TAX INCREMENT FINANCING PLAN

for

GRAND AND VICTORIA TAX INCREMENT FINANCING DISTRICT
(a redevelopment district)

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

Approved by the City Council: December 17, 2025 (Scheduled)

Adopted by the HRA Board: December 17, 2025 (Scheduled)

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(for reference purposes only)

TAX INCREMENT FINANCING PLAN
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Section 1. Foreword. The Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (the "HRA"), and its staff and consultants have prepared the following information for the establishment of Grand and Victoria Tax Increment Financing District (a redevelopment district) (the "TIF District"), a redevelopment tax increment financing district located in the Grand and Victoria Redevelopment Project area (the "Project Area"), established by the HRA.

Section 2. Statutory Authority. There exist areas within the City of Saint Paul, Minnesota (the "City") where public involvement is necessary to cause development to occur. To this end, the HRA has certain statutory powers pursuant to Minnesota Statutes sections 469.001 through 469.047 (the "HRA Act") and Minnesota Statutes sections 469.174 through 469.1794 (the "TIF Act"), to assist in financing public costs related to a redevelopment project.

Section 3. Statement of Objectives. The TIF District currently consists of two parcels and includes all adjacent roadways, sidewalks and rights-of-way as shown in **Exhibit E**. The TIF District is being created to facilitate the redevelopment of properties containing vacant and substandard buildings and stimulate the construction of approximately 90 units of housing, in connection with a proposed mixed-use redevelopment consisting of approximately 12,800 square feet of commercial space on the first floor, approximately 90 residential units, approximately 22 public parking stalls and approximately 99 residential parking stalls and related improvements (the "Development"). This tax increment financing plan for the TIF District (the "TIF Plan") is expected to achieve many of the objectives outlined in the Redevelopment Plan for the Project Area (the "Redevelopment Plan") through the construction of market-rate housing units, commercial space, parking, public infrastructure, other site and public improvements, and a privately maintained plaza. The following are some of the objectives being facilitated by the TIF Plan.

A. To Redevelop Blighted Property. The TIF District contains three buildings, all three of which (i.e. 100%) were found to be structurally substandard in the Redevelopment Assessment Report (as hereinafter defined). To encourage new development in the area and remove and prevent the emergence of blight and blighting influences, it is expected the use of tax increment financing will be necessary to encourage the redevelopment of the Project Area.

B. Expand the Tax Base of the City. It is expected that the taxable market value of the property in the TIF District will increase by approximately $20,034,200 as a result of the proposed Development.

C. Provide Housing for City Residents. The available housing for residents in the Project Area will be expanded with the construction of a range of residential housing units.

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

Section 4. Parcels to be Included in the TIF District. The following parcels located in the City of Saint Paul, Ramsey County, Minnesota are proposed to be included in the TIF District:

Parcel ID	Address	Ramsey County Brief Legal Description
*02.28.23.42.0125	857 Grand Avenue	SUMMIT PARK ADDITION TO ST. PAUL LOTS 15 16 17 AND LOT 18 BLK 18
*02.28.23.42.0126	841 Grand Avenue	SUMMIT PARK ADDITION TO ST. PAUL W 25 FT OF LOT 20 AND ALL OF LOT 19 BLK 18

*The Developer will combine the two parcels prior to commencement of construction. This will likely result in a new Parcel ID.

Together with all adjacent roadways, sidewalks and rights-of-way. A map of the TIF District is attached as **Exhibit E**.

Section 5. Parcels To Be Acquired.

Neither the HRA, nor the City intend to acquire any property in connection with this Plan, by the exercise of eminent domain or otherwise.

Section 6. Development Activity in the TIF District for which Contracts Have Been Signed. The HRA expects to enter into a development agreement (the "Development Agreement") with a developer (the "Developer") to undertake the redevelopment of the Project Area into the Development. The Development Agreement would be executed prior to providing any tax increment financing assistance to the Developer to assist with the qualified costs of the Development in accordance with this TIF Plan. At the time this TIF Plan was prepared there were no signed construction contracts with respect to the construction of the Development in the TIF District.

