



Redevelopment Plan
for
Schwan's Redevelopment Project No. 2
and
Administrative Amendment to the Tax Increment
Financing Plan for Tax Increment Financing
Redevelopment District No. 2-2

Housing and Redevelopment Authority

in and for the City of Marshall

City of Marshall, Minnesota

Prepared by

Baker Tilly Municipal Advisors, LLC

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Approval by HRA Board: June 9, 2020

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Introduction

The City of Marshall (the “City”) and the Housing and Redevelopment Authority in and for the City (the “Authority”) have retained Baker Tilly as municipal advisor (the “Municipal Advisor”) in connection with the establishment and modification of redevelopment projects and tax increment financing districts. In providing financial analysis contained within this document, the Municipal Advisor has relied upon government officials, and other sources that have access to relevant data to provide accurate information. The Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information.

The purpose of the modification to the Redevelopment Plan for Redevelopment Project Area No. 2 in the City of Marshall is to prepare an administrative amendment to the Tax Increment Financing Plan for Tax Increment Financing District No. 2-2.

The City and Authority reserve the right to finance any TIF-eligible costs within the Redevelopment Project Area utilizing available tax increments from the existing TIF District. Financing of identified projects within the Project Area will be limited to the amount of revenues currently available within each district, as well as future tax increments generated from the individual TIF Districts through the remaining terms of the Districts.

The sections specifically being modified in the Redevelopment Plan include Section 1.5, Estimated Public Improvement Costs and Supportive Data. The sections specifically being modified in the TIF Plan for TIF District No. 2-2 include Section 3.6, the Estimated Public Improvement Costs and Supportive Data.

MUNICIPAL ACTION TAKEN

Based upon the statutory authority described in the Modified Redevelopment Plan, the public purpose findings by the Commissioners and for the purpose of fulfilling the Authority's redevelopment objectives as set forth in the Modified Redevelopment Plan, the Commissioners have established Schwan's Redevelopment Project No. 2.

The following municipal action was taken in connection therewith:

June 18, 1984: The Redevelopment Plan for Schwan's Redevelopment Project No. 2 was adopted by the City Council.

July 15, 1985: The Redevelopment Plan for Redevelopment Project No. 2 was modified to reflect an enlargement of the geographic area.

July 21, 1986: The Redevelopment Plan for Redevelopment Project No. 2 was modified to reflect an enlargement of the geographic area and increased Project costs.

March 16, 1992: The Redevelopment Plan for Redevelopment Project No. 2 was modified to reflect increased Project costs.

September 21, 1992: The Redevelopment Plan for Redevelopment Project No. 2 was modified to reflect an enlargement of the geographic area and increased Project costs.

February 7, 1994: The Redevelopment Plan for Redevelopment Project No. 2 was modified to reflect an enlargement of the geographic area and increased Project costs.

December 2, 1996: The Redevelopment Plan for Redevelopment Project No. 2 was modified to reflect an enlargement of the geographic area and increased Project costs.

December 21, 1998: The Redevelopment Plan for Redevelopment Project No. 2 was modified to reflect an enlargement of the geographic area.

October 25, 2000: The Redevelopment Plan for Redevelopment Project No. 2 was modified to reflect increased project costs and establishment of Tax Increment Financing District No. 2-3.

April 30, 2001: The Redevelopment Plan for Redevelopment Project No. 2 was modified to reflect technical amendments and increased project costs.

December 15, 2003: The Redevelopment Plan for Redevelopment Project No. 2 was modified to reflect increased Project costs of the Tax Increment Financing Districts located within, to be expended within the Project Area. It is also proposed that the term of Tax Increment Financing District No. 2-3 be extended.

October 15, 2007: The Redevelopment Plan for Redevelopment Project No. 2 was modified to reflect increased Project costs and an enlargement of the geographic area to include future proposed projects.

June 2, 2008: The Redevelopment Plan for Redevelopment Project No. 2 was modified to reflect increased Project costs and an enlargement of the geographic area to include future proposed projects.

February 8, 2011: The Redevelopment Plan for Redevelopment Project No. 2 was modified to reflect increased Project costs and an enlargement of the geographic area to include future proposed projects.

June 9, 2020: The Plan for Redevelopment Project No. 2 is to be modified by the City Council to reflect administrative amendment to TIF 2-2.

The following municipal action was taken with regard to the Tax Increment Financing Districts comprising portions of Schwan's Redevelopment Project No. 2:

Tax Increment Financing District No. 2-1:

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Tax Increment Financing District No. 2-2:

July 21, 1986: The Tax Increment Financing Plan for Tax Increment Financing District No. 2-2 was adopted by the City Council.

March 16, 1992: The Tax Increment Financing Plan for Tax Increment Financing District No. 2-2 was modified to reflect increased Project costs.

September 21, 1992: The Tax Increment Financing Plan for Tax Increment Financing District No. 2-2 was modified to reflect an enlargement of the geographic Project area and increased Project costs.

February 7, 1994: The Tax Increment Financing Plan for Tax Increment Financing District No. 2-2 was modified to reflect an enlargement of the geographic Project area and increased Project costs.

December 2, 1996: The Tax Increment Financing Plan for Tax Increment Financing District No. 2-2 was modified to reflect an enlargement of the geographic Project area and increased Project costs.

December 21, 1998: The Tax Increment Financing Plan for Tax Increment Financing District No. 2-2 was modified to reflect an enlargement of the geographic Project area.

October 25, 2000: The Tax Increment Financing Plan for Tax Increment Financing District No. 2-2 was modified to reflect increased Project costs relating to Schwan's projects.

