

**Housing and Redevelopment Authority  
of the City of Saint Paul, Minnesota**

A Component Unit of the City of Saint Paul, Minnesota

**Comprehensive Annual Financial Report  
For the Fiscal Year Ending December 31, 2017**

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**HOUSING AND REDEVELOPMENT AUTHORITY  
OF THE CITY OF SAINT PAUL, MINNESOTA**

**A Component Unit of the City of Saint Paul**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
For the Fiscal Year Ended December 31, 2017**

**Chris Tolbert, Chairperson  
Melvin Carter, Mayor of the City of Saint Paul  
Dr. Bruce Corrie, Executive Director**

**HRA Board of Commissioners:**

**Daniel Bostrom  
Amy Brendmoen  
Samantha Henningson  
Rebecca Noecker  
Jane Prince  
Dai Thao  
Chris Tolbert**

**Prepared by:  
City of Saint Paul -  
Department of Planning & Economic Development**

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**HOUSING AND REDEVELOPMENT AUTHORITY OF  
THE CITY OF SAINT PAUL, MINNESOTA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
For the Fiscal Year Ended December 31, 2017

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THE CITY OF SAINT PAUL, MINNESOTA**

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## **INTRODUCTORY SECTION**







CITY OF SAINT PAUL  
*Melvin Carter, Mayor*

25 West Fourth Street, Ste. 1300  
Saint Paul, MN 55102

Telephone: 651-266-6565

June 25, 2018

TO: THE BOARD OF COMMISSIONERS OF THE HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA AND THE CITIZENS OF SAINT PAUL:

The Comprehensive Annual Financial Report of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (HRA) for the fiscal year ended December 31, 2017, is hereby presented to the Board of Commissioners and the citizens of Saint Paul. This report has been prepared pursuant to, and demonstrates compliance with, Minnesota Statutes Section 469.013; and recognizes the HRA's past and current practices of financial disclosure.

This report was prepared by the City of Saint Paul's (City) Department of Planning and Economic Development. In accordance with an agreement between the HRA and the City, the responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures is with the City. We believe the data, as presented, are accurate in all material aspects; that they are presented in a manner designed to fairly set forth the financial position, changes in financial position, and cash flows of the HRA as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the HRA's financial affairs have been included. This report has been prepared in accordance with current accounting and financial reporting principles generally accepted in the United States of America and standards set by the Governmental Accounting Standards Board (GASB) and also follows the guidelines recommended by the Government Finance Officers Association of the United States and Canada.

State law also requires an annual audit of the books of account, financial records and transactions, and this financial report by the State Auditor's Office. This requirement has been met and the auditor's opinion has been included in this report. Auditing standards generally accepted in the United States of America and the standards set forth in the U.S. General Accounting Office's "Government Auditing Standards" were used by the State Auditor in conducting the engagement. The State Auditor is also issuing a management and compliance letter covering the review of the HRA's system of internal control over financial reporting and tests of compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The management and compliance letter will not modify or affect, in any way, this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

The Government Finance Officers Association reports a growing awareness that the annual financial report should be management's report to its governing body, constituents, oversight bodies, resource providers, investors and creditors. We agree with this direction, and, in keeping with past practice, will send a copy of the report to the Board of Commissioners, HRA management, bond rating agencies, financial institutions, government agencies and other interested parties, who have expressed an interest in the HRA's finances.

## **INTERNAL CONTROL**

To provide a reasonable basis for making these representations, the Saint Paul Housing and Redevelopment Authority (which is a component unit of the City of Saint Paul and is, therefore, included in the City's Comprehensive Annual Financial Report) adheres to the internal control framework as established by the City of Saint Paul. The City of Saint Paul has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft or misuse and to compile sufficiently reliable information for the preparation of the City of Saint Paul's financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in the United States of America as applied to governmental units. Because the cost of internal controls should not outweigh their benefits, the City of Saint Paul's comprehensive framework of internal controls has been designed to provide a reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. All internal control evaluations occur within this framework. To the best of our knowledge, this financial report is complete and reliable in all material respects.

## **PROFILE OF THE GOVERNMENT**

The Saint Paul Housing and Redevelopment Authority was established by State Law in 1947, Chapter 487 (codified at Minn. Stat. Ch. 469). The HRA provides the full range of services as stipulated in Chapter 469: urban renewal, redevelopment, economic development, and rehabilitation. Through these services, the HRA strives to redevelop the residential, commercial and industrial areas of Saint Paul, provide adequate jobs, a sound fiscal base, and a variety of affordable housing for Saint Paul residents. The HRA is governed by a seven-member Board of Commissioners consisting of the members of the elected City Council.

The HRA was reorganized in 1978 and 1979. Under the reorganization, the HRA employees became employees of the City of Saint Paul. The HRA has no employees. The HRA and the City entered into an agreement, effective January 1, 1979, whereby the City agreed to perform administrative and accounting services for the HRA.

This report includes all of the funds, capital assets, and long-term debt of the HRA as described in the Management's Discussion and Analysis, which can be found immediately following the auditor's opinion. In addition, it has been determined that, for financial reporting purposes, the HRA is a component unit of the City of Saint Paul and is, therefore, included in the City's Comprehensive Annual Financial Report for the fiscal year ended December 31, 2017.

The HRA is empowered to levy a tax on both real and personal property in Saint Paul. This tax has been levied annually by the HRA. The HRA also receives property tax increments on designated Saint Paul tax increment financing districts that were established for development purposes. Under State Law, the HRA is authorized to issue revenue bonds on which the principal and interest are payable from specific revenues. The HRA may pledge the general obligations of the City as additional security on these same revenue bonds. The HRA is not authorized to issue bonds which constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

## FINANCIAL POLICIES

In 2009, the Authority adopted a land valuation policy which values any new land purchase at acquisition cost, less transaction costs and fees. That value will continue until disposal, unless the Authority formally changes the value. In 2011, the Authority confirmed the practice and policy of using accumulating conduit bond fees for Planning and Economic Development Administration costs. In 2014, the Authority established a property valuation policy which values lots or buildings offered for sale by the HRA based on a third-party appraisal or broker's opinion of market value with adjustments to market value made at the sole discretion of the HRA prior to posting of properties for sale.

## ECONOMIC OUTLOOK

Saint Paul is an important part of the overall strong Twin Cities metro area economy. Metropolitan Council forecasts indicate that Saint Paul is expected to add 37,567 jobs by 2040 (21.4% growth from 2010).<sup>1</sup> Total employee count in Saint Paul at the end of 2017 was estimated to be 157,708.<sup>2</sup>

Saint Paul compares favorably when ranked among the 20 large northeast and midwest cities on economic and social factors.<sup>3</sup> Among these peer cities:

- Saint Paul had the 3rd lowest annual unemployment rate in 2017 (2.8%).<sup>4</sup>
- Saint Paul ranked 4th highest in percent of population 25 years and over with a bachelor's degree or higher (40.0%).<sup>5</sup>
- Saint Paul ranks 5th highest in median household income (\$50,820), 5th highest in median family income (\$64,072) and 9th highest in per capita income (\$26,896).<sup>6</sup>
- The median value of owner-occupied houses in Saint Paul is 6th highest compared to peer cities (\$178,400).<sup>7</sup>

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<sup>1</sup> Metropolitan Council, available at <https://metro council.org/forecasts>.

<sup>2</sup> Minnesota Department of Employment and Economic Development, available at <http://apps.deed.state.mn.us>.

<sup>3</sup> The cities are Baltimore, Boston, Buffalo, Chicago, Cincinnati, Cleveland, Columbus, Detroit, Indianapolis, Kansas City, Milwaukee, Minneapolis, New York, Newark, Omaha, Philadelphia, Pittsburgh, Street Louis and Toledo.

<sup>4</sup> Bureau of Labor Statistics, Local Area Unemployment Statistics available at: <http://data.bls.gov>; Minnesota city unemployment rates available at: <http://apps.deed.state.mn.us>.

<sup>5</sup> 2016 American Community Survey, through the American Fact Finder, available at: <http://www.census.gov>.

<sup>6</sup> 2016 American Community Survey, through the American Fact Finder, available at: <http://www.census.gov>.

<sup>7</sup> 2016 American Community Survey, through the American Fact Finder, available at: <http://www.census.gov>.

Over the years, Saint Paul has consistently registered an unemployment rate equal to or lower than that of the U.S. as a whole. The City's unemployment rate for 2017 was 2.8% which is lower than both the Minnesota rate of 3.4% and the U.S. rate of 3.9%.<sup>8</sup>

Saint Paul's largest employment sector is Education and Health Services (64,710 jobs; 35.2% of total jobs). Other large employment sectors include Public Administration (23,313 jobs; 12.7% of total jobs) and Professional and Business Services (22,175 jobs; 12.1% of total jobs).<sup>9</sup>

## LONG-TERM FINANCIAL PLANNING

The Housing and Redevelopment Authority had an unrestricted fund balance at year end in its General Fund that was greater than 15% of the annual budget spending for this fund. In addition, the Authority has a committed fund balance in its General Fund at year end per its adopted policy of committing the fund balance from conduit revenue bond fees for Planning and Economic Development administration costs. This committed fund balance at year end is greater than the annual support the Authority's General Fund provides for PED Administration costs.

## MAJOR INITIATIVES

Key strategic areas the City's operations are focused on include, but are not limited to:

**Education Initiative:** A majority of jobs in the future will require some post-secondary degree or training, even manufacturing jobs. High quality education starts at home with parents talking and reading to their young children and goes right on through the child's life. Many sources are necessary to educate a child for a lifetime. City resources, from libraries to parks and police, help families help their children learn and grow. The City provides many programs year round for children and their families in libraries and recreation centers. The City is also a close partner with Saint Paul Public Schools and other forms of schools in the City. By working together, children are prepared for successful futures through education and learning.

**Sustainable Saint Paul:** The City is taking proactive steps to protect the City's air, water, and urban landscape by focusing on Carbon Dioxide (CO<sub>2</sub>) reduction activities in the areas of energy efficiency and conservation, clean energy supply, alternative fuels and transportation options, recycling and waste reduction, urban reforestation and natural resources management, and water resources management.

**Economic Development:** To maintain economic growth, the City will continue to develop and implement strategic plans to encourage private investment in housing and economic development projects in Saint Paul, including the 2016 – 2018 Economic Development strategy, aiming for an increase of 3,000 jobs over three years. The City of Saint Paul is involved in an initiative to position the Minneapolis-Saint Paul region as the world's premier business location and strengthen our diverse economy to compete in the global marketplace. A Minneapolis-Saint

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<sup>8</sup> Minnesota Department of Employment and Economic Development, Minnesota Unemployment Statistics available at <http://mn.gov/deed/data/data>.

<sup>9</sup> Minnesota Department of Employment and Economic Development's Quarterly Census Employment and Wages available at <http://mn.gov/deed/data>.

Paul Metropolitan Business Plan is guiding our efforts to coordinate a regional approach to economic development.

**Racial Equity:** A prosperous Saint Paul must address racial disparities. Diversity is a strength of the City's workforce and enables employees to more effectively and authentically provide services to residents, businesses, and visitors. The City believes inclusion, engagement, transparency, and continuous learning from each other are keys to creating racial equity in city government and in the community.

