



HOUSING AND REDEVELOPMENT AUTHORITY

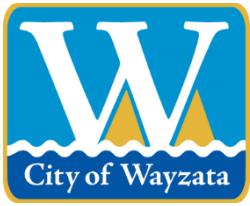
Meeting Agenda

Wayzata City Hall Community Room, 600 Rice Street

Wednesday, May 15, 2024

7:30 AM

1. **Call to Order**
2. **Approval of Agenda**
3. **Approval of Minutes**
 - a. Consider Approval of HRA Minutes of January 31, 2024
4. **Old Business**
 - a. Update on the 2024-2025 Affordable Housing Work Plan
5. **New Business**
 - a. Consider Receipt of 2023 Financial Summary and Review of TIF Cash Flow Analysis
 - b. Consider Adoption of HRA Resolution 01-2024 Authorizing Execution of Tax Increment Pledge Agreement for the Panoway Boardwalk and Docks
6. **Next Meeting Date: July 31, 2024**
7. **Adjournment**



**City of Wayzata
Housing and Redevelopment Authority
Agenda Report**

MEETING DATE: May 15, 2024	AGENDA ITEM: 3.a
TITLE: Consider Approval of HRA Minutes of January 31, 2024	
PROPOSED MOTION: To Approve the HRA Minutes of January 31, 2024	
PREPARED BY: Kathy Leervig, City Clerk	
REVIEWED BY: Jeffrey Dahl, City Manager	

ACTION REQUESTED:

Staff recommends approval of the attached minutes.

FINANCIAL OR BUDGET CONSIDERATION:

Not Applicable.

BACKGROUND:

Not Applicable.

ATTACHMENTS:

1. January 31, 2024 Minutes (draft)

CALL TO ORDER

Chair Shaver called the meeting of the Housing and Redevelopment Authority to order at 7:30 a.m.

ROLL CALL

Members Present: Commissioners Bob Ambrose, Dan Koch, Ken Dayton, and Thomas Shaver

Members Absent: Terri Huml

City Staff present: Executive Director Jeff Dahl, Assistant Executive Director Emily Goellner, Assistant Planner Valerie Quarles, City Attorney Schelzel, and City Clerk Kathy Leervig.

APPROVAL OF AGENDA

Commissioner Ambrose made a motion, seconded by Commissioner Koch, to approve the January 31, 2024 agenda as presented. The motion carried 5/0.

Chair Shaver welcomed Ken Dayton as the newest member of the HRA.

APPROVAL OF MINUTES

A. Consider Approval of HRA Minutes of August 22, 2023 Meeting

Commissioner Ambrose requested a change to 2nd paragraph, from “does not anticipate” to ‘do not anticipate’.

Commissioner Koch made a motion, seconded by Commissioner Ambrose, to approve the November August 22, 2023 meeting minutes, as amended. The motion carried 5/0.

OLD BUSINESS

NEW BUSINESS

A. Consider Election of Officers

Executive Director Dahl explained that officers are elected annually and reviewed the slate of officers and their expected duties for 2024.

Commissioner Koch made a motion, seconded by Commissioner Ambrose, to appoint Thomas Shaver to serve as Chair; appoint Bob Ambrose to serve as Vice-Chair; and appoint Commissioner Terri Huml to serve as Secretary. The motion carried 5/0.

B. Consider Appointment of Executive Director and Assistant Executive Director

Commissioner Shaver made a motion, seconded by Commissioner Ambrose, to re-appoint Jeff Dahl as Executive Director and Emily Goellner as Assistant Executive Director. The motion carried 5/0.

C. Consider Discussion and Amendments of Bylaws

Chair Shaver noted that the HRA had gone through the Bylaws in 2022 and asked if there were further amendments that needed to be made.

Commissioner Koch noted that the only one that jumped out at him was on page 2, item #2, where it says 'exploit the natural advantages of Lake Minnetonka'. He stated that he did not want to wordsmith it, but admitted that the word 'exploit' had jumped out at him.

Chair Shaver noted that it had been commented on several times in the past. He stated that he would be open to amending the connotation of the use of 'exploit' because it can cause confusion.

Executive Director Dahl stated that the point here is that was one of the previous goals or provisions of the original Bylaws and are really just alluding to what the original goals were. He explained that in 2022 they had created updated Vision and Mission statements with specific target areas, which is a more relevant and important list of initiatives and noted that 'exploit' was just referencing the past.

Commissioner Koch stated that he was okay with that and noted that it showed great progress.

Chair Shaver explained that he was also comfortable with that as he has been in the past, but wanted to make sure the Board's feelings were acknowledged and reiterated that the word 'exploit' has come up frequently.

Executive Director Dahl outlined the reason that certain things had not been included in the Bylaws and explained that he felt this was a good review of why the HRA operates the way it does as compared to other HRA bodies in other communities.

Chair Shaver agreed that the HRA has been running somewhat differently than other HRAs elsewhere and noted that there is the potential to review that this coming year as they move downstream on their goals and objectives.

Commissioner Koch made a motion, seconded by Commissioner Ambrose, to approve the Bylaws for 2024, as presented. The motion carried 5/0.

D. Discuss Affordable Housing Work Plan

Executive Director Dahl shared some background on discussions and ideas related to an Affordable Housing Work Plan and explained that the City Council had affirmed that affordable housing is a priority for the City during their strategic planning process. He stated that one of the goals that the City Council would like the HRA to work on is an affordable housing plan and be able to implement it and show some results.

Assistant Executive Director Goellner briefly reviewed the summary included in the packet that includes a summary of the Draft Affordable Housing Work Plan. She noted that it was not set up with a specific timeline yet because staff wanted to ensure that they were on the same page with the HRA regarding the guidelines, principles and main categories. She stated that they have split this work into two proposed categories: Preserve current affordable housing stock and explore opportunities to support new affordable construction. She explained that they have come up with projects for both of those categories but cautioned that they did not want to try to do too much at one time. She reminded the HRA of past conversations about existing naturally occurring affordable housing (NOAH). She also reminded the HRA that the 2040 Comprehensive Plan identified many ideas of what they can work on over the next 10 years and are using it to guide the work of City staff. She thanked Permit Technician Megan McCrady for her help preparing the documents for today's meeting as well as Planner Quarles for working to pull this together without outside assistance from a consultant.

Planner Quarles outlined the existing tools available to the City as well as proposed tools/research that can be used to preserve NOAH units in the community.

Chair Shaver asked if there were other tools that other communities were using to implement or preserve the NOAH housing stock in their communities beyond what she had presented.

Planner Quarles stated that typically it has to do with maintenance items because typically something that can take a NOAH property out of affordability is the larger maintenance items such as boiler replacement or other big-ticket items that force property owners to raise rents. She noted that another issue would be sale and rehabilitation of the property into something that is no longer affordable to the residents had been there before. She explained that she had not really seen anything outside of some sort of financial incentive to property owners in exchange for a commitment to stay at certain AMI levels.

Chair Shaver noted that he felt it will be important to talk about strategic partner relationships, for example what was just done with Homes Within Reach and Maggie Manor Too, as a way to enhance this program. He noted that within the inventory was Wayzata Woods which he believes traded hands a few years ago and would like to discuss how they continue to maintain its designation within the City's affordable housing stock post-acquisition.

Assistant Executive Director Goellner stated that staff does not have a lot of contact with that owner.

Executive Director Dahl noted that there had also not been wholesale improvements to the property. He stated that since they have talked about partnerships before, perhaps they should be intentional about engaging them and even have quarterly meetings in order to make sure they are aligned and are talking to each other about opportunities. He asked whether that would be considered a tool by itself or just something that they should simply prioritize.

Chair Shaver stated that rather than having it be part of a schedule, having it as part of the plan to continue to enhance those relationships and perhaps annually or bi-annually bring them in to have a Work Session to ensure that there is alignment. He stated that he also thinks about the existing NOAH housing stock, especially multi-family units, are predominantly held by a few families and asked how they can implement a communication strategy with them including being able to have a clear understanding of their long-term goals and objectives are. He stated that he would like to be able to have an open dialogue with these groups that have properties that fit this category and explained that what he was most concerned about was deterioration of existing stock because the City has limited inventory in preserving what they have.

Executive Director Dahl stated that connecting the dots between property owners, the City and other partners can add huge value, but could be missed if the City doesn't even know about specific opportunities and they are already, for example, working with a private buyer.

Assistant Executive Director Goellner stated that they have seen that other cities are incorporating energy efficiency work into the reimbursement of building permit fees in association with the LIRC program for things like solar panels. She stated that Parks and Environment Planner Kieser has great knowledge on this type of thing and has made contact with property owners about this but cautioned that they don't want to put too much into a program that makes it harder for owners to participate. She clarified that they don't want to make too many requirements that would get them away from their true first goal which is to keep residents in their units as long as possible at a steady rent. She stated that she believed this could be a nice add on, but encouraged them to stay focused on that first goal. She stated that in other cities, when a NOAH property is purchased by a new owner who may be from out of state, the pattern has been that they do a lot of work on the building at the time of purchase and people are given 30 days-notice to leave because rents are rising so quickly, they are not able to sustain that new lease. She stated that there have been situations around the metro area where over half of the residents have left within the same month and essentially have no where to go because there aren't many choices. She stated that these cities have passed a Tenant Protection Ordinance which requires that cities get 30 days' notice of a sale that is about to occur, so they may be able to change the nature of the transaction and help the residents. She noted that something like this may be a bit more far-fetched for a small community to be able to handle other than pointing these residents towards things like ODC and other entities. She encouraged the HRA that this type of thing is further in the future and the focus should remain on keeping up the properties that they have, making them as livable as possible, and keeping rents at a stable rate, but doesn't know how much control they will have over tenant displacement. She reiterated that as they are creating this Work

Plan she wants to make sure that they don't take on too much and truly focus on the things that they can really have an effective change on.

Assistant Planner Quarles summarized the existing affordable housing and referenced Resolution 10-2010 that recommended a focus on single-family owner-occupied housing and adopting of a new inclusionary zoning ordinance for new development that recognized the City's uniquely high land values. She noted that she could not find that the City had actually adopted this type of inclusionary zoning ordinance. She outlined some recent preservation efforts that have ramped up for staff over the last few months in documenting existing multi-family affordable buildings and details related to rent levels, permit and inspections, and zoning information. She reviewed some details related to the City's 19 multi-family buildings that have up to 485 NOAH units.

Commissioner Dayton stated that he believes the biggest risk, in this community, is loss of the existing affordable housing units. He stated many of these properties have been owned by the same owners for a long time and as they start to change hands, many of the properties will need things like new windows, roofs, boilers, and larger items which will require increased rents. He stated that he feels that it is a very good idea to reach out and talk to the owners about the benefits of the various programs available because it is typically a recording deed restriction that is in place for 10 years. He noted that besides the City waiving a bunch of other fees and costs, there isn't a lot of other incentives available.

Assistant Planner Quarles reviewed a map of the properties and explained that most of them are located along Wayzata Boulevard and are nestled in among single-family neighborhoods. She noted that ensuring that the redevelopment scenarios are less likely will also have big implications for neighborhood character as well. She recommended that the HRA not go through details for each individual property but reviewed what kind of information had been included for each one.

Chair Shaver noted that it will be interesting, if there could be a notation of there are part of the 4D or NOAH and if there are any restrictions and maturity of their involvement so they understand when that program could be rolling off. He explained that he feels that would be another piece of information to include in the summary for each property that would be beneficial to the HRA and as a tool for the City staff.

Assistant Planner Quarles stated that was a good idea so she would go back and look through resolutions to find out when those would be rolling off.

Executive Director Dahl asked if Chair Shaver or Commissioner Dayton recalled how long this program been going.

Chair Shaver stated that he did not recall.

Commissioner Dayton stated that he believes it was 3 or 4 years and noted that it was just last year that they did the step down and tweaked it a bit. He stated that he believes it will stick around and from a City perspective, he feels it is a great tool for preservation

of affordable housing and noted that the 4D program will have an impact on taxes versus something like a TIF.

Assistant Executive Director Goellner stated that if the HRA was supportive, at the next meeting, they could run through what those potential tax breaks would be for these properties. She explained that they had not included date for single family homes and could work on that also for the next meeting if the HRA would like to learn more. She stated that they have already met with the Community Land Trust and will encourage them to look for external funding sources but would always encourage them to purchase land within the City.

Executive Director Dahl explained that to be honest, they just don't feel like they get much 'bang for their buck' with single family homes.

Assistant Executive Director Goellner noted that the ground lease is for 100 years so in that time frame it helps several families but there is really not much that the City has control over in that scenario.

Chair Shaver noted that he believes what was happening back in 2010 was seeing that this wave would be coming and looking for ways to put tools in place to preserve the existing single family housing stock that is semi-affordable. He stated that he believes that it just did not get the attention that they were intending the program to offer at that point in time.

Assistant Executive Director Goellner asked if the HRA would be interested in seeing more data at their next meeting about which single family homes were still under that threshold of affordability.

Chair Shaver stated that, given their limited resources, he did think that should be where they focus their attention. He explained that he felt they should be strategic with their focus on multi-family so they don't take on too much.

Assistant Executive Director Goellner stated that she agreed, but in the meantime would still speak with the Community Land Trust, but that would be the extent of their focus on single family at this point and suggested they move the discussion onto ways to incentivize new construction and the park-n-ride site.

Planner Quarles reminded the HRA that the Park and Ride site is owned by Metro Transit and partners with the City. She stated that the City began speaking with them over the course of the Corridor Study. She explained that the conclusion of the study is that those taller buildings should be focused much more over by Central and Wayzata Boulevard and not down at the Park and Ride. She stated that Metro Transit has been putting in a lot of work with a survey and market study in order to do their due diligence and put out an RFP, but noted that staff would like to be a big part of this discussion because it is a priority for both sides to have some sort of affordable housing component on this site and for the character of the neighborhood. She noted that staff capacity is somewhat limited but explained that they were putting in the work that they can. She explained that the City

had submitted a proposal to the Humphrey School at the University of Minnesota for their Urban and Regional Planning Masters students to pick their capstone project which is what they work on at the end of their Master's program. She stated that they had their kick-off meeting for this project last week which she felt went great. She explained that what the students will do, specifically, is to do mostly site planning scenarios by looking at the City's zoning restrictions, design standards, and trying to get an idea of what the basic building blocks could look like on this site and how those could integrate Metro Transits requirements/needs for the site as well.

Chair Shaver suggested that they include the property owner to the west, in these discussions because they have the potential to be incorporated into this project.

Assistant Executive Director Goellner cautioned that they will want to be sensitive regarding the timing and the discussions with those property owners. She stated that they have cautioned the students that they have not had that kind of contact yet so their first priority would be just to work on site plans with just this single parcel, but to go ahead and point out possible opportunities that may exist with some site assembly.

Planner Quarles explained that the student's final project will be a presentation in a workshop format with the City Council and the HRA in order to discuss their findings and the overall analysis including financial feasibility and what they feel community engagement should look like in the future for this site.

Assistant Executive Director Goellner stated that they have May 7, 2024 set aside for this workshop presentation and noted that they are also planning to invite the Planning Commission to attend.

Chair Shaver asked if there was any stipend for the students for any architectural site planning.

