

**DRAFT**

**CITY OF MAPLE PLAIN, MINNESOTA**

**DEVELOPMENT PROGRAM FOR DEVELOPMENT  
DISTRICT NO. 2**

**AND TAX INCREMENT FINANCING PLAN FOR  
TAX INCREMENT FINANCING (REDEVELOPMENT)  
DISTRICT NO. 2-1 WITHIN DEVELOPMENT DISTRICT NO. 2**

**PROPOSED TO BE ADOPTED BY CITY COUNCIL OF MAPLE PLAIN, MN**

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## TABLE OF CONTENTS

<b>ARTICLE I – INTRODUCTION AND DEFINITIONS</b> .....	<b>1</b>
Section 1.01 Introduction .....	1
Section 1.02 Definitions .....	1
Section 1.03 Plan Preparation .....	2
<b>ARTICLE II - DEVELOPMENT PROGRAM</b> .....	<b>3</b>
Section 2.01 Overview .....	3
Section 2.02 Statement of Objectives.....	3
Section 2.03 Boundaries of Development District.....	4
Section 2.04 Development Activities.....	4
Section 2.05 Payment of Public Development Costs.....	4
Section 2.06 Environmental Controls; Land Use Regulations .....	4
Section 2.07 Park and Open Space to be Created .....	5
Section 2.08 Proposed Reuse of Property.....	5
Section 2.09 Administration and Maintenance of Development District .....	5
Section 2.10 Amendments.....	5
<b>ARTICLE III - TAX INCREMENT FINANCING PLAN</b> .....	<b>5</b>
Section 3.01 Statutory Authority.....	5
Section 3.02 Planned Development.....	5
3.02.1 Development Description .....	5
3.02.2 City Plans and Development Program.....	5
3.02.3 Land Acquisition .....	6
3.02.4 Development Activities.....	6
3.02.5 Need for Tax Increment Financing .....	6
Section 3.03 Tax Increment Financing District.....	6
3.03.1 Designation .....	6
3.03.2 Boundaries of TIF District.....	6
3.03.3 Type of District .....	7
Section 3.04 Plan for Use of Tax Increment.....	8
3.04.1 Estimated Tax Increment.....	8
3.04.2 Public Development Costs .....	8
3.04.3 Estimated Sources and Uses of Funds.....	9
Figure 3-1.....	9
3.04.4 Administrative Costs .....	9
3.04.5 County Road Costs .....	9
3.04.6 Bonded Indebtedness .....	10
3.04.7 Election of First Year of Tax Increment and Duration of District.....	10
3.04.8 Estimated Impact on Other Taxing Jurisdictions .....	10
3.04.9 Prior Planned Improvements.....	11
<b>ARTICLE IV – ADMINISTERING THE TIF DISTRICT</b> .....	<b>11</b>
Section 4.01 Filing and Certification .....	11
Section 4.02 Modifications of the Tax Increment Financing Plan.....	11
Section 4.03 Correcting Redevelopment Conditions .....	12
Section 4.04 Four-Year Knockdown Rule .....	12
Section 4.05 Pooling and Five-Year Rule .....	12
Section 4.06 Financial Reporting and Disclosure Requirements.....	13
Section 4.07 Business Subsidy Compliance.....	13

<b>EXHIBITS.....</b>	<b>14</b>
Exhibit I	Present Value Analysis..... 14
Exhibit II	Projected Tax Increment ..... 15
Exhibit III	Impact on Other Taxing Jurisdictions ..... 16
Exhibit IV	Estimated Tax Increment Over Life of District ..... 17
Exhibit V	Map of TIF District and Development District..... 18
Exhibit VI	Inspection of Report of Property ..... 19

## **ARTICLE I – INTRODUCTION AND DEFINITIONS**

### **SECTION 1.01 INTRODUCTION**

The City of Maple Plain proposes to provide tax increment financing assistance to assist with economic development within the City. This document contains the plan for achieving the objectives of the Development Program for Development District No. 2 through the establishment and use of tax increment financing districts within its boundaries. This document also contains the Tax Increment Financing Plan for Tax Increment Financing (Redevelopment) District No. 2-1, which is the first district to be established within the boundaries of Development District No. 2.

### **SECTION 1.02 DEFINITIONS**

For the purposes of this document, the terms below have the meanings given in this section, unless the context in which they are used indicates a different meaning:

1. “City” means the City of Maple Plain, Minnesota.
2. “City Council” means the City Council of the City.
3. “County” means Hennepin County, Minnesota.
4. “County Auditor” means the County Auditor/Treasurer of the County.
5. “Developer” means the private party undertaking construction of the Development in the TIF District, their successors or assigns.
6. “Development” means the redevelopment of the Property within the TIF District to include the construction by the Developer of a multi-family housing / apartment complex consisting of approximately 95 rental housing units.
7. “Development District” means Development District No. 2 within the City, established pursuant to the Development District Act.
8. “Development District Act” means Minnesota Statutes, Sections 469.124 through 469.134, as amended and supplemented from time to time.
9. “Development Program” means the Development Program for the Development District, as amended and supplemented from time to time.
10. “Property” means the approximate 1.25 acres within the TIF District as described in Section 3.03.2 of the TIF Plan.
11. “Project Area” means the geographic area of the Development District.
12. “Public Development Costs” means the cost of the development activities that will or are expected to occur within the Project Area or TIF District.
13. “School District” means Orono Independent School District 278.
14. “State” means the State of Minnesota.
15. “Tax Increment Bonds” means any tax increment bonds as defined in Section 469.174, Subd. 3 of the TIF Act, issued by the City to finance Public Development Costs, and any obligations issued to refund such bonds, pursuant to Section 469.178 of the TIF Act.
16. “TIF Act” means Minnesota Statutes, Sections 469.174 through 469.1794 as amended, both inclusive.
17. “TIF District” means Tax Increment Financing (Redevelopment) District No. 2-1.
18. “TIF Plan” means the tax increment financing plan for the TIF District (this document).

**SECTION 1.03 PLAN PREPARATION**

This document was prepared for the City by Northland Securities, Inc.

## **ARTICLE II - DEVELOPMENT PROGRAM**

### **SECTION 2.01 OVERVIEW**

The City hereby establishes Development District No. 2 and the related Development Program as a tool to achieve the objectives described in Section 2.02. The Development District serves as the “Project Area” for the tax increment financing districts established within its boundaries. The Development Program describes the City’s objectives for the development of this area and the use of tax increment financing.

### **SECTION 2.02 STATEMENT OF OBJECTIVES**

The establishment of the Development District pursuant to the Development District Act is necessary and in the best interests of the City and its residents and is necessary to give the City the ability to meet certain public purpose objectives that would not be obtainable in the foreseeable future without intervention by the City in the normal development process.

The City intends, to the extent permitted by law, to accomplish the following objectives through the implementation of the Development Program:

1. Provide for the acquisition of land and construction and financing of the private development in the Development District which are necessary for the orderly and beneficial development of the Development District and adjacent areas of the City.
2. Encourage the redevelopment of blighted and under-utilized areas of the City.
3. Facilitate the removal of deteriorated structures and encourage redevelopment in commercial areas providing high levels of property maintenance and private investment.
4. Provide parking needed to support development and encourage use of shared parking to promote additional private development.
5. Build, maintain improve, and reconstruct public improvements and utilities needed to support development.
6. Promote and secure the prompt and unified development of certain property in the Development District, which property is not now in productive use or in its highest and best use, with a minimum adverse impact on the environment, and thereby promote and secure the desirable development of other land in the City.
7. Promote and secure additional employment opportunities within the Development District and the City for residents of the City and the surrounding area, thereby improving living standards and reducing unemployment and the loss of skilled and unskilled labor and other human resources in the City.
8. Secure the increase in values of property subject to taxation by the City, the School District, the County, and other taxing jurisdictions in order to better enable such entities to pay for governmental services and programs that they are required to provide.
9. Promote the concentration of new unified development consisting of desirable industrial and other appropriate development in the Development District so as to maintain these areas in a manner compatible with its accessibility and prominence in the City.
10. Encourage the expansion and improvement of local business, economic activity and development, whenever possible.
11. Create a desirable and unique character within the Development District through quality land use alternatives and design quality in new buildings.

### **SECTION 2.03 BOUNDARIES OF DEVELOPMENT DISTRICT**

The boundaries of the Development District are conterminous with the municipal boundaries of the City as shown in Exhibit V.

### **SECTION 2.04 DEVELOPMENT ACTIVITIES**

The City will perform or cause to be performed, to the extent permitted by law, all project activities pursuant to the Development District Act, the TIF Act, and other applicable state laws, and in doing so anticipates that the following may, but are not required, to be undertaken by the City:

1. The making of studies, planning, and other formal and informal activities relating to the Development Program.
2. The implementation and administration of the Development Program.
3. The rezoning of land within the Development District.
4. The acquisition of property, or interests in property, by purchase or condemnation, which acquisition is consistent with the objectives of the Development Program.
5. The preparation of property for use and development in accordance with applicable Land Use Regulations and the Development Agreement, including demolition of structures, clearance of sites, placement of fill and grading.
6. The resale of property to private parties.
7. The construction or reconstruction of site improvements to property within a tax increment financing district.
8. The construction, improvement and maintenance of parking facilities.
9. The construction, improvement and maintenance of streets, sidewalks, alleys, and public utilities.
10. The issuance of Tax Increment Bonds to finance the Public Development Costs of the Development Program, and the use of tax increment revenue available to the City to pay or finance the Public Development Costs of a tax increment financing district, as provided in a tax increment financing plan, incurred or to be incurred by it pursuant to the Development Program.
11. The use of tax increment revenue to pay debt service on the Tax Increment Bonds or otherwise pay or reimburse with interest the Public Development Costs of a tax increment financing district, as provided in a tax increment financing plan.

### **SECTION 2.05 PAYMENT OF PUBLIC DEVELOPMENT COSTS**

Public Development Costs and the plan for their payment will be described in the tax increment financing plans for a tax increment financing district. It is anticipated that the Public Development Costs of the Development Program will be paid primarily from tax increment revenues from tax increment financing districts within the Development District. The City reserves the right to utilize other available sources of revenue, including but not limited to special assessments, user charges and financial assistance from other units of government, which the City may apply to pay a portion of the Public Development Costs.

### **SECTION 2.06 ENVIRONMENTAL CONTROLS; LAND USE REGULATIONS**

All municipal actions, public improvements and private development shall be carried out in a manner consistent with existing environmental controls and all applicable land use regulations.