April 30, 2001: The Tax Increment Financing Plan for Tax Increment Financing District No. 2-2 was modified to reflect technical amendments and increased Project costs.

December 15, 2003: The Tax Increment Financing Plan for Tax Increment Financing District No. 2-2 was modified to reflect increased Project costs.

October 15, 2007: The Tax Increment Financing Plan for Tax Increment Financing District No. 2-2 was modified to reflect increased Project costs.

June 2, 2008: The Tax Increment Financing Plan for Tax Increment Financing District No. 2-2 was modified to reflect increased Project costs.

February 8, 2011: The Tax Increment Financing Plan for Tax Increment Financing District No. 2-2 was modified to reflect increased Project costs.

June 9, 2020: The Tax Increment Financing Plan for Tax Increment Financing District No. 2-2 is to be administratively amended by the City Council to reflect an adjustment to project costs with no increase in overall project costs or revenues.

Tax Increment Financing District No. 2-3:

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Tax Increment Financing Plan for
Tax Increment Financing District No. 2-3

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SECTION I

**Modified Redevelopment Plan for
Schwan's Redevelopment Project No. 2**

1.1 Definitions

No Change

1.2 Statement and Finding of Public Purpose

No Change

1.3 Statutory Authority

No Change

1.4 Statement of Objectives

No Change

1.5 Estimated Public Improvement Costs and Supportive Data

(AS MODIFIED BY ADMINISTRATIVE AMENDMENT ON JUNE 9, 2020)

Included in this section are the estimated development and public improvement costs related to the proposed projects within Redevelopment Project No. 2 and financed by tax increments derived from tax increment financing districts within Redevelopment Project No. 2

**(PUBLIC IMPROVEMENT COSTS AS ADJUSTED BY MODIFICATION OF
THE REDEVELOPMENT PLAN ON JUNE 9, 2020)**

(from Tax Increment Financing District No. 2-2)

Estimated Future Redevelopment and Development Costs of the Redevelopment Plan

	Original	Administrative Amendment
Parkway Addition Acquisition & Infrastructure	738,500	738,500
Sonstegard Public Utilities	1,292,740	792,740
Marshall Hotel Demolition	100,000	600,000
Parkway III Acquisition, Demolition & Infrastructure	387,609	387,609
DeRuyk Infrastructure	1,819,278	1,819,278
Total	\$4,338,127	\$4,338,127

1.6 Boundaries of Redevelopment Project No. 2

No Change

1.7 Boundary Maps of Redevelopment Project No. 2

No Change

**1.8 Parcels to be Acquired in Whole or in Part Within
Redevelopment Project No. 2**

No Change

1.9 Public Improvements and Facilities Within Redevelopment Project No. 2

No Change

1.10 Environmental Controls

No Change

1.11 Proposed Reuse of Property

No Change

1.12 Administration and Maintenance of Redevelopment Project No. 2

No Change

1.13 Rehabilitation

No Change

1.14 Relocation

No Change

SECTION II

**Modified Tax Increment Financing Plan for
Tax Increment Financing District No. 2-1
(Schwans Corporate, Cold Storage, & Ice Cream Plant)**

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SECTION III

**Tax Increment Financing Plan for
Tax Increment Financing District No. 2-2
(Schwans Depot)**

3.1 Statement of Objectives

No Change

3.2 The Modified Redevelopment Plan

No Change

3.3 Parcels to be Included in Tax Increment Financing District No. 2-2

No Change

3.4 Parcels in Acquisition

No Change

3.5 Development Activity in Redevelopment Project No. 2 Proposed by Plan for which Contracts have been Signed

No Change

3.6 Estimated Public Improvement Costs and Supportive Data

(AS MODIFIED THROUGH ADMINISTRATIVE AMENDMENT ON JUNE 9, 2020)

	Original	Administrative Amendment
Parkway Addition Acquisition & Infrastructure	738,500	738,500
Sonstegard Public Utilities	1,292,740	792,740
Marshall Hotel Demolition	100,000	600,000
Parkway III Acquisition, Demolition & Infrastructure	387,609	387,609
DeRuyk Infrastructure	1,819,278	1,819,278
Total	\$4,338,127	\$4,338,127

3.7 Sources of Revenue

No Change

3.8 Original Assessed Value and Current Assessed Value

No Change

3.9 Estimated Captured Assessed Value

No Change

3.10 Type of Tax Increment Financing District

No Change

3.11 Duration of Tax Increment Financing District No. 2-2

No Change

3.12 Estimated Impact on Other Taxing Jurisdictions

No Change

3.13 Cash Flow Assumptions and Analysis

No Change

3.14 Estimated Amount of Bonded Indebtedness

No Change

3.15 Tax Increment Financing Account for Tax Increment Financing District No. 2-2

No Change

3.16 Modification of Tax Increment Financing District No. 2-2

(AS MODIFIED THROUGH ADMINISTRATIVE AMENDMENT ON JUNE 9, 2020)

June 9, 2020: Pursuant to the adoption of the administrative amendment to the Redevelopment Plan for Redevelopment Project No. 2, the Tax Increment Financing Plan for Tax Increment Financing District No. 2-2 is hereby modified to reflect the adjustment of the Project costs, as provided in Section I, Subsection 1.5 of the Modified Redevelopment Plan.

SECTION IV

**Tax Increment Financing Plan for
Tax Increment Financing District No. 2-3
(Schwans Research & Development and Razor)**

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Map of Redevelopment Project Area No. 2