Assistant Executive Director Goellner explained that they were not moving forward with any architectural work as part of the work with the students, but she thinks what could happen when they are done with this capstone is a stronger idea of what general site plans could look like and see what is possible. She stated that she believes that they may be able to apply for pre-development grants from the County or possibly the Met Council, but the later may be difficult because Metro Transit owns the property. She stated that the ultimate goal is that, in partnership with the City, Metro Transit release some type of RFP to developers to respond the challenge of redeveloping this site.

Executive Director Dahl acknowledged that the 'gorilla in the room' is that this community is very sensitive about height and they have told the Capstone students that there would not be any support for anything over 3 stories.

Commissioner Dayton stated that it will be very interesting to see this come together and see what everyone needs/wants for this parcel. He noted that if there was any way for the City to gain control of that site, he feels they will get a much better response through the RFP process.

Assistant Executive Director Goellner noted that land conveyance by Metro Transit to the City has already been discussed as an option.

Chair Shaver stated that he is excited about having the City Council, the HRA, and the Planning Commission at the table with the students to work on planning and choices.

Assistant Executive Director Goellner reminded the HRA to put the May 7, 2024 workshop meeting on their schedules and noted that they would like the students to speak to a few affordable housing developers to see how this works and what may be possible. She noted that she and Planner Quarles have developed a list of 3 potential developers that do affordable housing on a smaller/neighborhood scale. She encouraged to share any other ideas for developers with Executive Director Dahl so they can let the students interview them so they have a greater understanding.

Commissioner Koch asked what potential developers were on the list.

Assistant Executive Director Goellner stated that the potential developers are: L.S. Black; Sherman Associates; and J.B. Vang.

Executive Director Dahl stated that some next steps on the NOAH issue would be the engage the property owners about 4D.

Assistant Executive Director Goellner stated that they will also plan to return to the HRA with a list of the potential tax breaks for LIRC properties and an understanding of where current LIRC properties are at in their 10 year time frame.

Commissioner Dayton offered to put together a worksheet for some of the properties in order to show the benefit with public information.

Assistant Executive Director Goellner noted that she is also hoping that through the rental inspection process they will have a stronger understanding of the condition and needs for each building.

Chair Shaver thanked staff for this information and noted that he felt it was a good kick off for this initiative in 2024.

Assistant Executive Director Goellner gave a brief overview of new construction, in general, and what was included in the work plan. She stated that they would like to develop an affordable housing policy and part of that will be an understanding of what affordability was expected if a property were allowed to be a little more dense and a little bit taller than what is allowed within the straight zoning. She noted that would not be a discussion for today because staff would need to bring a lot of information in order for the HRA to really weigh in on it. She suggested that they bring this back in April and at least begin talking about this.

E. Update of Development Projects and Other HRA Related Initiatives

Executive Director Dahl noted that at the next City Council meeting there will be a work session where they give updates on all the Commissions and typically like to bring in a liaison from the Commission. He stated that staff can put together a one-page update of what the HRA is planning to work on in 2024 and asked if anyone would be willing to attend the workshop meeting on February 6, 2024 around 6:00 p.m. He asked the Commission to let him know after the meeting if anyone was willing to attend to help answer City Council questions.

Assistant Executive Director Goellner gave a brief overview of development projects and HRA related initiatives, including the: Wells Fargo site – the bank will come first before the housing element; Moments of Wayzata - were unsuccessful with obtaining their licensing because they need to have steel framing and are now looking to build a new facility in its place that has a similar footprint and a similar number of units; and, 1022 Wayzata Boulevard – preliminary demolition work has happened.

Commissioner Dayton asked if there was any news on the potential sale of the dry cleaner near the former gas station site.

Assistant Executive Director Goellner stated that the owner of the gas station had reached out to the dry cleaner about the potential to work together and sell the sites at the same time, but the price given by the dry cleaner was quite high. She stated that she feels that assembling those two sites for one project could be great for the City, but it has not come together.

NEXT MEETING DATE: Wednesday, April 24, 2024

ADJOURN

There being no further business, Commissioner Ambrose made a motion, seconded by Commissioner Koch, to adjourn the meeting. The motion carried 5/0. The meeting adjourned at 9:15 am.

Respectfully submitted,

Kathy Leervig
City Clerk
City of Wayzata



**City of Wayzata
Housing and Redevelopment Authority
Agenda Report**

MEETING DATE: May 15, 2024	AGENDA ITEM: 4.a
TITLE: Update on the 2024-2025 Affordable Housing Work Plan	
PROPOSED MOTION: Not Applicable.	
PREPARED BY: Valerie Quarles, Assistant Planner	
REVIEWED BY: Emily Goellner, Community Development Director, Jeffrey Dahl, City Manager	

ACTION REQUESTED:

The update is provided for informational purposes only and will lead to future actions.

FINANCIAL OR BUDGET CONSIDERATION:

Not Applicable.

BACKGROUND:

At the January meeting, the HRA discussed and gave direction to staff on a draft 2024 Affordable Housing Work Plan, which was reviewed by the City Council at a workshop in February. An updated draft 2024-2025 Affordable Housing Work Plan is attached for the HRA's review. The updated plan includes a greater focus on Park and Ride redevelopment, decreased focus on affordable homeownership and home repair programs, and clarification on next steps for multiple projects.

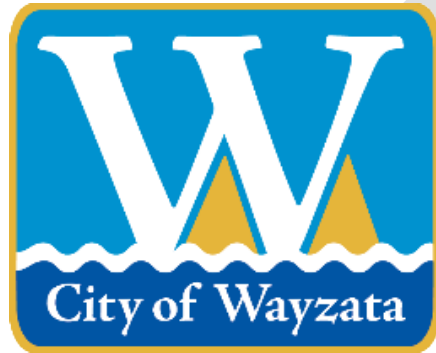
Two additional summary and analysis documents are also attached, in response to questions raised during the January discussion of the work plan:

1. Regarding preservation of NOAH properties, LIRC/4(d) tax savings were determined to be the most efficient method to deliver financial benefits to owners of affordable multifamily buildings. The attached analysis gives more detail on how LIRC benefits property owners and affects the City's budget, and suggests how staff should target specific, high-impact owners' portfolios for maximum efficacy.
2. Regarding incentives for new affordable construction, much of the City's efforts are planned to be focused on Park and Ride redevelopment. A summary of the University of Minnesota study, which ended this month, is included along with preliminary next steps for the HRA's feedback and approval.

Staff will be meeting with Outreach Development Corporation (ODC) as well as housing staff at Hennepin County this month. The attached documents will be discussed at the meeting. Staff is seeking comments as well as confirmation that this is a suitable work plan for the next two years.

ATTACHMENTS:

1. 2024-2025 Draft Affordable Housing Work Plan
2. Low Income Rental Classification Analysis
3. Park and Ride Update



City of Wayzata
2024-2025
Affordable Housing Work Plan

Draft

Wayzata Housing & Redevelopment Authority

May 15, 2024

The City of Wayzata's 2040 Comprehensive Plan and the Metropolitan Land Use Planning Act call for the City to adopt standards, plans, and programs for providing adequate housing opportunities, including for low and moderate-income housing.

City staff has focused this affordable housing work plan on:

- 1. Preserving the Existing Affordable Housing Stock**
- 2. Exploring Opportunities to Support New Affordable Construction**

2040 Comprehensive Plan Context

The 2030 affordable housing allocation for new construction in Wayzata is 42 additional units. 80% AMI is the typical income limit for units to be considered affordable. The Comprehensive Plan notes multiple steps related to this goal, including:

- Promote the development of **life-cycle housing options for all residents**, including single family housing for young families and well-designed multiple family options.
- Explore opportunities to **infill development and redevelopment** to provide housing options for all incomes.
- Explore **partnerships** with local non-profit organizations, including neighborhood groups, churches, Interfaith Outreach and Community Partners (IOCP), and other organizations to identify potential opportunities for additional affordable rental, multiple family and single-family units within the community. Continue to work with the Metropolitan Council in order to meet the agreed upon goals for additional affordable units as part of the Livable Communities Act.
- Review area and national affordable housing programs which aid the development of **workforce housing** development and promote homeownership for public service and workforce professionals.

Note that goals related to affordable homeownership and single-family rehabilitation programs have been deferred to future work plans.

Progress has been made for each of these steps since the Comprehensive Plan was adopted, but there is more to do on each as the housing market continues to evolve in Wayzata. Below is a summary of tools that have been adopted or used in recent years along with next steps.

1. Preserving the Existing Affordable Housing Stock

Naturally Occurring Affordable Housing (NOAH) units, of which there are over 400 in Wayzata, are home to a significant portion of the city’s residents. Preservation of these homes provides stability for our residents and reduces the rate of teardowns, which contributes to Wayzata’s small-town charm and character.

Existing Tools

- Multiple properties, including Maggie Manor Too in 2023, are enrolled in the **Low-Income Rental Classification (LIRC)** program for property taxes. LIRC, which has previously been described as 4(d), significantly lowers the property tax rates for affordable properties that commit to a period of affordability (typically in 10-year increments). Properties must receive a resolution of approval from City Council.
- The City has also begun integrating **reimbursement of building permit fees** for properties that enroll in LIRC, starting in 2023, utilizing various City-approved funding sources.
- In past years, the City has also utilized **tax abatement** for certain affordable properties that make a similar commitment, but this tool has not been applied to any new properties since 2010.
- Prior **TIF funding for residential maintenance items** has been mentioned at previous HRA meetings, but the program would need to be redesigned.
- The City’s **Rental Licensing and Inspection Program** provides an avenue for staff to consistently engage with property owners and resolve any health and safety issues at rental properties.
- Staff have been building a **database** of multifamily NOAH properties that can be updated with information related to rent, affordability status, and maintenance needs.

Action Items

Timeframe	Tool	Next Step
2024	Staff have been improving the rental licensing and inspection processes to better understand the needs of specific properties, as well as build improved relationships with property owners.	Coordinate and hold annual multifamily rental owners’ meeting.
2024	Expanding LIRC to encompass a greater portion of the City’s Naturally Occurring Affordable Housing (NOAH) stock would provide rent stability to a larger group of residents.	Discuss impacts to City with HRA and City finance staff. Enroll additional properties.
2025	Staff have been exploring grant options for existing multifamily NOAH to better serve as technical assistance for externally funded improvements.	Communicate with owners to understand needs.

2. Exploring Opportunities to Support New Affordable Construction

New construction is also critical to the ongoing provision of affordable housing opportunities. The median age of a NOAH building in Wayzata is 59, and new housing needs to be constructed to replenish future losses while also addressing the growing need for affordability beyond existing units.

Existing/In-Progress Tools

- The **Business Subsidy Policy, including the use of TIF**, was amended to include affordable housing in 2021.
- **Density bonuses** were created in the R-5 High Density Residential zoning district that incentivize affordable housing in exchange for increased density in 2022, but a policy has not yet been created.
- The Wayzata Boulevard Corridor Study built community buy-in for allowing a **fourth story** in select areas in exchange for affordable housing units, but a policy has not yet been created. This option had mixed support from the City Council when the Study was adopted in 2023.
- **Accessory dwelling units (ADUs)** were legalized for most properties in the City in 2022.

Action Items

Timeframe	Tool	Next Step
Summer 2024	Establish an Affordable Housing Policy to clarify how certain types of affordable housing developments may be eligible for density and height bonuses.	Bring a draft policy forward to the HRA.
2024-2026	Redevelopment of the Metro Transit Park and Ride site at 322 Wayzata Blvd into a project that includes affordable housing is now underway, with City staff partnering with Metro Transit and with Masters' students at the University of Minnesota to begin pre-development research in 2024. The site was discussed as part of the 2040 Comprehensive Plan and the Wayzata Boulevard Corridor Study.	See May 15 "Park and Ride Update" memo.
2024	City staff have not yet engaged in proactive exploration of opportunities with affordable housing developers that focus on neighborhood-scale projects, though that will be part of the Park and Ride site redevelopment effort.	Integrate into Park and Ride project.
2025	Inclusionary zoning (IZ) has been discussed as a potential policy in the past, but no meaningful policy work has occurred on this front in the last decade. Due to Wayzata's high land values and consistent development interest, this could be a powerful tool.	Research other small cities' IZ policies and create a draft policy.

Low Income Rental Classification Analysis

May 15, 2024

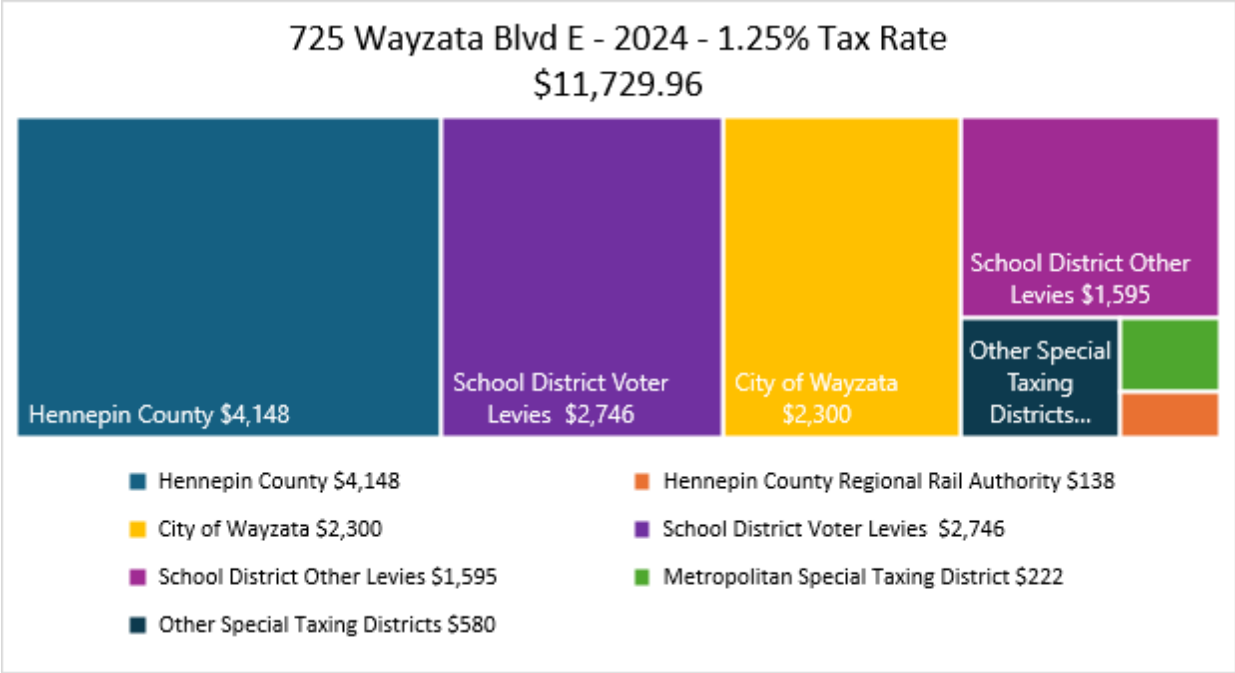
Definition

Low Income Rental Classification (LIRC) is a tax classification in Minnesota state law that reduces an affordable housing owner’s property tax obligation in exchange for a long-term commitment to rental affordability. This affordability must apply to at least 20% of the property’s units and may include project-based Section 8 units, Low Income Housing Tax Credits, and naturally occurring affordable housing (NOAH) units, which are units that have rents affordable to residents making at or below 60% area median income (AMI). If only some units in the building meet one of those criteria, the property tax reduction is prorated.

For units that are naturally affordable, the classification requires that a document be recorded against the property certifying the continued affordability of those units. In Wayzata’s case, this has typically been done through a City Council resolution. The City’s policy is to require affordability for 10 years.