**Youth:** Past work with the Saint Paul Public schools is being built upon by focusing on early childhood investments to give every student a strong start. This includes providing students and their families access to essential health services and affordable housing. Partnering with schools, colleges, workforce training programs and trade unions provides the next generation of leaders with all tools needed for a bright and prosperous future.

**Neighborhoods:** Police officers that reflect the City's diversity and have a stake in our neighborhoods are best suited to protect and serve all residents. In order to build trust between neighborhoods and their guardians, the City is dedicated to training officers in de-escalation techniques and connecting them to social workers, mental health providers and crisis prevention counselors so people in crisis get the help they need. Officers will be held accountable for conduct that does not meet these standards.

**People of Color and Women:** All communities deserve a path to economic prosperity. The City's priorities include investing in businesses along cultural corridors across the city to ensure economic growth reaches all corners of our city. The City is also exploring options to make it easier for Saint Paul residents to open and run a business - especially people of color, immigrants, and women.

## **MAJOR DEVELOPMENTS**

### **I. Downtown Saint Paul**

#### **The 428**

The former 1955 Woolworth's department store at 428 Minnesota Street, vacant since 1994, has been converted into sustainable, modern office space. The \$15-17 million renovation broke ground in July 2017. Work included adding a 12,000 square-foot fourth floor, and a fifth floor featuring 6,000 square-foot glassed-in co-working space with rooftop patio. The new 65,000 square-foot building plans to open in July 2018. The 428 is Minnesota's first building to pursue both LEED certification and WELL Core and Shell certification.

#### **Lowry Hotel Building**

Jim Crockarell/Madison Equities purchased the Lowry Hotel Building Apartments at 345 Wabasha Street for \$5 million in 2012. A \$20 million project aims to convert the newly remodeled apartment building back into 150 hotel rooms. Gray Duck Tavern opened on the ground floor in June 2017. A rooftop patio is to be completed in 2018.

#### **The Press Apartments**

Real Estate Equities purchased the former Pioneer Press office building for \$8 million in

December 2017. Construction to convert the building into 144 studio, one and two bedroom income restricted apartments is planned to begin in summer 2018. First occupancy is predicted to begin in winter 2018/2019.

### **333 on the Park**

Timberland Partners began construction in February 2016 on the historic office building at 333 North Sibley Street into “333 on the Park” which includes 134 market-rate apartments, 10 two-story penthouses, and underground parking and retail space. The \$41 million project received federal and state historic tax credits and a HUD-insured mortgage loan and opened in March 2017.

### **Riverfront Properties**

In 2017, Ramsey County continued deconstruction of the six-building former West Publishing complex and the former adult detention center on Kellogg Boulevard. The \$17 million project included three primary elements: removal and disposal of all hazardous waste from inside the buildings – primarily asbestos-containing material; deconstructing the buildings, including harvesting materials for resale, reuse, or recycling where possible, and; building a concrete retaining wall for long-term erosion control secured to the bluff by rock bolts along its length. The project was substantially complete in November 2017.

### **Central Station**

The Metropolitan Council and the Housing and Redevelopment Authority owns the land east of the Green Line’s Central Station at Fifth and Cedar streets, which it acquired by eminent domain. A wide range of businesses, civic and community organizations teamed up with the Musicant Group in 2017 to create a more inviting and vibrant space for transit riders, employees, residents, and visitors in the block surrounding the Green Line’s Central Station. Beginning in December 2016, the Musicant Group hosted Pop-ups at Central Station – a series of programs and events on the Central Station block through September 2017, as the site is readied for future development. The Saint Paul City Council approved Central Station Block Design Guidelines in June 2017.

### **Treasure Island Center**

The Saint Paul Port Authority acquired the Macy’s Department Store at 411 Cedar Street for \$3 million in 2014, and invested an additional \$5.5 million to prepare the building for redevelopment, including the removal and sealing of all asbestos. The Port Authority and Hempel Cos. are developing and managing the site together through the joint venture Go Wild LLC, with RJM Construction as the general contractor. The redeveloped property includes Tria Rink, the official practice space of the Minnesota Wild; a two-level Walgreens, the Tria Orthopedic Clinic, Treasure Island administrative offices, and office space for the Saint Paul Police Department. Future tenants include a Tim Horton’s doughnut shop and the Stacked Deck Brewing brewery and taproom. The 540,000 square-foot building held its grand opening in January 2018.

### **Palace Theatre**

The former vaudeville theatre built in 1916 underwent a \$15.5 million renovation beginning in 2015. The \$15.5 million renovation was funded in part by \$5.0 million grant from the state and a \$9.4 million city loan from the Mayor’s 8-80 Vitality fund. The 2,500 capacity concert hall held its first events in March 2017, and hosted 65 events in its first year. A total of 110,856 people attended shows at the Palace, and 37 concerts sold out. The venue is being jointly operated by

locally-based First Avenue and Jam Productions out of Chicago. First Avenue also acquired the Wild Tymes bar in 2017, and plans to remodel it into a space that will offer food and drinks and serve as a ticket outlet for the Palace.

### **Minnesota Children's Museum**

Minnesota Children's Museum broke ground in December 2015 on a \$30 million expansion and renovation at 10 West Seventh Street. Newly opened in June 2017, the project added 10 exhibits including two four-story climbing towers, a spiral slide and netted catwalk, a cafe, coffee bar and a skyway-level entrance.

### **Osborn370**

Ecolab's former headquarters was sold in July 2017 to a redevelopment team led by PAK Properties and Schafer Richardson. The 20-story, 280,000 square-foot tower has been refocused as a technology and innovation hub, and held its grand opening in January 2018. New features include co-working environments with flexible suites, an outdoor plaza and front door public park, dedicated floor space for group meetings, grab n' go food options, and recreational games for all occupants. Tenants include American Public Media's Glen Nelson Center, TechStars Farm to Fork accelerator, and the Knight Foundation's Lunar Startups.

### **Dorothy Day Center/Higher Ground Saint Paul**

Catholic Charities began opening portions of Higher Ground Saint Paul, a five-level emergency shelter and 193-unit housing facility at 435 Dorothy Day Place in December 2016. A second phase began in the spring of 2017 to replace the existing Dorothy Day shelter at 183 Old Sixth Street with a six-story Opportunity Center that includes job referrals, social services, a health clinic and 171 units of single room permanent housing. The second phase is expected to be completed by the end of 2018. Total cost of the project is \$100 million.

### **Minnesota State Capitol**

The Capitol underwent a \$309.5 million renovation that continued into the fall of 2017. A grand opening was held in August 2017.

## **II. Along the Green Line**

### **Allianz Field**

Minnesota United broke ground in December 2016 on their \$150 million, 19,400-seat, 346,000 square-foot Major League Soccer stadium overlooking Interstate 94 between Pascal and Snelling Avenues. The first structural steel was placed in late November 2017, and as of February 2018 about 40 percent of construction has been completed. The City has committed \$22.4 million to infrastructure, new roads, sewers and green space nearby. The stadium is slated to open in April 2019.

### **Snelling-Midway**

Hand in hand with the soccer stadium, New York-based strip mall owner RK Midway has teamed with Minnesota United owner Bill McGuire and other major investors to redevelop the adjacent Midway Shopping Center. A master plan approved by the City Council in August 2016 allows for a mix of uses and higher density on the nearly 35-acre transit-oriented redevelopment site.

### **Brownstone**

Having broken ground in June 2016, the four-story, \$14.8 million Model Cities Brownstone building at 839-849 West University Avenue includes 35 units of affordable rental housing, 20,400 square-feet of commercial space, and a reading room dedicated to the history of the Pullman railroad workers. Funding includes up to \$5 million in Saint Paul housing conduit revenue bonds, a \$2.0 million loan from the Saint Paul Foundation, and \$1.7 million in city tax increment financing. The building opened in October 2017.

### **Silgan Can**

Orton Development has invested \$3 million into renovating the 9-acre Silgan Can factory at 755 Prior Avenue. Tenants in the 300,000 square-foot building include BlackStack Brewery and Can Can Wonderland mini-golf center. Can Can Wonderland held a soft opening in December 2016. BlackStack Brewing opened March 2017.

## **III. Neighborhoods**

### **Ford Site**

The Saint Paul City Council approved the Ford Site redevelopment Zoning and Public Realm. The Master Plan is the result of 10 years of research and collaboration, including 14 professional studies and 140 community meetings. Setting the stage for the envisioned mixed-use urban village, the plan rezones the site into six districts: four as predominantly multi-family residential areas, and two as primarily commercial areas along Ford Parkway. The Ford Site redevelopment plan also outlines specific housing affordability goals, ensuring that a mix of housing types will be available across the site. All buildings on the site have been demolished and the site has undergone most environmental testing, which is now being remediated by Ford Land overseen by the Minnesota Pollution Control Agency. Ford placed the land on the market in late December 2017, with a goal of selling it in 2018.

### **Saint Paul College**

Construction continued in 2017 on the 45,000 square-foot Health and Science Alliance Center at Saint Paul College which will include science labs, simulation labs, and classrooms. The Health and Science Alliance Center will be attached to the building at 235 Marshall Avenue and was completed in the fall of 2017. The \$19 million project received a boost from the 2015 state bonding bill.

### **HealthPartners Neuroscience Center**

HealthPartners built a \$75 million, 128,000 square-foot neuroscience center at 295 Phalen Boulevard. The four-story building will bring together nationally recognized programs in neurological care, research, and rehabilitation. The center includes a 640-space parking ramp. Construction began in 2015 and was completed in spring 2017.

### **Johnson Senior High School**

In June 2016, the Saint Paul school district began a \$15 million renovation of Johnson Senior High School at 1349 Arcade Street, including a classroom and office addition and accessibility upgrades. The renovation work was completed in September 2017.



### **Villa Del Sol**

At 88 Cesar Chavez Street, the Neighborhood Development Alliance broke ground in October 2016 on a three-floor, 40-unit “workforce housing” apartment building. The building received a Certificate of Substantial Completion on January 19, 2017. The \$11.5 million building will be open to anyone earning up to 60 percent of area median income, or about \$50,000 for a family of four, and includes 3,000 square-feet of community space. Two Metropolitan Council grants and housing tax credits from the HRA were included in the funding.

### **Schmidt Brewery**

The Schmidt Artist Lofts have been fully occupied since opening in July 2014. In July 2017, developer Craig Cohen purchased the Rathskeller building, with intentions to house multiple businesses in the building, as well as in the adjacent Keg Building which was purchased previously. Confirmed tenants in the Keg Building, now renamed the Keg and Case Market, include a specialty cheese shop, a restaurant, a coffee shop, ice creamery, fish hatchery, and brewery.

### **The Finn in Highland Village**

In 2016, the Ackerberg Group continued redevelopment of the Edina Realty office at 735 Cleveland Avenue into a four-story apartment building with ground-level commercial space. Construction was completed in spring 2017.

### **West Side Flats Master Plan**

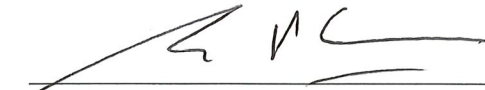
The updated West Side Flats Master Plan and Development Guidelines were adopted by the Saint Paul City Council in June 2015. The new West Side Flats Master Plan and Development Guidelines will guide future development on the Flats for decades to come, including a large greenway on the property, which will serve as both a community amenity and stormwater management infrastructure. Sherman Associates is planning the next phase of development on the site: a market rate apartment building of 162 units and an affordable building with 82 apartments. The affordable building will be designed to Passive House energy efficiency standards. A groundbreaking is expected in July of 2018.