The HRA anticipates that construction of the Development will commence in early 2026. The Development is expected to be completed by July 2027, with an expected market value of approximately $26,500,000.

Based on conversations with the Developer, the HRA has determined that the proposed mixed-use redevelopment of the TIF District, consistent with the Redevelopment Plan, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future. This finding is consistent with the HRA's experience on other sites containing substandard buildings, due to the condition of the site and the buildings thereon and the higher cost of redevelopment compared to the development of bare land as well as the costs of parking and infrastructure.

Section 7. Other Specific Development Expected to Occur Within Project Area.

The HRA does not anticipate that other future development or redevelopment will occur in the Project Area, although such activities are not precluded.

Section 8. Estimated Cost of Development and TIF Plan Budget.

The HRA has determined it will be necessary to utilize tax increment financing for certain public costs of the Development and the Project Area. To facilitate the Development within the TIF District, this TIF Plan authorizes the use of tax increment financing to pay for a portion of the cost of certain eligible expenses, primarily to include public infrastructure and other site and public improvements. The estimate of public costs and uses of funds associated with TIF District is outlined on **Exhibit A**.

The HRA may spend tax increments or other revenues identified in Section 10 hereof in other areas of the City. Any expenditure of tax increments outside the TIF District will comply with the pooling limitations described under Section 21, paragraphs B and D.

Estimated costs associated with the TIF District are subject to change and may be reallocated between line items by a resolution of the HRA. 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 **Exhibit A**.

Section 9. 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 tax increment revenue note and/or interfund loan to assist in financing a portion of the public costs of the Development. To the extent bonding is required to finance the costs set forth in Section 8 and **Exhibit A**, 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. The maximum principal amount of bonds (as defined in the TIF Act) secured in whole or part with tax increment from the TIF District is $9,440,000, which is equal to the total estimated cost associated with the TIF District as shown in **Exhibit A**.

Section 10. Sources of Revenue.

The costs outlined in Section 8 above and **Exhibit A** will be financed primarily on a pay-as-you-go basis through the annual collection of tax increments and the proceeds of bonds, if any, payable from tax increments.

Section 11. Estimated Captured Tax Capacity and Estimate of Tax Increment.

The original net tax capacity for the TIF District for taxes payable in 2026 is estimated to be $125,393. Upon completion, the original net tax capacity is anticipated to adjust to $87,758 based on the mix of uses, and the total net tax capacity of the TIF District is estimated to be $362,000, which is estimated to occur by December 31, 2028, for taxes payable in 2030.

The estimated Captured Tax Capacity of the TIF District upon completion of the Development is estimated to be $252,636 as of January 2, 2029 (for taxes payable in 2030).

The HRA elects to retain all of the captured tax capacity to finance the costs of the TIF District. The HRA elects the method of tax increment computation set forth in Minnesota Statutes section 469.177, subdivision 3(b).

Section 12. Type of TIF District.

The TIF District is a redevelopment district established pursuant to Minnesota Statutes section 469.174, subdivision 10(a)(1). The reasons and supporting facts for these determinations are set forth in that certain Report of Inspection Procedures and Results for Determining Qualifications of a Tax Increment Financing District – 857 Grand Redevelopment TIF District, prepared for the City of Saint Paul, Minnesota by LHB, Inc., dated October 15, 2025 (the "Redevelopment Assessment Report"), copies of which are on file with the Executive Director of the HRA. These findings are based in part upon on-site examination and written reports substantiating the structurally substandard nature of the buildings.