Example Property without LIRC

Below, 725 Wayzata Blvd E is used as an example property because its value and number of units fall in the middle of Wayzata’s NOAH portfolio. The building is a two-story multifamily building with 6 units, built in 1959. The total taxable value for the property is \$957,000 in 2024. The total property taxes for this property in 2024 are \$11,729.96, which is approximately calculated by applying the 1.25% property tax rate for rental buildings to the taxable value. The recipients of those property taxes are shown in the chart below.

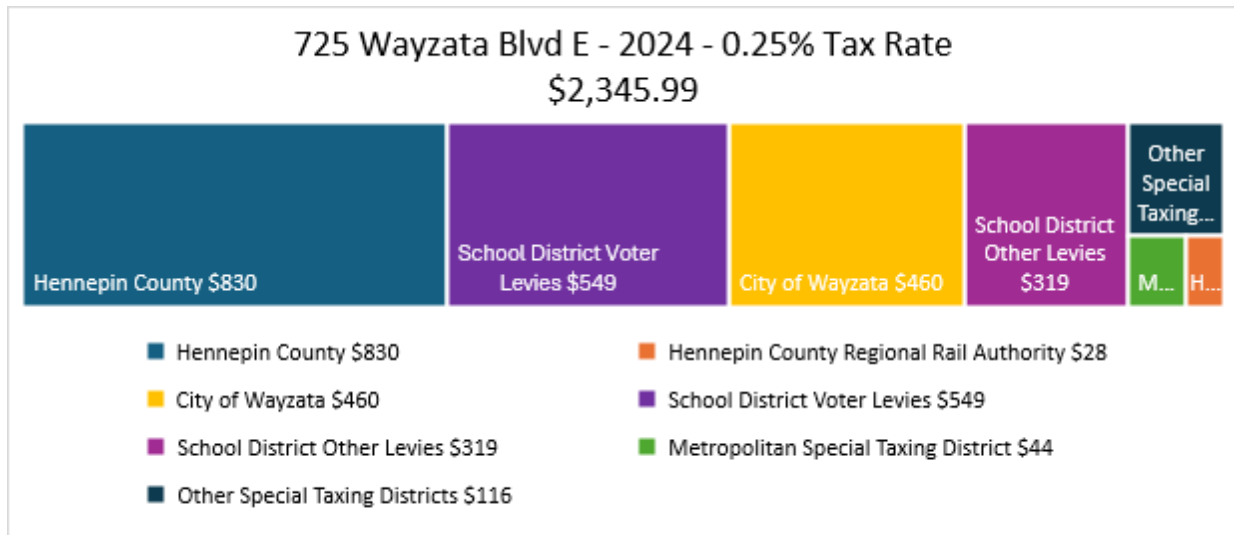


The Hennepin County property tax levy and school district voter levies have the largest tax impact on the property, followed by the City, then other levies, special taxing districts, and the County Regional Rail Authority. The City’s impact on this property is a little less than half of the County’s property tax levy, or about 19.6% of the total property tax obligation.

Example Property with LIRC

In contrast to the 1.25% rental tax rate, the LIRC rate is 0.25%. The 0.25% classification applies to the entire amount of property taxes collected and distributed to all levying authorities – including the County, school district, City, and others. This means that while the City experiences an 80% reduction in tax revenue from that property, so do all the other agencies that receive property taxes – meaning that for a relatively modest real dollar amount lost on the City side, the property owner accumulates significant savings across the board.

Therefore, converting to a LIRC property would represent an 80% savings on property taxes for the owner (through reducing the tax rate from 1.25% to 0.25%). In this example, that means a real dollar savings for the property owner of \$9,383.97 in 2024. The amount in City taxes that would no longer be collected, however, is only \$1,840. The chart below shows how each levy decreases proportionally. Overall, taxes are reduced by 80%.



In short, the City’s loss of tax revenue per property is only a small portion of the savings available to property owners, which are a significant incentive to make the long-term commitment to keep rents at an affordable level.

City Impacts and Targeted Properties

Regarding impacts to the City’s property tax base, there are 14 properties that are either partially or fully affordable to residents making 60% AMI or lower, without existing subsidy. The total taxable value of these properties in 2024 is \$50,947,000, with a median value of \$1,711,000. The County will collect \$623,674 in total property taxes on these properties this year, with the City’s portion being \$122,655. The median City tax obligation is \$4,119.

Out of the 14 NOAH properties without existing subsidy, 12 would be recommended LIRC candidates based on rental inspection history, a history of responsible ownership, and potential for long-term stability. 8 of those 12 are owned by two local property owners. Staff's recommendation is that these two property owners' Wayzata portfolios be targeted for addition to the LIRC program. If all 8 properties were reclassified, the annual savings for those 2 owners in 2024 would be approximately \$117,345 in total, with \$23,469 of those savings coming from City property taxes. The current City levy is \$6,407,122. In this scenario, the total reduction in the City's property tax collection among all properties in Wayzata would be approximately 0.3%. Note that all of these figures would be recalculated for the applicable tax year.

While the amount of savings for the property owners is significant, the impact on Wayzata's taxbase is relatively insignificant, especially with the new construction the community sees on a consistent basis.

Overview of Park and Ride Redevelopment Process

May 15, 2024

Summary

At the January 31 HRA meeting, staff introduced the first step of the potential Park and Ride redevelopment at 322 Wayzata Blvd E, in which Master's of Urban and Regional Planning students at the University of Minnesota were tasked with pre-development analysis of the site. At the May 7 City Council workshop, the students presented their findings to the Council, members of the Planning Commission, and members of the HRA. The students' full report will be circulated among HRA members by the end of May, but in summary:

- From January to May, students worked with City staff and Metro Transit to determine stakeholder needs. Metro Transit owns the site.
- Students interviewed affordable and market-rate housing developers to ascertain the viability of different development scenarios and financing methods. Financing methods include 9% Low Income Housing Tax Credits (LIHTC), Housing TIF, and local gap financing.
- The two development scenarios presented in the final report were one in which C-1 – Office and Limited Commercial zoning is maintained on the site and one in which the site is rezoned to R-5 – Average Density Residential. The students found that the R-5 rezoning was more likely to generate competitive proposals from developers.
- City Council tasked staff and the HRA with determining next steps to continue to explore the viability of the project, with the biggest question being that of a potential land sale from Metro Transit to the City (and then eventually to an affordable housing developer). This would require extensive discussions with the HRA, City Council, and community members.
 - The student presentation can be found in the [May 7, 2024 City Council workshop packet](#).

Potential Next Steps

The following next steps are actions that the HRA should review and give feedback on.

- This month: City staff explore additional funding sources for both pre-development and redevelopment, and learn about best practices for land acquisition and affordable housing trust funds from staff at other Metro cities. Discussions begin with IOCP and ODC.
- This summer: The HRA sets affordability goals for the site. The HRA reviews and approves an Affordable Housing Policy to clarify how affordable housing projects may be eligible for density and height bonuses. City staff continue to engage with subject matter experts.
- This year: Discussions continue with Metro Transit regarding potential land sale and price. RFP/RFI/RFQ prepared and issued. Developer is selected and site concept planning commences. Funding pursued.
- 2025: Pre-development and community/stakeholder engagement, site acquisition, entitlements for preferred site plan. Funding pursued.
- 2026-2028: Full development and construction. Timing is dependent on funding success.



**City of Wayzata
Housing and Redevelopment Authority
Agenda Report**

MEETING DATE: May 15, 2024	AGENDA ITEM: 5.a
TITLE: Consider Receipt of 2023 Financial Summary and Review of TIF Cash Flow Analysis	
PROPOSED MOTION: To Receive the 2023 Financial Summary and TIF Cash Flow Analysis	
PREPARED BY: Aurora Yager, Deputy City Manager	
REVIEWED BY: Jeffrey Dahl, City Manager	

ACTION REQUESTED:

Staff recommends receipt of the reports.

FINANCIAL OR BUDGET CONSIDERATION:

There is no direct budget implication as a result of this item.

BACKGROUND:

As the HRA is a component unit of the City, its financials are included in the City's annual audit process. Once the audit is completed each year, the HRA reviews those financials in a report from its financial consultant, Abdo. Newly started last year, the City decided to include a TIF cash flow analysis as part of the report so the HRA could better anticipate and visualize the current commitments of our TIF districts and the projected cash and pooling balances that will accrue throughout the life of each district.

Attached is a memo and analysis for your review. Bonnie Schwiger from Abdo will be in attendance at the meeting to provide an overview of this information and answer any questions.

ATTACHMENTS:

1. 2023 TIF Cashflow Report



2024 Tax Increment Cash Flow Study

City of Wayzata

Wayzata, Minnesota

Actual balances as of December 31, 2023, with 2024 and future estimated balances

Updated 5/02/2024



5201 Eden Avenue, Ste 250
Edina, MN 55436
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City of Wayzata, Minnesota
2023 Cash Flow Study
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Executive Summary

Based on historical and projected costs, the attached report provides tax increment financing cash flow projections for the City of Wayzata’s (the City’s) active TIF Districts. The cash flow projections have been updated to incorporate known information at the time of the report. Balances are subject to change as valuations change and projects commence.

The following is a summary of the City’s active TIF Districts available cash, outstanding obligations and projected cash remaining at the end of each District’s life:

2024 Cash Flow Results

TIF #	Name	District Termination Year	As of December 31, 2023			Projected at Termination		
			Cash Balance	Outstanding PAYGO	Outstanding Bonds	Cash Balance	Increment Generated	Available Pooling
TIF 3	Widsten	2022	\$ -	\$ -	\$ -	\$ -	\$ 8,092,890	\$ -
TIF 5	Bay Center	2040	2,034,719	24,318,176	8,780,000	2,907,533	70,306,745	366,676
TIF 6	Downtown West	2045	554,495	4,791,671	8,020,000	5,921,893	28,461,311	5,921,893
TOTAL			\$ 2,589,214	\$29,109,847	\$16,800,000	\$ 8,829,426	\$106,860,946	\$ 6,288,569

Available pooling represents the amount of available cash that may be spent outside of the TIF District on eligible TIF project costs. Pooling calculations for each District can be found on page 25.

Changes from Prior Cash Flow

The report has been updated for significant changes in projected increment and obligations. Updates to projected obligations include updated pay-as-you-go revenue notes, future bond issuances and reallocation of pooling resources. The following chart illustrates the changes from the prior year cash flow report:

Tax Increment and Obligation Summary

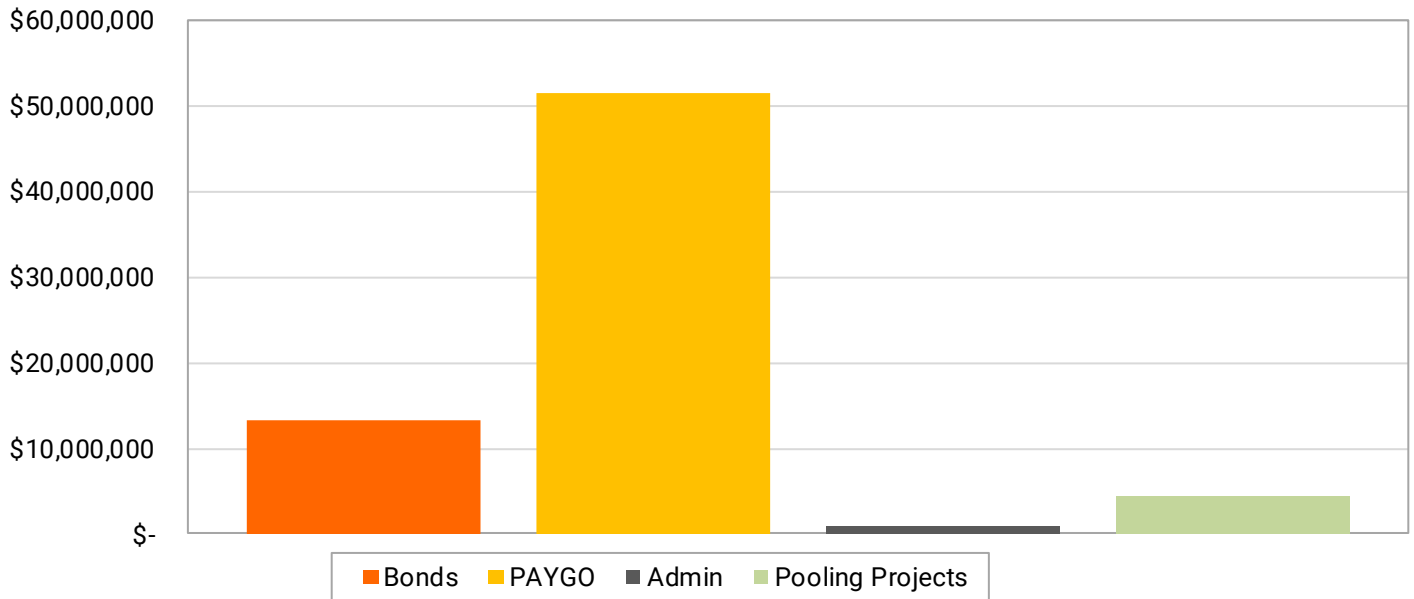
	TIF 5 Bay Center		TIF 6 Downtown West	
	Current Projections	Prior Projections	Current Projections	Prior Projections
Tax Increment Revenue	<u>\$ 70,892,760</u>	<u>\$ 69,788,451</u>	<u>\$ 28,847,109</u>	<u>\$ 23,243,510</u>
Obligations				
Bond Obligations	\$ 13,386,396	\$ 13,430,592	\$ 11,409,148	\$ 12,099,584
Other Obligations*	<u>54,598,831</u>	<u>53,774,657</u>	<u>11,516,068</u>	<u>11,083,816</u>
Total Obligations	<u>\$ 67,985,227</u>	<u>\$ 67,205,249</u>	<u>\$ 22,925,216</u>	<u>\$ 23,183,400</u>

* Other obligations include pay-as-you-go notes, interfund loans, administrative fees and project costs.