## **SECTION 2.07 PARK AND OPEN SPACE TO BE CREATED**

Park and open space within the Development District, if created, will be created in accordance with the City's Comprehensive Plan and zoning and subdivision ordinances.

## **SECTION 2.08 PROPOSED REUSE OF PROPERTY**

The Development Program provides that the City or Authority may acquire property and reconvey the same to another entity. All parcels in the Development District are eligible for acquisition. In acquiring land, the City will require the execution of a binding development agreement with respect thereto and evidence that tax increment revenues or other funds will be available to repay the costs associated with the proposed acquisition of property. It is the intent of the City to negotiate the acquisition of property whenever possible. Appropriate restrictions regarding the reuse and redevelopment of property shall be incorporated into any development agreement to which the City is a party.

## **SECTION 2.09 ADMINISTRATION AND MAINTENANCE OF DEVELOPMENT DISTRICT**

Maintenance and operation of the Development District will be the responsibility of the City Administrator or designee of the City who shall serve as administrator of the Development District for the City. Each year the Administrator will submit to the City the maintenance and operation budget for the following year.

The Administrator will administer the Development District pursuant to the provisions of Section 469.131 of the Development District Act; provided, however, that such powers may only be exercised at the direction of the City Council. No action taken by the Administrator pursuant to the above-mentioned powers shall be effective without authorization by the City Council.

## **SECTION 2.10 AMENDMENTS**

The City reserves the right to alter and amend the Development Program, subject to the provisions of state law regulating such action. The City specifically reserves the right to enlarge or reduce the size of the Development District, the Development Program and the Public Development Costs of the Development Program.

# **ARTICLE III - TAX INCREMENT FINANCING PLAN**

## **SECTION 3.01 STATUTORY AUTHORITY**

The TIF District and this TIF Plan are established under the authority of the TIF Act.

## **SECTION 3.02 PLANNED DEVELOPMENT**

### *3.02.1 Development Description*

The Developer proposes to undertake the redevelopment of the Property. The Developer proposes redevelopment of the property within the TIF District to include the construction by the Developer of a multi-family housing / apartment complex consisting of approximately 95 rental housing units.

### *3.02.2 City Plans and Development Program*

In addition to achieving the objectives of the Development Program, the Development is consistent with and works to achieve the development objectives of the City. The TIF Plan for the TIF District conforms to the general plan for development or redevelopment of the

City as a whole. The City has adopted land use controls to guide the use of the Property. The development plans for the Development in the TIF District have been reviewed by the Planning Commission and the City Council, and conform to current land use controls.

### *3.02.3 Land Acquisition*

There is no land acquisition by the City related to the Development. The Developer will acquire the Property from the City for the Development.

### *3.02.4 Development Activities*

The City anticipates that activities proposed in the TIF Plan will be subject to contracts as of the date of approval of the establishment of the TIF District or a date thereafter. The City has and anticipates it will enter into contracts with the Developer to provide tax increment financing assistance to the Developer to reimburse the Developer for certain Public Development Costs to be incurred by the Developer.

### *3.02.5 Need for Tax Increment Financing*

In the opinion of the City, the Development would not reasonably be expected to occur solely through private investment within the foreseeable future and the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the Development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan. The reasons and facts supporting this finding include the following:

- The Development requires public financial assistance to offset site improvement and preparation costs to allow for the Developer to proceed with construction of the Development.
- A comparative analysis of estimated market values both with and without establishment of the TIF District and the use of tax increments has been performed as described above and is shown in Exhibit I. This analysis indicates that the increase in estimated market value of the Development (less the present value of the projected tax increments for the maximum duration permitted by the TIF Plan) exceeds the estimated market value of the site prior to the establishment of the TIF District.

The TIF Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of the Development District by private enterprise.

## **SECTION 3.03 TAX INCREMENT FINANCING DISTRICT**

### *3.03.1 Designation*

This TIF District is designated as Tax Increment Financing (Redevelopment) District No. 2-1.

### *3.03.2 Boundaries of TIF District*

The boundaries of the TIF District are depicted in Exhibit V. The TIF District includes one parcel described (the "Property"), to be described below, and the immediate adjacent roads and right-of-way to this parcel.

- Main and Maple Legal Description  
Lots 6, 7, 8, and 9, Block 1, "West Maple Plain," Hennepin County, Minnesota;  
That part of Lots 3, 4, and 5, Block 1, "West Maple Plain," lying southerly of the centerline of U.S. Trunk Highway No. 12, as now located and established; That part of the north 65 feet of Lot 10, Block 1, "West Maple Plain," lying southerly of Trunk Highway No. 12, as now located and established; EXCEPTING Tract A and Tract B as described in Quit Claim Deed Document No. 11199880; Together with notice that a portion of the premises is Registered Land under Certificate of Title No. 1414115.

The parcel to be within the boundaries of the TIF District will be platted prior to the City submitting the request for certification of the TIF District to the County. The parcel to be platted, as described above, is anticipated to be inclusive of all or a portion of the following five current parcels:

- 2411824340069
- 2411824340028
- 2411824340070
- 2411824340031
- 2411824340033

### 3.03.3 *Type of District*

The TIF District is established as a “redevelopment district” pursuant to Section 469.174, subdivision 10 of the TIF Act. The City has determined that the Property in the TIF District meets the statutory criteria for a redevelopment district.

Section 469.174, subdivision 10 (a) (1) of the TIF Act requires two tests for occupied parcels be met to qualify as a “redevelopment district”: a conditions test and coverage test. For a “redevelopment district” more than 50% of the buildings, not including outbuildings, must be found to be structurally substandard to a degree requiring substantial renovation or clearance.

The conditions test for structurally substandard is defined under Section 469.174, subdivision 10(b) of the TIF Act. For purposes of that subdivision, “structurally substandard” means containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance.”

Buildings are not eligible to be considered structurally substandard unless they meet certain additional criteria, as set forth in Section 469.174, subdivision 10(c) of the TIF Act. A building is not structurally substandard if it is in compliance with the building code applicable to new buildings or could be modified to satisfy the building code at a cost of less than 15% of the cost of constructing a new structure of the same square footage and type on the site.

The municipality may find that a building is not disqualified as structurally substandard under the preceding sentence on the basis of reasonably available evidence, such as the size, type, and age of the building, the average cost of plumbing, electrical, or structural repairs, or other similar reliable evidence. Items of evidence that support such a conclusion that the building is not disqualified include recent fire or police inspections, on-site property tax appraisals or housing inspections, exterior evidence of deterioration, or other similar reliable evidence.

Furthermore, parcels consisting of 70% of the area of the district must be occupied by buildings, streets, utilities, or paved or gravel parking lots to meet the required coverage test. The coverage required by the parcel to be considered occupied is defined under Section 469.174, subdivision 10(e) of the TIF Act. For purposes of such subdivision, a parcel is not occupied by buildings, streets, utilities, or paved or gravel parking lots unless 15% of the area of the parcel contains building, streets, utilities, or paved or gravel parking lots.

As summarized in the table of data on page 8, 100% of the area of the TIF District is occupied by improved parcels, and 100% of the buildings within the TIF District are found to be substandard. The substandard buildings are reasonably distributed.

The detailed results of the building inspection and analysis performed by LHB, Inc. is contained in the report from LHB, Inc. dated January 6, 2025 and included in Exhibit V of the TIF Plan. In summary the findings are as follows:

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Number of Parcels .....	1
Site Area Included (square feet without roads).....	54,398
Area of Improved Parcels (square feet).....	9,952
Percent of Area Improved .....	18.3%
Number of Parcels with Buildings .....	1
Number of Buildings found Substandard .....	1
Percent of Buildings found Substandard .....	100%

**SECTION 3.04 PLAN FOR USE OF TAX INCREMENT**

*3.04.1 Estimated Tax Increment*

The original net tax capacity of value of the TIF District will be set by the County upon request for certification. For the purposes of the TIF Plan, the estimated original net tax capacity is \$13,879. This amount is estimated based on the estimated market value for the parcels within the TIF District of \$1,110,300, with tax capacity value calculated based on residential-apartment property classification.

The total tax capacity value of the Property after Development completion is estimated at \$269,859 (for payable 2029). This amount is based on a total estimated taxable market value of \$21,588,750 assessed January 2028 for tax payable in 2029, with residential-apartment property classification. The calculation of tax increment is not affected by the fiscal disparities program, as residential property is not subject to the fiscal disparities program.

The estimated difference between the total tax capacity value after Development completion and the original net tax capacity value is the captured tax capacity value in the amount of \$255,981 for the creation of tax increment (estimated for payable 2029).

The total local tax rate is estimated at 117.89% based on the tax rates for taxes payable in 2025. The TIF Plan uses this rate for purpose of estimating tax increment for the TIF District. At the time of certification of the original net tax capacity for the TIF District, the County Auditor shall certify the original local tax rate that applies to the TIF District, which will vary from the estimate used in the TIF Plan. The original local tax rate is the sum of all the local tax rates, excluding that portion of the school rate attributable to the general education levy under Minnesota Statutes Section 126C.13, that apply to a property in the TIF District. The local tax rate to be certified is the rate in effect for the same taxes payable year applicable to the tax capacity values certified as the TIF District’s original tax capacity. The resulting tax capacity rate is the original local tax rate for the life of the TIF District.

Under these assumptions, the estimated annual tax increment will be \$300,687 (in payable 2029) after Development completion and after deducting for the State Auditor’s fee (0.36% of the captured tax increments). The actual tax increment will vary according to the certified original tax capacity value and original tax rate, the actual property value produced by the Development and the changes in property value and State tax policy over the life of the TIF District.

The City will retain 100% the full captured net tax capacity for the duration of the TIF district, pursuant to Section 469.177, Subd. 2, (b), (1) of the TIF Act. Exhibit II contains the projected tax increment over the life of the TIF District.

*3.04.2 Public Development Costs*

The City will use tax increment to pay Public Development Costs. The contracts between the City and the Developer will define the means for verifying Public Development Costs incurred by the Developer that will be eligible for reimbursement and the means of disbursing tax increments collected by the City.

The City will use tax increment to pay financing costs. The interest rate payable on Tax Increment Bonds issued will be set pursuant to approving resolutions. Pay-go tax increment

revenue notes and interfund loans are included in the definition of Tax Increment Bonds, among other types of obligations that may be applicable.