## **AWARDS AND ACKNOWLEDGMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2016. This was the 32<sup>nd</sup> consecutive year that the Saint Paul HRA has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.


A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program’s requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report was accomplished through the efficient and dedicated services of the City Department of Planning and Economic Development accounting staff. The cooperation and assistance provided by the State Auditor's staff was very helpful and is greatly appreciated.



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Dr. Bruce Corrie  
Executive Director

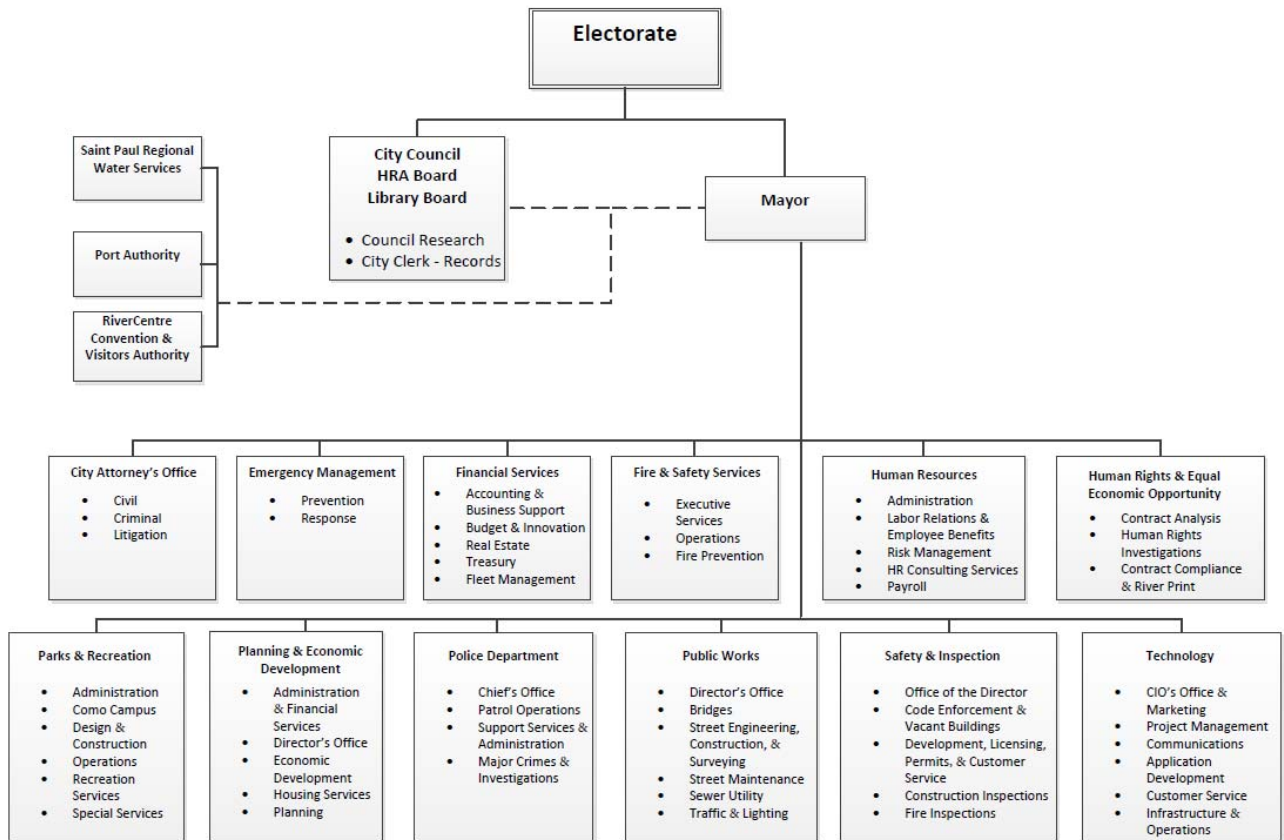


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Rhonda Gillquist  
Accountant

# City of Saint Paul, Minnesota

(Form of Government: "Strong" Mayor, with Seven Councilmembers Elected by Ward)



**HOUSING AND REDEVELOPMENT AUTHORITY  
OF THE CITY OF SAINT PAUL, MINNESOTA  
PRINCIPAL OFFICIALS  
DECEMBER 31, 2017**

	Term of Office	
	From	To
<b><u>Commissioners</u></b>		
Daniel Bostrom	January 1, 1996	December 31, 2019
Amy Brendmoen	January 11, 2012	December 31, 2019
Rebecca Noecker	January 13, 2016	December 31, 2019
Jane Prince	January 13, 2016	December 31, 2019
Russ Stark	January 8, 2008	December 31, 2019
Dai Thao	November 21, 2013	December 31, 2019
Chris Tolbert	January 11, 2012	December 31, 2019
<b><u>Officers</u></b>		
<b><u>Chairperson</u></b>		
Amy Brendmoen	January 8, 2014	December 31, 2019
<b><u>Vice-Chairperson</u></b>		
Daniel Bostrom	April 8, 2015	December 31, 2019
<b><u>Secretary</u></b>		
Russ Stark	April 8, 2015	December 31, 2019
<b><u>Treasurer</u></b>		
Dai Thao	January 8, 2014	December 31, 2019
<b><u>Executive Director</u></b>		
Jonathan Sage-Martinson	August 4, 2014	Indefinite



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Housing and Redevelopment Authority  
of the City of Saint Paul, Minnesota**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

*Christopher P. Morill*

Executive Director/CEO

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## **FINANCIAL SECTION**







REBECCA OTTO  
STATE AUDITOR

# STATE OF MINNESOTA OFFICE OF THE STATE AUDITOR

SUITE 500  
525 PARK STREET  
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)  
(651) 296-4755 (Fax)  
state.auditor@state.mn.us (E-mail)  
1-800-627-3529 (Relay Service)

## INDEPENDENT AUDITOR'S REPORT

Commissioners of the Housing and Redevelopment  
Authority of the City of Saint Paul  
Saint Paul, Minnesota

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Housing and Redevelopment Authority (HRA) of the City of Saint Paul, a component unit of the City of Saint Paul, Minnesota, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the HRA's basic financial statements, as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the HRA's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

expressing an opinion on the effectiveness of the HRA's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the HRA of the City of Saint Paul as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the HRA of the City of Saint Paul's basic financial statements. The introductory section, the supplementary schedules, and the statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to

prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2018, on our consideration of the HRA of the City of Saint Paul’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the HRA of the City of Saint Paul’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the HRA of the City of Saint Paul’s internal control over financial reporting and compliance.



REBECCA OTTO  
STATE AUDITOR



GREG HIERLINGER, CPA  
DEPUTY STATE AUDITOR

June 8, 2018

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**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2017**

As management of the Housing and Redevelopment Authority of the City of Saint Paul (HRA), we provide readers of these financial statements this overview and analysis of the financial activities of the HRA for the fiscal year ended December 31, 2017. We encourage readers to consider the information presented here in conjunction with the financial statements which are found on pages 33-102.

**Financial Highlights**

- The assets and deferred outflows of resources of the HRA exceeded its liabilities and deferred inflows of resources at the end of 2017 by \$109.5 million (net position). Net position decreased by \$5.9 million during 2017. This net decrease included a decrease in governmental activity net position by \$5.5 million and a decrease in business-type activity net position by \$0.4 million. The business-type activities are the HRA Loan Enterprise Fund, the HRA Parking Enterprise Fund, and the HRA Penfield Enterprise Fund.
- The HRA's governmental funds reported combined fund balances of \$53.3 million. An amount of \$42.8 million is restricted, primarily for future debt service on existing long-term debt and tax increment financing.
- The total principal amount of long-term debt decreased during 2017 by \$9.7 million to a total of \$108.0 million, an 8.2% decrease from 2016. Total interest expense on long-term debt in 2017 was \$7.6 million, a decrease of \$1.8 million from 2016.
- The assets of loans receivable and accrued interest receivable on loans, net of allowances, increased by \$0.1 million to a total of \$6.0 million at December 31, 2017. The allowances for uncollectible loans decreased by \$4.9 million to a total of \$42.6 million at December 31, 2017.
- One HRA administered tax increment financing district ended in 2017. Three HRA administered tax increment financing districts were created in 2017. Total tax increment revenue for HRA Districts was \$19.6 million in 2017, a decrease of \$3.4 million from 2016. The captured tax capacity of all Saint Paul tax increment financing districts including the Port Authority is 9.8% of Saint Paul's total tax capacity. This represents an increase of 0.6 percentage points from 2016.
- The major housing development initiative continued in 2017 with 1,232 new or substantially rehabilitated single- and multi-family housing units completed in Saint Paul.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
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**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the HRA's basic financial statements. The HRA's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary schedules and statistical tables, in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad view of the HRA's finances, in a manner similar to a private-sector business. These are found on pages 33-35 of this report.

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees (business-type activities).

The HRA's governmental activities include:

- Development in the tax increment financing districts and other redevelopment areas
- Federal, state and local grant programs
- Debt service on tax supported debt
- General operations financed through the HRA General Fund
- Multi-year development projects that are locally funded

The HRA's business-type activities are:

- Development loan programs
- Parking operations
- Penfield

The *statement of net position* presents financial information on all of the HRA's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, at December 31, 2017, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the HRA's financial position is improving or deteriorating.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
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The *statement of activities* presents information showing how the HRA's net position changed during 2017. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future periods.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The HRA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the HRA can be divided into two categories: governmental funds and proprietary funds. The governmental fund and proprietary fund financial statements are found on pages 36-38 and pages 39-43 of this report.

Governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the HRA's near-term financing decisions. Both the *governmental fund balance sheet* and the *governmental fund statement of revenues, expenditures, and changes in fund balances* provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The HRA maintains the following five governmental funds: HRA General Fund, HRA Grants Fund, HRA Debt Service Fund, HRA Tax Increment Capital Projects Fund, and the HRA Development Capital Projects Fund. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for each of these five funds.

The HRA adopts an annual appropriated budget for its general fund and its debt service fund. Multi-year budgets are adopted for the special revenue fund and the capital projects funds. A budgetary comparison statement has been provided in the basic financial statements for the HRA General Fund. The HRA's governmental funds reflected positive variances for total expenditures and other financing uses compared to the final 2017 budgets.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
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Proprietary funds are used to account for the same functions reported as business-type activities in the government-wide financial statements. The HRA maintains three proprietary funds: HRA Loan Enterprise Fund, HRA Parking Enterprise Fund, and the HRA Penfield Enterprise Fund. Information is presented separately in the proprietary fund financial statements for each of these funds.

The HRA sold the Penfield Apartments in 2016. Under the purchase agreement, the HRA was to receive the water remediation escrows back within twelve months after completion of the work. When the full costs were known the HRA is to receive a release of \$1.0 million less 125% of the total cost. Then, once the work is completed, the HRA is to receive 25% of the total cost. The full costs of the water remediation were known in 2017 and the HRA received a refund of \$741,211 from the water remediation escrow.

HRA fund accounting policies are included in Note 2.A.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are found on pages 46-102 of this report.

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**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2017**

**Financial Analysis of the HRA as a Whole**

**Net Position.** The following chart shows components of the HRA's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position and compares 2017 with 2016 at December 31.