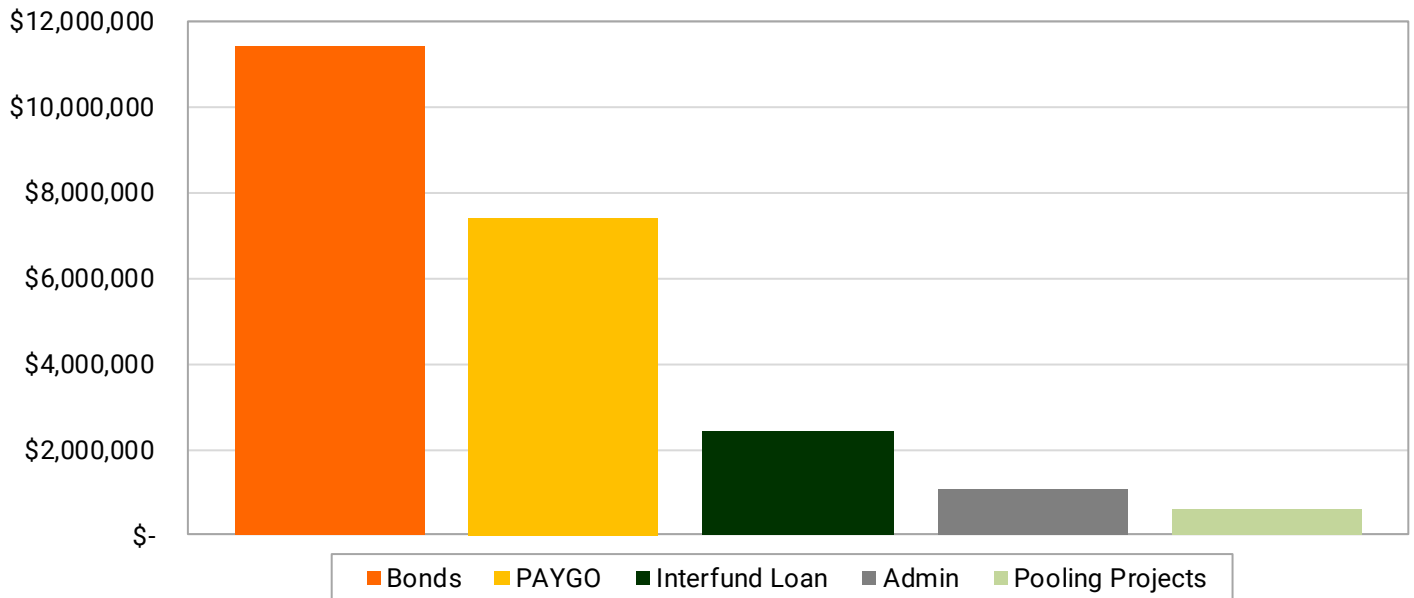
Executive Summary (Continued)

The below charts illustrate the type and total obligations to be paid over the life of TIF 5 and 6.

TIF 5 Bay Center Total Use of Increment



TIF 6 Downtown West Total Use of Increment



Assumptions

The projected balances are impacted by the following assumptions:

General Assumptions

- Interest earnings are calculated using a 1% return on investment.
- Administrative fee projections are calculated using an average of the prior actual administrative fees, limited to 10% of tax increment received.

TIF 3 – Widsten

- The District was decertified in 2022 and no future increment will be received.
- The remaining cash balance assisted in the repayment of the 2016A Parking Lot Bond.

TIF 5 – Bay Center

- 2024 Increment and beyond is expected to be consistent with 2023 values.
- **Pooling Projects:** Certain projects have been identified by the City as planned uses of TIF 5 available pooling. \$1,092,176 of specific projects utilizing pooling have been incorporated into this report.

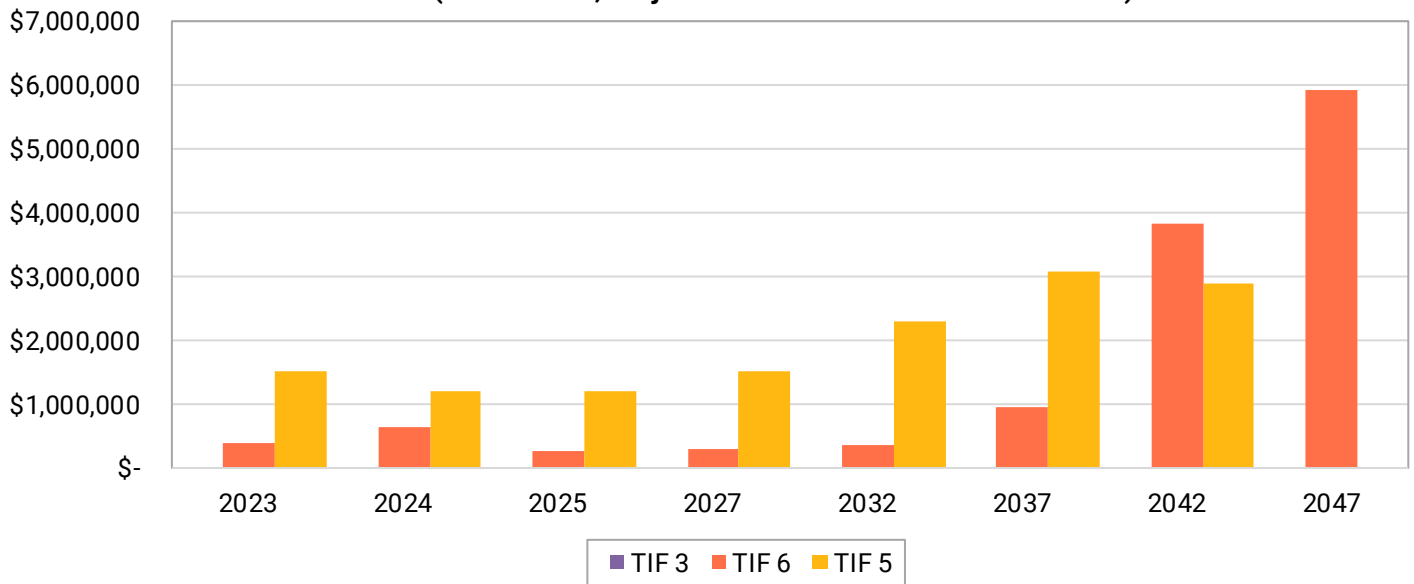
TIF 6 – Downtown West

- 2024 increment is expected to increase to \$1,200,000. 2025 through 2045 increment is expected to be consistent with 2024 values.
- Obligations:
 - **Bonds:** For the Panoway Phase II project, the report assumes bonds will be issued in 2024 to refinance the 2023 Temporary Bonds, at an average rate of 3.9%.
 - **Pay-as-you-go (PAYGO) notes** were issued in 2023. No additional PAYGO notes are expected to be issued.
 - The **interfund loan** issued for the Lake & Berry Parking Lot is assumed to be repaid with available increment, after all other annual obligations are met. The City will review the loan annually to determine if interest will be applied.
 - **Pooling Projects:** Certain projects have been identified by the City as planned uses of TIF 6 available pooling. \$605,300 of specific projects utilizing pooling have been incorporated into this report.



TIF District Overview

Available Cash Balances
(Actual 2023, Projected 2024 - 2046 & 5 Yr Increments)



The above chart provides an overview of actual 2023 and projected cash balances through the life of each district. Please see the discussion below regarding each District.

TIF 3 – Widsten

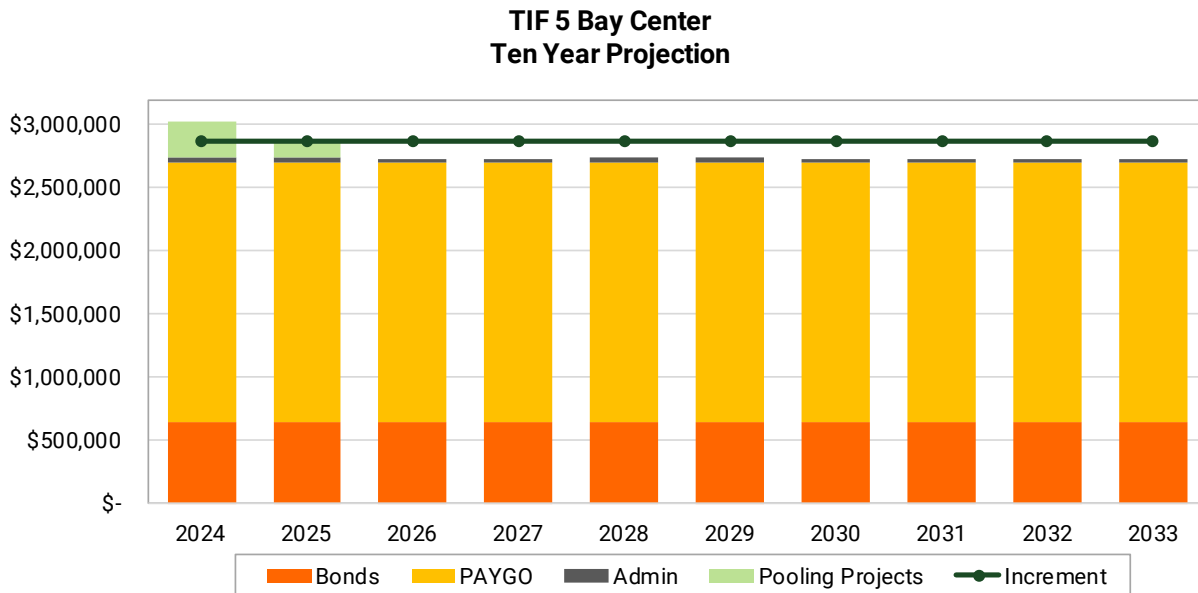
TIF 3 was decertified in 2023. The District repaid the parking ramp interfund loan in 2021 and has no remaining in-district obligations. 2023 increment was used to pay for a portion of the 2016A Bond and there is no remaining available cash.



TIF District Overview (Continued)

TIF 5 – Bay Center

The following chart illustrates 2024 - 2033 TIF 5 projected increment and annual obligations. See pages 11 - 13 for detailed projection schedules.



Future Pooling Projects include \$436,500 of 2024 - 2025 projects which have been identified by the City as planned uses of the District's available pooling.

The following table summarizes the district's past and future obligations. Of the remaining cash reserves, a small portion (\$366,000) may be used for additional pooling projects. However, the available pooling resources may fluctuate over time as property values change.

TIF 5 Obligation Summary		
	Issue Date	Total
Tax Increment Revenue		\$ 70,892,760
Allocation of TIF to obligations		
Bonds		
2016A Parking Ramp Bond (Pooling)	2016	7,180,000
2020A Panoway Bond (Pooling)	2020	2,245,000
Interest on bonds		3,961,396
Pay-As-You-Go Notes		
Bay Center	2016	51,544,455
In-District Project Costs	2018 - 2021	5,731
Administrative Costs	2017	870,792
Past Pooling Projects		
Development Projects	2018 - 2021	1,085,677
Future Pooling Projects		
Ferndale Sidewalk	2023	504,510
Railroad Crossing Enhancements	2023 - 2024	446,166
Grove Lane Improvements	2024	141,500
Total Obligations		<u>67,985,227</u>
Remaining Cash Reserves		<u>\$ 2,907,533</u>

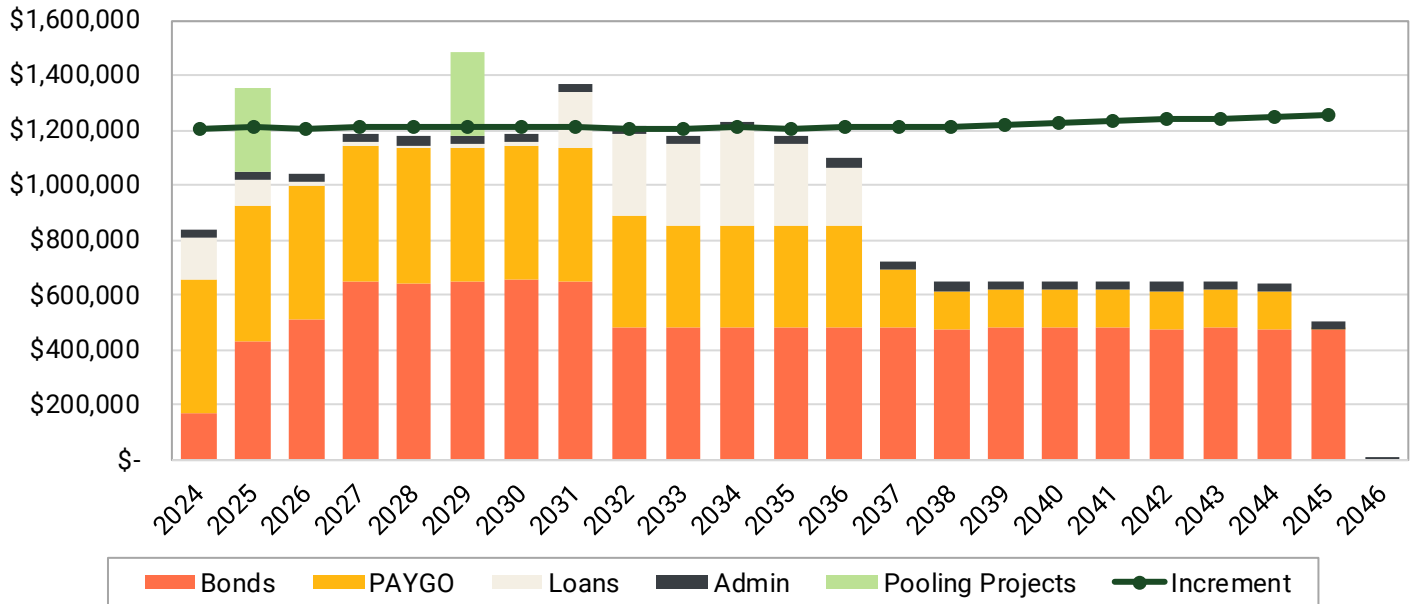


TIF District Overview (Continued)

TIF 6 – Downtown West

The following chart illustrates 2023 - 2046 TIF 6 projected increment and annual obligations. See pages 14 - 17 for detailed projection schedules.

**TIF 6 Downtown West
Life of the District Projections**



TIF 6 Obligation Summary

- Bonds:
 - 2020A GO Bonds - Partially utilizing pooling resources and will mature in 2041.
 - 2023A Temporary Bonds and 2024A Refunding GO Bonds to fund a portion of the Panoway Phase 2 Project
- Pay As You Go Notes – In 2023, the District issued four PAYGO Notes with payments starting in 2023. In 2032, the Zitzloff PAYGO Note is expected to mature and in 2037, the Hoyt and Hughes PAYGO Note is expected to mature.
- Existing Internal Loans (Lake and Berry Parking Lot) – The loan is assumed to be repaid with available increment, after all other annual obligations are met. The loan may charge maximum interest of four percent..
- Future Pooling Projects: An estimated \$605,300 is expected to be paid from TIF 6 for outside district costs.



TIF District Overview (Continued)

The below table summarizes the current and future obligations compared to the total projected increment See pages 21 - 24 for detailed projections of obligation repayments over the life of the district.

