

**SECOND AMENDED AND RESTATED SPENDING PLAN
FOR VARIOUS TAX INCREMENT FINANCING DISTRICTS
ADOPTED PURSUANT TO MINNESOTA STATUTES, SECTION 469.176, SUBD 4n**

**HOUSING AND REDEVELOPMENT AUTHORITY
OF THE CITY OF SAINT PAUL (HRA)
RAMSEY COUNTY
STATE OF MINNESOTA**

Approved by City Council: June 22, 2022

Adopted by the HRA Board: June 22, 2022

Reconsidered and Approved by City Council: September 28, 2022

Supplemented and Approved by City Council: February 22, 2023

Supplemented and Adopted by the HRA Board: February 22, 2023

Approved by City Council: December 3, 2025 (Scheduled)

Adopted by the HRA Board: December 3, 2025 (Scheduled)

1) PURPOSE

The Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (the "HRA") adopted a spending plan for tax increments transferred from the following Tax Increment Financing Districts (the "TIF Districts") in accordance with Minnesota Statutes, Section 469.176 Subd. 4n (as amended, the "Temporary TIF Act"):

TIF No.	TIF District Name
212	Block 4/MN Mutual Redevelopment
224,230,241,260,268	North Quadrant Housing
225,261-265	Riverfront Renaissance Redevelopment
228,266,267	Emerald Park Redevelopment
232	Straus Building-Housing
234,269	Phalen Village Redevelopment
237	Osceola Park Housing
240	Bridgecreek Senior Place Housing (aka Parkway Gardens)
243	Shepard Davern Redevelopment No. 1 (Owner Occupied Housing)
244	Shepard Davern Housing No. 2 (Rental Housing)
245	Shepard Davern Housing No. 3 (Senior Rental Housing)
248	Koch Mobil Redevelopment
271	Carlton Lofts Housing
278	Highland Pointe Lofts Housing (aka Riverpointe Lofts)
279	Minnesota Building Housing
302	Pioneer Endicott Redevelopment
304	Schmidt Brewery Housing
305	West Side Flats Phase I Housing
317	Custom House/Post Office Redevelopment
318	East 7 th & Bates Senior Housing
319	2700 University at Westgate Station Housing

The purpose of the **Spending Plan** is to develop or redevelop sites, lands or areas within the City of Saint Paul, Minnesota (the "City") in conformance with the City's Comprehensive Plan by using unobligated tax increments from the above referenced TIF Districts to provide improvements, loans, interest rate subsidies or assistance in any form (including without limitation making an equity or similar investment in a corporation, partnership, or limited liability company that the HRA determines is necessary to make construction of a development described herein financially feasible) to private development consisting of the construction or substantial rehabilitation of buildings and ancillary facilities, which will create or retain jobs in this state, including construction jobs, as long as construction commences before December 31, 2026 and would not have commenced before that date without the assistance.

After the original adoption of the Spending Plan, as previously supplemented, the Minnesota legislature enacted and the Governor signed into law Minnesota Laws of 2025, 1st Special Session, Chapter 13, Article 5 amending the Temporary TIF Act and authorizing municipalities to amend existing written spending plans to extend the date by which transferred increment may be used to December 31, 2026, and to authorize use of interest earned on transferred increment, after holding a public hearing as required by the Temporary TIF Act.

The purpose of amending, restating and supplementing the Spending Plan as set forth herein is (i) to identify specific expenditures that have been requested and approved by the HRA since the adoption by the HRA and the City Council of the City (the "City Council") of the Spending Plan and which are authorized uses identified in the Spending Plan, (ii) to authorize the expenditure of interest earnings on funds held in the Spending Plan account for authorized uses identified in the Spending Plan, and (iii) to extend the deadline for spending, loaning, investing, or otherwise irrevocably committing funds under the Spending Plan to December 31, 2026. Except as supplemented, amended and restated herein, all terms and provisions of the Spending Plan shall remain in full force and effect.