The TIF District currently contains two parcels. Both parcels are occupied since they meet the requirements of Minnesota Statutes section 469.174, subdivision 10(e) in that at least 15% of the area of each of these parcels is occupied by buildings, streets, utilities, paved or gravel parking lots or similar structures. The parcels consist of 100% of the area of the TIF District, which is greater than 70%. In addition, there are three buildings located in the TIF District. As set forth in the Redevelopment Assessment Report all three buildings (i.e. %100) are "structurally substandard" to a degree requiring substantial renovation or clearance. The "structurally substandard" buildings were not in compliance with the building code applicable to new buildings, and the costs of modifying the buildings to satisfy the building code would be more than 15% of the cost of constructing structures of the same square footage and type on the site.

The HRA and the City have determined that the proposed redevelopment of the Project Area would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the Project Area is unlikely to meet its full potential without the use of tax increment, and therefore the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing is $0, which is less than $15,494,848 which is the increase in the market value estimated to result from the proposed development (i.e., approximately $20,034,200) after subtracting the present value of the projected tax increments for the maximum duration of the TIF District, (i.e. approximately $4,539,352). **Exhibit B** details these assumptions and calculations.

Section 13. Duration of the TIF District.

The duration of the TIF District will be 26 total years (25 years after the first receipt of tax increment). Pursuant to Minnesota Statutes section 469.175, subdivision 1(b), the HRA elects to first receive increment in 2028, resulting in an estimated final year of 2053. Attached as **Exhibit C** is a projected cash flow showing the estimated receipt of tax increments from the TIF District and the various information and assumptions used in preparing the projected tax increment generated over the life of the TIF District. The HRA retains the option to close the TIF District earlier provided all project costs have been paid.

Section 14. Alternate Estimates of the Impact of the TIF District on the Net Tax Capacities of All 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 13 above for the purposes of financing the public costs referenced in Section 8 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 2025 property taxes, the respective tax capacity rates and net tax capacities of these taxing jurisdictions are set out in **Exhibit D**.

Based on the assumption that the estimated captured tax capacity of this TIF District would be available to the taxing jurisdictions without creation of this TIF District, the impact of this tax increment financing on the tax capacities of those taxing jurisdictions is shown by comparing on a percentage basis the marginal effect on tax capacity rates and by comparing the estimated $252,636 of captured tax capacity, 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 TIF District, there would be no effect on the other taxing jurisdictions, but upon the expiration or earlier termination of the 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 $9,112,596. The estimated amount of tax increment attributable to the School District and County levies is estimated to be approximately $2,178,283 and $2,755,252, respectively assuming a total local tax rate of 144.234%, as currently in effect for tax payable year 2025. The HRA does not expect there to be a need for any related new or improved infrastructure. The City's police and fire departments currently serve the area and the HRA expects that the Development's impact on police and fire services will be minimal. The HRA anticipates that it will issue a pay-as-you-go tax increment revenue note and/or revenue bonds to the Developer to finance a portion of the public costs but such note, bonds or other obligations will not affect the City or the HRA's ability to issue other debt for general fund purposes.

Section 15. Modifications to the TIF District and/or TIF Plan.

No modifications to the TIF District or the TIF Plan, except as provided herein, have been made as of the date hereof. In accordance with Minnesota Statues section 469.175, subdivision 4:

A. any reduction or enlargement of the geographic area of the Project Area or the TIF District;

B. increase in amount of bonded indebtedness to be incurred;

C. a determination to capitalize interest on debt if that determination was not a part of the original plan;

D. increase in the portion of the captured net tax capacity to be retained by the HRA;

E. increase in total estimated tax increment expenditures; or

F. 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 TIF 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 TIF District and (2)(a) the current net tax capacity of the parcel(s) eliminated from the 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 Statues section 469.177, subdivision 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 the Project Area. Modifications to the TIF District in the form of a budget modification or an expansion of the boundaries will be recorded in the TIF Plan.

Section 16. Administrative Expenses.

