development Partners
Type of TIF District	Housing
Maximum Duration	25 years after 1st collection

Est. Date of Certification Request	6/1/2016
Elect First Year	Yes
First Year of Increment	2019
Final Year of Increment (Max)	2044

<u>Tax Rates</u>	<u>Final Pay 2016</u>	
City of St. Paul	42.575%	
Ramsey County	53.860%	
ISD #625 w/o General Ed Levy	42.265%	
<i>ISD #625 General Ed Levy</i>	<i>0.296%</i>	*
Miscellaneous	13.828%	
Total Local Rate	152.825%	
Local Rate Captured for TIF	152.529%	

* Captured Rate Excludes ISD #625 General Ed Levy

Watershed Name/No.

Metro/Non Battlecreek Project (156)

Market Value Based Tax Rates are not captured in TIF

Assess year for base	2015
Pay year for base	2016

Assumption Report Cont'd

Housing & Redevelopment Authority of the City of St. Paul Wilson II Housing Project Lupe Development Partners Tax Increment Financing District (Housing)

Proposed TIF Parcels*	Assess 2015-Pay 2016		
	Est. Market Value	Current Class	Current TC
33-29-22-41-0087	131,800	Res Non-Hstd	1,318
33-29-22-41-0088	132,400	Res Non-Hstd	1,324
33-29-22-41-0027**	420,400	Rental	5,255
	684,600		7,897

* The Developer has filed an application for an adjustment of a common boundary, which will create two new tax parcels (Parcel A-1 and Parcel B-1); only Parcel B-1 will be included in the proposed TIF district.

** This parcel will be split with the boundary adjustment, the estimated amount to be included in Parcel B-1 is shown here.

Proposed Redevelopment Units - 100% Affordable

Total Units	114
Total Affordable Units	114

Adjust Current Classification of Parcels Based On Redevelopment Uses

	Est. Market Value	Classification	Adjusted TC
Total Affordable	684,600	Rental - Affordable	5,135
	684,600		5,135

Proposed Project

	Affordable Units	Tier 1***	Tier 2
Market Value per Rental Unit****	\$109,649	\$109,649	
Total No. of Apartments	114		
Percent Affordable Class	100%		

*** Tier 1 value for Assess 2016 is \$115,000 per unit

**** The Market Value was estimated by Ramsey County

	Est. Market Value	Tax Cap (Tier 1)	Tax Cap (Tier 2)
Affordable Units	\$12,500,000	\$93,750	\$0
Total Project	\$12,500,000	\$93,750	

EXHIBIT D

Projected Tax Increment

Housing & Redevelopment Authority of the City of St. Paul

Wilson II Housing Project

Tax Increment Financing District (Housing)

Affordable Rental Housing - 114 Apts @ \$109,649/unit

Total Estimated Market Value of \$12,500,000 with 0% Inflation, Final Pay 2016 Tax Rate - Elect First Year 2019

Assess Year	Collect Year	Total Est. Market Value	Total Net Tax Capacity	Less Original Net Tax Capacity	Captured Net Tax Capacity	Sharing Factor	Increment Tax Capacity	Est. Local Captured Tax Rate	Projected Tax Increment	Est. TI Attributable to City Levy	Est. TI Attributable to County Levy	Est. TI Attributable to School Dist Levy	Less State Auditor Deduction 0.360%	Annual TI to HRA
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
2018	2019	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2019	2020	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2020	2021	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2021	2022	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2022	2023	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2023	2024	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2024	2025	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2025	2026	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2026	2027	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2027	2028	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2028	2029	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2029	2030	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2030	2031	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2031	2032	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2032	2033	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2033	2034	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2034	2035	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2035	2036	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2036	2037	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2037	2038	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2038	2039	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2039	2040	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2040	2041	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2041	2042	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2042	2043	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
2043	2044	\$12,500,000	93,750	(5,135)	88,616	0.945232	88,616	152.529%	\$135,165	\$37,728	\$47,729	\$37,454	(\$487)	\$134,678
									\$3,514,292	\$980,932	\$1,240,953	\$973,802	(\$12,651)	\$3,501,640

EXHIBIT E

Estimated Impact on Other Taxing Jurisdictions Report

Housing & Redevelopment Authority of the City of St. Paul

Wilson II Housing Project

Tax Increment Financing District (Housing)

Statement of Alternate Estimates of the Impact of Tax Increment Financing

Taxing Jurisdiction	No Captured Net Tax Capacity Without Creation of District		Captured Net Tax Capacity Available Without Creation of District					
	Final Pay 2016 Taxable Net Tax Capacity (a)	Final Pay 2016 Local Tax Rate	Final Pay 2016 Taxable Net Tax Capacity (a)	Projected Captured Net Tax Capacity	New Taxable Net Tax Capacity (b)	Hypothetical Local Tax Rate	Hypothetical Decline in Local Tax Rate	Hypothetical Tax Generated by Captured Net Tax Capacity
City of St. Paul	194,537,106	42.575%	194,537,106	88,616	194,625,722	42.556%	0.019%	\$37,728
Ramsey County	421,872,875	53.860%	421,872,875	88,616	421,961,491	53.849%	0.011%	\$47,729
ISD #625 w/o Gen Ed Levy**	194,005,813	42.265%	194,005,813	88,616	194,094,429	42.246%	0.019%	\$37,454
Miscellaneous ***	-	13.828%	-	-	-	13.828%	0.000%	\$0
		152.529%				152.479%	0.050%	\$122,910

Statement #1: If assume the estimated captured net tax capacity would be available to the taxing jurisdictions without creation of the district, the taxing jurisdictions would have increased taxable net tax capacity to tax upon thereby resulting in a hypothetical decline in the local tax rate, while producing the same level of taxes. The above hypothetical analysis indicates a total tax rate decline of 0.05%; alternatively an increase in taxable net tax capacity without a reduction in the tax rate would produce an additional \$122,910 of taxes.

Statement #2: If assume the estimated captured net tax capacity would not be available to the taxing jurisdictions without creation of the district, the projected captured net tax capacity shown above would not be available and the taxing jurisdictions would have no change to their taxable net tax capacity or tax rates.

* The Final Pay 2016 tax capacities and tax rates were provided by Ramsey County

** The rate for ISD #625 excludes the General Education Levy which is not captured in TIF

*** The miscellaneous taxing jurisdictions have been excluded (they represent 9.07% of the total local tax rate).

(a) Taxable Net Tax Capacity equals the total tax capacity minus tax increment tax capacity minus fiscal disparity contribution ("Value for Local Rate")

(b) New Taxable Net Tax Capacity adds Projected Captured Net Tax Capacity to Taxable Net Tax Capacity

Reconfiguration of Parcels in the TIF District