TIF 6 Obligation Summary		
	<u>Issue Date</u>	<u>Total</u>
Tax Increment Revenue		<u>\$ 28,847,109</u>
Allocation of TIF to obligations		
Bonds		
2020A Panoway Bond	2020	1,025,000
2020A Panoway Bond (Pooling)	2020	440,000
2023 Panoway Phase II Bond	2022	6,815,000
Interest on bonds		3,129,148
Pay-As-You-Go Notes		
Hoyt	2023	2,295,324
Zitzloff	2023	1,109,336
Lothenbach	2023	1,013,092
Hughes	2023	3,013,977
Interfund Loan		
Administrative Costs	2017	1,049,362
County Administrative Costs		8,591
Parking Lot - Lake and Berry	2020	1,669,344
Interest on loans		751,742
Pooling Projects		
Parking Lot/Lake St Light Replacement	2025	301,300
Wayfinding Signs	2029	304,000
Total Obligations		<u>22,925,216</u>
Remaining Cash Reserves		<u>\$ 5,921,893</u>



TIF Schedule of Activity

TIF District 3 (Fund 314)
 Widsten
 Redevelopment District 1406
 1997 - 12/31/2022

	TIF Plan Budget	Totals Entire Length of District	2020 and Prior	2021	2022	2023	Projected	
							2024	2025
Revenues								
Tax increment	\$ 14,402,469	\$ 9,124,362	\$ 8,092,890	\$ 479,571	\$ 551,901	\$ -	\$ -	\$ -
Bond proceeds	14,842,716	3,170,000	3,170,000	-	-	-	-	-
Bond premium/costs	-	46,835	46,835	-	-	-	-	-
Investment earnings	1,440,247	268,966	276,367	(702)	(9,454)	2,755	-	-
Non-tax increment revenues	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
Annual revenues	30,685,432	12,610,163	11,586,092	478,869	542,447	2,755	-	-
Expenses								
Project Costs								
Development Projects	13,402,469	6,009,098	6,009,098	-	-	-	-	-
Debt Service	15,842,716							
2016A Parking Ramp Bond (Pooling)		877,701	-	337,627	495,898	44,176	-	-
2010 Tax Increment Bonds		4,223,437	4,223,437	-	-	-	-	-
Interfund loan interest expense		286,684	282,076	4,608	-	-	-	-
Administrative Fees	1,440,247							
Direct Admin Costs		418,723	407,376	2,448	7,136	1,763	-	-
Administrative Transfers		60,000	30,000	15,000	15,000	-	-	-
County Administrative Fees		12,240	11,190	350	350	350	-	-
Transfers out	-	-	-	-	-	-	-	-
Tax increment returned to the County	-	722,280	722,280	-	-	-	-	-
Annual expenses	30,685,432	12,610,163	11,685,457	360,033	518,384	46,289	-	-
Annual increase/decrease	-	-	(99,365)	118,836	24,063	(43,534)	-	-
Ending fund balance	\$ -	\$ -	\$ (99,365)	\$ 19,471	\$ 43,534	\$ -	\$ -	\$ -
Less: February 1st Bond Payments	-	-	-	-	-	-	-	-
Fund balance available	\$ -	\$ -	\$ (99,365)	\$ 19,471	\$ 43,534	\$ -	\$ -	\$ -
Cash balances		\$ 584,281	\$ 1,086	\$ 43,534	\$ -	\$ -	\$ -	\$ -
Interfund loan (Max \$1.765M)		\$ 680,445	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District Information								
Excess Increment			None	None	None	None	None	None

TIF Schedule of Activity

TIF District 5 (Fund 316)
 Bay Center
 Redevelopment District 1408
 2015 - 12/31/2040

	TIF Plan Budget	Totals Entire Length of District	2020 and Prior	2021	2022	2023	Projected	
							2024	2025
Revenues								
Tax increment	\$ 135,138,490	\$ 70,306,745	\$ 13,027,219	\$ 2,906,589	\$ 2,679,261	\$ 2,903,676	\$ 2,870,000	\$ 2,870,000
Bond proceeds	90,718,633	9,970,000	9,970,000	-	-	-	-	-
Bond premium/costs	-	124,576	124,576	-	-	-	-	-
Investment earnings	13,513,849	557,035	57,381	(3,141)	(60,986)	94,617	20,347	17,388
Non-tax increment revenues	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
Annual revenues	239,370,972	80,958,356	23,179,176	2,903,448	2,618,275	2,998,293	2,890,347	2,887,388
Expenses								
Project Costs								
Development Projects	77,204,784	7,762,514	7,762,514	-	-	-	-	-
Development Projects (Pooling)	-	4,398,882	3,306,706	-	-	655,676	295,000	141,500
Debt Service								
2016A Parking Ramp Bond (Pooling)	148,652,339	10,599,357	1,103,049	158,721	-	451,171	498,923	496,610
2020A Panoway Bond (Pooling)	-	2,783,009	-	62,120	52,869	107,817	148,369	150,294
Pay-As-You-Go Notes	-	51,544,455	10,623,158	2,012,852	1,936,013	2,054,432	2,054,000	2,054,000
Administrative Fees								
Direct Admin Costs	13,513,849	592,859	210,715	9,300	7,846	38,998	19,000	19,000
Administrative Transfers	-	330,000	30,000	15,000	15,000	15,000	15,000	15,000
County Administrative Fees	-	30,394	23,044	350	350	350	350	350
Transfers out	-	9,352	9,352	-	-	43,551.76	(43,552)	-
Annual expenses	239,370,972	78,050,823	23,068,538	2,258,343	2,012,078	3,366,996	2,987,090	2,876,754
Annual increase/decrease	-	2,907,533	110,638	645,105	606,197	(368,703)	(96,743)	10,634
Ending fund balance	\$ -	\$ 2,907,533	\$ 110,638	\$ 755,743	\$ 1,361,940	\$ 993,237	\$ 896,495	\$ 907,129
Less: February 1st Bond Payments	-	-	-	-	(471,332)	(521,208)	(526,083)	(530,821)
Fund balance available	\$ -	\$ 2,907,533	\$ 110,638	\$ 755,743	\$ 890,608	\$ 472,029	\$ 370,411	\$ 376,308
Cash balances			\$ 1,068,137	\$ 1,693,998	\$ 2,380,255	\$ 2,034,719	\$ 1,738,766	\$ 1,749,400
Available Cash Balances			\$ 69,462	\$ 724,435	\$ 1,361,940	\$ 977,583	\$ 896,495	\$ 907,129
District Information								
Excess Increment			None	None	None	None	None	None
Original tax capacity			335,250	335,250	335,250	335,250	335,250	335,250
Estimated tax capacity			3,497,199	3,549,302	3,549,302	3,539,362	3,539,362	3,539,362
Captured tax capacity			3,161,949	3,214,052	3,214,052	3,204,112	3,204,112	3,204,112

TIF Schedule of Activity (Continued)

TIF District 5 (Fund 316) (Continued)
 Bay Center
 Redevelopment District 1408
 2015 - 12/31/2040

	Projected (Continued)							
	2026	2027	2028	2029	2030	2031	2032	2033
Revenues								
Tax increment	\$ 2,870,000	\$ 2,870,000	\$ 2,870,000	\$ 2,870,000	\$ 2,870,000	\$ 2,870,000	\$ 2,870,000	\$ 2,870,000
Bond proceeds	-	-	-	-	-	-	-	-
Bond premium/costs	-	-	-	-	-	-	-	-
Investment earnings	17,494	19,027	20,592	22,147	23,693	25,320	26,931	28,580
Non-tax increment revenues	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
Annual revenues	2,887,494	2,889,027	2,890,592	2,892,147	2,893,693	2,895,320	2,896,931	2,898,580
Expenses								
Project Costs								
Development Projects	-	-	-	-	-	-	-	-
Development Projects (Pooling)	-	-	-	-	-	-	-	-
Debt Service								
2016A Parking Ramp Bond (Pooling)	493,798	495,410	496,348	497,340	493,694	494,511	494,709	494,175
2020A Panoway Bond (Pooling)	152,069	148,769	150,394	151,869	148,869	151,419	148,919	151,369
Pay-As-You-Go Notes	2,054,000	2,054,000	2,054,000	2,054,000	2,054,000	2,054,000	2,054,000	2,054,000
Administrative Fees								
Direct Admin Costs	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000
Administrative Transfers	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
County Administrative Fees	350	350	350	350	350	350	350	350
Transfers out	-	-	-	-	-	-	-	-
Annual expenses	2,734,216	2,732,529	2,735,091	2,737,559	2,730,913	2,734,280	2,731,978	2,733,894
Annual increase/decrease	153,278	156,498	155,501	154,588	162,780	161,040	164,953	164,686
Ending fund balance	\$ 1,060,406	\$ 1,216,905	\$ 1,372,405	\$ 1,526,994	\$ 1,689,774	\$ 1,850,814	\$ 2,015,768	\$ 2,180,454
Less: February 1st Bond Payments	(535,046)	(544,133)	(552,608)	(551,601)	(560,962)	(564,968)	(573,659)	(576,884)
Fund balance available	\$ 525,361	\$ 672,772	\$ 819,797	\$ 975,393	\$ 1,128,812	\$ 1,285,846	\$ 1,442,108	\$ 1,603,570
Cash balances	\$ 1,902,678	\$ 2,059,176	\$ 2,214,677	\$ 2,369,265	\$ 2,532,045	\$ 2,693,085	\$ 2,858,039	\$ 3,022,725
Available Cash Balances	\$ 1,060,406	\$ 1,216,905	\$ 1,372,405	\$ 1,526,994	\$ 1,689,774	\$ 1,850,814	\$ 2,015,768	\$ 2,180,454
District Information								
Excess Increment	None	None	None	None	None	None	None	None
Original tax capacity	335,250	335,250	335,250	335,250	335,250	335,250	335,250	335,250
Estimated tax capacity	3,539,362	3,539,362	3,539,362	3,539,362	3,539,362	3,539,362	3,539,362	3,539,362
Captured tax capacity	3,204,112	3,204,112	3,204,112	3,204,112	3,204,112	3,204,112	3,204,112	3,204,112

TIF Schedule of Activity (Continued)

TIF District 5 (Fund 316) (Continued)
 Bay Center
 Redevelopment District 1408
 2015 - 12/31/2040

	Projected (Continued)								
	2034	2035	2036	2037	2038	2039	2040	2041	2042
Revenues									
Tax increment	\$ 2,870,000	\$ 2,870,000	\$ 2,870,000	\$ 2,870,000	\$ 2,870,000	\$ 2,870,000	\$ 2,870,000	\$ -	\$ -
Bond proceeds	-	-	-	-	-	-	-	-	-
Bond premium/costs	-	-	-	-	-	-	-	-	-
Investment earnings	30,227	31,928	33,645	35,345	37,082	38,813	40,605	-	-
Non-tax increment revenues	-	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-	-
Annual revenues	2,900,227	2,901,928	2,903,645	2,905,345	2,907,082	2,908,813	2,910,605	-	-
Expenses									
Project Costs									
Development Projects	-	-	-	-	-	-	-	-	-
Development Projects (Pooling)	-	-	-	-	-	-	-	-	-
Debt Service									
2016A Parking Ramp Bond (Pooling)	493,075	490,713	491,975	492,713	492,925	491,500	488,400	489,600	-
2020A Panoway Bond (Pooling)	148,769	151,119	153,369	150,569	152,719	149,728	151,594	-	-
Pay-As-You-Go Notes	2,054,000	2,054,000	2,054,000	2,054,000	2,054,000	2,054,000	2,054,000	-	-
Administrative Fees									
Direct Admin Costs	19,000	19,000	19,000	19,000	19,000	19,000	19,000	3,000	-
Administrative Transfers	15,000	15,000	15,000	15,000	15,000	15,000	15,000	-	-
County Administrative Fees	350	350	350	350	350	350	350	350	-
Transfers out	-	-	-	-	-	-	-	-	-
Annual expenses	2,730,194	2,730,181	2,733,694	2,731,631	2,733,994	2,729,578	2,728,344	492,950	-
Annual increase/decrease	170,033	171,747	169,951	173,714	173,088	179,235	182,261	(492,950)	-
Ending fund balance	2,350,487	2,522,234	2,692,185	2,865,899	3,038,987	3,218,222	3,400,483	2,907,533	2,907,533
Less: February 1st Bond Payments	(584,959)	(596,872)	(603,472)	(614,809)	(620,834)	(630,394)	(489,600)	-	-
Fund balance available	\$ 1,765,528	\$ 1,925,362	\$ 2,088,713	\$ 2,251,089	\$ 2,418,153	\$ 2,587,828	\$ 2,910,883	\$ 2,907,533	\$ 2,907,533
Cash balances	\$ 3,192,758	\$ 3,364,505	\$ 3,534,456	\$ 3,708,170	\$ 3,881,258	\$ 4,060,493	\$ 4,242,754	\$ 2,907,533	\$ 2,907,533
Available Cash Balances	\$ 2,350,487	\$ 2,522,234	\$ 2,692,185	\$ 2,865,899	\$ 3,038,987	\$ 3,218,222	\$ 3,400,483	\$ 2,907,533	\$ 2,907,533
District Information									
Excess Increment	None	None	None	None	None	None	None	None	None
Original tax capacity	335,250	335,250	335,250	335,250	335,250	335,250	335,250	335,250	335,250
Estimated tax capacity	3,539,362	3,539,362	3,539,362	3,539,362	3,539,362	3,539,362	3,539,362	3,539,362	3,539,362
Captured tax capacity	3,204,112	3,204,112	3,204,112	3,204,112	3,204,112	3,204,112	3,204,112	3,204,112	3,204,112

TIF Schedule of Activity

TIF District 6 (Fund 305)
Downtown West
Redevelopment District 1408
2015 - 12/31/2045

	TIF Plan Budget	Totals Entire Length of District	2020 and Prior	2021	2022	2023	Projected	
							2024	2025
Revenues								
Tax increment	\$ 135,138,490	\$ 28,461,311	\$ 111,529	\$ 367,996	\$ 625,691	\$ 956,095	\$ 1,200,000	\$ 1,200,000
Bond proceeds	90,718,633	7,574,260	1,465,000	-	-	6,109,260	-	-
Bond premium/costs	-	70,957	99,799	-	-	(28,842)	-	-
Investment earnings	13,513,849	385,798	(330)	212	2,219	(165)	5,545	7,924
Non-tax increment revenues	-	-	-	-	-	-	-	-
Other revenues ⁽⁴⁾	-	-	-	-	-	-	-	-
Annual revenues	239,370,972	36,492,326	1,675,998	368,208	627,910	7,036,348	1,205,545	1,207,924
Expenses								
Project Costs								
Development Projects	77,204,784							
Panoway Phase I ⁽¹⁾		1,505,289	1,505,289	-	-	-	-	-
Parking Lot - Lake & Berry		1,971,505	624,763	1,241,762	104,980	-	-	-
Panoway Phase II (Boardwalk/Boat Slips)		6,008,401	-	-	-	2,062,565	3,945,836	-
Development Projects (Pooling)		605,300	-	-	-	-	-	301,300
Debt Service	148,652,339							
2020A Panoway Bond		1,198,903	-	33,428	117,100	114,400	116,625	118,700
2020A Panoway Bond (Pooling) ⁽²⁾		514,336	-	14,336	51,600	50,400	49,200	48,000
2023A Panoway Bond		9,695,909	-	-	-	-	-	265,179
Pay-As-You-Go Notes		7,431,729	-	-	-	428,067	489,419	489,419
Intertund loan interest expense		566,356	-	-	-	-	56,420	52,677
Administrative Fees	13,513,849							
Direct Admin Costs		674,114	176,889	28,788	33,789	101,648	15,000	15,000
Administrative Transfers		390,000	15,000	15,000	15,000	15,000	15,000	15,000
County Administrative Fees		8,591	891	-	-	-	350	350
Tax increment returned to the County	-	-	-	-	-	-	-	-
Annual expenses	239,370,972	30,570,433	2,322,832	1,333,314	322,469	2,772,080	4,687,851	1,305,625
Annual increase/decrease	-	5,921,893	(646,834)	(965,106)	305,441	4,264,268	(3,482,306)	(97,701)
Ending fund balance	\$ -	\$ 5,921,893	\$ (646,834)	\$ (1,611,940)	\$ (1,306,499)	\$ 2,957,769	\$ (524,537)	\$ (622,238)
Less: Febuary 1st Bond Payments	-	-	-	(150,325)	(148,375)	(151,425)	(154,400)	(375,005)
Fund balance available	\$ -	\$ 5,921,893	\$ (646,834)	\$ (1,762,265)	\$ (1,454,874)	\$ 2,806,344	\$ (678,937)	\$ (997,243)
Cash balances			\$ -	\$ 150,326	\$ 434,241	\$ 554,495	\$ 792,394	\$ 647,369
Cash balances (Remaining Bond Proceeds)			\$ -	\$ -	\$ -	\$ 3,945,836	\$ -	\$ -
Interfund Loan Summary								
Loan for administrative costs		59,510	\$ 115,364	\$ 12,516	\$ -	\$ -	\$ -	\$ -
Loan for Parking Lot Constuction (Max \$2M)			\$ 507,988	\$ 1,669,344	\$ 1,565,979	\$ 1,410,511	\$ 1,316,931	\$ 1,269,607
Loan for Pooling Projects (Max TBD)			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District Information								
Excess Increment			None	None	None	None	None	None
Original tax capacity			763,773	763,773	763,773	763,773	763,773	763,773
Estimated tax capacity			763,773	862,062	862,062	1,427,923	1,427,923	1,427,923
Captured tax capacity			-	98,289	98,289	664,150	664,150	664,150