2) SPENDING PLAN

A) The HRA is authorized to do the following:

- i) Transfer unobligated tax increments from any of the TIF Districts by December 31, 2022, in **the aggregate principal amount of \$27,549,047 and utilize such transferred increments and interest thereon in an aggregate amount not to exceed \$29,049,047** (the "Available Tax Increments") to provide improvements, loans, interest rate subsidies or assistance in any form to private development occurring anywhere within the City that meets the requirements of the Temporary TIF Act described above.

The assistance authorized under this Spending Plan expressly includes, but is not limited to:

- a) Installation of sanitary sewer infrastructure serving the area defined in general terms as follows: the area bounded by the Mississippi River on the north, Wabasha Street on the east, Smith Avenue on the west and the bluff on the south, shown in the attached map (Exhibit A) (the "**Sewer Upgrade**"), including without limitation an expenditure of up to \$5,000,000 for the installation of sanitary sewer infrastructure serving the area bounded by the Mississippi River on the north, Wabasha Street on the east, Smith Avenue on the west and the bluff on the south (the "Sewer Upgrade") in connection with private development served thereby, including without limitation an approximately 221-unit rental housing and commercial space development to be constructed

by 150 Farwell Yards, LLC at 150 Water St. in the City and an approximately 63-unit affordable rental housing development to be constructed by 115 Plato, LP at 115 Plato St. in the City.

In connection with such assistance, the HRA expressly finds that: redevelopment in the area is not possible as no new building permits can be issued, so no private development would occur, without the completion of the Sewer Upgrade. The improvements will result in the commencement of private development including new construction by December 31, 2026, and the creation of hundreds of construction jobs, new housing production, and increased tax base.

- b) Financial assistance to advance private development of HRA-owned sites, including without limitation the parcels currently identified for redevelopment on the attached map (Exhibit B) and parcels acquired prior to December 31, 2026 (the “**HRA-Owned Sites**”).

In connection with such financial assistance, the HRA expressly finds that: the eligible HRA-Owned Sites shall have been available for development for many years and financial incentives are required to encourage the commencement of private development by December 31, 2026, creating construction and permanent jobs, new housing production and commercial development, and increasing the tax base. The assistance will result in the commencement of private development by December 31, 2026, which private development would not occur by this date without the financial assistance.

- c) Financial assistance to advance private development of **underutilized, privately owned redevelopment sites** within the City. The underutilized sites, such as sites that have remained vacant for significant periods of time, shall include blighting conditions and other barriers to redevelopment including deficiencies in infrastructure, including without limitation assistance for Little Africa Plaza in the amount of up to \$1,832,997, assistance for Snelling Midway/United Village in the amount of up to \$4,000,000, and assistance for infrastructure for The Heights development in the amount of up to \$5,780,202. *In connection with such financial assistance, the HRA expressly finds that: the under-utilized redevelopment sites lack market support for private development of the type envisioned by the community and City leadership, and exhibit extensive redevelopment costs, requiring financial incentives to encourage private development, creating construction jobs, and commercial development resulting in well-paying permanent jobs, and increasing the tax base. The assistance will result in the commencement of private development by December 31, 2026, which private development would not occur by this date without the financial assistance.*

- d) Financial assistance to advance the construction of **private developments demonstrating substantial job impacts**, especially in the technology and innovation sectors.

In connection with such financial assistance, the HRA expressly finds that: the developments will create high paying permanent jobs in targeted sectors of regional impact within the City and would not without financial assistance. The assistance will result in the commencement of private development by December 31, 2026, which private development and creation of high paying jobs would not occur by this date without the financial assistance.

- e) Financial assistance to advance construction of **private development of all types of housing production and private facilities serving unsheltered populations within the City**, including without limitation a forgivable loan of up to \$1,400,000 to Listening House of St. Paul, Incorporated for a private facility serving unsheltered populations at 421 East 7th Street in the City, assistance for Landmark Towers in the amount of up to \$3,825,000, assistance for 652 Sherburne in the amount of up to \$386,279, assistance for The Heights Habitat for Humanity Phase I in the amount of up to \$4,200,000, and assistance for 892 E 7th St in the amount of up to \$684,569.