**3.04.3 Estimated Sources and Uses of Funds**

The estimated sources of revenue, along with the estimated Public Development Costs of the TIF District, are itemized in Figure 3-1 that follows. Such costs are eligible for reimbursement from tax increments, and other listed sources of revenue from the TIF District. The City reserves the right to administratively adjust the amount of any of the Public Development Cost items listed in Figure 3-1, so long as the total estimated tax increment project costs amount, not including financing costs, is not increased.

**Figure 3.1**  
**City of Maple Plain**  
**Tax Increment Financing District No. 2-1**  
**Projected Tax Increment**  
**Maple and Main Redevelopment**

	<b>Total</b>
<b>Estimated Tax Increment Revenues (from tax increment generated by the district)</b>	
Tax increment revenues distributed from the county	\$8,748,619
Interest and investment earnings	\$50,000
<b>Total Estimated Tax Increment Revenues</b>	<b>\$8,798,619</b>
 <b>Estimated Project/Financing Costs (to be paid or financed with tax increment)</b>	
Project costs	
Land/building acquisition	\$100,000
Site improvements/preparation costs	\$2,789,000
<i>Subtotal</i>	<i>\$2,889,000</i>
Other qualifying improvements	\$1,660,658
Administrative costs	\$50,000
<b>Estimated Tax Increment Project Costs</b>	<b>\$4,599,658</b>
 Estimated financing costs	
Interest expense	\$4,198,961
<b>Total Estimated Project/Financing Costs to be Paid from Tax Increment</b>	<b>\$8,798,619</b>
 <b>Estimated Financing</b>	
Total amount of bonds to be issued	\$8,798,619

**3.04.4 Administrative Costs**

The City plans to use tax increment revenues to pay for administrative expenses for the TIF District. The use of tax increment revenues to pay administrative expenses will not exceed a maximum amount of 10% of tax increment revenues pursuant to the TIF Act. The City will use tax increments to pay for and reimburse itself for costs of administering the TIF District as allowed by the TIF Act. The estimated amount of tax increment revenue planned to pay administrative expense is shown in Figure 3-1. Anticipated administrative expenses of the TIF District include annual audit of the fund for the TIF District, preparation of annual reporting, legal publication of annual report, and administration of the development agreement.

**3.04.5 County Road Costs**

The Development will not substantially increase the use of county roads and necessitate the need to use tax increments to pay for county road improvements.

**3.04.6 Bonded Indebtedness**

The total amount of Tax Increment Financing Bonds estimated to be issued is shown in Figure 3-1.

The City may issue general obligation bonded indebtedness, with pledge of tax increments, to finance certain Public Development Costs that may be incurred by the City as a result of the TIF Plan.

The City may advance or loan money to finance expenditures, Public Development Costs, under Section 469.176, Subd. 4 and Section 469.178, Subd. 7 of the TIF Act, from the general fund of the City or any other legally authorized fund under which it has legal authority to do so, subject to the following provisions:

- (a) Not later than 60 days after money is transferred, advanced, or spent, whichever is earliest, the loan or advance must be authorized by resolution of the City.
- (b) The resolution may generally grant to the City the power to make interfund loans under one or more tax increment financing plans or for one or more districts. The resolution may be adopted before or after the adoption of the tax increment financing plan or the creation of the tax increment financing district from which the advance or loan is to be repaid.
- (c) The terms and conditions for repayment of the loan must be provided in writing. The written terms and conditions may be in any form, but must include, at a minimum, the principal amount, the interest rate, and maximum term. Written terms may be modified or amended in writing by the City before the latest decertification of any tax increment financing district from which the interfund loan is to be repaid. The maximum rate of interest permitted to be charged is limited to the greater of the rates specified under Minnesota Statutes, Section 270C.40 or 549.09 as of the date the loan or advance is authorized, unless the written agreement states that the maximum interest rate will fluctuate as the interest rates specified under Minnesota Statutes, Section 270C.40 or 549.09 are from time to time adjusted. Loans or advances may be structured as draw-down or line-of-credit obligations of the lending fund.
- (d) The City shall report in the annual report submitted under Section 469.175, Subd. 6 of the TIF Act:
  - (1) the amount of any interfund loan or advance made in a calendar year; and
  - (2) any amendment of an interfund loan or advance made in a calendar year.

**3.04.7 Election of First Year of Tax Increment and Duration of TIF District**

Pursuant to Section 469.175, Subd. 1 of the TIF Act, the City elects 2028 to be the earliest first year to receive increment. The duration to collect and spend tax increments on eligible purposes is set by this TIF Plan at the maximum duration of twenty-five (25) years after the date of receipt of the first tax increment collection, all pursuant to the TIF Act. Based on the elected year for first collection of tax increment, the decertification date is estimated to be December 31, 2053.

The estimated decertification date may be superseded by the actual statutory limitations. The TIF District must be decertified when outstanding obligations pursuant to the TIF Plan have been paid, defeased, or had sufficient increment set aside for their payment, all pursuant to Section 469.1763, Subd. 4(b) of the TIF Act.

**3.04.8 Estimated Impact on Other Taxing Jurisdictions**

Exhibits III and IV show the estimated impact on other taxing jurisdictions if the maximum projected retained captured net tax capacity of the TIF District was hypothetically available to the other taxing jurisdictions. The City believes that there will be no adverse impact on other taxing jurisdictions during the life of the TIF District, since the Development would not have

occurred without the establishment of the TIF District and the provision of public assistance. A positive impact on other taxing jurisdictions will occur when the TIF District is decertified and the Development therein becomes part of the general tax base.

The City anticipates minimal impact of the Development on City-provided services. There may be minimal borrowing costs to the City for the Development. A manageable increase in water and sewer usage is expected. It is anticipated that there may be a slight but manageable increase in police and fire protection duties due to the Development.

#### **3.04.9 Prior Planned Improvements**

No building permits were issued for the parcel within the TIF District during the 18 months preceding the date of establishment of the TIF District.

## **ARTICLE IV – ADMINISTERING THE TIF DISTRICT**

### **SECTION 4.01 FILING AND CERTIFICATION**

The filing and certification of the TIF Plan consists of the following steps:

1. The City shall request that the County Auditor certify the original net tax capacity and net tax capacity rate of the TIF District. To assist the County Auditor in this process, the City shall submit copies of the TIF Plan, the resolution establishing the TIF District and adopting the TIF Plan, and a listing of any prior planned improvements.
2. The City will file a copy of the TIF Plan and any amendments to the TIF Plan with the Commissioner of Revenue of the State and the Office of the State Auditor, along with other required documents pursuant to Section 469.175, Subd. 4a of the TIF Act.
3. The City shall send the County Assessor any assessment agreement establishing the minimum market value of land and improvements within the TIF District and shall request that the County Assessor review and certify the assessment agreement as reasonable. The City does not expect to enter into an assessment agreement in connection with the Development.

### **SECTION 4.02 MODIFICATIONS OF THE TAX INCREMENT FINANCING PLAN**

The City reserves the right to modify the TIF District and the TIF Plan. Under current State law, the following actions can only be approved after satisfying all the necessary requirements for approval of the original TIF Plan (including notifications and public hearing):

- Reduction or enlargement in the geographic area of the Development District or the TIF District.
- Increase in the amount of bonded indebtedness to be incurred.
- Increase in the amount of capitalized interest.
- Increase in that portion of the captured net tax capacity to be retained by the City.
- Increase in the total estimated Public Development Costs, including administrative costs of the City.
- Designation of additional property to be acquired by the City.

Other modifications can be made by resolution of the City. In addition, the original approval process does not apply if (A) (1) the only modification is elimination of parcels from the TIF District and (2) the current net tax capacity of the parcels eliminated equals or exceeds the net tax capacity of those parcels in the TIF District's original net tax capacity, or (B) the City agrees that the TIF District's original net tax capacity will be reduced by no more than the current net tax capacity of the parcels eliminated.

The City must notify the County Auditor of any modification that reduces or enlarges the geographic area of the TIF District. The geographic area of the TIF District may be reduced but not enlarged after five years following the date of certification.

### **SECTION 4.03 CORRECTING REDEVELOPMENT CONDITIONS**

Section 469.176, Subd. 4j of the TIF Act requires that at least 90% of the revenues derived from tax increments from the TIF District be used to finance the cost of correcting conditions that allow designation of the TIF District as a redevelopment district. These costs include, but are not limited to, acquiring properties containing structurally substandard buildings or improvements or hazardous substances, pollution, or contaminants, acquiring adjacent parcels necessary to provide a site of sufficient size to permit development, demolition and rehabilitation of structures, clearing of the land, the removal of hazardous substances or remediation necessary for the development of the land, and installation of utilities, roads, sidewalks, and parking facilities for the site. The allocated administrative expenses of the City, including the cost of preparation of the development action response plan, may be included in the qualifying costs.

### **SECTION 4.04 FOUR-YEAR KNOCKDOWN RULE**

The provision of the TIF Act referred to as the Four-Year Knockdown Rule requires development activity to take place on each parcel within a tax increment financing district within four years from the date of certification of the original net tax capacity of such tax increment financing district. If development activity on a parcel has not begun within the required time frame, no additional tax increment may be collected from that parcel and its value must be excluded from the district's original net tax capacity.

Development activity includes demolition, rehabilitation, renovation or site improvement, including a qualified improvement of an adjacent street, on a parcel located within the TIF District. If no development activity has occurred within four years from the date of certification then that parcel shall be excluded from the TIF District and the original net tax capacity shall be adjusted accordingly. The City must submit to the County Auditor, by February 1 of the fifth year, evidence that the required activity has taken place for each parcel in the TIF District.

If a parcel is excluded from the TIF District and the City or owner of the parcel subsequently commences any of the above activities, the City shall recertify to the County Auditor that such activity has commenced and the parcel shall once again be included in the TIF District. The County Auditor shall certify the net tax capacity of the parcel, as most recently certified by the Commissioner of Revenue, and add such amount to the original net tax capacity of the TIF District.

### **SECTION 4.05 POOLING AND FIVE-YEAR RULE**

Section 469.176 of the TIF Act provides for certain limitations on the use of tax increments. This includes provision that an amount equal to at least 75% of the total revenue derived from tax increments paid by properties in the TIF District must be expended on activities in the TIF District or to pay bonds, to the extent that the proceeds of the bonds were used to finance activities in the TIF District or to pay, or secure payment of, debt service on credit enhanced bonds, among other limitations in the TIF Act.

Not more than 25% of the total revenue derived from tax increments paid by properties in the TIF District may be expended, through a development fund or otherwise, on activities outside of the TIF District but within the defined geographic area of the Project Area except to pay, or secure payment of, debt service on credit enhanced bonds.