In accordance with Minnesota Statues section 469.174, subdivision 14, and Minnesota Statues section 469.176, subdivision 3, administrative expenses mean all expenditures of the HRA, other than:

A. amounts paid for the purchase of land or buildings;

B. amounts paid to contractors or others providing materials and services directly connected with the physical development of the real property in the Project Area, including architectural and engineering services and materials and services for demolition, soil correction, and the construction or installation of public improvements;

C. relocation benefits paid to or services provided for persons residing or businesses located in the Project Area;

D. amounts paid for property taxes or payments in lieu of taxes; and

E. amounts used to pay principal or interest on, fund a reserve for, or sell at a discount, bonds issued pursuant to Minnesota Statues section 469.178 or other financial obligations to the extent those obligations were used to finance costs described in clauses (A) to (D).

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 TIF District and the Project Area 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, as defined in section 469.174, subdivision 25(1) of the TIF Act, whichever is less.

Pursuant to Minnesota Statues section 469.176, subdivision 4h, tax increments may be used to pay for the County's actual administrative expenses incurred in connection with the TIF 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 Statues section 469.177, subdivision 11, the county treasurer shall deduct an amount equal to approximately 0.360% of any tax 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. Increments used to pay the County's administrative expenses under subdivision 4h are not subject to the 10% limit.

Section 17. <u>Limitation of Increment – 4-Year Rule</u>.

Pursuant to Minnesota Statues section 469.176, subdivision 6:

> (a) If, after four years from the date of certification of the original net tax capacity of the tax increment financing district pursuant to 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. The authority must submit to the county auditor evidence that the required activity has taken place for each parcel in the district. The evidence for a parcel must be submitted by February 1 of the fifth year following the year in which the parcel was certified as included in the district. 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

Section 18. 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:

A. to pay for project costs as identified in the budget;

B. to pay the principal of and interest on bonds used to finance a project, if applicable;

C. to finance or otherwise pay the capital and administration costs of the Project Area pursuant to the Minnesota Statues sections 469.001 to 469.047;

D. to finance or otherwise pay for other purposes as provided in Minnesota Statues section 469.176, subdivision 4;

E. to pay principal and interest on any loans, advances or other payments made to the HRA or for the benefit of the Project Area by the Developer;

F. 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 TIF Plan or pursuant to Minnesota Statutes Chapter 462C and Minnesota Statues sections 469.152 to 469.1655, or both; and

G. 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 Statues sections 469.152 to 469.1655, or both.

These revenues shall not be used to circumvent any levy limitations applicable to the HRA, nor for other purposes prohibited by Minnesota Statues section 469.176, subdivision 4. In accordance with section 469.176, subdivision 4(j) of the TIF Act, at least 90% of the Tax Increments will be used to finance the cost of correcting the conditions that allow designation of a tax increment financing district as a redevelopment district. These costs include, but are not limited to, acquiring properties containing structurally substandard buildings or improvements or hazardous substances, pollution, or contaminants, acquiring adjacent parcels necessary to provide a site of sufficient size to permit development, demolition and rehabilitation of structures, clearing of the land, the removal of hazardous substances or remediation necessary to development of the land, and installation of utilities, roads, sidewalks, and parking facilities for the site. The allocated administrative expenses of the HRA, including the cost of any preparation of a development action response plan, may be included in the qualifying costs.

Section 19. 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 Statues section 469.175, subdivision 3. The County Auditor shall increase the original value of the TIF District by the tax capacity of improvements for which a building permit was issued.

Section 20. Excess Tax Increments.

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

A. prepay any outstanding bonds;

B. discharge the pledge of tax increment therefor;

C. pay into an escrow account dedicated to the payment of such bond; or

D. 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 this Plan to finance additional public costs in the TIF District or Project Area.

Section 21. Other Limitations on the Use of Tax Increment.

A. General Limitations. All revenue derived from tax increment shall be used in accordance with the TIF Plan and the Redevelopment Plan pursuant to the HRA 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.

