

Memorandum

TO: Economic Development Authority
FROM: Tom Simonson , Assistant City Manager and Community Development Director
DATE: January 6, 2025
SUBJECT: Tax Increment Financing Pooling Resources Analysis
ITEM NUMBER: 6.a
SECTION: GENERAL BUSINESS

REQUESTED MOTION

No formal action requested. For review and discussion only.

INTRODUCTION

With new board members and a very active past year of redevelopment and economic development projects involving city financial assistant, staff believes a review of existing tax increment financing (TIF) districts and an analysis of the city's pooled tax increment financing resources would be beneficial. The study identifies both current and estimated increments that can be used for economic development and the potential uses or restrictions from the pooled funds retained by the city from certain tax increment districts. Staff would like to share and discuss this information as it will be helpful as the EDA establishes economic development, redevelopment, and housing goals that may require public financing assistance.

DISCUSSION

The economic development authority (EDA) is the policy and financing board responsible for overseeing the City's economic development and housing programs on behalf of the city council. From time to time, staff and the board will review and discuss the status of tax increment financing districts and financial resources available to support major economic development and housing goals. Staff recently asked the city's tax increment consultant and development attorney to prepare a summary and analysis of available pooled financial resources, especially with a number of large-scale housing and business development projects that have been assisted where the city is retaining a percentage of the increments for our economic development goals.

To provide background for the EDA, included with this memorandum are the following documents:

- A document titled Shoreview Tax Increment Financing Districts and Tax Abatement Assistance Summary (updated for 2025)
- Memorandum from consultant Kirstin Chatfield providing an overview of TIF pooling and potential options for uses of funds
- Spreadsheet of both current and estimated fund balances of TIF districts where they city retains increments for administrative and other development purposes
- Breakdown of each TIF district that has pooling increments coming to the city and

description of the uses allowed and legal restrictions that has been prepared by legal counsel from the Taft law firm

RECOMMENDATION

It is recommended that the EDA board review the information provided on TIF pooling resources and potential uses.

ATTACHMENTS

[Shoreview TIF Districts Summary Updated 2025](#)

[TIF District Analysis 2024 updated](#)

[Shoreview TIF Pooling Options 2024](#)

[Shoreview TIF Breakdown Pooling Restrictions 2024](#)