Revenue derived from tax increments paid by properties in the TIF District are considered to have been "spent" within the TIF District if such amounts are:

- actually paid to a third party for activities performed within the TIF District within five years after certification of the district;
- used to pay bonds that were issued and sold to a third party, the proceeds of which are reasonably expected on the date of issuance to be spent within the later of the five-year period or a reasonable temporary period or are deposited in a reasonably required reserve or replacement fund.
- used to make payments or reimbursements to a third party under binding contracts for activities performed within the TIF District, which were entered into within five years after certification of the district; or
- used to reimburse a party for payment of eligible costs (including interest) incurred within five years from certification of the district.

It is anticipated that all revenue derived from tax increments paid by properties in the TIF District will be spent or obligated within the first five years after certification of the TIF District and all tax increments will be spent on Public Development Costs within the boundaries of the TIF District.

#### **SECTION 4.06 FINANCIAL REPORTING AND DISCLOSURE REQUIREMENTS**

The City will comply with the annual reporting requirements of the TIF Act pursuant to the guidelines of the Office of the State Auditor. Under current law, the City must prepare and submit a report on the TIF District on or before August 1 of each year. The City must also annually publish in a newspaper of general circulation in the City an annual statement for the TIF District, in the format as prescribed by the Office of the State Auditor.

The reporting and disclosure requirements outlined in this section begin with the year a tax increment financing district is certified, and shall end in the year in which both the district has been decertified and all tax increments have been spent or returned to the County for redistribution. Failure to meet these requirements, as determined by the State Auditors Office, may result in suspension of distribution of tax increments.

#### **SECTION 4.07 BUSINESS SUBSIDY COMPLIANCE**

The City will comply with the business subsidy requirements specified in Minnesota Statutes, Sections 116J.993 to 116J.995 (the "Business Subsidy Act"), as amended. Assistance to residential property is not subject to the Business Subsidy Act.

**Exhibit I**  
**City of Maple Plain**  
**Tax Increment Financing District No. 2-1**  
**Present Value Analysis As Required By Statute**  
**Minnesota Statutes 469.175(3)(2)**  
***Maple and Main Redevelopment***

1	Estimated Future Market Value w/ Tax Increment Financing	27,411,984 <sup>1</sup>
2	Payable 2025 Market Value	1,110,300
3	Market Value Increase (1-2)	26,301,683
4	Present Value of Future Tax Increments	4,807,187
5	Market Value Increase Less PV of Tax Increments	21,494,497
6	Estimated Future Market Value w/o Tax Increment Financing	1,423,885 <sup>1</sup>
7	Payable 2025 Market Value	1,110,300
8	Market Value Increase (6-7)	313,584
9	Increase in MV From TIF	21,180,912 <sup>2</sup>

<sup>1</sup> Assume 1.00% annual appreciation over 26 year life of district.

<sup>2</sup> Statutory compliance achieved if increase in market value from TIF (Line 9) is greater than or equal to zero.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 2-1

**Exhibit II**  
**City of Maple Plain**  
**Tax Increment Financing District No. 2-1 (Redevelopment)**  
**Maple and Main Redevelopment**  
**Projected Tax Increment Financing (TIF) Cash Flow and Real Estate Taxes**

TIF District Year	Taxes Payable Year	Taxable Market Value (TMV)	Tax Capacity	Original Base Tax Capacity	Captured Tax Capacity for TIF	Original Tax Rate	Available TIF from District	PV Available TIF (5.0%)
1	2028	14,962,500	187,031	13,879	173,152	117.89%	203,393	200,913
2	2029	21,588,750	269,859	13,879	255,981	117.89%	300,687	483,620
3	2030	21,804,638	272,558	13,879	258,679	117.89%	303,856	755,542
4	2031	22,022,684	275,284	13,879	261,405	117.89%	307,058	1,017,088
5	2032	22,242,911	278,036	13,879	264,158	117.89%	310,292	1,268,653
6	2033	22,465,340	280,817	13,879	266,938	117.89%	313,558	1,510,617
7	2034	22,689,993	283,625	13,879	269,746	117.89%	316,856	1,743,344
8	2035	22,916,893	286,461	13,879	272,582	117.89%	320,188	1,967,187
9	2036	23,146,062	289,326	13,879	275,447	117.89%	323,553	2,182,482
10	2037	23,377,523	292,219	13,879	278,340	117.89%	326,952	2,389,556
11	2038	23,611,298	295,141	13,879	281,262	117.89%	330,384	2,588,721
12	2039	23,847,411	298,093	13,879	284,214	117.89%	333,851	2,780,278
13	2040	24,085,885	301,074	13,879	287,195	117.89%	337,352	2,964,517
14	2041	24,326,744	304,084	13,879	290,206	117.89%	340,888	3,141,717
15	2042	24,570,011	307,125	13,879	293,246	117.89%	344,460	3,312,145
16	2043	24,815,711	310,196	13,879	296,318	117.89%	348,068	3,476,061
17	2044	25,063,869	313,298	13,879	299,420	117.89%	351,712	3,633,711
18	2045	25,314,507	316,431	13,879	302,553	117.89%	355,392	3,785,335
19	2046	25,567,652	319,596	13,879	305,717	117.89%	359,110	3,931,162
20	2047	25,823,329	322,792	13,879	308,913	117.89%	362,863	4,071,414
21	2048	26,081,562	326,020	13,879	312,141	117.89%	366,655	4,206,302
22	2049	26,342,378	329,280	13,879	315,401	117.89%	370,484	4,336,032
23	2050	26,605,802	332,573	13,879	318,694	117.89%	374,352	4,460,799
24	2051	26,871,860	335,898	13,879	322,019	117.89%	378,259	4,580,794
25	2052	27,140,578	339,257	13,879	325,378	117.89%	382,204	4,696,198
26	2053	27,411,984	342,650	13,879	328,771	117.89%	386,190	4,807,187
<b>TOTAL =</b>							8,748,619	4,807,187

Key Assumptions:

- 1 Taxable market value (TMV) annual growth assumption = 1.0%.
- 2 Original Tax Capacity Rate for calculation of Available TIF from District is estimated based on Taxes Payable Year 2025 rate of 117.89%.
- 3 Election for captured tax capacity is 100.00%.
- 4 Base Tax Capacity is calculated based on estimated TMV value of the Property within the TIF District. Base value will be established based on final plat of the Property and TMV at time of request for certification of the TIF District.
- 5 Present Value (PV) Net Available TIF calculated on semi-annual payments and stated rates above and dated date 8/1/2028.
- 6 TMV is estimated based on an approximately 95-unit apartment building with underground parking with estimated average value of approximately \$225,000/unit (today's dollars) with no retail-commercial included.
- 7 Available TIF from District is after deduction of State Auditor Fee (0.36%).
- 8 City to elect 2028 as first year of tax increment collection. Analysis assumes project is 70% completed in 2026 for taxes first payable in 2028.

**Exhibit III**  
**City of Maple Plain**  
**Tax Increment Financing District No. 2-1**  
**Impact on Other Taxing Jurisdictions**  
**(Taxes Payable 2025)**  
**Maple and Main Redevelopment**

**Annual Tax Increment**

Estimated Annual Captured Tax Capacity (Full Development)	\$328,771
Payable 2025 Local Tax Rate	117.889%
Estimated Annual Tax Increment	\$387,585

**Percent of Tax Base**

	Net Tax Capacity (NTC)	Captured Tax Capacity	Percent of Total NTC
City of Maple Plain	3,179,201	328,771	10.34%
Hennepin County	2,608,879,837	328,771	0.01%
ISD #278	68,214,910	328,771	0.48%

**Dollar Impact of Affected Taxing Jurisdictions**

	Net Tax Capacity (NTC)	% of Total	Tax Increment Share	Added Local Tax Rate
City of Maple Plain	53.481%	45.366%	175,830	5.531%
Hennepin County	37.081%	31.454%	121,912	0.005%
ISD #278	18.952%	16.076%	62,309	0.091%
Other	8.375%	7.104%	27,535	
Totals	117.889%	100.000%	387,586	

*NOTE NO. 1: Assuming that ALL of the captured tax capacity would be available to all taxing jurisdictions even if the City does not create the Tax Increment District, the creation of the District will reduce tax capacities and increase the local tax rate as illustrated in the above tables.*

*NOTE NO. 2: Assuming that NONE of the captured tax capacity would be available to the taxing jurisdiction if the City did not create the Tax Increment District, then the plan has virtually no initial effect on the tax capacities of the taxing jurisdictions. However, once the District is established, allowable costs paid from the increments, and the District is terminated, all taxing jurisdictions will experience an increase in their tax base.*

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 2-1

**Exhibit IV**  
**City of Maple Plain**  
**Tax Increment Financing (Redevelopment) District No. 2-1**  
**Maple and Main Redevelopment**  
**Estimated Tax Increments Over Maximum Life of District**