In connection with such financial assistance, the HRA expressly finds that: there is urgency to commence private development of all types of housing and private facilities serving unsheltered populations, to address the City's housing crisis and without financial assistance the private development would not commence construction and create construction jobs. The assistance will result in the commencement of private development by December 31, 2026, which private development and the creation of construction jobs would not occur by this date without the financial assistance.

- f) Financial assistance to advance **private development of commercial and mixed-use properties for the purpose of preventing displacement of emerging and small businesses** from within the City. The private development will include substantial rehabilitation or new construction of commercial and mixed-use properties in all areas of the City, focusing on areas with increasing market values and redevelopment pressures, including without limitation assistance for Mali Center in the amount of up to \$440,000.

In connection with such financial assistance, the HRA expressly finds that: there is lack of financial opportunities for emerging and small business owners lacking private equity to acquire real estate to build wealth and without financial assistance the private development would not commence and create construction jobs and increase the tax base. The assistance will result in the commencement of private development by December 31, 2026, which private development and the creation of construction jobs would not occur by this date without the financial assistance.

- ii) Notwithstanding the developments detailed in clause i), a) through f) above, additionally, the HRA is authorized to spend Available Tax Increments for any other private development in the City for which the HRA finds that the private development will create or retain jobs in the State (including construction jobs); that the private development will commence before December 31, 2026; and that such construction would not have commenced before December 31, 2026 without the assistance under this **Spending Plan**. The HRA must document its findings under this section at the time of approval of assistance to each development.
 - iii) This Spending Plan authorizes, but does not obligate, the HRA to spend transferred tax increments and interest thereon. Any obligation to provide financial assistance under this Spending Plan must be evidenced by a contract approved by the Board of Commissioners of the HRA, entered into with a party who otherwise meets the requirements of this Spending Plan and the Temporary TIF Act.
 - iv) The HRA is authorized to take any other action necessary and authorized under Minnesota Statutes, Section 469.176, Subd. 4n in connection with the construction or substantial rehabilitation of buildings and ancillary facilities of the type described in clause i), a) through f) above or the type documented in accordance with clause ii) above.
- B) The Tax Increment Plans for the Tax Increment Districts listed in this **Spending Plan**, including but not limited to, the budgets set forth therein, shall be and are deemed amended by the adoption of this **Spending Plan**, to the extent necessary to carry out this **Spending Plan**. The specific amounts which were transferred from each of the Tax Increment Districts on or before December 31, 2022 are set forth on the following page:

TIF District Name	Transferred Tax Increments
Block 4/MN Mutual Redevelopment	\$267,000.00
North Quadrant Housing	\$452,000.00
Riverfront Renaissance Redevelopment	\$9,982,000.00
Emerald Park Redevelopment	\$2,639,000.00
Straus Building-Housing	\$91,000.00
Phalen Village Redevelopment	\$3,386,110.00
Osceola Park Housing	\$106,000.00
Bridgecreek Senior Place Housing (aka Parkway Gardens)	\$121,213.00
Shepard Davern Redevelopment No. 1 (Owner Occupied Housing)	\$311,590.00
Shepard Davern Housing No. 2 (Rental Housing)	\$2,113,000.00
Shepard Davern Housing No. 3 (Senior Rental Housing)	\$106,660.00
Koch Mobil Redevelopment	\$4,000,000.00
Carlton Lofts Housing	\$123,936.00
Highland Pointe Lofts Housing (aka Riverpointe Lofts)	\$256,662.00
Minnesota Building Housing	\$74,331.00
Pioneer Endicott Redevelopment	\$493,127.00
Schmidt Brewery Housing	\$153,425.00
West Side Flats Phase I Housing	\$537,379.00
Custom House/Post Office Redevelopment	\$2,038,000.00
East 7 th & Bates Senior Housing	\$63,133.00
2700 University at Westgate Station Housing	\$233,481.00
TOTAL TRANSFERRED INCREMENTS	\$27,549,047