B. Pooling Limitations. At least 75% 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 25% 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 D below, the HRA elects to increase its pooling percentage by up to 10% on activities located outside the TIF District as permitted by Minnesota Statues section 469.1763, subdivision 2(d) of the TIF Act. And in this case, as permitted by Minnesota Statues section 469.1763, subdivision 2(c) of the TIF Act, if the only expenses for activities outside of the district are for these purposes, administrative expenses will be considered as expenditures for activities in the TIF District

C. Five Year Limitation on Commitment of Tax Increments. Tax increments derived from the TIF District shall be deemed to have satisfied the 75% test set forth in paragraph B above only if the five-year rule set forth in Minnesota Statues section 469.1763, subdivision 3, has been satisfied; beginning with the sixth year following certification of the TIF District if Minnesota Statues section 469.1763, subdivision 5 applies.

D. Expenditures for Housing. 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 Statues section 469.1763, subdivision 2(d) provided the expenditures meet the following requirements, as such requirements may be amended from time to time:

(1) 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");

(2) 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

(3) 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; or

(4) be used to develop housing: (i) if the market value of the housing does not exceed the lesser of: (A) 150 percent of the average market value of single-family homes in that municipality; or (B) $200,000 for municipalities located in the metropolitan area, as defined in Minnesota Statues section 473.121, or $125,000 for all other municipalities; and (ii) if the expenditures are used to pay the cost of site acquisition, relocation, demolition of existing structures, site preparation, and pollution abatement on one or more parcels, if the parcel contains a residence containing one to four family dwelling units that has been vacant for six or more months and is in foreclosure as defined in Minnesota Statues section 325N.10, subdivision 7, but without regard to whether the residence is the owner's principal residence, and only after the redemption period has expired; or

(5) to assist owner-occupied housing that meets the requirements of Minnesota Statues section 469.1761, subdivision 2 of the TIF Act.

Section 22. County Road Costs.

Pursuant to Minnesota Statues section 469.175, subdivision la, the county board may require the HRA to pay for all or part of the cost of county road improvements if the proposed Development 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 five 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 45 days of receipt of this Plan.

Section 23. Assessment Agreements.

Pursuant to Minnesota Statues section 469.177, subdivision 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 the 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 reserves the right to enter into assessment agreements establishing a minimum market value upon completion as needed.

Section 24. Administration of the TIF District.

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

Section 25. Financial Reporting Requirements.

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

EXHIBIT A

ESTIMATES OF TAX INCREMENTS AND USES

Estimates of Tax Increments and Uses

Name of District: Grand and Victoria Project
Type of District: Redevelopment District
Duration of District: 25 years following 1st collection

ESTIMATED TAX INCREMENT REVENUES	Estimated Amount
Tax Increment Revenue (1)	$9,080,000
Interest and Investment Earnings	$360,000
Estimated Tax Increment Revenues	**$9,440,000**
ESTIMATED PROJECT/FINANCING COSTS	**Estimated Amount**
Land/Building Acquisition	$0
Site Improvements/Preparation Costs	$1,288,000
Utilities	$0
Other Qualifying Public Improvements	$1,668,000
Construction of Affordable Housing (Pooling)	$2,956,000
Administrative Costs	$908,000
Estimated Tax Increment Project Costs	**$6,820,000**
Estimated Financing Costs	
Interest Expense	$2,620,000
Total Est. Project/Financing Costs Paid From Tax Increment	**$9,440,000**

(1) Net of State Auditor Deduction

EXHIBIT B

MARKET VALUE ANALYSIS REPORT

Housing & Redevelopment Authority of the City of St. Paul
Grand and Victoria Project
Tax Increment Financing District (Redevelopment)
Market Value Information

Projected Taxable Market Value	$26,500,000
Less Taxable Base Market Value	($6,465,800)
Equals Increased Market Value	$20,034,200
Less Present Value of tax increments (@ 5.50%)	($4,539,352)
Equals	**$15,494,848**