*Based on Pay 2025 Tax Rate = 117.889% 53.481% 37.081% 18.952% 8.375%*

<b>TIF District Year</b>	<b>Taxes Payable Year</b>	<b>New Taxable Market Value</b>	<b>New Tax Capacity</b>	<b>Base Tax Capacity</b>	<b>Captured Tax Capacity</b>	<b>Estimated Total Tax Increments</b>	<b>City TIF Related Share</b>	<b>County TIF Related Share</b>	<b>School TIF Related Share</b>	<b>Other TIF Related Share</b>
1	2028	14,962,500	187,031	13,879	173,152	204,128	92,604	64,207	32,816	14,501
2	2029	21,588,750	269,859	13,879	255,981	301,773	136,901	94,920	48,513	21,439
3	2030	21,804,638	272,558	13,879	258,679	304,954	138,344	95,921	49,025	21,664
4	2031	22,022,684	275,284	13,879	261,405	308,167	139,802	96,932	49,541	21,892
5	2032	22,242,911	278,036	13,879	264,158	311,413	141,274	97,952	50,063	22,124
6	2033	22,465,340	280,817	13,879	266,938	314,691	142,761	98,983	50,590	22,357
7	2034	22,689,993	283,625	13,879	269,746	318,001	144,263	100,025	51,122	22,591
8	2035	22,916,893	286,461	13,879	272,582	321,345	145,780	101,076	51,660	22,829
9	2036	23,146,062	289,326	13,879	275,447	324,722	147,312	102,139	52,203	23,068
10	2037	23,377,523	292,219	13,879	278,340	328,133	148,859	103,211	52,751	23,312
11	2038	23,611,298	295,141	13,879	281,262	331,578	150,422	104,295	53,305	23,556
12	2039	23,847,411	298,093	13,879	284,214	335,057	152,000	105,389	53,864	23,804
13	2040	24,085,885	301,074	13,879	287,195	338,571	153,595	106,495	54,429	24,052
14	2041	24,326,744	304,084	13,879	290,206	342,120	155,205	107,611	55,000	24,304
15	2042	24,570,011	307,125	13,879	293,246	345,705	156,831	108,739	55,576	24,559
16	2043	24,815,711	310,196	13,879	296,318	349,326	158,474	109,878	56,158	24,816
17	2044	25,063,869	313,298	13,879	299,420	352,983	160,133	111,028	56,746	25,076
18	2045	25,314,507	316,431	13,879	302,553	356,676	161,808	112,190	57,340	25,338
19	2046	25,567,652	319,596	13,879	305,717	360,407	163,500	113,363	57,939	25,605
20	2047	25,823,329	322,792	13,879	308,913	364,174	165,210	114,548	58,545	25,871
21	2048	26,081,562	326,020	13,879	312,141	367,980	166,936	115,745	59,157	26,142
22	2049	26,342,378	329,280	13,879	315,401	371,823	168,680	116,954	59,775	26,414
23	2050	26,605,802	332,573	13,879	318,694	375,705	170,441	118,175	60,399	26,690
24	2051	26,871,860	335,898	13,879	322,019	379,626	172,219	119,408	61,029	26,970
25	2052	27,140,578	339,257	13,879	325,378	383,585	174,016	120,654	61,666	27,249
26	2053	27,411,984	342,650	13,879	328,771	387,585	175,830	121,912	62,309	27,534
<b>Total</b>						<b>8,780,228</b>	<b>3,983,200</b>	<b>2,761,750</b>	<b>1,411,521</b>	<b>623,757</b>

Note: The Estimated Total Tax Increment shown above is before deducting the State Auditor's fee, which is payable at a rate of 0.36% of the Total Tax Increment collected. Exhibit II provides Estimated Total Tax Increment after deducting for the State Auditor's fee.

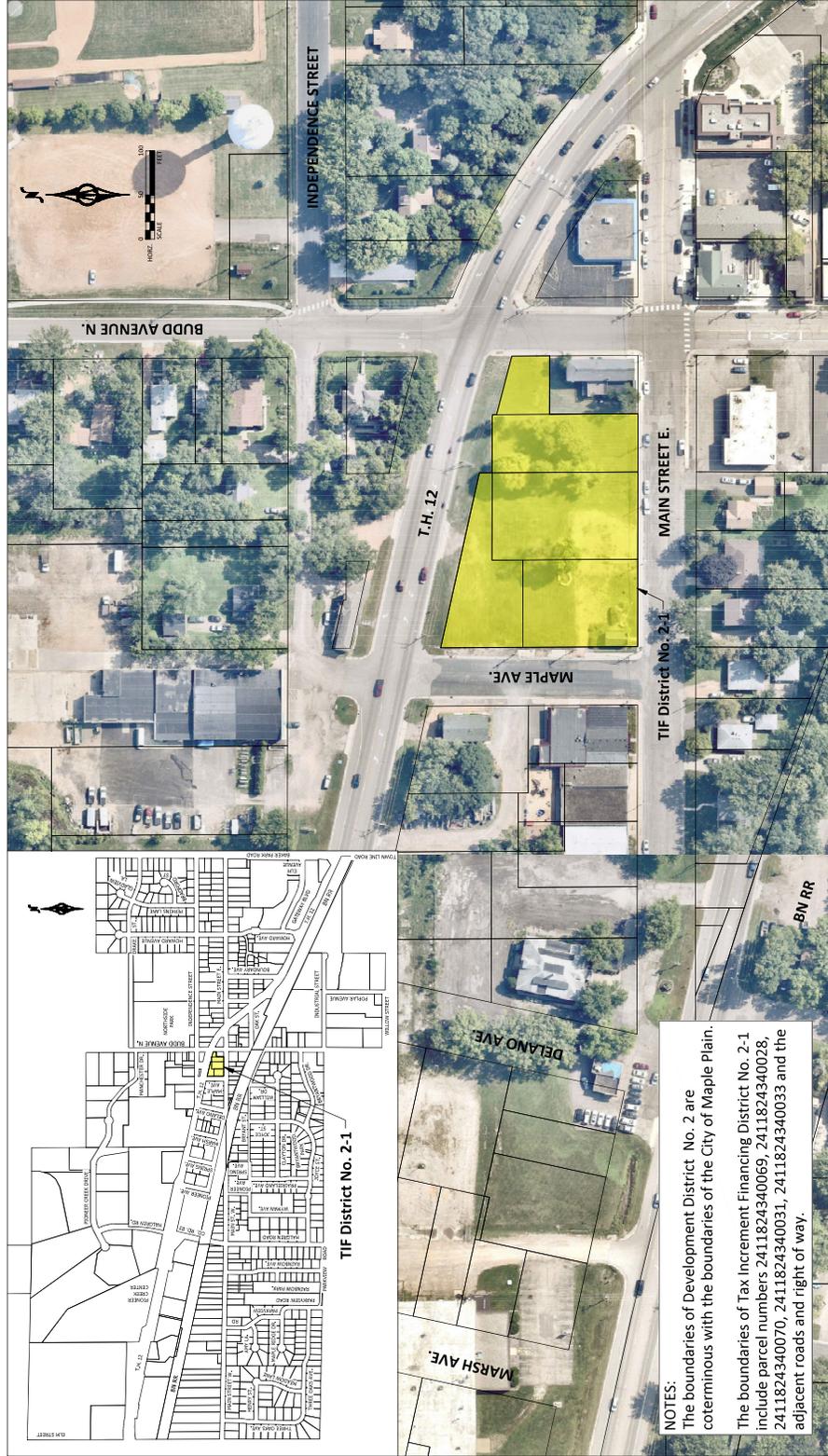
**Exhibit V**

**Map of Boundaries of Tax Increment Financing District No. 2-1 and Development District No. 2**

Boundaries of Development District No. 2 are coterminous with municipal boundaries of the City.

**BOLTON & MENK**  
 TIF District No. 2-1  
 December 2025

City of Maple Plain



**NOTES:**  
 The boundaries of Development District No. 2 are coterminous with the boundaries of the City of Maple Plain.  
 The boundaries of Tax Increment Financing District No. 2-1 include parcel numbers 2411824340069, 2411824340028, 2411824340070, 2411824340031, 2411824340033 and the adjacent roads and right of way.

**Exhibit VI**  
**Inspection Report of Property**

REPORT OF INSPECTION PROCEDURES AND RESULTS  
FOR  
DETERMINING QUALIFICATIONS  
OF A  
TAX INCREMENT FINANCING DISTRICT

**MUSEUM**  
**REDEVELOPMENT TIF DISTRICT**

*Prepared for*

CITY OF MAPLE PLAIN  
MAPLE PLAIN, MINNESOTA  
JANUARY 9, 2026



LHB Inspection Report

# Table of Contents

**Part 1: Executive Summary .....2**  
Purpose of the Evaluation ..... 2  
Scope of Work ..... 2  
Conclusion ..... 3  
**Part 2: Minnesota Statute 469.174, Subdivision 10 Requirements .....3**  
Interior Inspection ..... 3  
Exterior Inspection and Other Means ..... 3  
Documentation ..... 3  
Qualification Requirements ..... 3  
1. Coverage Test ..... 3  
2. Condition of Buildings Test ..... 4  
3. Distribution of Substandard Buildings ..... 5  
**Part 3: Procedures Followed .....5**  
**Part 4: Findings .....5**  
1. Coverage Test ..... 5  
2. Condition of Building Test ..... 7  
3. Distribution of Substandard Structures ..... 8  
**Part 5: Team Credentials ..... 9**  
**Appendices ..... 9**

- APPENDIX A** Property Condition Assessment Summary Sheet
- APPENDIX B** Building Code, Condition Deficiency and Context Analysis Report
- APPENDIX C** Building Replacement Cost Report
  - Code Deficiency Cost Report
  - Photographs

## Part 1: Executive Summary

### Purpose of the Evaluation

LHB was hired by the City of Maple Plain to inspect and evaluate the properties within a Tax Increment Financing Redevelopment District ("TIF District") proposed to be established by the City. The proposed TIF District is located at 1620 Maple Avenue (Diagram 1). The purpose of LHB's work is to determine whether the proposed TIF District meets the statutory requirements for coverage, and whether one building on one parcel, located within the proposed TIF District, meets the qualifications required for a Redevelopment District.



LHB Inspection Report

Diagram 1: Proposed TIF District

### Scope of Work

The proposed TIF District consists of one parcel with one building. The building was inspected on November 13, 2025. Building Code and Condition Deficiency reports are in Appendix B.

## Conclusion

After inspecting and evaluating the properties within the proposed TIF District and applying current statutory criteria for a Redevelopment District under *Minnesota Statutes, Section 469.174, Subdivision 10*, it is our professional opinion that the proposed TIF District qualifies as a Redevelopment District because:

- The proposed TIF District has a coverage calculation of 100 percent which is above the 70 percent requirement.
- 100 percent of the buildings are structurally substandard which is above the 50 percent requirement.
- The substandard buildings are reasonably distributed.

The remainder of this report describes our process and findings in detail.

## Part 2: Minnesota Statute 469.174, Subdivision 10 Requirements

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The properties were inspected in accordance with the following requirements under *Minnesota Statutes, Section 469.174, Subdivision 10(c)*, which states:

### Interior Inspection

“The municipality may not make such determination [that the building is structurally substandard] without an interior inspection of the property...”

### Exterior Inspection and Other Means

“An interior inspection of the property is not required, if the municipality finds that

- (1) the municipality or authority is unable to gain access to the property after using its best efforts to obtain permission from the party that owns or controls the property; and
- (2) the evidence otherwise supports a reasonable conclusion that the building is structurally substandard.”

### Documentation

“Written documentation of the findings and reasons why an interior inspection was not conducted must be made and retained under section 469.175, subdivision 3(1).”

### Qualification Requirements

*Minnesota Statutes, Section 469.174, Subdivision 10 (a) (1)* requires three tests for occupied parcels:

#### 1. COVERAGE TEST

- a. *Minnesota Statutes, Section 469.174, Subdivision 10(a)(1)* states:

“Parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, or paved or gravel parking lots...”