TIF Schedule of Activity (Continued)

TIF District 6 (Fund 305) (Continued)
 Downtown West
 Redevelopment District 1408
 2015 - 12/31/2045

	Projected (Continued)							
	2026	2027	2028	2029	2030	2031	2032	2033
Revenues								
Tax increment	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Bond proceeds	-	-	-	-	-	-	-	-
Bond premium/costs	-	-	-	-	-	-	-	-
Investment earnings *	6,474	8,139	8,377	8,698	9,004	9,241	7,653	7,574
Non-tax increment revenues	-	-	-	-	-	-	-	-
Other revenues (including bond premium)	-	-	-	-	-	-	-	-
Annual revenues	1,206,474	1,208,139	1,208,377	1,208,698	1,209,004	1,209,241	1,207,653	1,207,574
Expenses								
Project Costs								
Development Projects	-	-	-	-	-	-	-	-
Panoway Phase I ⁽¹⁾	-	-	-	-	-	-	-	-
Parking Lot - Lake & Berry	-	-	-	-	-	-	-	-
Panoway Phase II (Boardwalk/Boat Slips)	-	-	-	-	-	-	-	-
Development Projects (Pooling)	-	-	-	304,000	-	-	-	-
Debt Service								
2020A Panoway Bond	115,700	117,625	114,475	116,250	118,450	116,150	-	-
2020A Panoway Bond (Pooling) ⁽²⁾	51,725	50,375	49,025	47,675	51,500	50,500	-	-
2023A Panoway Bond	338,629	482,438	478,778	480,238	481,493	482,418	478,095	478,451
Pay-As-You-Go Notes	489,419	489,419	489,419	489,419	489,419	489,419	409,028	373,301
Intertund loan interest expense	14,150	14,150	14,150	14,150	14,150	199,150	85,587	42,282
Administrative Fees								
Direct Admin Costs	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Administrative Transfers	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
County Administrative Fees	350	350	350	350	350	350	350	350
Tax increment returned to the County	-	-	-	-	-	-	-	-
Annual expenses	1,039,973	1,184,357	1,176,197	1,482,082	1,185,362	1,367,987	1,003,060	924,384
Annual increase/decrease	166,501	23,782	32,180	(273,384)	23,642	(158,746)	204,593	283,190
Ending fund balance	\$ (455,737)	\$ (431,955)	\$ (399,775)	\$ (673,159)	\$ (649,517)	\$ (808,263)	\$ (603,671)	\$ (320,481)
Less: February 1st Bond Payments	(526,049)	(524,389)	(532,889)	(546,274)	(550,169)	(383,899)	(389,196)	(394,255)
Fund balance available	\$ (981,786)	\$ (956,344)	\$ (932,664)	\$ (1,219,433)	\$ (1,199,686)	\$ (1,192,162)	\$ (992,867)	\$ (714,736)
Cash balances	\$ 813,870	\$ 837,652	\$ 869,832	\$ 900,448	\$ 924,090	\$ 765,344	\$ 757,373	\$ 784,404
Cash balances (Remaining Bond Proceeds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Loan Summary								
Loan for administrative costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan for Parking Lot Constuction (Max \$2M)	\$ 1,269,607	\$ 1,269,607	\$ 1,269,607	\$ 1,269,607	\$ 1,269,607	\$ 1,269,607	\$ 1,057,044	\$ 800,885
Loan for Pooling Projects (Max TBD)	\$ -	\$ -	\$ -	\$ 304,000	\$ 304,000	\$ 304,000	\$ 304,000	\$ 304,000
District Information								
Excess Increment	None	None	None	None	None	None	None	None
Original tax capacity	763,773	763,773	763,773	763,773	763,773	763,773	763,773	763,773
Estimated tax capacity	1,427,923	1,427,923	1,427,923	1,427,923	1,427,923	1,427,923	1,427,923	1,427,923
Captured tax capacity	664,150	664,150	664,150	664,150	664,150	664,150	664,150	664,150

TIF Schedule of Activity (Continued)

TIF District 6 (Fund 305) (Continued)
 Downtown West
 Redevelopment District 1408
 2015 - 12/31/2045

	Projected (Continued)								
	2034	2035	2036	2037	2038	2039	2040	2041	2042
Revenues									
Tax increment	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Bond proceeds	-	-	-	-	-	-	-	-	-
Bond premium/costs	-	-	-	-	-	-	-	-	-
Investment earnings *	7,844	7,603	7,880	8,996	13,846	19,531	25,259	31,039	36,883
Non-tax increment revenues	-	-	-	-	-	-	-	-	-
Other revenues (including bond premium)	-	-	-	-	-	-	-	-	-
Annual revenues	1,207,844	1,207,603	1,207,880	1,208,996	1,213,846	1,219,531	1,225,259	1,231,039	1,236,883
Expenses									
Project Costs									
Development Projects	-	-	-	-	-	-	-	-	-
Panoway Phase I ⁽¹⁾	-	-	-	-	-	-	-	-	-
Parking Lot - Lake & Berry	-	-	-	-	-	-	-	-	-
Panoway Phase II (Boardwalk/Boat Slips)	-	-	-	-	-	-	-	-	-
Development Projects (Pooling)	-	-	-	-	-	-	-	-	-
Debt Service									
2020A Panoway Bond	-	-	-	-	-	-	-	-	-
2020A Panoway Bond (Pooling) ⁽²⁾	-	-	-	-	-	-	-	-	-
2023A Panoway Bond	478,249	477,475	481,105	479,043	476,275	477,686	478,155	477,651	476,145
Pay-As-You-Go Notes	373,301	373,301	373,301	214,590	138,710	138,710	138,710	138,710	138,710
Intertund loan interest expense	32,035	19,317	8,135	-	-	-	-	-	-
Administrative Fees									
Direct Admin Costs	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Administrative Transfers	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
County Administrative Fees	350	350	350	350	350	350	350	350	350
Tax increment returned to the County	-	-	-	-	-	-	-	-	-
Annual expenses	913,936	900,443	892,891	723,982	645,335	646,746	647,215	646,711	645,205
Annual increase/decrease	293,908	307,160	314,989	485,014	568,511	572,785	578,044	584,328	591,678
Ending fund balance	(26,573)	280,587	595,576	1,080,589	1,649,101	2,221,885	2,799,930	3,384,257	3,975,935
Less: February 1st Bond Payments	(398,994)	(408,481)	(412,624)	(416,419)	(424,856)	(432,830)	(440,325)	(447,326)	(458,819)
Fund balance available	\$ (425,566)	\$ (127,894)	\$ 182,952	\$ 664,171	\$ 1,224,244	\$ 1,789,055	\$ 2,359,605	\$ 2,936,931	\$ 3,517,117
Cash balances	\$ 760,348	\$ 787,958	\$ 899,576	\$ 1,384,589	\$ 1,953,101	\$ 2,525,885	\$ 3,103,930	\$ 3,688,257	\$ 4,279,935
Cash balances (Remaining Bond Proceeds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Loan Summary									
Loan for administrative costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan for Parking Lot Constuction (Max \$2M)	\$ 482,921	\$ 203,371	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan for Pooling Projects (Max TBD)	\$ 304,000	\$ 304,000	\$ 304,000	\$ 304,000	\$ 304,000	\$ 304,000	\$ 304,000	\$ 304,000	\$ 304,000
District Information									
Excess Increment	None	None	None	None	None	None	None	None	None
Original tax capacity	763,773	763,773	763,773	763,773	763,773	763,773	763,773	763,773	763,773
Estimated tax capacity	1,427,923	1,427,923	1,427,923	1,427,923	1,427,923	1,427,923	1,427,923	1,427,923	1,427,923
Captured tax capacity	664,150	664,150	664,150	664,150	664,150	664,150	664,150	664,150	664,150

TIF Schedule of Activity (Continued)

TIF District 6 (Fund 305) (Continued)
 Downtown West
 Redevelopment District 1408
 2015 - 12/31/2045

	Projected (Continued)						
	2043	2044	2045	2046	2047	2048	2049
Revenues							
Tax increment	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -
Bond proceeds	-	-	-	-	-	-	-
Bond premium/costs	-	-	-	-	-	-	-
Investment earnings *	42,799	48,752	54,801	\$ -	\$ -	\$ -	\$ -
Non-tax increment revenues	-	-	-	-	-	-	-
Other revenues (including bond premium)	-	-	-	-	-	-	-
Annual revenues	1,242,799	1,248,752	1,254,801	-	-	-	-
Expenses							
Project Costs							
Development Projects	-	-	-	-	-	-	-
Panoway Phase I ⁽¹⁾	-	-	-	-	-	-	-
Parking Lot - Lake & Berry	-	-	-	-	-	-	-
Panoway Phase II (Boardwalk/Boat Slips)	-	-	-	-	-	-	-
Development Projects (Pooling)	-	-	-	-	-	-	-
Debt Service							
2020A Panoway Bond	-	-	-	-	-	-	-
2020A Panoway Bond (Pooling) ⁽²⁾	-	-	-	-	-	-	-
2023A Panoway Bond	478,500	474,795	475,114	-	-	-	-
Pay-As-You-Go Notes	138,710	138,710	516	-	-	-	-
Intertund loan interest expense	-	-	-	-	-	-	-
Administrative Fees							
Direct Admin Costs	15,000	15,000	15,000	3,000	-	-	-
Administrative Transfers	15,000	15,000	15,000	-	-	-	-
County Administrative Fees	350	350	350	-	-	-	-
Tax increment returned to the County	-	-	-	-	-	-	-
Annual expenses	647,560	643,855	505,980	3,000	-	-	-
Annual increase/decrease	595,239	604,897	748,821	(3,000)	-	-	-
Ending fund balance	4,571,175	5,176,072	5,924,893	5,921,893	5,921,893	5,921,893	5,921,893
Less: February 1st Bond Payments	(464,681)	(475,114)	-	-	-	-	-
Fund balance available	\$ 4,106,493	\$ 4,700,958	\$ 5,924,893	\$ 5,921,893	\$ 5,921,893	\$ 5,921,893	\$ 5,921,893
Cash balances	\$ 4,875,175	\$ 5,480,072	\$ 6,228,893	\$ 5,921,893	\$ 5,921,893	\$ 5,921,893	\$ 5,921,893
Cash balances (Remaining Bond Proceeds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Loan Summary							
Loan for administrative costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan for Parking Lot Constuction (Max \$2M)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan for Pooling Projects (Max TBD)	\$ 304,000	\$ 304,000	\$ 304,000	\$ -	\$ -	\$ -	\$ -
District Information							
Excess Increment	None	None	None	None	None	None	None
Original tax capacity	763,773	763,773	763,773	763,773	763,773	763,773	763,773
Estimated tax capacity	1,427,923	1,427,923	1,427,923	1,427,923	1,427,923	1,427,923	1,427,923
Captured tax capacity	664,150	664,150	664,150	664,150	664,150	664,150	664,150

Schedule of TIF 5 Obligations

	Issue Date	Total	Actual				Projected	
			2020 and Prior	2021	2022	2023	2024	2025
Tax Increment Revenue		\$ 70,892,760	\$ 13,113,825	\$ 2,903,203	\$ 2,618,275	\$ 2,998,293	\$ 2,890,347	\$ 2,887,388
Allocation of TIF to obligations								
Bonds								
2016A Parking Ramp Bond (Pooling)	2016	7,180,000	1,107,078	158,721	-	451,171	498,923	496,610
2020A Panoway Bond (Pooling)	2020	2,245,000	-	62,120	52,869	107,817	148,369	150,294
Interest on bonds		3,961,396						
Pay-As-You-Go Notes								
Bay Center	2016	51,544,455	10,623,158	2,012,852	1,936,013	2,054,432	2,054,000	2,054,000
In-District Project Costs	2018 - 2021	5,731	5,731	-	-	-	-	-
Administrative Costs	2017	870,792	181,298	24,650	23,196	54,348	34,350	34,350
Past Pooling Projects								
Development Projects	2018 - 2021	1,085,677	1,085,677	-	-	-	-	-
Future Pooling Projects								
Ferndale Sidewalk	2023	504,510	-	-	-	504,510	-	-
Railroad Crossing Enhancements	2023 - 2024	446,166	-	-	-	-	446,166	-
Grove Lane Improvements	2024	141,500	-	-	-	-	-	141,500
Total Obligations		67,985,227	13,002,942	2,258,343	2,012,078	3,172,278	3,181,807	2,876,754
Hold Back for February 1st Bond Payments								
Annual Net Cash Increase			110,883	644,860	134,865	(223,861)	(296,335)	5,897
Available Cash Reserves		\$ 2,907,533	\$ 110,883	\$ 755,743	\$ 890,608	\$ 666,747	\$ 370,411	\$ 376,308

Schedule of TIF 5 Obligations (Continued)

	2026	2027	2028	2029	2030	2031	2032	2033
Tax Increment Revenue	\$ 2,887,494	\$ 2,889,027	\$ 2,890,592	\$ 2,892,147	\$ 2,893,693	\$ 2,895,320	\$ 2,896,931	\$ 2,898,580
Allocation of TIF to obligations								
Bonds								
2016A Parking Ramp Bond (Pooling)	493,798	495,410	496,348	497,340	493,694	494,511	494,709	494,175
2020A Panoway Bond (Pooling)	152,069	148,769	150,394	151,869	148,869	151,419	148,919	151,369
Interest on bonds								
Pay-As-You-Go Notes								
Bay Center	2,054,000	2,054,000	2,054,000	2,054,000	2,054,000	2,054,000	2,054,000	2,054,000
In-District Project Costs	-	-	-	-	-	-	-	-
Administrative Costs	34,350	34,350	34,350	34,350	34,350	34,350	34,350	34,350
Past Pooling Projects								
Development Projects	-	-	-	-	-	-	-	-
Future Pooling Projects								
Ferndale Sidewalk	-	-	-	-	-	-	-	-
Railroad Crossing Enhancements	-	-	-	-	-	-	-	-
Grove Lane Improvements	-	-	-	-	-	-	-	-
Total Obligations	2,734,216	2,732,529	2,735,091	2,737,559	2,730,913	2,734,280	2,731,978	2,733,894
Hold Back for February 1st Bond Payments	535,046	544,133	552,608	551,601	560,962	564,968	573,659	576,884
Annual Net Cash Increase	149,053	147,411	147,026	155,596	153,419	157,034	156,262	161,461
Accumulated Cash Reserves	\$ 525,361	\$ 672,772	\$ 819,797	\$ 975,393	\$ 1,128,812	\$ 1,285,846	\$ 1,442,108	\$ 1,603,570

Schedule of TIF 5 Obligations (Continued)