EXHIBIT C

PROJECTED TAX INCREMENTS AND ASSUMPTIONS

Housing & Redevelopment Authority of the City of St. Paul

Name of Project		Grand and Victoria Project
Name of Developer		Ari Parritz/845 Grand LLC
Type of TIF District		Redevelopment
Maximum Duration		25 years after 1st collection
Est. Date of Certification Request		2/1/2026
Elect First Year		Yes
First Year of Increment		2028
Final Year of Increment (Max)		2053
Tax Rates		Final Pay 2025
City of St. Paul		52.697%
Ramsey County		43.610%
ISD #625		34.478%
Miscellaneous		13.450%
Local Tax Rate Captured for TIF		144.234%
	Watershed Name/No.	Capital Region Watershed
Fiscal Disparity (In or Out)		Inside TIF (Clause B)
Sharing Factor		34.0220%
FD Tax Rate		123.8880%
State General Tax Rate	*	28.8570%
Market Value Based Tax Rate (ISD #625)	*	0.18222%
Assess year values for base		2025
Pay year values for base		2026

** Taxes generated from these levy rates are not captured in TIF districts*

Housing & Redevelopment Authority of the City of St. Paul
Grand and Victoria Project
Tax Increment Financing District (Redevelopment)

	Assess 2025-Pay 2026		
Proposed TIF Parcels	Est. Market Value	Current Class	Current TC
02.28.23.42.0125	5,936,600	C/I Preferred	117,982
02.28.23.42.0126	323,100	Res Non-Hstd (Vacant)	4,039
02.28.23.42.0126	206,100	C/I Preferred	3,372
	6,465,800		125,393

Proposed Redevelopment Units

Total Bldg SF	166,760	
Commercial SF	12,800	
MR Rental Apartments	90	Homes

Adjust to Taxable Classification of Parcels Based On Redevelopment Market Value

	Est. Market Value	Classification	Adjusted TC
Total Residential Rental	5,441,032	Rental	68,013
Total C/I	1,024,768	C/I Preferred	19,745
	6,465,800		87,758

Proposed Project

		Component Value
Market Rate Rental		
Market Value per Unit*	$247,778	*$22,300,000*
Total No. of Homes	90	
Commercial Space		
Market Value per SF*	$328.13	*$4,200,000*
Total Est. Gross SF	12,800	

	Est. Market Value	**Tax Capacity**
Market Rental Apartments	$22,300,000	$278,750
Commercial Development	$4,200,000	$83,250
Total Project	**$26,500,000**	**$362,000**
Increased Market Value	***$20,034,200***	

Project Timing	Residential	Commercial
Construction Start	2/1/2026	2/1/2026
Project Initial Opening	6/1/2027	6/1/2027
Project Completion	8/1/2028	8/1/2028

*** Estimated by Ramsey County**

Housing & Redevelopment Authority of the City of St. Paul

Grand and Victoria Project

Tax Increment Financing District (Redevelopment)

Mixed Use Building with 90 Market Rate Apartments (@ $248K/unit) and 12,800 SF of Commercial Space (@ $328/SF)

Total EMV $26.5M - $22.3M Rental Housing and $4.2M Commercial Uses, 0% Inflation, Final Pay 2025 Tax Rate (Est. for Pay 2026), Fiscal Disparity Option B, Elect First Year 2028

Assess Year (1)	Collect Year (2)	Total Est. Market Value (3)	Total Net Tax Capacity (4)	Less Original Net Tax Capacity (5)	Less FD Tax Capacity (Comm) 34.0220% (6)	Sharing Factor (7)	Increment Tax Capacity (8)	Est. Local Captured Tax Rate* (9)	Projected Tax Increment (10)	Est. TI Attributable to City Levy* (11)	Est. TI Attributable to County Levy* (12)	Est. TI Attributable to School Dist Levy* (13)	Less State Auditor Deduction 0.360% (14)	Annual TI to HRA (15)
2027	2028	$13,250,000	180,625	(87,758)	(7,316)	0.473636	85,551	144.234%	$123,393	$45,082	$37,309	$29,496	($444)	$122,949
2028	2029	$19,875,000	271,313	(87,758)	(14,461)	0.623242	169,093	144.234%	$243,890	$89,107	$73,742	$58,300	($878)	$243,012
2029	2030	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2030	2031	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2031	2032	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2032	2033	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2033	2034	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2034	2035	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2035	2036	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2036	2037	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2037	2038	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2038	2039	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2039	2040	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2040	2041	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2041	2042	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2042	2043	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2043	2044	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2044	2045	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2045	2046	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2046	2047	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2047	2048	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2048	2049	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2049	2050	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2050	2051	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2051	2052	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
2052	2053	$26,500,000	362,000	(87,758)	(21,606)	0.697890	252,636	144.234%	$364,388	$133,131	$110,175	$87,104	($1,312)	$363,076
									$9,112,596	$3,329,331	$2,755,252	$2,178,283	($32,805)	$9,079,790