- b. The coverage required by the parcel to be considered occupied is defined under *Minnesota Statutes, Section 469.174, Subdivision 10(e)*, which states:

“For purposes of this subdivision, a parcel is not occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures unless 15 percent of the area of the parcel contains buildings, streets, utilities, paved or gravel parking lots, or other similar structures.”

## 2. CONDITION OF BUILDINGS TEST

- a. *Minnesota Statutes, Section 469.174, Subdivision 10(a)* states:

“...and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance;”

- b. Structurally substandard is defined under *Minnesota Statutes, Section 469.174, Subdivision 10(b)*, which states:

“For purposes of this subdivision, ‘structurally substandard’ shall mean containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects, or deficiencies are of sufficient total significance to justify substantial renovation or clearance.”

- i. We do not count energy code deficiencies toward the thresholds required by *Minnesota Statutes, Section 469.174, Subdivision 10(b)* defined as “structurally substandard”, due to concerns expressed by the State of Minnesota Court of Appeals in the *Walser Auto Sales, Inc. vs. City of Richfield* case filed November 13, 2001.

- c. Buildings are not eligible to be considered structurally substandard unless they meet certain additional criteria, as set forth in *Subdivision 10(c)* which states:

“A building is not structurally substandard if it follows the building code applicable to new buildings or could be modified to satisfy the building code at a cost of less than 15 percent of the cost of constructing a new structure of the same square footage and type on the site. The municipality may find that a building is not disqualified as structurally substandard under the preceding sentence based on reasonably available evidence, such as the size, type, and age of the building, the average cost of plumbing, electrical, or structural repairs, or other similar reliable evidence.”

“Items of evidence that support such a conclusion [that the building is not disqualified] include recent fire or police inspections, on-site property tax appraisals or housing inspections, exterior evidence of deterioration, or other similar reliable evidence.”

- i. LHB counts energy code deficiencies toward the 15 percent code threshold required by *Minnesota Statutes, Section 469.174, Subdivision 10(c)* for the following reasons:
  - 1) The Minnesota energy code is one of ten building code areas highlighted by the Minnesota Department of Labor and Industry website where minimum construction standards are required by law.
  - 2) Chapter 13 of the 2015 *Minnesota Building Code* states, “Buildings shall be designed and constructed in accordance with the *International Energy Conservation Code*.” Furthermore, Minnesota Rules, Chapter 1305.0021 Subpart 9 states, “References to the *International Energy Conservation Code* in this code mean the *Minnesota Energy Code*...”
  - 3) Chapter 11 of the 2015 Minnesota Residential Code incorporates Minnesota Rules, Chapters, 1322 and 1323 *Minnesota Energy Code*.
  - 4) The Senior Building Code Representative for the Construction Codes and Licensing Division of the Minnesota Department of Labor and Industry confirmed that the Minnesota Energy Code is being enforced throughout the State of Minnesota.
  - 5) In a January 2002 report to the Minnesota Legislature, the Management Analysis Division of the Minnesota Department of Administration confirmed that the construction cost of new buildings complying with the Minnesota Energy Code is higher than buildings built prior to the enactment of the code.

- 6) Proper TIF analysis requires a comparison between the replacement value of a new building built under current code standards with the repairs that would be necessary to bring the existing building up to current code standards. For an equal comparison to be made, all applicable code chapters should be applied to both scenarios. Since current construction estimating software automatically applies the construction cost of complying with the Minnesota Energy Code, energy code deficiencies should also be identified in the existing structures.

### 3. DISTRIBUTION OF SUBSTANDARD BUILDINGS

- a. Minnesota Statutes, Section 469.174, Subdivision 10, defines a Redevelopment District and requires one or more of the following conditions “reasonably distributed throughout the district.”:

“(1) Parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance.

(2) the property consists of vacant, unused, underused, inappropriately used, or infrequently used rail yards, rail storage facilities, or excessive or vacated railroad rights-of-way.

(3) tank facilities, or property whose immediately previous use was for tank facilities...”

- b. Our interpretation of the distribution requirement is that the substandard buildings must be reasonably distributed throughout the district as compared to the location of all buildings in the district. For example, if all the buildings in a district are located on one half of the area of the district, with the other half occupied by parking lots (meeting the required 70 percent coverage for the district), we would evaluate the distribution of the substandard buildings compared with only the half of the district where the buildings are located. If all the buildings in a district are located evenly throughout the entire area of the district, the substandard buildings must be reasonably distributed throughout the entire area of the district. We believe this is consistent with the opinion expressed by the State of Minnesota Court of Appeals in the *Walser Auto Sales, Inc. vs. City of Richfield* case filed November 13, 2001.

## Part 3: Procedures Followed

LHB inspected one building on November 13, 2025.

## Part 4: Findings

### 1. Coverage Test

- a. The total square foot area of the parcel in the proposed TIF District was obtained from City records, GIS mapping and site verification.
- b. The total square foot area of buildings and site improvements on the parcels in the proposed TIF District was obtained from City records, GIS mapping and site verification.
- c. The percentage of coverage for each parcel in the proposed TIF District was computed to determine if the 15 percent minimum requirement was met. The total square footage of parcels meeting the 15 percent requirement was divided into the total square footage of the entire district to determine if the 70 percent requirement was met.

**FINDING**

The proposed TIF District met the coverage test under *Minnesota Statutes, Section 469.174, Subdivision 10(e)*, which resulted in parcels consisting of 100 percent of the area of the proposed TIF District being occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures (Diagram 2). This exceeds the 70 percent area coverage requirement for the proposed TIF District under *Minnesota Statutes, Section 469.174, Subdivision (a) (1)*.



**Diagram 2 – Coverage Diagram**

Shaded area depicts a parcel more than 15 percent occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures

## 2. Condition of Building Test

### a. BUILDING INSPECTION

- i. The first step in the evaluation process is the building inspection. After an initial walk-thru, the inspector makes a judgment whether a building “appears” to have enough defects or deficiencies of sufficient total significance to justify substantial renovation or clearance. If it does, the inspector documents with notes and photographs code and non-code deficiencies in the building.

### b. REPLACEMENT COST

- i. The second step in evaluating a building to determine if it is substandard to a degree requiring substantial renovation or clearance is to determine its replacement cost. This is the cost of constructing a new structure of the same square footage and type on site. Replacement costs were researched using R.S. Means Cost Works square foot models for 2025.
- ii. The replacement cost was calculated by first establishing building use (office, retail, residential, etc.), building construction type (wood, concrete, masonry, etc.), and building size to obtain the appropriate median replacement cost, which factors in the costs of construction in Maple Plain, Minnesota.
- iii. Replacement cost includes labor, materials, and the contractor’s overhead and profit. Replacement costs do not include architectural fees, legal fees or other “soft” costs not directly related to construction activities. Replacement cost for each building is tabulated in Appendix A.

### c. CODE DEFICIENCIES

- i. The next step in evaluating a building is to determine what code deficiencies exist with respect to such building. Code deficiencies are those conditions for a building which are not in compliance with current building codes applicable to new buildings in the State of Minnesota.
- ii. Minnesota Statutes, Section 469.174, Subdivision 10(c), specifically provides that a building cannot be considered structurally substandard if its code deficiencies are not at least 15 percent of the replacement cost of the building. As a result, it was necessary to determine the extent of code deficiencies for each building in the proposed TIF District.
- iii. The evaluation was made by reviewing all available information with respect to such buildings contained in City Building Inspection records and making interior and exterior inspections of the buildings. LHB utilizes the current Minnesota State Building Code as the official code for our evaluations. The Minnesota State Building Code is a series of provisional codes written specifically for Minnesota requirements, adoption of several international codes, and amendments to the adopted international codes.
- iv. After identifying the code deficiencies in each building, we used R.S. Means Cost Works 2025; Unit and Assembly Costs to determine the cost of correcting the identified deficiencies. We were then able to compare the correction costs with the replacement cost of each building to determine if the costs for correcting code deficiencies meet the required 15 percent threshold.

### FINDING

One out of one building (100 percent) in the proposed TIF District contained code deficiencies exceeding the 15 percent threshold required by Minnesota Statutes, Section 469.174, Subdivision 10(c). Building Code, Condition Deficiency and Context Analysis reports for the building(s) in the proposed TIF District can be found in Appendix B of this report.

### d. SYSTEM CONDITION DEFICIENCIES

- i. If a building meets the minimum code deficiency threshold under Minnesota Statutes, Section 469.174, Subdivision 10(c), then for such building to be “structurally substandard” under Minnesota Statutes, Section 469.174, Subdivision 10(b), the building’s defects, or deficiencies should be of sufficient total significance to justify “substantial renovation or clearance.” Based on this definition, LHB re-evaluated each of the buildings that met the code deficiency threshold under Minnesota Statutes, Section 469.174, Subdivision 10(c), to

- determine if the total deficiencies warranted “substantial renovation or clearance” based on the criteria we outlined above.
- ii. System condition deficiencies are a measurement of defects or substantial deterioration in site elements, structure, exterior envelope, mechanical and electrical components, fire protection and emergency systems, interior partitions, ceilings, floors, and doors.
  - iii. The evaluation of system condition deficiencies was made by reviewing all available information contained in City records and making interior and exterior inspections of the buildings. LHB only identified system condition deficiencies that were visible upon our inspection of the building or contained in City records. We did not consider the amount of “service life” used up for a particular component unless it was an obvious part of that component’s deficiencies.
  - iv. After identifying the system condition deficiencies in each building, we used our professional judgment to determine if the list of defects or deficiencies is of sufficient total significance to justify “substantial renovation or clearance.”

**FINDING**

In our professional opinion, one out of one buildings (100 percent) in the proposed TIF District are structurally substandard to a degree requiring substantial renovation or clearance, because of defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance. This exceeds the 50 percent requirement of Subdivision 10a(1).

**3. Distribution of Substandard Structures**

Much of this report has focused on the condition of individual buildings as they relate to requirements identified by Minnesota Statutes, Section 469.174, Subdivision 10. It is also important to look at the distribution of substandard buildings throughout the geographic area of the proposed TIF District (Diagram 3).

**FINDING**

The parcels with substandard buildings are reasonably distributed compared to all parcels that contain buildings.



**Diagram 3 – Substandard Buildings**

Shaded green area depicts parcels with buildings.  
Shaded orange area depicts substandard buildings.

## Part 5: Team Credentials

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### Michael A. Fischer, AIA, LEED AP - Project Principal/TIF Analyst

Michael is a Principal and Vice President at LHB, with over 39-years of experience serving as a Project Principal, Project Manager, Project Designer and Project Architect on planning, urban design, educational, commercial, and governmental projects, he has become an expert on Tax Increment Finance District (TIF) analysis assisting over 130 cities with strategic planning for TIF Districts.