**SAINT PAUL HRA'S ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION  
At December 31, 2017 and 2016**

	Governmental Activities		Business-type Activities		Totals		Total Percentage Change 2017-2016
	12/31/17	12/31/16	12/31/17	12/31/16	12/31/17	12/31/16	
<b>Assets</b>							
Cash and Investments	\$ 54,726,285	\$ 67,423,402	\$ 40,475,401	\$ 43,129,656	\$ 95,201,686	\$ 110,553,058	-13.9%
Other Current Assets	(1,691,566)	(1,884,209)	3,619,181	4,008,989	1,927,615	2,124,780	-9.3%
Land Held for Resale	2,273,531	2,142,854	4,125,142	4,296,654	6,398,673	6,439,508	-0.6%
Loans Receivable	1,258,653	936,170	4,125,959	5,006,705	5,384,612	5,942,875	-9.4%
Leases Receivable	3,605,000	4,045,000	-	-	3,605,000	4,045,000	-10.9%
Capital Assets	30,982,404	31,098,558	81,527,423	83,792,973	112,509,827	114,891,531	-2.1%
Other Non-Current Assets	2,464,059	2,365,496	831,571	390,909	3,295,630	2,756,405	19.6%
<b>Total Assets</b>	<b>93,618,366</b>	<b>106,127,271</b>	<b>134,704,677</b>	<b>140,625,886</b>	<b>228,323,043</b>	<b>246,753,157</b>	<b>-7.5%</b>
Deferred Outflows of Resources	-	-	979,919	-	979,919	-	N/A
<b>Liabilities</b>							
Other Liabilities	5,006,577	7,141,816	4,056,363	5,138,681	9,062,940	12,280,497	-15.2%
Long-Term Liabilities	59,629,633	64,458,339	51,099,742	54,606,565	110,729,375	119,064,904	-8.2%
<b>Total Liabilities</b>	<b>64,636,210</b>	<b>71,600,155</b>	<b>55,156,105</b>	<b>59,745,246</b>	<b>119,792,315</b>	<b>131,345,401</b>	<b>-8.8%</b>
<b>Net Position</b>							
Net Investment in							
Capital Assets	11,022,552	20,498,706	34,307,681	33,066,408	45,330,233	53,565,114	-15.4%
Restricted for Debt Service	7,974,116	4,946,707	3,711,550	3,765,773	11,685,666	8,712,480	34.1%
Restricted for							
Capital Projects	9,109,851	1,806,231	-	-	9,109,851	1,806,231	404.4%
Restricted for Tax							
Increment Financing	23,784,719	28,099,697	-	-	23,784,719	28,099,697	-15.4%
Restricted for Operations							
and Maintenance	-	-	27,218	165,704	27,218	165,704	-83.6%
Restricted by Grantors	64,531	326,780	802,592	834,754	867,123	1,161,534	-25.3%
Unrestricted	(22,973,613)	(21,151,005)	41,679,450	43,048,001	18,705,837	21,896,996	-14.6%
<b>Total Net Position</b>	<b>\$ 28,982,156</b>	<b>\$ 34,527,116</b>	<b>\$ 80,528,491</b>	<b>\$ 80,880,640</b>	<b>\$ 109,510,647</b>	<b>\$ 115,407,756</b>	<b>-5.1%</b>

Assets and deferred outflows of resources of the HRA exceeded liabilities and deferred inflows of resources resulting in an overall surplus of \$109.5 million at December 31, 2017. Net position of the business-type activities are \$80.5 million at December 31, 2017. In governmental activities, the HRA issues long-term debt for housing and economic development purposes and, in many cases, does not acquire or construct HRA-owned capital assets with the debt proceeds. This is common for housing and redevelopment authorities. For the Saint Paul HRA, this has been the case with the tax increment bonds. The debt is to be retired with future revenues, namely property tax increments. In past years financing has been sufficient for all governmental activity long-term debt service payments and other debt service requirements. Likewise, it is projected that future revenues will adequately finance all existing debt service requirements.

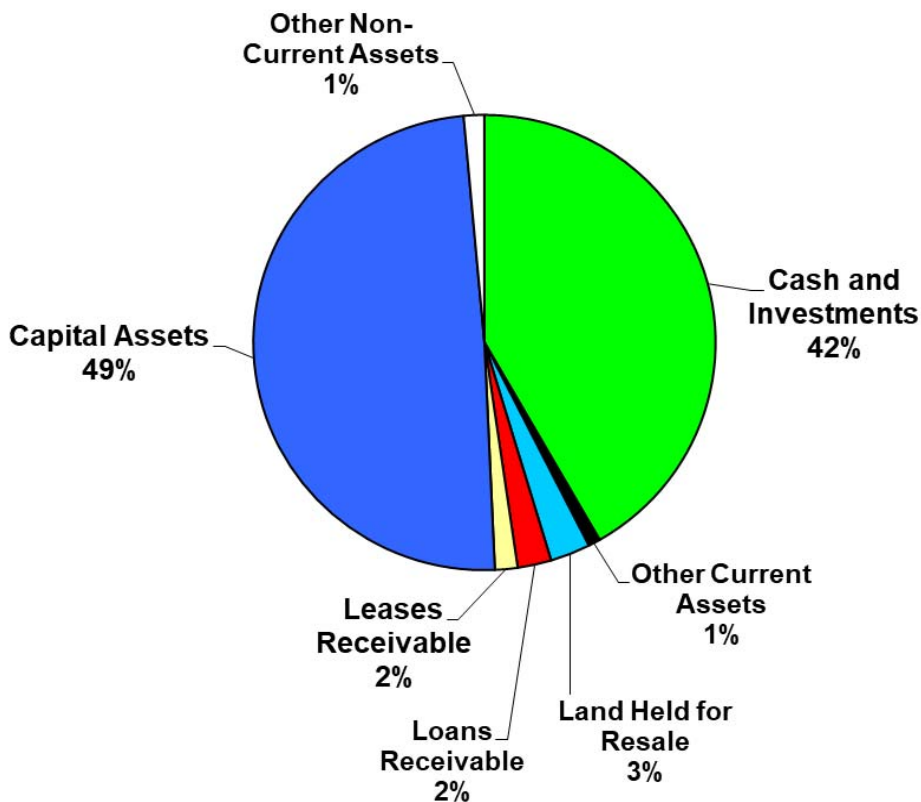
**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
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Unrestricted net position in business-type activities is \$41.7 million at December 31, 2017. However, a large portion of the unrestricted net position is represented by loans receivable, which often have repayment terms in excess of twenty years.

Total assets of the HRA decreased by 7.5%, to a total of \$228.3 million at year-end. Cash and investment balances decreased by 13.9% in 2017. The net asset for loans less their allowance decreased in 2017 by 9.4%. Capital assets decreased during 2017 by 2.1%. The decrease in cash from 2016 to 2017 is mainly due to the use of advances received in 2016 to complete construction of the Palace Theatre in 2017 and a reduction of tax increment financing districts.

The HRA's long-term debt, at \$110.7 million is 92.4% of its total liabilities. The outstanding balance of long-term debt decreased by 8.2% during 2017. Governmental activity long-term debt includes tax-supported debt – the tax increment bonds, along with the lease revenue bonds, various development notes, and advances from other governments. Business-type activity debt includes the parking revenue bonds, that were issued to finance the construction of HRA-owned parking ramps.

## 2017 Assets



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**Changes in Net Position.** The following chart shows the changes in net position during 2017 and compares this with 2016.

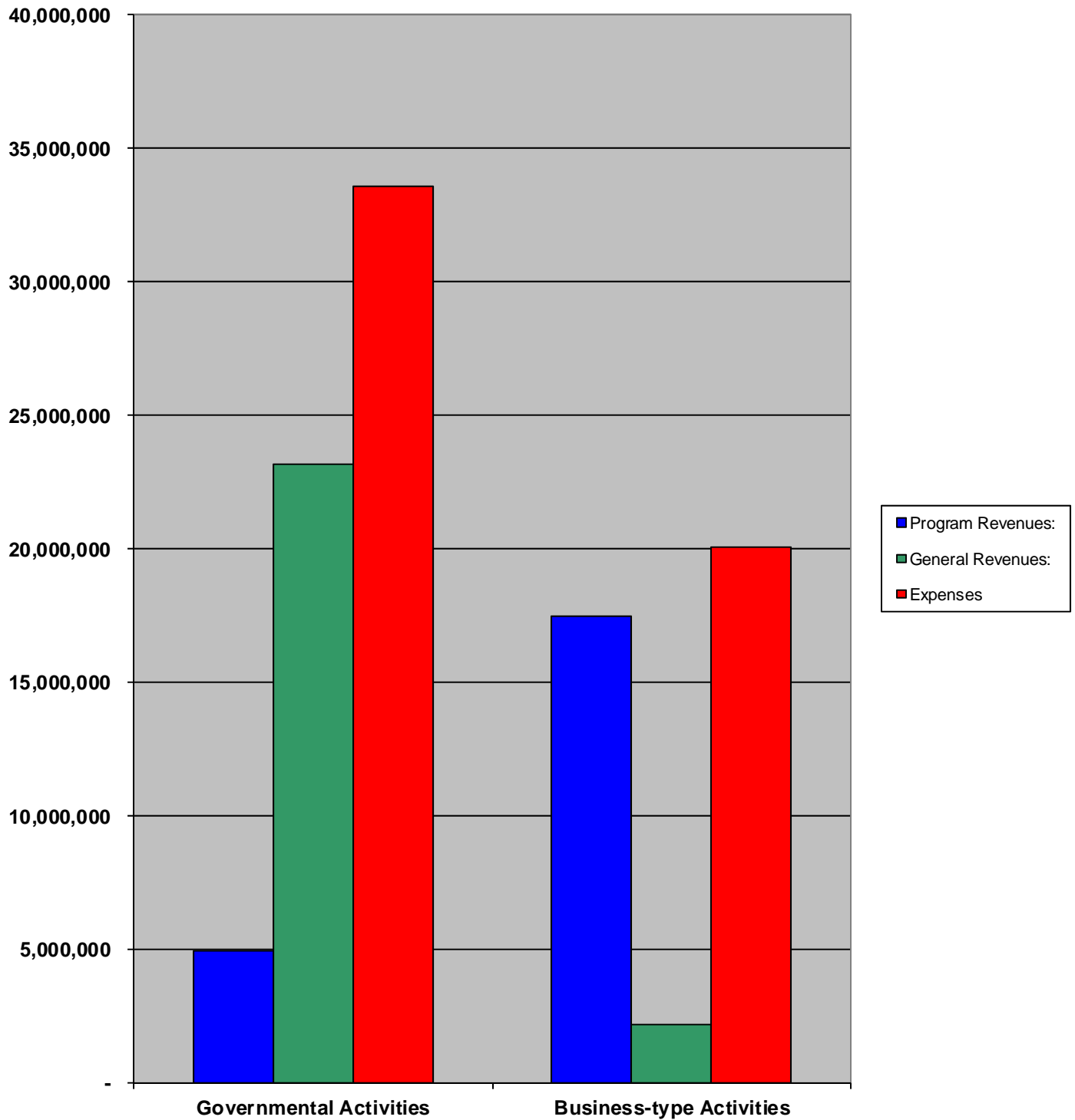
	SAINT PAUL HRA'S CHANGES IN NET POSITION For the Fiscal Year Ended December 31, 2017 and 2016						Total Percentage Change 2017-2016
	Governmental Activities		Business-type Activities		Totals		
	2017	2016	2017	2016	2017	2016	
<u>Revenues</u>							
Program Revenues:							
Charges for Services	\$ 3,600,694	\$ 2,254,099	\$ 16,939,278	\$ 19,823,324	\$ 20,539,972	\$ 22,077,423	-7.0%
Operating Grants and Contributions	920,401	1,040,493	545,698	795,291	1,466,099	1,835,784	-20.1%
Capital Grants and Contributions	443,040	4,846,083	-	-	443,040	4,846,083	-90.9%
General Revenues:							
Property Taxes	22,030,642	25,186,398	1,103,567	1,099,375	23,134,209	26,285,773	-12.0%
Investment Income	1,130,294	593,254	160,409	1,587	1,290,703	594,841	117.0%
Interest Earned - Other	-	-	149,184	191,184	149,184	191,184	-22.0%
Miscellaneous	-	-	761,141	-	761,141	-	N/A
Total Revenues	<u>28,125,071</u>	<u>33,920,327</u>	<u>19,659,277</u>	<u>21,910,761</u>	<u>47,784,348</u>	<u>55,831,088</u>	<u>-14.4%</u>
<u>Expenses</u>							
Housing and Economic Development	27,761,356	21,848,201	-	-	27,761,356	21,848,201	27.1%
Interest on Govt Activity Long-Term Debt	5,850,217	6,169,591	-	-	5,850,217	6,169,591	-5.2%
Development Loan Programs	-	-	4,771,234	9,039,259	4,771,234	9,039,259	-47.2%
Parking Operations	-	-	15,294,478	13,389,604	15,294,478	13,389,604	14.2%
Lofts	-	-	-	438,769	-	438,769	-100.0%
Penfield	-	-	4,172	3,685,094	4,172	3,685,094	-99.9%
Total Expenses	<u>33,611,573</u>	<u>28,017,792</u>	<u>20,069,884</u>	<u>26,552,726</u>	<u>53,681,457</u>	<u>54,570,518</u>	<u>-1.6%</u>
Excess (Deficiency) before Transfers and Special Items	<u>(5,486,502)</u>	<u>5,902,535</u>	<u>(410,607)</u>	<u>(4,641,965)</u>	<u>(5,897,109)</u>	<u>1,260,570</u>	
Transfers	(58,458)	14,988,428	58,458	(14,988,428)	-	-	
Special Item	-	-	-	9,345,498	-	9,345,498	
Increase (Decrease) in Net Position	(5,544,960)	20,890,963	(352,149)	(10,284,895)	(5,897,109)	10,606,068	
Net Position, January 1	<u>34,527,116</u>	<u>13,636,153</u>	<u>80,880,640</u>	<u>91,165,535</u>	<u>115,407,756</u>	<u>104,801,688</u>	
Net Position, December 31	<u>\$ 28,982,156</u>	<u>\$ 34,527,116</u>	<u>\$ 80,528,491</u>	<u>\$ 80,880,640</u>	<u>\$ 109,510,647</u>	<u>\$ 115,407,756</u>	