**** Final Pay 2025 Tax Rate from Ramsey County Used for Pay 2026***

EXHIBIT D

FISCAL AND ECONOMIC IMPACT ON OTHER TAXING JURISDICTIONS

Housing & Redevelopment Authority of the City of St. Paul
Grand and Victoria Project
Tax Increment Financing District (Redevelopment)
Statement of Alternate Estimates of the Impact of Tax Increment Financing

		No Captured Net Tax Capacity Without Creation of District		Captured Net Tax Capacity Available Without Creation of District					
Taxing Jurisdiction		Preliminary Pay 2026* Taxable Net Tax Capacity (a)	Final Pay 2025* Local Tax Rate	Preliminary Pay 2026* 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		413,917,089	52.697%	413,917,089	252,636	414,169,725	52.665%	0.032%	$133,131
Ramsey County		900,397,166	43.610%	900,397,166	252,636	900,649,802	43.598%	0.012%	$110,175
ISD #625		413,917,447	34.478%	413,917,447	252,636	414,170,083	34.457%	0.021%	$87,104
Miscellaneous	**	-	13.450%	-	-	-	13.450%	0.000%	$0
			144.234%				144.169%	0.065%	$330,410

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 0.065%; alternatively an increase in taxable net tax capacity without a reduction in the tax rate would produce an additional $330,410 of taxes from the three taxing jurisdictions listed above.

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 Pay 2026 tax capacities and tax rates are unknown at this time, they have been estimated utilizing Preliminary Pay 2026 tax capacities and Final Pay 2025 tax rates*
*** The miscellaneous taxing jurisdictions have been excluded, they represent 9.32% of the total local tax rate.*