Michael completed a two-year Bush Fellowship, studying at MIT and Harvard in 1999, earning master's degrees in City Planning and Real Estate Development from MIT. He has served on more than 50 committees, boards, and community task forces, including a term as a City Council President, Chair of a Metropolitan Planning Organization, and Chair of the Edina Planning Commission. Most recently, he served as a member of the Edina city council and Secretary of the Edina HRA. Michael has also managed and designed several award-winning architectural projects and was one of four architects in the Country to receive the AIA Young Architects Citation in 1997.

### Phil Fisher – Inspector

For 35 years, Phil Fisher worked in the field of Building Operations in Minnesota including White Bear Lake Area Schools. At the University of Minnesota, he earned his Bachelor of Science in Industrial Technology. He is a Certified Playground Safety Inspector, Certified Plant Engineer, and is trained in Minnesota Enterprise Real Properties (MERP) Facility Condition Assessment (FCA). His FCA training was recently applied to the Minnesota Department of Natural Resources Facilities Condition Assessment project involving over 2,000 buildings.

## Appendices

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- APPENDIX A** Property Condition Assessment Summary Sheet
- APPENDIX B** Building Code, Condition Deficiency and Context Analysis Report
- APPENDIX C** Building Replacement Cost Report
  - Code Deficiency Cost Report
  - Photographs

## APPENDIX A

Property Condition Assessment Summary Sheet

LHB Inspection Report

**Museum Redevelopment TIF District**

Property Condition Assessment Summary Sheet

Maple Plain, Minnesota

TIF Map No.	PID #	Property Address	Improved or Vacant	Survey Method Used	Site Area (S.F.)	Coverage Area of Improvements (S.F.)	Coverage Percent of Improvements	Coverage Quantity (S.F.)	No. of Buildings	Building Replacement Cost	15% of Replacement Cost	Building Code Deficiencies	No. of Buildings Exceeding 15% Criteria	No. of buildings determined substantial	
A	TBD	1620 Maple Avenue	Improved	Interior/Exterior	54,398	9,952	18.3%	54,398	1	\$141,432	\$21,215	\$25510	1	1	
<b>TOTALS</b>															
<b>Total Coverage Percent: 100.0%</b>									<b>Percent of buildings exceeding 15 percent code deficiency threshold: 100.0%</b>						<b>Percent of buildings determined substantial: 100.0%</b>

M:\25Proj\250713\300 Design\Reports\Final Report\250713\_Museum Redevelopment TIF Summary Spreadsheetsheet.xlsx\Property Info

## **APPENDIX B**

Building Code, Condition Deficiency and Context Analysis Report

LHB Inspection Report

# Museum Redevelopment TIF District

## Building Code, Condition Deficiency and Context Analysis Report

### Parcel A

Address:  
Parcel ID:  
Inspection Date(s) & Time(s):  
Inspection Type:  
Summary of Deficiencies:

### Museum

1620 Maple Avenue, Maple Plain, Minnesota 55359  
2411824340028  
November 13, 2025, 9:45 am  
Interior and Exterior  
It is our professional opinion that this building is Substandard because:  
- Substantial renovation is required to correct Conditions found.  
- Building Code deficiencies total more than 15% of replacement cost, NOT including energy code deficiencies.

Estimated Replacement Cost:	\$141,432
Estimated Cost to Correct Building Code Deficiencies:	\$25,510
Percentage of Replacement Cost for Building Code Deficiencies:	18.0%

### DEFECTS IN STRUCTURAL ELEMENTS

1. The foundation is showing signs of differential settlement.

### COMBINATION OF DEFICIENCIES

1. Essential Utilities and Facilities
  - a. There is no code required accessible parking.
  - b. There is no code required accessible route into the building.
  - c. There is no code required restroom.
  - d. There is no code required potable water to the building.
  - e. A code required drinking fountain should be installed.
2. Light and Ventilation
  - a. The lighting system does not comply with code.
  - b. The HVAC system does not comply with code,
3. Fire Protection/Adequate Egress
  - a. Thresholds do not comply with code
  - b. There is no emergency lighting system in the building as required by code.
  - c. There is no code required emergency notification system in the building.
  - d. There is no code required illuminated exit lights in the building.
  - e. There is no code required fire caulking.
  - f. There are no code required smoke detectors.

- g. Code requires two means of exiting for this building.
- 4. Layout and Condition of Interior Partitions/Materials
    - a. Interior walls and ceilings should be repaired and repainted.
    - b. The wood flooring should be sanded and refinished.
  - 5. Exterior Construction
    - a. Exterior wood siding should be repaired and repainted.
    - b. Windows are failing, allowing for water intrusion which is contrary to code.
    - c. Wood siding is rotting allowing for water intrusion which is contrary to code.

**DESCRIPTION OF CODE DEFICIENCIES**

- 1. Differential settlement of the foundation should be corrected per code.
- 2. A code required accessible parking area should be created.
- 3. A code required accessible route into the building should be created.
- 4. A code required restroom should be installed.
- 5. Potable water should be brought into the building per code.
- 6. A code required drinking fountain should be installed.
- 7. The lighting system should be modified to comply with code.
- 8. A code-compliant HVAC system should be installed.
- 9. Thresholds should be modified to comply with code.
- 10. Install a code required emergency lighting system.
- 11. Install a code required emergency notification system.
- 12. Install code required illuminated exit signs.
- 13. Install code required fire caulking.
- 14. Install code required smoke detectors.
- 15. Install a code required second exit from this building.
- 16. Replace failed windows to prevent water intrusion, per code.
- 17. Replace rotting siding to prevent water intrusion, per code.

**OVERVIEW OF DEFICIENCIES**

The building currently exhibits several significant deficiencies with respect to code compliance and overall condition. The foundation shows signs of differential settlement, and there is a lack of code-required accessible parking, an accessible route into the building, and a compliant restroom. Additionally, potable water service and a drinking fountain are absent, which do not meet code requirements. The lighting system, HVAC system, and thresholds are all non-compliant with code standards. Furthermore, the building lacks both an emergency lighting system and an emergency notification system, as well as illuminated exit lights, fire caulking, and smoke detectors required by code. The building also does not provide two means of exiting as mandated. Beyond these code deficiencies, interior walls and ceilings need repair and repainting, wood flooring should be sanded and refinished, and the exterior wood siding requires repair and refinishing. Windows and wood siding are also failing and rotting, respectively, allowing water intrusion that violates code requirements. These issues collectively highlight the urgent need for comprehensive remediation to bring the building into compliance and restore its structural integrity.

**ENERGY CODE DEFICIENCIES**

In addition to the building code deficiencies listed above, the existing building does not comply with the current energy code. These deficiencies are not included in the estimated costs to correct code deficiencies and are not considered in determining whether the building is substandard.

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LHB Inspection Report

# APPENDIX C

Building Replacement Cost Report

Code Deficiency Cost Report

Photographs

LHB Inspection Report

# Museum Redevelopment TIF District

## Replacement Cost Report

<b>RSMeans data</b> <small>from BIDDIAN</small>	<b>Square Foot Cost Estimate Report</b>	Date:	<b>12/9/2025</b>
Estimate Name:	<b>1620 Maple Ave</b>		
Building Type:	<b>Office, 1 Story with Vinyl Clapboard / Wood Frame</b>		
Location:	<b>MAPLE PLAIN, MN</b>		
Story Count:	<b>1</b>		
Story Height (L.F.):	<b>10</b>		
Floor Area (S.F.):	<b>336</b>		
Labor Type:	<b>OPN</b>		
Basement Included:	<b>No</b>		
Data Release:	<b>Year 2025 Quarter 4</b>		
Cost Per Square Foot:	<b>\$420.93</b>	<small>Costs are derived from a building model with basic components. Scope differences and market conditions can cause costs to vary significantly.</small>	
Building Cost:	<b>\$141,432.74</b>		

		Quantity	% of Total	Cost Per S.F.	Cost
<b>A</b>	<b>Substructure</b>		<b>13.33%</b>	<b>\$48.78</b>	<b>\$16,388.42</b>
<b>A1010</b>	<b>Standard Foundations</b>			<b>\$40.78</b>	<b>\$13,702.86</b>
A10101051560	Foundation wall, CIP, 4' wall height, direct chute, .148 CY/LF, 7.2 PLF, 12" thick	76		\$25.15	\$8,451.50
A10101102700	Strip footing, concrete, reinforced, load 11.1 KLF, soil bearing capacity 6 KSF, 12" deep x 24" wide	76		\$13.64	\$4,582.04
A10102107410	Spread footings, 3000 PSI concrete, load 100K, soil bearing capacity 6 KSF, 4' - 6" square x 15" deep	1.15		\$1.99	\$669.32
<b>A1030</b>	<b>Slab on Grade</b>			<b>\$7.55</b>	<b>\$2,538.12</b>
A10301202240	Slab on grade, 4" thick, non industrial, reinforced	336		\$7.55	\$2,538.12
<b>A2010</b>	<b>Basement Excavation</b>			<b>\$0.44</b>	<b>\$147.44</b>
A20101104560	Excavate and fill, 10,000 SF, 4' deep, sand, gravel, or common earth, on site storage	336		\$0.44	\$147.44
<b>B</b>	<b>Shell</b>		<b>24.63%</b>	<b>\$90.16</b>	<b>\$30,293.32</b>
<b>B1010</b>	<b>Floor Construction</b>			<b>\$16.88</b>	<b>\$5,670.13</b>
B10102103450	Wood column, 8" x 8", 20' x 20' bay, 10' unsupported height, 133 BF/MSF, 160 PSF total allowable load	336		\$0.70	\$234.21
B10107203700	Fireproofing, gypsum board, fire rated, 2 layer, 1" thick, 14" steel column, 3 hour rating, 22 PLF	101.08		\$16.18	\$5,435.92
<b>B1020</b>	<b>Roof Construction</b>			<b>\$9.49</b>	<b>\$3,189.95</b>
B10201027100	Wood roof, truss, 4/12 slope, 24" O.C., 30' to 43' span	336		\$9.49	\$3,189.95
<b>B2010</b>	<b>Exterior Walls</b>			<b>\$28.91</b>	<b>\$9,715.38</b>
B20101484850	Wood siding, 2"x6" studs 16"OC, insulated wall, 8" plain vinyl siding	608		\$26.39	\$8,866.04
B20101907600	Insulation, fiberglass batts, 6" thick, R19	336		\$2.53	\$849.34
<b>B2020</b>	<b>Exterior Windows</b>			<b>\$17.47</b>	<b>\$5,869.14</b>
B20201066550	Windows, aluminum, awning, insulated glass, 4'-5" x 5'-3"	6.61		\$17.47	\$5,869.14
<b>B2030</b>	<b>Exterior Doors</b>			<b>\$7.80</b>	<b>\$2,619.76</b>
B20301106950	Door, aluminum & glass, with transom, narrow stile, double door, hardware, 6'-0" x 10'-0" opening	0.1		\$4.68	\$1,572.71
B20301107300	Door, aluminum & glass, with transom, bronze finish, hardware, 3'-0" x 10'-0" opening	0.1		\$1.93	\$647.90
B20302203450	Door, steel 18 gauge, hollow metal, 1 door with frame, no label, 3'-0" x 7'-0" opening	0.1		\$1.19	\$399.15
<b>B3010</b>	<b>Roof Coverings</b>			<b>\$9.61</b>	<b>\$3,228.96</b>
B30101404000	Wood roofing, shakes, 18", 4" min slope, 8-1/2" exposure, 2.8 PSF	336		\$9.61	\$3,228.96
<b>C</b>	<b>Interiors</b>		<b>7.65%</b>	<b>\$28.01</b>	<b>\$9,410.25</b>
<b>C1010</b>	<b>Partitions</b>			<b>\$7.62</b>	<b>\$2,559.07</b>
C10101241200	Wood partition, 5/8" fire rated gypsum board face, none base, 2 x 4 @ 16" OC framing, same opposite face, 0 insul	117.6		\$2.20	\$740.25
C10101241425	Wood partition, 5/8" fire rated gypsum board face, 1/4" sound deadening gypsum board, 2x4 @ 16" OC framing, same opposite face, sound attenuation insul	50.4		\$1.63	\$549.10
C10101280700	Gypsum board, 1 face only, exterior sheathing, fire resistant, 5/8"	608		\$2.29	\$769.61
C10101280960	Add for the following: taping and finishing	608		\$1.49	\$500.11