Total revenues of the HRA decreased by 14.4% in 2017, while total expenses decreased by 1.6%, resulting in a decrease in net position in 2017 of \$5.9 million.

As shown in the table, governmental activities are financed mainly with tax revenue. Property tax revenue in governmental activities decreased by 12.5% with most of the decrease being in tax increment revenue. Operating grants and contributions in governmental activities decreased by 11.5% in 2017, primarily because less grant revenue was received for housing and development projects. Capital grants and contributions in governmental activities decreased by 90.9% because 97% of the grant funding for the Palace Theatre was received in 2016. Total expenses decreased in 2017 from 2016 by \$0.9 million, or 1.6%.

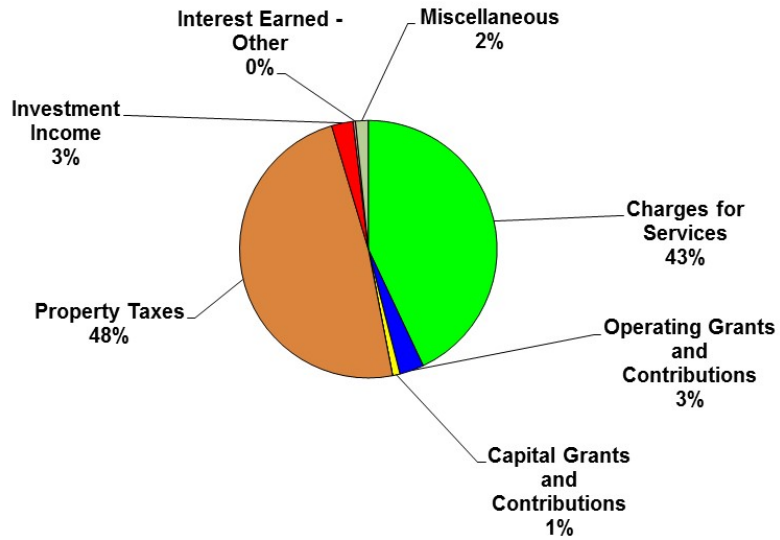
Charges for service revenue in business-type activities in 2017 decreased by 14.5%. Total business-type activities expenses decreased in 2017 by \$6.5 million or 24.4%.

## 2017 Revenue and Expenses

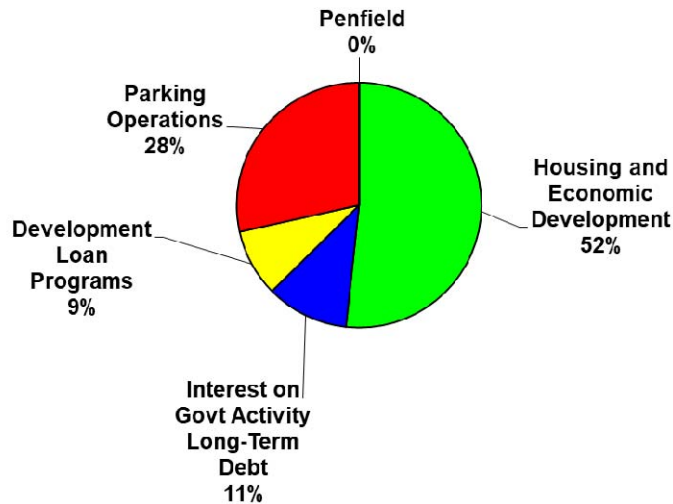


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**2017 Revenues by Source**



**2017 Expenses by Function**



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**Financial Analysis of the HRA's Funds**

As noted earlier, the HRA uses fund accounting to maintain control over resources and to ensure and demonstrate compliance with financial-related legal requirements.

**Governmental Funds**

The focus of the HRA's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the HRA's financing requirements.

At December 31, 2017, the HRA's governmental funds reported total fund balances of \$53.3 million. 80.2% of this is restricted and 0.6% of this is nonspendable to indicate that it is not available for new spending. \$8.4 million of this restricted amount is for future debt service on existing bonds, notes, and advances. Committed, assigned, and unassigned balances total \$10.2 million. Of the committed, assigned, and unassigned fund balances, \$6.0 million has been committed in the HRA General Fund for support of HRA operations.

*The HRA General Fund* is the chief operating fund of the HRA. Revenues include the HRA property tax levy, fees from conduit revenue bond issues, property rentals, and investment earnings. The major spending activities are for staff administration of HRA programs, maintenance of HRA properties, and professional services for HRA programs and projects. The fund balance in the HRA General Fund decreased during 2017 by \$0.9 million to a total of \$10.5 million at December 31, 2017, due to an increase in administration costs.

*The HRA Grants Fund* accounts for intergovernmental revenues provided primarily by the Federal and State governments for housing grant programs and projects. Grant revenues are recognized as eligible grant expenditures are incurred, resulting in little or no fund balance. No grant revenue was received in 2017.

*The HRA Debt Service Fund* accumulates resources and pays debt service for the HRA's debt that is not financed by the enterprise funds. Debt service on the bonds is financed by property tax increments, lease payments from the City, and investment earnings. At December 31, 2017, the fund balance is \$8.4 million, which is entirely restricted for future debt service. Total debt spending during 2017 was \$6.5 million.

*The HRA Tax Increment Capital Projects Fund* accounts for HRA major development projects and capital projects in Saint Paul tax increment districts and other redevelopment areas. The total fund balance of \$24.5 million at December 31, 2017, is restricted for unspent balances of previously approved projects. Total 2017 spending from this Fund was \$21.7 million. All of these projects are financed with tax increment bond proceeds.

*The HRA Development Capital Projects Fund* accounts for HRA multi-year development projects. These projects are locally funded through transfers from other funds and bonds sold for

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development purposes. The fund balance was \$9.8 million at December 31, 2017. The HRA acquired the Palace Theatre and began construction on the theater in 2015 which was completed in 2017. See Note 5.K.

**Proprietary Funds**

The proprietary fund financial statements provide the same information found in the business-type activities column of the government-wide statements, but in more detail. The proprietary funds use the economic resources measurement focus and the full accrual basis of accounting, which are the same as those used for private sector business enterprises. The HRA's proprietary funds are the HRA Loan Enterprise Fund, the HRA Parking Enterprise Fund, and the HRA Penfield Enterprise Fund.

*The HRA Loan Enterprise Fund* accounts for loans issued and related servicing for various housing and economic development programs and projects. The Fund has unrestricted net position totaling \$19.3 million and restricted net position totaling \$0.8 million at December 31, 2017. The assets of the Fund include loans receivable and accrued interest on these loans which are reported at \$4.3 million (net of allowance) and in many cases have long repayment terms before there will be liquidation to cash. Cash and investments are reported at \$15.3 million at December 31, 2017. The Fund had an overall decrease in net position of \$3.6 million for 2017, primarily due to uses of the Penfield Apartments net sales proceeds that were transferred in from the Penfield Enterprise Fund in 2016.

*The HRA Parking Enterprise Fund* accounts for the operation of HRA-owned parking facilities in Saint Paul. The Fund has unrestricted net position of \$21.5 million at December 31, 2017. Assets in the Fund include capital assets for parking facilities reported at the depreciated amount of \$81.5 million. Long-term debt used for financing the construction of the parking facilities is \$45.3 million in principal outstanding at December 31, 2017. The Fund had operating income of \$6.3 million during 2017.

*The HRA Penfield Enterprise Fund* accounts for the Penfield Apartments. Cash and investments are reported at \$0.9 million at December 31, 2017. The Fund had an overall net position of \$0.9 million at December 31, 2017, all of which was unrestricted. The Penfield Apartments were sold on September 22, 2016.

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For the Fiscal Year Ended December 31, 2017**

**HRA General Fund Budgetary Highlights**

The final amended budget for the HRA General Fund includes the original adopted budget plus any previously appropriated funds set aside for the purpose of honoring legally incurred obligations (prior year encumbrances), plus any additional supplemental appropriations that were legislated by the Board of Commissioners during the year. Actual 2017 spending was 10.8% lower than the final spending budget. Actual revenues were 26.5% higher than the final financing budget.

**Long-Term Debt**

At December 31, 2017, the HRA had total long-term debt outstanding of \$110.7 million as shown in the following chart.