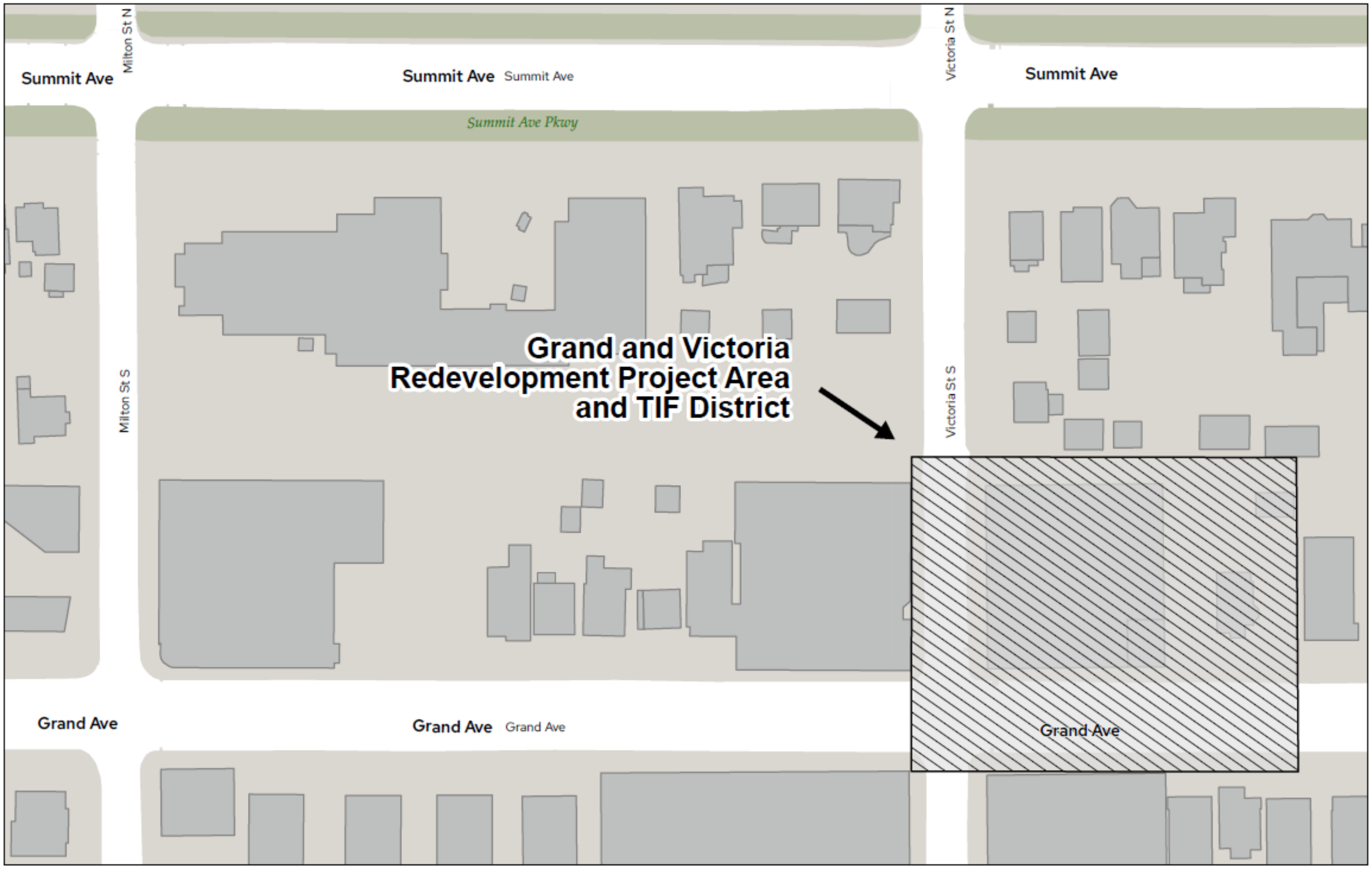
(a) Taxable Net Tax Capacity equals the total tax capacity minus tax increment tax capacity minus fiscal disparity contribution ("Value for Local Rate")
(b) New Taxable Net Tax Capacity adds Projected Captured Net Tax Capacity to Taxable Net Tax Capacity

EXHIBIT E

MAP OF THE TIF DISTRICT

Grand and Victoria Redevelopment Project Area and TIF District

Friday, October 10, 2025



Grand and Victoria Redevelopment Project Area

Grand and Victoria Redevelopment TIF District

SAINT PAUL
PLANNING & ECONOMIC DEVELOPMENT

0 0.01 0.01 0.03 0.04 0.06 Miles

N

DATA CREDITS: St. Paul Enterprise GIS; Parcel Polygons: current Ramsey County data via Minnesota Geospatial Commons; Road and Building Polygons: 2017 impervious surface dataset, Ramsey County; Water bodies via Minnesota DNR. • LIMITATIONS ON USE: This document was prepared by the Saint Paul Planning and Economic Development Department and is intended to be used for reference and illustrative purposes only. This drawing is not a legally recorded plan, survey, official tax map or engineering schematic and is not intended to be used as such. • DATE: 10/10/2025 11:39 AM • DOCUMENT PATH: C:\Users\e51131\City of Saint Paul\PED - Data, Research & Mapping - Documents\Projects\Investments and Programs\TIF\2025-10-08 - Grand and Victoria Redevelopment Maps for Jenny Wolfe\4 - GIS\Grand and Victoria.aprx