LHB Inspection Report

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 2-1

<b>C1020</b>	<b>Interior Doors</b>			<b>\$4.79</b>	<b>\$1,610.16</b>
C10201022600	Door, single leaf, kd steel frame, hollow metal, commercial quality, flush, 3'-0" x 7'-0" x 1-3/8"	1.06		\$4.79	\$1,610.16
<b>C3010</b>	<b>Wall Finishes</b>			<b>\$3.29</b>	<b>\$1,105.43</b>
C30102300140	Painting, interior on plaster and drywall, walls & ceilings, roller work, primer & 2 coats	608		\$2.12	\$711.97
C30102300140	Painting, interior on plaster and drywall, walls & ceilings, roller work, primer & 2 coats	336		\$1.17	\$393.46
<b>C3020</b>	<b>Floor Finishes</b>			<b>\$9.51</b>	<b>\$3,194.79</b>
C30204101600	Vinyl, composition tile, maximum	100.8		\$1.13	\$380.54
C30204101720	Tile, ceramic natural clay	33.6		\$1.01	\$340.62
C30204102160	Oak strip, sanded and finished, minimum	201.6		\$7.36	\$2,473.63
<b>C3030</b>	<b>Ceiling Finishes</b>			<b>\$2.80</b>	<b>\$940.80</b>
C30301400560	Furring, wood strips, 1"x3", on wood, 12" OC	336		\$2.80	\$940.80
<b>D</b>	<b>Services</b>		<b>54.39%</b>	<b>\$199.09</b>	<b>\$66,893.00</b>
<b>D2010</b>	<b>Plumbing Fixtures</b>			<b>\$2.67</b>	<b>\$895.57</b>
D20101102080	Water closet, vitreous china, bowl only with flush valve, wall hung	0.14		\$1.41	\$473.85
D20103101560	Lavatory w/trim, vanity top, PE on CI, 20" x 18"	0.14		\$0.75	\$251.66
D20108202080	Water cooler, electric, floor mounted, dual height, 14.3 GPH	0.05		\$0.51	\$170.06
<b>D2020</b>	<b>Domestic Water Distribution</b>			<b>\$1.41</b>	<b>\$474.69</b>
D20202501860	Gas fired water heater, commercial, 100< F rise, 100 MBH input, 91 GPH	0.05		\$1.41	\$474.69
<b>D3050</b>	<b>Terminal &amp; Package Units</b>			<b>\$24.94</b>	<b>\$8,380.11</b>
D30501553840	Rooftop, multizone, air conditioner, offices, 10,000 SF, 31.66 ton	336		\$24.94	\$8,380.11
<b>D4010</b>	<b>Sprinklers</b>			<b>\$4.40</b>	<b>\$1,479.87</b>
D40104100620	Wet pipe sprinkler systems, steel, light hazard, 1 floor, 10,000 SF	336		\$4.40	\$1,479.87
<b>D4020</b>	<b>Standpipes</b>			<b>\$2.63</b>	<b>\$883.54</b>
D40203101540	Wet standpipe risers, class III, steel, black, sch 40, 4" diam pipe, 1 floor	0.06		\$2.63	\$883.54
<b>D5010</b>	<b>Electrical Service/Distribution</b>			<b>\$137.73</b>	<b>\$46,276.46</b>
D50101200320	Overhead service installation, includes breakers, metering, 20' conduit & wire, 3 phase, 4 wire, 120/208 V, 400 A	1.25		\$30.75	\$10,333.50
D50102300320	Feeder installation 600 V, including RGS conduit and XHHW wire, 400 A	100		\$38.73	\$13,012.40
D50102400240	Switchgear installation, incl switchboard, panels & circuit breaker, 120/208 V, 3 phase, 600 A	1.2		\$68.25	\$22,930.56
<b>D5020</b>	<b>Lighting and Branch Wiring</b>			<b>\$18.43</b>	<b>\$6,191.92</b>
D50201100640	Receptacles incl plate, box, conduit, wire, 16.5 per 1000 SF, 2.0 W per SF, with transformer	336		\$6.91	\$2,320.28
D50201350320	Miscellaneous power, 1.2 watts	336		\$0.49	\$163.03
D50201400280	Central air conditioning power, 4 watts	336		\$0.93	\$311.94
D50202100520	Fluorescent fixtures recess mounted in ceiling, 1.6 watt per SF, 40 FC, 10 fixtures @32watt per 1000 SF	386.4		\$10.11	\$3,396.67
<b>D5030</b>	<b>Communications and Security</b>			<b>\$6.88</b>	<b>\$2,310.84</b>
D50303101020	Telephone wiring for offices & laboratories, 8 jacks/MSF	252		\$2.24	\$751.10
D50309100452	Communication and alarm systems, fire detection, addressable, 25 detectors, includes outlets, boxes, conduit and wire	0.05		\$4.03	\$1,354.45
D50309100460	Fire alarm command center, addressable without voice, excl. wire & conduit	0.05		\$0.61	\$205.29
<b>E</b>	<b>Equipment &amp; Furnishings</b>		<b>0.00%</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>E1090</b>	<b>Other Equipment</b>			<b>\$0.00</b>	<b>\$0.00</b>
<b>F</b>	<b>Special Construction</b>		<b>0.00%</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>G</b>	<b>Building Sitework</b>		<b>0.00%</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>SubTotal</b>			<b>100%</b>	<b>\$366.03</b>	<b>\$122,984.99</b>
<b>Contractor Fees (General Conditions,Overhead,Profit)</b>			<b>15.0%</b>	<b>\$54.90</b>	<b>\$18,447.75</b>
<b>Architectural Fees</b>			<b>0.0%</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>User Fees</b>			<b>0.0%</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Total Building Cost</b>				<b>\$420.93</b>	<b>\$141,432.74</b>

LHB Inspection Report

# Museum Redevelopment TIF District

## Code Deficiency Cost Report

Parcel A - 1620 Maple Avenue, Maple Plain, Minnesota 55359  
 Parcel ID 2411824340028

Building Name or Type  
 Museum

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
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### Accessibility Items

Parking					
	A accessible parking area should be created per code	\$ 100.00	Ea	1	\$ 100.00
Accessible Route					
	A code required accessible route into the building should be created	\$1,000.00	Lump	1	\$ 1,000.00
Restroom					
	A code required accessible restroom should be installed.	\$ 4.85	SF	336	\$ 1,629.60
Drinking Fountain					
	A code required drinking fountain should be installed	\$ 0.51	SF	336	\$ 171.36

### Structural Elements

Foundation					
	Differential settlement should be corrected per code	\$3,500.00	Lump	1	\$ 3,500.00

### Exiting

Thresholds					
	Modify thresholds to comply with code	\$1,250.00	Lump	1	\$ 1,250.00
Emergency Lighting					
	Install a code required emergency lighting system	\$ 2.00	SF	336	\$ 672.00
Emergency Notification System					
	Install a code required emergency notification system	\$ 0.61	SF	336	\$ 204.96
Illuminated Exit Signs					
	Install code required illuminated exit signs	\$ 1.50	SF	336	\$ 504.00
Secondary Egress					
	Install a code required secondary egress for this building	\$ 5.00	SF	336	\$ 1,680.00

### Fire Protection

Fire Caulking					
	Install code required fire caulking	\$ 1.00	SF	336	\$ 336.00
Smoke Detectors					
	Install code required smoke detectors	\$ 350.00	EA	1	\$ 350.00

### Exterior Construction

Windows					
	Replace failed windows to prevent water intrusion per code	\$ 6.61	SF	336	\$ 2,220.96
Wood Siding					
	Replace rotting wood siding to prevent water intrusion per code	\$ 26.39	SF	100	\$ 2,639.00

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 2-1

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
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**Roof Construction**

No deficiencies observed \$ -

**Mechanical - Electrical**

Mechanical

A code compliant HVAC system should be installed \$ 24.94 SF 50 \$ 1,247.00

Potable water should be installed per code \$ 10.11 SF 50 \$ 505.50

Electrical

Install a code compliant lighting system \$7,500.00 Lump 1 \$ 7,500.00

**Total Code Improvements \$ 25,510**

LHB Inspection Report

# Museum Redevelopment TIF District | Parcel A



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## Museum Redevelopment TIF District | Parcel A



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## Museum Redevelopment TIF District | Parcel A



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LHB Project No. 250713.00

PERFORMANCE DRIVEN DESIGN



LHBCORP.COM