Exhibit A - Sewer Upgrade Area for Spending Plan

6/7/2022



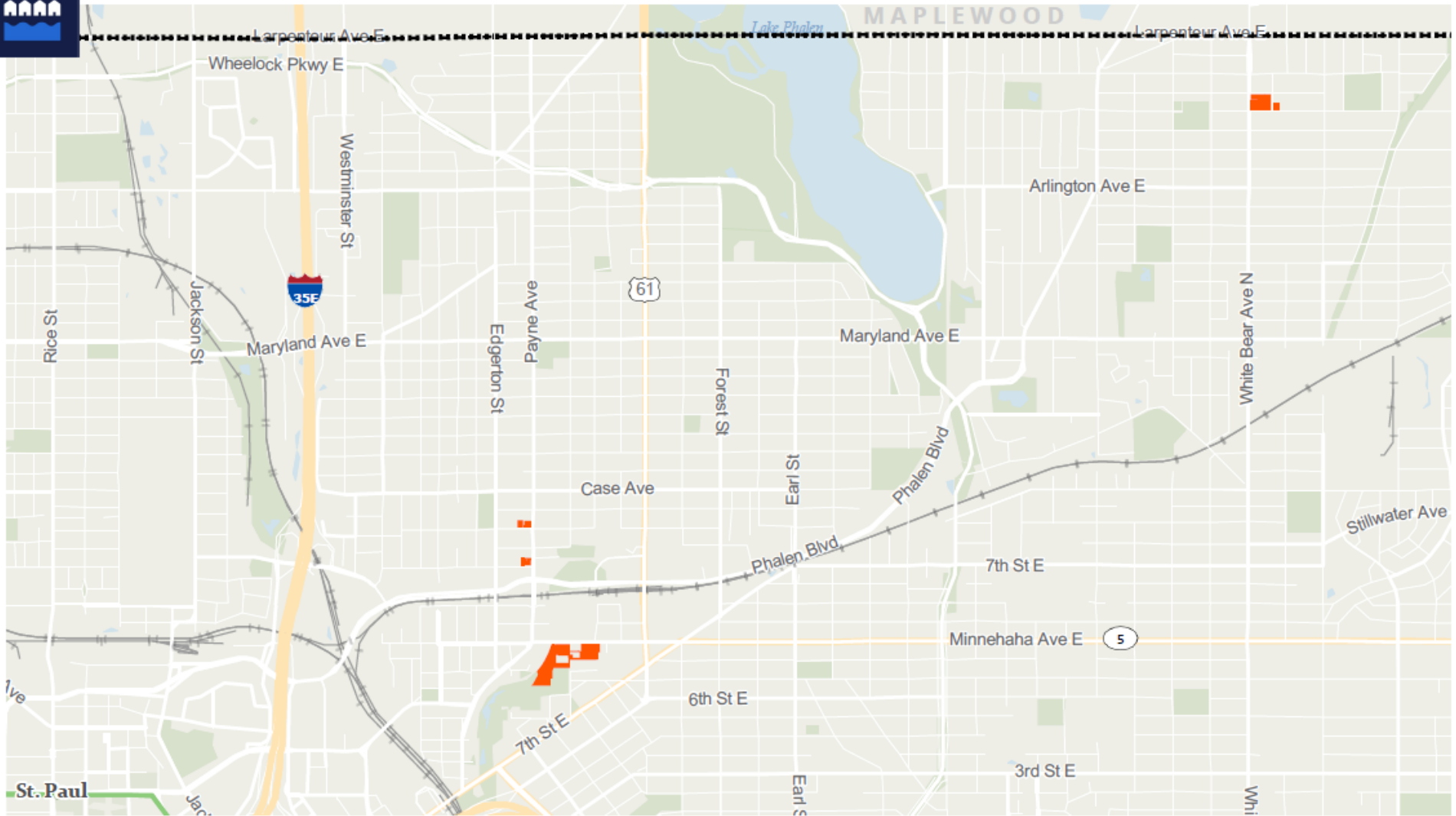
Date: 6/16/2022 10:54 PM. Document Path: C:\Users\jwheeler\OneDrive - City of Saint Paul\Documents - RCD Planning and Heritage Preservation\Projects\sewer Side Plan (sewer upgrade area) coordination\sewer Side Plan mapping\6-16-2022\sewer Side Plan planning coordination mapping.aprx

 Sewer Upgrade Area for Spending Plan



Exhibit B - HRA-Owned Sites for Redevelopment

6/7/2022



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