**SAINT PAUL HRA'S LONG-TERM DEBT  
At December 31, 2017 and 2016**

	Governmental Activities		Business-type Activities		Totals		Total Percentage Change
	2017	2016	2017	2016	2017	2016	2017-2016
Tax Increment Bonds	\$ 34,723,382	\$ 38,589,707	\$ -	\$ -	\$ 34,723,382	\$ 38,589,707	-10.0%
Lease Revenue Bonds	3,696,375	4,150,616	-	-	3,696,375	4,150,616	-10.9%
Parking Revenue Bonds	-	-	30,484,634	32,142,294	30,484,634	32,142,294	-5.2%
Tax Increment - Parking Bonds	-	-	16,735,108	18,584,271	16,735,108	18,584,271	-10.0%
Development Notes	11,849,876	12,358,016	3,880,000	3,880,000	15,729,876	16,238,016	-3.1%
Advances	9,360,000	9,360,000	-	-	9,360,000	9,360,000	0.0%
<b>Totals</b>	<b>\$ 59,629,633</b>	<b>\$ 64,458,339</b>	<b>\$ 51,099,742</b>	<b>\$ 54,606,565</b>	<b>\$ 110,729,375</b>	<b>\$ 119,064,904</b>	<b>-7.0%</b>

All of the debt has specified revenue sources that are pledged for its retirement. In addition, the City of Saint Paul has issued a general obligation pledge on certain tax increment bonds that have a total of \$25.9 million outstanding at year-end 2017. The City's G.O. pledge provides a secondary source of repayment if tax increments are not sufficient to service the related bonds. For the RiverCentre Facility Lease Revenue Bonds, the City has pledged City sources and RiverCentre revenues to make lease payments to the HRA. Non-payment of the lease by the City may create credit rating implications to the City, which is currently rated AAA by Standard & Poor's. For the Parking Revenue Bonds, in addition to net parking ramp revenues, the City has pledged the first \$3.0 million collected annually in parking meter and parking fine revenues.

On September 28, 2017, the HRA issued Parking Revenue Refunding Bonds, Series 2017A in the amount of \$26,315,000, and Parking Revenue Refunding Bonds, Taxable Series 2017B in the amount of \$2,630,000. The proceeds were used to current refund the Parking Revenue Refunding Bonds, Series 2010B and advance refund the Parking Revenue Refunding Bonds, Series 2010A. See Note 5.F.(1).

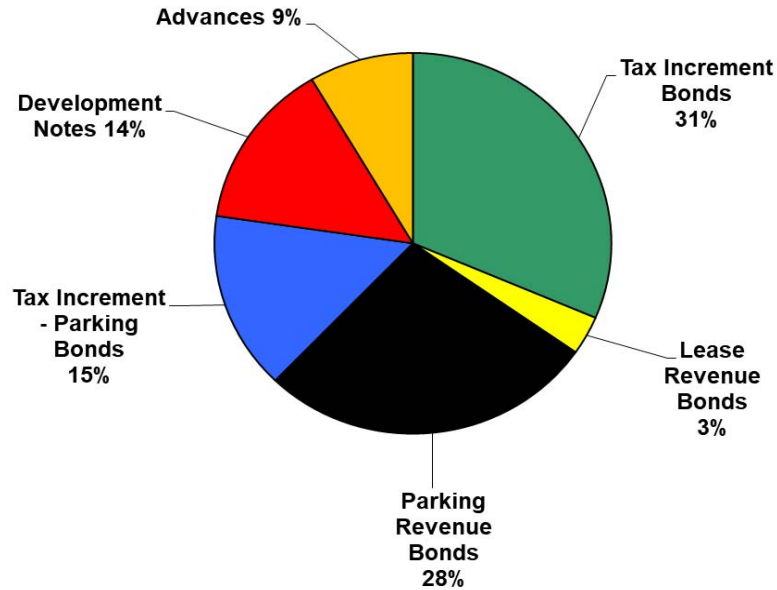
All 2017 scheduled principal and interest payments were made in accordance with the terms of the bonds and notes.



**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2017**

Additional information on the HRA's long-term debt can be found in Note 5.F. on pages 72-79 of this report. The schedule of bond coverage in the Statistical Section of this report shows the history and reliability of debt service financing sources.

**2017 Long-Term Debt**



**Capital Assets**

The HRA's investment in capital assets for its governmental and business-type activities as of December 31, 2017 is \$112.5 million (net of accumulated depreciation) as shown in the following chart.

**Saint Paul HRA's Capital Assets  
(Net of Depreciation)  
At December 31, 2017 and 2016**

	Governmental Activities		Business-type Activities		Totals		Total Percentage Change
	2017	2016	2017	2016	2017	2016	2017-2016
Land	\$ 3,042,169	\$ 3,042,169	\$ 27,247,487	\$ 27,247,487	\$ 30,289,656	\$ 30,289,656	0.0%
Construction in Progress	-	14,502,367	197,547	-	197,547	14,502,367	-98.6%
Parking Ramps	-	-	51,751,441	54,178,515	51,751,441	54,178,515	-4.5%
Buildings	25,338,945	10,641,291	1,113,707	1,233,918	26,452,652	11,875,209	122.8%
Equipment	-	-	1,217,241	1,133,053	1,217,241	1,133,053	7.4%
Pedestrian Skyway Bridges	2,601,290	2,912,731	-	-	2,601,290	2,912,731	-10.7%
<b>Totals</b>	<b>\$ 30,982,404</b>	<b>\$ 31,098,558</b>	<b>\$ 81,527,423</b>	<b>\$ 83,792,973</b>	<b>\$ 112,509,827</b>	<b>\$ 114,891,531</b>	<b>-2.1%</b>

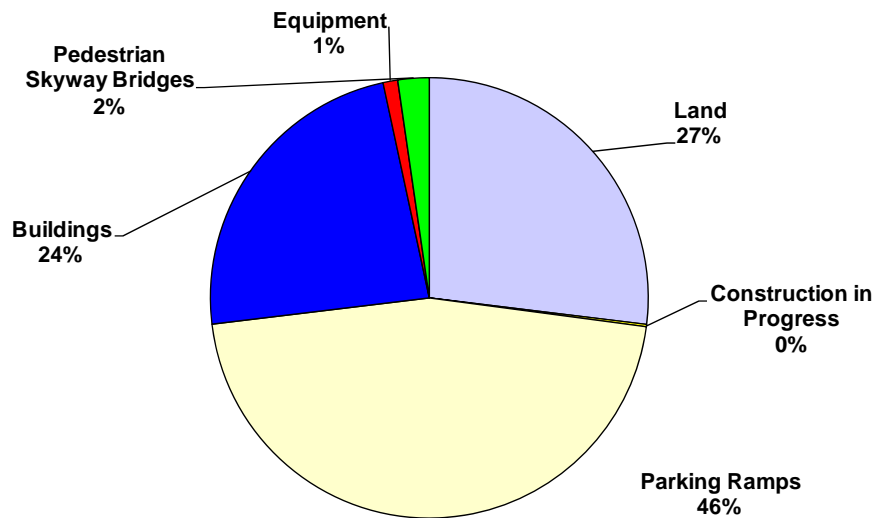
Total depreciation expense for governmental and business-type activities during 2017 was \$4.3 million.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2017**

The decrease in construction in progress in the governmental activities is due to the capitalization of the Palace Theatre construction costs in 2017. The increase in buildings is primarily from the capitalization of the Palace Theatre in 2017.

Additional information on the HRA's capital assets can be found in Note 5.E. on 71-72 of this report. A chart of the HRA's capital assets is shown below.

### 2017 Capital Assets



### Requests for Information

This financial report is designed to provide a general overview of the Saint Paul HRA's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Saint Paul, Department of Planning and Economic Development, 25 West Fourth Street, Saint Paul, MN, 55102.

## **BASIC FINANCIAL STATEMENTS AND NOTES**



HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**STATEMENT OF NET POSITION**

December 31, 2017

(Amounts in dollars)

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and Investments with Treasurer	\$50,668,331	\$34,375,699	\$85,044,030
Cash with Fiscal Agents	-	1,059,965	1,059,965
Cash and Investments with Trustees	3,807,654	808,570	4,616,224
Accrued Interest Receivable on Investments	360,227	70,606	430,833
Property Taxes Receivable	761,044	34,763	795,807
Accounts Receivable (Net of Allowance)	73,958	613,066	687,024
Assessments Receivable		13,951	13,951
Internal Balances	(2,886,795)	2,886,795	-
Land Held for Resale	2,273,531	4,125,142	6,398,673
Restricted Cash and Investments for:			
General Obligation Bond Debt Service	-	2,020,700	2,020,700
Revenue Bond Debt Service	-	2,183,249	2,183,249
Revenue Bond Operations and Maintenance	-	27,218	27,218
Note Debt Service	250,300	-	250,300
Note Receivable	100,000	-	100,000
Loans Receivable (Net of Allowance)	1,258,653	4,125,959	5,384,612
Accrued Interest Receivable on Loans (Net of Allowance)	54,053	518,844	572,897
Advances to Other Governmental Units	2,310,006	312,727	2,622,733
Direct Financing Leases Receivable	3,605,000	-	3,605,000
Capital Assets Not Being Depreciated:			
Land	3,042,169	27,247,487	30,289,656
Construction in Process	-	197,547	197,547
Capital Assets Net of Accumulated Depreciation:			
Parking Ramps	-	51,751,441	51,751,441
Buildings	25,338,945	1,113,707	26,452,652
Equipment	-	1,217,241	1,217,241
Pedestrian Skyway Bridges	2,601,290	-	2,601,290
<b>TOTAL ASSETS</b>	<b>\$93,618,366</b>	<b>\$134,704,677</b>	<b>\$228,323,043</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ -</b>	<b>\$979,919</b>	<b>\$979,919</b>

Continued

The accompanying notes are an integral part of these financial statements.

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**STATEMENT OF NET POSITION**

December 31, 2017

(Amounts in dollars)

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b><u>LIABILITIES</u></b>			
Accounts Payable	1,071,743	1,151,816	2,223,559
Contracts Payable	216,059	51,192	267,251
Due to Other Governmental Units	1,564,484	1,053	1,565,537
Accrued Interest Payable on Long-Term Debt	659,105	-	659,105
Unearned Revenue	1,095,186	2,359,903	3,455,089
Liabilities Payable from Restricted Assets:			
Accrued Interest on General Obligation Bonds Payable	-	232,326	232,326
Accrued Interest on Revenue Bonds Payable	-	260,073	260,073
General Obligation Bonds Payable - Due within One Year	-	1,850,000	1,850,000
Revenue Bonds Payable - Due within One Year	-	1,325,000	1,325,000
General Obligation Bonds Payable - Due in more than One Year	-	14,885,108	14,885,108
Revenue Bonds Payable - Due in more than One Year	-	29,159,634	29,159,634
Long-Term Liabilities:			
General Obligation Bonds Payable - Due within One Year	710,000	-	710,000
Revenue Bonds Payable - Due within One Year	1,578,000	-	1,578,000
Notes Payable - Due within One Year	895,280	93,856	989,136
Advance from Other Governmental Units - Due in more than One Year	9,360,000	-	9,360,000
General Obligation Bonds Payable - Due in more than One Year	8,986,967	-	8,986,967
Revenue Bonds Payable - Due in more than One Year	27,144,790	-	27,144,790
Notes Payable - Due in more than One Year	10,954,596	3,786,144	14,740,740
Pollution Remediation Obligation	400,000	-	400,000
<b>TOTAL LIABILITIES</b>	<b><u>64,636,210</u></b>	<b><u>55,156,105</u></b>	<b><u>119,792,315</u></b>
 <b><u>NET POSITION</u></b>			
Net Investment in Capital Assets	11,022,552	34,307,681	45,330,233
Amounts Restricted for:			
Debt Service	7,974,116	3,711,550	11,685,666
Capital Projects	9,109,851	-	9,109,851
Tax Increment Financing	23,784,719	-	23,784,719
Operations and Maintenance	-	27,218	27,218
Grantors	64,531	802,592	867,123
Unrestricted Amounts (Deficit)	<u>(22,973,613)</u>	<u>41,679,450</u>	<u>18,705,837</u>
<b>TOTAL NET POSITION</b>	<b><u>\$28,982,156</u></b>	<b><u>\$80,528,491</u></b>	<b><u>\$109,510,647</u></b>

The accompanying notes are an integral part of these financial statements.