	2034	2035	2036	2037	2038	2039	2040	2041
Tax Increment Revenue	\$ 2,900,227	\$ 2,901,928	\$ 2,903,645	\$ 2,905,345	\$ 2,907,082	\$ 2,908,813	\$ 2,910,605	\$ -
Allocation of TIF to obligations								
Bonds								
2016A Parking Ramp Bond (Pooling)	493,075	490,713	491,975	492,713	492,925	491,500	488,400	489,600
2020A Panoway Bond (Pooling)	148,769	151,119	153,369	150,569	152,719	149,728	151,594	-
Interest on bonds								
Pay-As-You-Go Notes								
Bay Center	2,054,000	2,054,000	2,054,000	2,054,000	2,054,000	2,054,000	2,054,000	-
In-District Project Costs	-	-	-	-	-	-	-	-
Administrative Costs	34,350	34,350	34,350	34,350	34,350	34,350	34,350	3,350
Past Pooling Projects								
Development Projects	-	-	-	-	-	-	-	-
Future Pooling Projects								
Ferndale Sidewalk	-	-	-	-	-	-	-	-
Railroad Crossing Enhancements	-	-	-	-	-	-	-	-
Grove Lane Improvements	-	-	-	-	-	-	-	-
Total Obligations	2,730,194	2,730,181	2,733,694	2,731,631	2,733,994	2,729,578	2,728,344	492,950
Hold Back for February 1st Bond Payments	584,959	596,872	603,472	614,809	620,834	630,394	489,600	-
Annual Net Cash Increase	161,958	159,834	163,351	162,376	167,063	169,676	323,055	(3,350)
Accumulated Cash Reserves	\$ 1,765,528	\$ 1,925,362	\$ 2,088,713	\$ 2,251,089	\$ 2,418,153	\$ 2,587,828	\$ 2,910,883	\$ 2,907,533

Schedule of TIF 6 Obligations

	Issue Date	Total	Actual				Projected	
			Prior	2021	2022	2023	2024	2025
Tax Increment Revenue ⁽¹⁾		\$ 28,847,109	\$ 111,199	\$ 368,208	\$ 627,910	\$ 955,930	\$ 1,205,545	\$ 1,207,924
Allocation of TIF to obligations								
Bonds								
2020A Panoway Bond	2020	1,025,000	-	33,428	117,100	114,400	116,625	118,700
2020A Panoway Bond (Pooling)	2020	440,000	-	14,336	51,600	50,400	49,200	48,000
2023 - 2024 Panoway Phase II Bond	2022	6,815,000	-	-	-	-	-	265,179
Interest on bonds		3,129,148						
Pay-As-You-Go Notes								
Hoyt	TBD	2,295,324	-	-	-	128,257	162,349	162,349
Zitzloff	TBD	1,109,336	-	-	-	144,668	116,118	116,118
Lothenbach	TBD	1,013,092	-	-	-	54,589	72,242	72,242
Hughes	TBD	3,013,977	-	-	-	100,553	138,710	138,710
Interfund Loan								
Administrative Costs	2017	1,049,362	249,154	43,788	48,789	44,631	30,000	30,000
County Administrative Costs	2017	8,591	891	-	-	-	350	350
Parking Lot - Lake and Berry ⁽³⁾	2020	1,669,344	-	80,405	208,345	155,468	150,001	100,001
Interest on loans		751,742						
Pooling Projects ⁽³⁾								
Parking Lot/Lake St Light Replacement	2025	301,300	-	-	-	-	-	301,300
Wayfinding Signs	2029	304,000	-	-	-	-	-	-
Future Pooling Projects	TBD	-	-	-	-	-	-	-
Total Obligations		22,925,216	250,045	171,957	425,834	792,966	835,595	1,352,949
Hold Back for February 1st Bond Payments			-	150,325	148,375	151,425	154,400	375,005
Annual Net Cash Increase (Decrease)			\$ (138,846)	\$ 45,926	\$ 53,701	\$ 11,539	\$ 366,975	\$ (365,630)
Accumulated Available Cash Reserves		\$ 5,921,893	\$ (138,846)	\$ (92,920)	\$ 111,106	\$ 271,019	\$ 637,994	\$ 272,364

(1) Tax Increment Revenue includes tax increment and interest earnings

(2) Costs related to the pooling projects have not yet been incurred and future payments related to these project are estimated. The above projections assume the projects costs will be initially paid with City funds and reimbursed through future TIF, as pooling capacity is available.

(3) The Lake and Berry Parking Lot interfund loan is expected to be repaid with available increment and after all other annual obligations are paid.

Schedule of TIF 6 Obligations (Continued)

	2026	2027	2028	2029	2030	2031	2032	2033
Tax Increment Revenue	\$ 1,206,474	\$ 1,208,139	\$ 1,208,377	\$ 1,208,698	\$ 1,209,004	\$ 1,209,241	\$ 1,207,653	\$ 1,207,574
Allocation of TIF to obligations								
Bonds								
2020A Panoway Bond	115,700	117,625	114,475	116,250	118,450	116,150	-	-
2020A Panoway Bond (Pooling)	51,725	50,375	49,025	47,675	51,500	50,500	-	-
2023 - 2024 Panoway Phase II Bond	338,629	482,438	478,778	480,238	481,493	482,418	478,095	478,451
Interest on bonds								
Pay-As-You-Go Notes								
Hoyt	162,349	162,349	162,349	162,349	162,349	162,349	162,349	162,349
Zitzloff	116,118	116,118	116,118	116,118	116,118	116,118	35,727	-
Lothenbach	72,242	72,242	72,242	72,242	72,242	72,242	72,242	72,242
Hughes	138,710	138,710	138,710	138,710	138,710	138,710	138,710	138,710
Interfund Loan								
Administrative Costs	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
County Administrative Costs	350	350	350	350	350	350	350	350
Parking Lot - Lake and Berry	14,150	14,150	14,150	14,150	14,150	199,150	298,151	298,441
Interest on loans								
Pooling Projects								
Parking Lot/Lake St Light Replacement	-	-	-	-	-	-	-	-
Wayfinding Signs	-	-	-	304,000	-	-	-	-
Future Pooling Projects	-	-	-	-	-	-	-	-
Total Obligations	1,039,973	1,184,357	1,176,197	1,482,082	1,185,362	1,367,987	1,215,624	1,180,543
Hold Back for February 1st Bond Payments	526,049	524,389	532,889	546,274	550,169	383,899	389,196	394,255
Annual Net Cash Increase	\$ 15,457	\$ 25,442	\$ 23,680	\$ (286,769)	\$ 19,747	\$ 7,524	\$ (13,268)	\$ 21,972
Accumulated Available Cash Reserves	\$ 287,821	\$ 313,263	\$ 336,943	\$ 50,174	\$ 69,921	\$ 77,445	\$ 64,177	\$ 86,149

Schedule of TIF 6 Obligations (Continued)

	2034	2035	2036	2037	2038	2039	2040	2041
Tax Increment Revenue	\$ 1,207,844	\$ 1,207,603	\$ 1,207,880	\$ 1,208,996	\$ 1,213,846	\$ 1,219,531	\$ 1,225,259	\$ 1,231,039
Allocation of TIF to obligations								
Bonds								
2020A Panoway Bond	-	-	-	-	-	-	-	-
2020A Panoway Bond (Pooling)	-	-	-	-	-	-	-	-
2023 - 2024 Panoway Phase II Bond	478,249	477,475	481,105	479,043	476,275	477,686	478,155	477,651
Interest on bonds								
Pay-As-You-Go Notes								
Hoyt	162,349	162,349	162,349	56,528	-	-	-	-
Zitzloff	-	-	-	-	-	-	-	-
Lothenbach	72,242	72,242	72,242	19,352	-	-	-	-
Hughes	138,710	138,710	138,710	138,710	138,710	138,710	138,710	138,710
Interfund Loan								
Administrative Costs	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
County Administrative Costs	350	350	350	350	350	350	350	350
Parking Lot - Lake and Berry	350,000	298,866	211,506	-	-	-	-	-
Interest on loans								
Pooling Projects								
Parking Lot/Lake St Light Replacement	-	-	-	-	-	-	-	-
Wayfinding Signs	-	-	-	-	-	-	-	-
Future Pooling Projects	-	-	-	-	-	-	-	-
Total Obligations	1,231,900	1,179,993	1,096,263	723,982	645,335	646,746	647,215	646,711
Hold Back for February 1st Bond Payments	398,994	408,481	412,624	416,419	424,856	432,830	440,325	447,326
Annual Net Cash Increase	\$ (28,795)	\$ 18,123	\$ 107,475	\$ 481,219	\$ 560,074	\$ 564,811	\$ 570,549	\$ 577,327
Accumulated Available Cash Reserves	\$ 57,355	\$ 75,478	\$ 182,952	\$ 664,171	\$ 1,224,245	\$ 1,789,056	\$ 2,359,605	\$ 2,936,932

Schedule of TIF 6 Obligations (Continued)

	2042	2043	2044	2045	2046
Tax Increment Revenue	\$ 1,236,883	\$ 1,242,799	\$ 1,248,752	\$ 1,254,801	\$ -
Allocation of TIF to obligations					
Bonds					
2020A Panoway Bond	-	-	-	-	-
2020A Panoway Bond (Pooling)	-	-	-	-	-
2023 - 2024 Panoway Phase II Bond	476,145	478,500	474,795	475,114	-
Interest on bonds					
Pay-As-You-Go Notes					
Hoyt	-	-	-	-	-
Zitzloff	-	-	-	-	-
Lothenbach	-	-	-	-	-
Hughes	138,710	138,710	138,710	516	-
Interfund Loan					
Administrative Costs	30,000	30,000	30,000	30,000	3,000
County Administrative Costs	350	350	350	350	-
Parking Lot - Lake and Berry	-	-	-	-	-
Interest on loans					
Pooling Projects					
Parking Lot/Lake St Light Replacement (\$301,300)	-	-	-	-	-
Wayfinding Signs (\$304,000)	-	-	-	-	-
Future Pooling Projects	-	-	-	-	-
Total Obligations	645,205	647,560	643,855	505,980	3,000
Hold Back for February 1st Bond Payments	458,819	464,681	475,114	-	-
Annual Net Cash Increase	\$ 580,186	\$ 589,377	\$ 594,465	\$ 1,223,935	\$ (3,000)
Accumulated Available Cash Reserves	\$ 3,517,117	\$ 4,106,494	\$ 4,700,958	\$ 5,924,893	\$ 5,921,893

Schedule of Available Pooling

TIF District 6 - Downtown West

Available Pooling Calculation	District Total (2017 - 2045)	Actual				Projected
		2020 and Prior	2021	2022	2023	2024
Total Increment	\$ 28,461,311.00	\$ 111,529.00	\$ 367,996.00	\$ 625,691.00	\$ 956,095.00	\$ 1,200,000.00
25% of Increment Received*	\$ 7,087,445.50	\$ -	\$ 91,999.00	\$ 156,422.75	\$ 239,023.75	\$ 300,000.00
Less: Admin Costs	(1,049,362.00)	(249,154.00)	(43,788.00)	(48,789.00)	(44,631.00)	(30,000.00)
Less: Pooling Costs (2020 Panoway + Pooling Interes	(526,073.25)	(451,738.25)	(14,335.00)	(11,600.00)	(10,400.00)	(9,200.00)
Less: Pooling Projects	(605,300.00)	-	-	-	-	-
Accumulated Pooling Available	\$ 4,906,710.25	\$ (700,892.25)	\$ (667,016.25)	\$ (570,982.50)	\$ (386,989.75)	\$ (126,189.75)
<i>Available Cash Balance</i>	<i>\$ 5,921,893.08</i>	<i>\$ (92,920.46)</i>	<i>\$ 111,105.54</i>	<i>\$ 271,019.49</i>	<i>\$ 637,994.49</i>	

TIF District 5 - Bay Center

Available Pooling Calculation	District Total (2015 - 2040)	Actual				Projected
		2020 and Prior	2021	2022	2023	2024
Total Increment	\$ 70,306,745.00	\$ 13,027,219.00	\$ 2,906,589.00	\$ 2,679,261.00	\$ 2,903,676.00	\$ 2,870,000.00
25% of Increment Received*	\$ 17,576,686.25	\$ 3,256,804.75	\$ 726,647.25	\$ 669,815.25	\$ 725,919.00	\$ 717,500.00
Less: Admin Costs	(930,209.00)	(240,715.00)	(24,650.00)	(23,196.00)	(54,348.00)	(34,350.00)
Less: Pooling Bond Repayment (2016A)	(10,599,357.49)	(1,103,049.00)	(158,721.00)	-	(451,171.24)	(498,922.50)
Less: Pooling Bond Repayment (2020A)	(581,561.59)	-	(62,120.79)	(52,868.76)	(51,368.76)	(48,368.76)
Less: Pooling Projects	(4,398,882.00)	(3,306,706.00)	-	-	(655,676.00)	(295,000.00)
Less: Adjustment for possible return of increment	(700,000.00)	-	-	-	-	-
Accumulated Pooling Available	\$ 366,676.17	\$ (1,393,665.25)	\$ (912,509.79)	\$ (318,759.30)	\$ (805,404.30)	\$ (964,545.56)
<i>Available Cash Balance</i>	<i>\$ 2,907,533.23</i>	<i>\$ 1,068,137.00</i>	<i>\$ 1,693,998.00</i>	<i>\$ 2,380,255.00</i>	<i>\$ 2,034,719.00</i>	<i>\$ 1,738,765.57</i>

TIF District 3 - Widsten

Available Pooling Calculation	District Total (1997 - 2022)	Actual				Projected
		2020 and Prior	2021	2022	2023	2024
25% of Increment Received*	\$ 2,309,212.25	\$ 1,913,369.00	\$ 119,892.75	\$ 137,975.25	\$ 137,975.25	\$ -
Less: Admin Costs	(479,788.00)	(417,368.00)	(17,448.00)	(22,486.00)	(22,486.00)	-
Less: Pooling Bond Repayment	(1,372,955.00)	-	(337,627.00)	(495,898.00)	(495,898.00)	(43,532.00)
Less: Pooling Project Repayment	-	-	-	-	-	-
Accumulated Pooling Available	\$ 456,469.25	\$ 1,496,001.00	\$ 1,260,818.75	\$ 880,410.00	\$ 500,001.25	\$ 456,469.25
<i>Available Cash Balance</i>	<i>\$ -</i>	<i>\$ 611,310.00</i>	<i>\$ 554,281.00</i>	<i>\$ 243,580.00</i>	<i>\$ 43,532.00</i>	<i>\$ -</i>

* Increment received includes tax increment revenue and interest earnings

Schedule of Available Pooling (Continued)

TIF District 6 - Downtown West

Available Pooling Calculation	Projected							
	2025	2026	2027	2028	2029	2030	2031	2032
Total Increment	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00
25% of Increment Received*	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00
Less: Admin Costs	(30,000.00)	(30,000.00)	(30,000.00)	(30,000.00)	(30,000.00)	(30,000.00)	(30,000.00)	(30,000.00)
Less: Pooling Costs (2020 Panoway + Pooling Interest	(8,000.00)	(6,725.00)	(5,375.00)	(4,025.00)	(2,675.00)	(1,500.00)	(500.00)	-
Less: Pooling Project Repayment	(301,300.00)	-	-	-	(304,000.00)	-	-	-
Accumulated Pooling Available	\$ (165,489.75)	\$ 97,785.25	\$ 362,410.25	\$ 628,385.25	\$ 591,710.25	\$ 860,210.25	\$ 1,129,710.25	\$ 1,399,710.25
Available Cash Balance	\$ 272,364.49	\$ 287,821.49	\$ 313,263.49	\$ 336,943.49	\$ 50,174.49	\$ 69,921.49	\$ 77,445.49	\$ 64,177.49

TIF District 5 - Bay Center

Available Pooling Calculation	Projected							
	2025	2026	2027	2028	2029	2030	2031	2032
Total Increment	\$ 2,870,000.00	\$ 2,870,000.00	\$ 2,870,000.00	\$ 2,870,000.00	\$ 2,870,000.00	\$ 2,870,000.00	\$ 2,870,000.00	\$ 2,870,000.00
25% of Increment Received*	\$ 717,500.00	\$ 717,500.00	\$ 717,500.00	\$ 717,500.00	\$ 717,500.00	\$ 717,500.00	\$ 717,500.00	\$ 717,500.00
Less: Admin Costs	(34,350.00)	(34,350.00)	(34,350.00)	(34,350.00)	(34,350.00)	(34,350.00)	(34,350.00)	(34,350.00)
Less: Pooling Bond Repayment	(496,610.00)	(493,797.50)	(495,410.00)	(496,347.50)	(497,340.00)	(493,693.75)	(494,511.25)	(494,708.75)
Less: Pooling Bond Repayment	(45,293.76)	(42,068.76)	(38,768.76)	(35,393.76)	(31,868.76)	(28,868.76)	(26,418.76)	(23,918.76)
Less: Pooling Project Repayment	(141,500.00)	-	-	-	-	-	-	-
Less: Adjustment for possible return of increment	-	-	-	-	-	-	-	-
Accumulated Pooling Available	\$ (964,799.32)	\$ (817,515.58)	\$ (668,544.34)	\$ (517,135.60)	\$ (363,194.36)	\$ (202,606.87)	\$ (40,386.88)	\$ 124,135.61
Available Cash Balance	\$ 1,749,399.81	\$ 1,902,677.55	\$ 2,059,175.79	\$ 2,214,676.53	\$ 2,369,264.77	\$ 2,532,045.26	\$ 2,693,085.25	\$ 2,858,038.74

Schedule of Available Pooling (Continued)

TIF District 6 - Downtown West

Available Pooling Calculation	Projected							
	2033	2034	2035	2036	2037	2038	2039	2040
Total Increment	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00
25% of Increment Received*	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00
Less: Admin Costs	(30,000.00)	(30,000.00)	(30,000.00)	(30,000.00)	(30,000.00)	(30,000.00)	(30,000.00)	(30,000.00)
Less: Pooling Costs (2020 Panoway + Pooling Interest)	-	-	-	-	-	-	-	-
Less: Pooling Project Repayment	-	-	-	-	-	-	-	-
Accumulated Pooling Available	\$ 1,669,710.25	\$ 1,939,710.25	\$ 2,209,710.25	\$ 2,479,710.25	\$ 2,749,710.25	\$ 3,019,710.25	\$ 3,289,710.25	\$ 3,559,710.25
<i>Available Cash Balance</i>	\$ 86,149.49	\$ 57,354.53	\$ 75,477.53	\$ 182,952.43	\$ 664,171.13	\$ 1,224,244.75	\$ 1,789,055.87	\$ 2,359,604.99

TIF District 5 - Bay Center

Available Pooling Calculation	Projected							
	2033	2034	2035	2036	2037	2038	2039	2040
Total Increment	\$ 2,870,000.00	\$ 2,870,000.00	\$ 2,870,000.00	\$ 2,870,000.00	\$ 2,870,000.00	\$ 2,870,000.00	\$ 2,870,000.00	\$ 2,870,000.00
25% of Increment Received*	\$ 717,500.00	\$ 717,500.00	\$ 717,500.00	\$ 717,500.00	\$ 717,500.00	\$ 717,500.00	\$ 717,500.00	\$ 717,500.00
Less: Admin Costs	(34,350.00)	(34,350.00)	(34,350.00)	(34,350.00)	(34,350.00)	(34,350.00)	(34,350.00)	(34,350.00)
Less: Pooling Bond Repayment	(494,175.00)	(493,075.00)	(490,712.50)	(491,975.00)	(492,712.50)	(492,925.00)	(491,500.00)	(488,400.00)
Less: Pooling Bond Repayment	(21,368.76)	(18,768.76)	(16,118.76)	(13,368.76)	(10,568.76)	(7,718.76)	(4,728.13)	(1,593.75)
Less: Pooling Project Repayment	-	-	-	-	-	-	-	-
Less: Adjustment for possible return of increment	-	-	-	-	-	-	-	-
Accumulated Pooling Available	\$ 291,741.85	\$ 463,048.09	\$ 639,366.83	\$ 817,173.07	\$ 997,041.81	\$ 1,179,548.05	\$ 1,366,469.92	\$ 1,559,626.17
<i>Available Cash Balance</i>	\$ 3,022,724.98	\$ 3,192,758.22	\$ 3,364,504.96	\$ 3,534,456.20	\$ 3,708,169.94	\$ 3,881,258.18	\$ 4,060,493.05	\$ 4,242,754.30

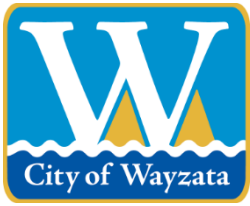
Schedule of Available Pooling (Continued)

TIF District 6 - Downtown West

Available Pooling Calculation	Projected					
	2041	2042	2043	2044	2045	2046
25% of Increment Received*	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ -
Less: Admin Costs	(30,000.00)	(30,000.00)	(30,000.00)	(30,000.00)	(30,000.00)	(3,000.00)
Less: Pooling Costs (2020 Panoway + Pooling Interest)	-	-	-	-	-	-
Less: Pooling Project Repayment	-	-	-	-	-	-
Accumulated Pooling Available	\$ 3,829,710.25	\$ 4,099,710.25	\$ 4,369,710.25	\$ 4,639,710.25	\$ 4,909,710.25	\$ 4,906,710.25
<i>Available Cash Balance</i>	<i>\$ 2,936,931.61</i>	<i>\$ 3,517,117.23</i>	<i>\$ 4,106,493.85</i>	<i>\$ 4,700,958.47</i>	<i>\$ 5,924,893.08</i>	<i>\$ 5,921,893.08</i>

TIF District 5 - Bay Center

Available Pooling Calculation	Projected
	2041
25% of Increment Received*	\$ -
Less: Admin Costs	(3,350.00)
Less: Pooling Bond Repayment	(489,600.00)
Less: Pooling Bond Repayment	-
Less: Pooling Project Repayment	-
Less: Adjustment for possible return of increment	(700,000.00)
Accumulated Pooling Available	\$ 366,676.17
<i>Available Cash Balance</i>	<i>\$ 2,907,533.23</i>



City of Wayzata Housing and Redevelopment Authority Agenda Report

MEETING DATE: May 15, 2024	AGENDA ITEM: 5.b
TITLE: Consider Adoption of HRA Resolution 01-2024 Authorizing Execution of Tax Increment Pledge Agreement for the Panoway Boardwalk and Docks	
PROPOSED MOTION: To Adopt HRA Resolution 01-2024 Authorizing Execution of a Tax Increment Pledge Agreement	
PREPARED BY: Aurora Yager, Deputy City Manager	
REVIEWED BY: Jeffrey Dahl, City Manager	

ACTION REQUESTED:

Staff recommends adoption of the resolution.

FINANCIAL OR BUDGET CONSIDERATION:

The TIF Bonds will be reimbursed out of TIF District #6 over the duration of the district's term.

BACKGROUND:

In 2020, the City received special legislation from the State of Minnesota in order to utilize the future TIF District #6 increment for the purposes of constructing the lakewalk and docks as a part of Panoway on Wayzata Bay. In 2023, the City issued Temporary TIF bonds to pay for part of Phase II of Panoway on Wayzata Bay that would not be covered by private donations and the \$4 million State Bonding funds. The City moved forward with a temporary TIF bond which can only be held for a maximum of three years because in 2023 the City had an active request in the State Legislature for additional State Bonds. Had the City's request for additional state funding been approved, it would have significantly impacted the amount of debt the City needed to issue. Now that additional State Bonds to fund the lakewalk and docks are off the table, it's in the City's best interest to refund and reissue the debt as permanent bonds to be able to utilize the approximately \$295,000 in capitalized interest to write down the amount of the bonds.

Because the HRA administers TIF District #6, it needs to adopt an updated Pledge Agreement with the City, which pledges the tax increment generated from the district for payment on the bonds.

The City Council authorized the issuance and sale of these General Obligation Tax Increment Refunding Bonds at its May 7th meeting and will consider awarding the sale of the bonds at its June 4th meeting. Stacie Kvilvang, of Ehlers and Associates, will be at the meeting to answer any questions.

ATTACHMENTS:

1. HRA Memo on TIF Pledge Agreement
2. HRA RES 01-2024 Approving Pledge Agreement (Series 2024A)

Memo

To: Jeffrey Dahl – Executive Director
From: Stacie Kvilvang - Ehlers
Date: April 21, 2020
Subject: Approval of TIF Pledge Agreement

The City is issuing \$3,710,000 in General Obligation Tax Increment Bonds, Series 2020A to finance public redevelopment costs related to Panoway on Wayzata Bay. \$2,245,000 will be paid by TIF District 5 – Wayzata Bay Center and \$1,465,000 will be paid by TIF District 6 – Downtown West.

Since the HRA administers the TIF districts, they need to approve a Pledge Agreement with the City, pledging the aforementioned TIF from the Districts for payment on the Bonds. The HRA completed a similar action in November 2016, when the City issued General Obligation TIF Bonds to pay for the new public parking ramp on Mill Street.

A copy of the Pledge Agreement is attached in the packet along with a resolution for consideration and approval. Please contact me at 651-697-8506 with any questions.

CITY OF WAYZATA

HRA RESOLUTION NO. 01-2024

**RESOLUTION AUTHORIZING EXECUTION OF TAX INCREMENT
PLEDGE AGREEMENT**

WHEREAS, the City of Wayzata, Minnesota (the “City”), has previously issued its \$6,555,000 General Obligation Temporary Tax Increment Bonds, Series 2023A, dated April 25, 2023 (the “Series 2023A Bonds”), pursuant to Minnesota Statutes Section 469.178, Chapter 475, and the City Charter, the proceeds of which were used, together with other available funds, to finance the design and construction of the lakefront pedestrian walkway and community transient lake public access infrastructure related to the Panoway on Wayzata Bay Project and funding costs of issuance of the Bonds (the “Project”); and

WHEREAS, a portion of Series 2023A Bonds is payable with tax increments (the “TIF”) realized by the Housing and Redevelopment Authority in and for the City (the “Authority”) from Tax Increment District No. 1-6 (the “District”); and

WHEREAS, the Authority administers the District; and

WHEREAS, Minnesota Statutes, Section 469.178, Subdivision 2 requires that any pledge of tax increment for the payment of the principal of and interest on general obligation bonds issued under the aforementioned subdivision be made by written agreement by and between the Authority and the City and filed with the county auditor; and

WHEREAS, pursuant to a Tax Increment Pledge Agreement dated April 25, 2023, between the City and the Authority (the “Pledge Agreement”), the Authority pledged to the City, certain Available Tax Increments (as defined in the Pledge Agreement) to secure the Series 2023A Bonds; and

WHEREAS, the City desires to issue its General Obligation Tax Increment Refunding Bonds, Series 2024A, in the approximate principal amount of \$6,510,000, pursuant to Minnesota Statutes, Section 469.178, Chapter 475, and the City Charter (the “Series 2024A Bonds”), for the purpose of refunding the Series 2023A Bonds; and

WHEREAS, a portion of Series 2024A Bonds shall be payable with TIF realized by the Authority from the “District”; and

WHEREAS, it is necessary and expedient that the Authority and the City enter into a tax increment pledge agreement securing the Series 2024A Bonds (the “Series 2024A Pledge Agreement”) with TIF from the District; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Authority, as follows:

Authorization to Execute. The Series 2024A Pledge Agreement, a form of which agreement is attached hereto as Exhibit A, is hereby approved in substantially the form in Exhibit A and the Chair and Executive Director are authorized and directed to execute the same on behalf of the Authority.

Filing. The Executive Director is directed to file a fully executed copy of the Series 2024A Pledge Agreement with the Hennepin County Auditor pursuant to Minnesota Statutes, Section 469.178, Subdivision 2.

Adopted by the Housing and Redevelopment Authority this 15th day of May, 2024.

Tom Shaver, Chair

ATTEST:

Jeff Dahl, Executive Director

Exhibit A

FORM OF TAX INCREMENT PLEDGE AGREEMENT

This Tax Increment Pledge Agreement (the “Agreement”) dated as of July 2, 2024, is by and between the City of Wayzata, Minnesota (the “City”), and the Housing and Redevelopment Authority in and for the City of Wayzata, Minnesota (the “Authority”), and provides as follows:

WHEREAS, the City has determined to issue its General Obligation Tax Increment Refunding Bonds, Series 2024A, in the approximate principal amount of \$6,510,000, pursuant to Minnesota Statutes, Section 469.178, Chapter 475, and the City Charter (the “Bonds”), for the purpose of refunding the City’s General Obligation Temporary Tax Increment Bonds, Series 2023A, the proceeds of which were used to finance the design and construction of the lakefront pedestrian walkway and community transient lake public access infrastructure related to the Panoway on Wayzata Bay Project; and

WHEREAS, the Bonds are to be payable primarily from tax increments realized by the Authority from Tax Increment District No. 1-6 (the “District”).

NOW, THEREFORE, to provide funds sufficient for the timely payment of the principal and interest on the Bonds, the City and the Authority hereby agree as follows: In order to pay the principal of and interest on the Bonds when due, the Authority hereby pledges to the City, for deposit in the Bond Fund established by the resolution of the City dated June 4, 2024 (the “Bond Resolution”), for the payment of the Bonds and any bonds used to refund the Bonds, Available Tax Increments (hereinafter defined) in amounts sufficient, with other funds actually appropriated by the City to the Bond Fund, to pay the principal and interest that are due pursuant to the Bond Resolution on the dates determined by the City and, if and to the extent that the Available Tax Increments are ever insufficient for such purposes, and the City advances City funds to provide prompt and full payment of the Bonds, the Authority agrees to reimburse the City for such advances from Available Tax Increments thereafter received by the Authority. As used in this Agreement, “Available Tax Increments” means tax increments derived by the Authority from the District, excluding such tax increments as have heretofore been pledged to the payment of other tax increment bonds or other eligible costs. In discharging its obligations under this Agreement, the Authority expressly reserves the right to select from year to year Available Tax Increments from the District and to pledge or otherwise dedicate tax increments from the District to purposes other than the payment of the Bonds upon a finding by the Authority that the estimated Available Tax Increments then remaining will be sufficient from year to year to discharge the Authority’s payment obligations on the Bonds pursuant to this Agreement.

An executed copy of this Agreement shall be filed with the County Auditor of Hennepin County as required by Minnesota Statutes, Section 469.178, Subdivision 2.

This Agreement shall become effective upon the actual issuance and delivery of the Bonds.

IN WITNESS WHEREOF, the City and the Authority have caused this Agreement to be duly approved and executed as of the day and year first above written.

CITY OF WAYZATA, MINNESOTA

By _____
Mayor

Attest: _____
City Manager

HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE CITY OF
WAYZATA, MINNESOTA

By _____
Chair

And _____
Executive Director