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**STATEMENT OF ACTIVITIES**

For the Fiscal Year Ended December 31, 2017

(Amounts in Dollars)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services/ Loan Programs	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>							
Housing and Economic Development	\$27,761,356	\$3,600,694	\$920,401	\$443,040	(\$22,797,221)	\$ -	(\$22,797,221)
Interest on Governmental Long-Term Debt	5,850,217	-	-	-	(5,850,217)	-	(5,850,217)
<b>Total Governmental Activities</b>	<b>33,611,573</b>	<b>3,600,694</b>	<b>920,401</b>	<b>443,040</b>	<b>(28,647,438)</b>	<b>-</b>	<b>(28,647,438)</b>
<b>Business-type Activities:</b>							
Development Loan Programs	4,771,234	284,973	545,698	-	-	(3,940,563)	(3,940,563)
Parking Operations	15,294,478	16,654,305	-	-	-	1,359,827	1,359,827
Penfield Enterprise	4,172	-	-	-	-	(4,172)	(4,172)
<b>Total Business-type Activities</b>	<b>20,069,884</b>	<b>16,939,278</b>	<b>545,698</b>	<b>-</b>	<b>-</b>	<b>(2,584,908)</b>	<b>(2,584,908)</b>
<b>Total - All Functions/Programs</b>	<b>\$53,681,457</b>	<b>\$20,539,972</b>	<b>\$1,466,099</b>	<b>\$443,040</b>	<b>(28,647,438)</b>	<b>(2,584,908)</b>	<b>(31,232,346)</b>
<b>General Revenues:</b>							
HRA Property Tax					3,504,744	-	3,504,744
Property Tax Increments					18,525,898	1,103,567	19,629,465
Investment Income					1,130,294	160,409	1,290,703
Interest Earned - Other					-	149,184	149,184
Miscellaneous					-	761,141	761,141
Transfers					(58,458)	58,458	-
<b>Total General Revenues and Transfers</b>					<b>23,102,478</b>	<b>2,232,759</b>	<b>25,335,237</b>
Change in Net Position					(5,544,960)	(352,149)	(5,897,109)
Net Position, January 1, 2017					34,527,116	80,880,640	115,407,756
Net Position, December 31, 2017					<b>\$28,982,156</b>	<b>\$80,528,491</b>	<b>\$109,510,647</b>

The accompanying notes are an integral part of these financial statements.

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
 December 31, 2017  
 (Amounts in dollars)

	HRA General	HRA Grants	HRA Debt Service	HRA Tax Increment Capital Projects	HRA Development Capital Projects	Total Governmental Funds
<b>ASSETS</b>						
Cash and Investments with Treasurer	\$9,494,151	\$64,531	\$4,405,534	\$30,911,176	\$5,792,939	\$50,668,331
Cash and Investments with Trustees	-	-	3,807,654	-	-	3,807,654
Accrued Interest Receivable on Investments	78,975	-	132,100	149,152	-	360,227
Property Taxes Receivable:						
Due from Ramsey County	55,921	-	125,605	427,819	-	609,345
Delinquent	53,177	-	37,620	60,902	-	151,699
Accounts Receivable (Net of Allowance)	73,958	-	-	-	-	73,958
Note Receivable	-	-	-	-	100,000	100,000
Loans Receivable (Net of Allowance)	10,609	-	-	1,055,754	192,290	1,258,653
Accrued Interest Receivable on Loans (Net of Allowance)	-	-	-	53,969	84	54,053
Land Held for Resale	325,236	-	-	982,328	965,967	2,273,531
Restricted Cash and Investments for Note Debt Service	-	-	-	250,300	-	250,300
Advances to Other Governmental Units	-	-	-	44,511	2,265,495	2,310,006
Advances to Other Funds	774,983	-	-	-	2,358,384	3,133,367
Direct Financing Leases Receivable	-	-	3,605,000	-	-	3,605,000
<b>TOTAL ASSETS</b>	<b>\$10,867,010</b>	<b>\$64,531</b>	<b>\$12,113,513</b>	<b>\$33,935,911</b>	<b>\$11,675,159</b>	<b>\$68,656,124</b>
<b>LIABILITIES, DIR, AND FUND BALANCES</b>						
<u>Liabilities</u>						
Accounts Payable	\$21,270	\$ -	\$932	\$957,540	\$92,001	\$1,071,743
Contracts Payable	216,059	-	-	-	-	216,059
Due to Other Governmental Units	1,487	-	-	1,562,997	-	1,564,484
Advance from Other Funds	-	-	-	5,720,162	300,000	6,020,162
Unearned Revenue	-	-	-	-	1,145,186	1,145,186
<b>Total Liabilities</b>	<b>238,816</b>	<b>-</b>	<b>932</b>	<b>8,240,699</b>	<b>1,537,187</b>	<b>10,017,634</b>
<b>Total Deferred Inflows of Resources "DIR" (1)</b>	<b>90,044</b>	<b>-</b>	<b>3,703,015</b>	<b>1,211,799</b>	<b>292,373</b>	<b>5,297,231</b>
<u>Fund Balances</u>						
Nonspendable	\$325,236	\$ -	\$ -	\$ -	\$ -	\$325,236
Restricted	-	64,531	8,409,566	24,483,413	9,845,599	42,803,109
Committed	6,001,576	-	-	-	-	6,001,576
Assigned	4,211,338	-	-	-	-	4,211,338
<b>Total Fund Balances</b>	<b>10,538,150</b>	<b>64,531</b>	<b>8,409,566</b>	<b>24,483,413</b>	<b>9,845,599</b>	<b>53,341,259</b>
<b>TOTAL LIABILITIES, DIR, AND FUND BALANCES</b>	<b>\$10,867,010</b>	<b>\$64,531</b>	<b>\$12,113,513</b>	<b>\$33,935,911</b>	<b>\$11,675,159</b>	<b>\$68,656,124</b>

(1) The individual items in the summary total of deferred inflows of resources are shown in Note 5.L, page 96.

Amounts reported for governmental activities in the Statement of Net Position (pages 33-34) are different because:

1. Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	\$30,982,404
2. Other long-term resources are not available to pay for current period expenditures and, therefore, are unavailable revenue in the funds.	5,297,231
3. Long-term liabilities, including bonds, notes and advances payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(60,288,738)
4. Pollution remediation obligation is not due and payable in the current period and, therefore, is not reported in the funds.	(350,000)
<b>Total Reconciling Items</b>	<b>(24,359,103)</b>
Fund Balances per Balance Sheet - Governmental Funds, December 31, 2017	53,341,259
Net Position per Statement of Net Position - Governmental Activities column, December 31, 2017	<b>\$28,982,156</b>



HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**

For the Fiscal Year Ended December 31, 2017  
 (Amounts in dollars)

	HRA General	HRA Grants	HRA Debt Service	HRA Tax Increment Capital Projects	HRA Development Capital Projects	Total Governmental Funds
<b>REVENUES</b>						
Taxes						
Current Property Taxes	\$2,776,822	\$ -	\$ -	\$ -	\$ -	\$2,776,822
Delinquent Property Taxes	10,183	-	-	-	-	10,183
Fiscal Disparities	719,336	-	-	-	-	719,336
Property Tax Increments	-	-	5,302,453	13,239,956	-	18,542,409
Intergovernmental	-	-	-	1,922	730,922	732,844
Fees, Sales and Services						
Revenue Bond Fees	2,753,303	-	-	-	-	2,753,303
Other Fees and Services	181,071	-	-	-	-	181,071
Sales of Land	77,550	-	-	-	-	77,550
Rentals of Property	-	-	583,885	-	-	583,885
Interest on Loans	-	-	-	23,608	1,683	25,291
Loan Repayments	-	-	-	24,742	19,480	44,222
Investment Income						
Interest Earned on Investments	265,649	-	240,532	547,159	-	1,053,340
Increase (Decrease) in the Fair Value of Investments	31,396	-	(32,120)	49,230	-	48,506
Miscellaneous						
Outside Contributions	-	-	326,269	-	343,749	670,018
<b>Total Revenues</b>	<b>6,815,310</b>	<b>-</b>	<b>6,421,019</b>	<b>13,886,617</b>	<b>1,095,834</b>	<b>28,218,780</b>
<b>EXPENDITURES</b>						
Current						
Housing and Economic Development	7,184,987	-	-	7,896,711	1,869,281	16,950,979
Intergovernmental - City	580,438	-	-	9,624,783	382,009	10,587,230
Capital Outlay	-	-	-	-	1,274,290	1,274,290
Debt Service						
Principal Payment on Bonds	-	-	4,235,000	-	-	4,235,000
Interest on Bonds	-	-	1,954,564	-	-	1,954,564
Principal Payment on Notes	-	-	300,000	208,140	-	508,140
Interest on Notes	-	-	26,269	3,864,169	-	3,890,438
Interest on Advances	-	-	-	149,184	-	149,184
Fiscal Charges	-	-	22,124	-	-	22,124
<b>Total Expenditures</b>	<b>7,765,425</b>	<b>-</b>	<b>6,537,957</b>	<b>21,742,987</b>	<b>3,525,580</b>	<b>39,571,949</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(950,115)</b>	<b>-</b>	<b>(116,938)</b>	<b>(7,856,370)</b>	<b>(2,429,746)</b>	<b>(11,353,169)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	76,486	-	131,019	3,139,842	211,249	3,558,596
Transfers Out	(2,061)	(262,249)	(3,137,781)	(214,963)	-	(3,617,054)
<b>Total Other Financing Sources (Uses)</b>	<b>74,425</b>	<b>(262,249)</b>	<b>(3,006,762)</b>	<b>2,924,879</b>	<b>211,249</b>	<b>(58,458)</b>
<b>Net Changes in Fund Balances</b>	<b>(875,690)</b>	<b>(262,249)</b>	<b>(3,123,700)</b>	<b>(4,931,491)</b>	<b>(2,218,497)</b>	<b>(11,411,627)</b>
<b>FUND BALANCES, January 1-as restated (Note 2.R.)</b>	<b>11,413,840</b>	<b>326,780</b>	<b>11,533,266</b>	<b>29,414,904</b>	<b>12,064,096</b>	<b>64,752,886</b>
<b>FUND BALANCES, December 31</b>	<b>\$10,538,150</b>	<b>\$64,531</b>	<b>\$8,409,566</b>	<b>\$24,483,413</b>	<b>\$9,845,599</b>	<b>\$53,341,259</b>

Amounts reported for governmental activities in the Statement of Activities (page 35) are different because:

Net change in fund balances - total governmental funds (above)	(\$11,411,627)
1. Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	1,274,290
Prior year capital outlay moved to City capital outlay	(295,140)
Current year depreciation	(1,095,304)
2. Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.	(116,154)
3. The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums and discounts when debt is issued, whereas, these amounts are amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(54,288)
4. Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	4,828,706
Total Reconciling Items	1,208,403
Change in Net Position of Governmental Activities - Statement of Activities	5,866,667
	(\$5,544,960)

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
HRA GENERAL FUND**

For the Fiscal Year Ended December 31, 2017

(Amounts in dollars)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Taxes	\$ 3,475,665	\$ 3,475,665	\$3,506,341	\$30,676
Fees, Sales and Services	1,632,149	1,632,149	3,011,924	1,379,775
Investment Income	280,000	280,000	297,045	17,045
Total Revenues	<u>5,387,814</u>	<u>5,387,814</u>	<u>6,815,310</u>	<u>1,427,496</u>
<b>EXPENDITURES</b>				
Current				
Housing and Economic Development	5,878,192	8,098,192	7,184,987	913,205
Intergovernmental - City	2,823,959	603,959	580,438	23,521
Total Expenditures	<u>8,702,151</u>	<u>8,702,151</u>	<u>7,765,425</u>	<u>936,726</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,314,337)</u>	<u>(3,314,337)</u>	<u>(950,115)</u>	<u>2,364,222</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	76,486	76,486
Transfers Out	-	-	(2,061)	(2,061)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>74,425</u>	<u>74,425</u>
Net Changes in Fund Balances	<u>(3,314,337)</u>	<u>(3,314,337)</u>	<u>(875,690)</u>	<u>2,438,647</u>
FUND BALANCE, January 1, Restated (Note 2.R.)	<u>11,413,840</u>	<u>11,413,840</u>	<u>11,413,840</u>	<u>-</u>
FUND BALANCE, December 31	<u>\$ 8,099,503</u>	<u>\$ 8,099,503</u>	<u>\$10,538,150</u>	<u>\$2,438,647</u>

The accompanying notes are an integral part of these financial statements.

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS**

At December 31, 2017  
(Amounts in dollars)

	Business-type Activities - Enterprise Funds			Total Proprietary Funds
	HRA Loan Enterprise	HRA Parking Enterprise	HRA Penfield Enterprise	
<b>ASSETS</b>				
Current Assets:				
Cash and Investments with Treasurer	\$14,503,961	\$18,959,445	\$912,293	\$34,375,699
Cash with Fiscal Agents	-	1,059,965	-	1,059,965
Cash and Investments with Trustees	808,570	-	-	808,570
Accrued Interest Receivable on Investments	34,506	36,100	-	70,606
Property Taxes Receivable	-	34,763	-	34,763
Accounts Receivable (Net of Allowance)	14,500	598,566	-	613,066
Assessments Receivable	13,951	-	-	13,951
Land Held for Resale	4,125,142	-	-	4,125,142
Restricted Cash and Investments for:				
General Obligation Bond Debt Service	-	2,020,700	-	2,020,700
Revenue Bond Debt Service	-	2,183,249	-	2,183,249
Revenue Bond Operations and Maintenance	-	27,218	-	27,218
<b>Total Current Assets</b>	<b>19,500,630</b>	<b>24,920,006</b>	<b>912,293</b>	<b>45,332,929</b>
Noncurrent Assets:				
Loans Receivable (Net of Allowance)	3,889,709	236,250	-	4,125,959
Accrued Interest Receivable on Loans (Net of Allowance)	407,181	111,663	-	518,844
Advances to Other Governmental Units	312,727	-	-	312,727
Advances to Other Funds	3,136,795	564,744	-	3,701,539
Capital Assets:				
Land	-	27,247,487	-	27,247,487
Construction in Process	-	197,547	-	197,547
Parking Ramps	-	107,759,241	-	107,759,241
Less: Accumulated Depreciation	-	(56,007,800)	-	(56,007,800)
Buildings	-	1,459,765	-	1,459,765
Less: Accumulated Depreciation	-	(346,058)	-	(346,058)
Equipment	-	2,944,178	-	2,944,178
Less: Accumulated Depreciation	-	(1,726,937)	-	(1,726,937)
<b>Total Capital Assets (Net of Accumulated Depreciation)</b>	<b>-</b>	<b>81,527,423</b>	<b>-</b>	<b>81,527,423</b>
<b>Total Noncurrent Assets</b>	<b>7,746,412</b>	<b>82,440,080</b>	<b>-</b>	<b>90,186,492</b>
<b>TOTAL ASSETS</b>	<b>\$27,247,042</b>	<b>\$107,360,086</b>	<b>\$912,293</b>	<b>\$135,519,421</b>
<b>DEFERRED OUTFLOWS OF RESOURCES (Note 5.L., page 96)</b>	<b>\$ -</b>	<b>\$979,919</b>	<b>\$ -</b>	<b>\$979,919</b>

Continued

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS**

At December 31, 2017  
(Amounts in dollars)

	Business-type Activities - Enterprise Funds			Total Proprietary Funds
	HRA Loan Enterprise	HRA Parking Enterprise	HRA Penfield Enterprise	
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	\$47,831	\$1,103,825	\$160	\$1,151,816
Contracts Payable	51,192	-	-	51,192
Due to Other Governmental Units	882	171	-	1,053
Accrued Interest on General Obligation Bonds Payable from Restricted Assets	-	232,326	-	232,326
Accrued Interest on Revenue Bonds Payable from Restricted Assets	-	260,073	-	260,073
Unearned Revenue	2,359,903	-	-	2,359,903
Revenue Notes Payable - Due within One Year	93,856	-	-	93,856
General Obligation Bonds Payable from Restricted Assets	-	1,850,000	-	1,850,000
Revenue Bonds Payable from Restricted Assets	-	1,325,000	-	1,325,000
<b>Total Current Liabilities</b>	<b>2,553,664</b>	<b>4,771,395</b>	<b>160</b>	<b>7,325,219</b>
Noncurrent Liabilities:				
General Obligation Bonds Payable	-	14,885,108	-	14,885,108
Revenue Bonds Payable	-	29,159,634	-	29,159,634
Revenue Notes Payable	3,786,144	-	-	3,786,144
Advances from Other Funds	814,744	-	-	814,744
<b>Total Noncurrent Liabilities</b>	<b>4,600,888</b>	<b>44,044,742</b>	<b>-</b>	<b>48,645,630</b>
<b>TOTAL LIABILITIES</b>	<b>7,154,552</b>	<b>48,816,137</b>	<b>160</b>	<b>55,970,849</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets				
Capital Assets				
Capital Assets	-	139,608,218	-	139,608,218
Accumulated Depreciation	-	(58,080,795)	-	(58,080,795)
Debt: (Related Debt issued for Capital Acquisition)				
Bonds Payable	-	(45,295,000)	-	(45,295,000)
Unamortized Discount and Premium	-	(1,924,742)	-	(1,924,742)
<b>Total Net Investment in Capital Assets</b>	<b>-</b>	<b>34,307,681</b>	<b>-</b>	<b>34,307,681</b>
Restricted for Debt Service	-	3,711,550	-	3,711,550
Restricted for Operations and Maintenance	-	27,218	-	27,218
Restricted for Grantors	802,592	-	-	802,592
Unrestricted Amounts (deficit)	19,289,898	21,477,419	912,133	41,679,450
<b>TOTAL NET POSITION</b>	<b>\$20,092,490</b>	<b>\$59,523,868</b>	<b>\$912,133</b>	<b>\$80,528,491</b>

The accompanying notes are an integral part of these financial statements.

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**

**PROPRIETARY FUNDS**

For the Year Ended December 31, 2017

(Amounts in dollars)

	Business-type Activities - Enterprise Funds			Total Proprietary Funds
	HRA Loan Enterprise	HRA Parking Enterprise	HRA Penfield Enterprise	
<b>OPERATING REVENUES</b>				
Fees, Sales and Services	\$103,185	\$16,654,305	\$ -	\$16,757,490
Interest Earned on Loans	181,788	-	-	181,788
<b>Total Operating Revenues</b>	<b>284,973</b>	<b>16,654,305</b>	<b>-</b>	<b>16,939,278</b>
<b>OPERATING EXPENSES</b>				
Development Loan Programs	852,407	-	-	852,407
Costs of Parking and Apartment Facility Operation	-	7,065,359	-	7,065,359
Depreciation	-	3,244,400	-	3,244,400
<b>Total Operating Expenses</b>	<b>852,407</b>	<b>10,309,759</b>	<b>-</b>	<b>11,162,166</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(567,434)</b>	<b>6,344,546</b>	<b>-</b>	<b>5,777,112</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Property Tax Increments and Levy	-	1,103,567	-	1,103,567
Operating Grants	215,202	-	-	215,202
Investment Income:				
Interest Earnings	148,131	73,465	-	221,596
Increase (Decrease) in Fair Value of Investments	(39,030)	(22,157)	-	(61,187)
Interest Earned - Other	149,184	-	-	149,184
Interest on Notes	(40,719)	-	-	(40,719)
Interest on Bonds	-	(1,742,642)	-	(1,742,642)
Debt Issuance Costs	-	(433,684)	-	(433,684)
Intergovernmental Revenue	330,496	-	-	330,496
Intergovernmental Expense	(3,869,540)	(2,557,946)	-	(6,427,486)
Miscellaneous Other Revenues	-	-	761,141	761,141
Miscellaneous Other Expenses	(8,568)	(8,420)	(4,172)	(21,160)
Loss on Retirement of Assets	-	(242,027)	-	(242,027)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(3,114,844)</b>	<b>(3,829,844)</b>	<b>756,969</b>	<b>(6,187,719)</b>
<b>Income (Loss) Before Transfers</b>	<b>(3,682,278)</b>	<b>2,514,702</b>	<b>756,969</b>	<b>(410,607)</b>
Transfers In	58,458	2,230,970	-	2,289,428
Transfers Out	-	-	(2,230,970)	(2,230,970)
<b>Total Transfers</b>	<b>58,458</b>	<b>2,230,970</b>	<b>(2,230,970)</b>	<b>58,458</b>
<b>CHANGE IN NET POSITION</b>	<b>(3,623,820)</b>	<b>4,745,672</b>	<b>(1,474,001)</b>	<b>(352,149)</b>
<b>TOTAL NET POSITION, January 1</b>	<b>23,716,310</b>	<b>54,778,196</b>	<b>2,386,134</b>	<b>80,880,640</b>
<b>TOTAL NET POSITION, December 31</b>	<b>\$20,092,490</b>	<b>\$59,523,868</b>	<b>\$912,133</b>	<b>\$80,528,491</b>

The accompanying notes are an integral part of these financial statements.

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS**

For the Year Ended December 31, 2017  
(Amounts in dollars)

	Business-type Activities - Enterprise Funds			Total Proprietary Funds
	HRA Loan Enterprise	HRA Parking Enterprise	HRA Penfield Enterprise	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Customers/Borrowers	\$549,183	\$16,600,583	\$ -	\$17,149,766
Payments to Suppliers	(819,314)	(7,003,234)	(539,168)	(8,361,716)
<b>Net Cash Provided (Used) for Operating Activities</b>	<b>(270,131)</b>	<b>9,597,349</b>	<b>(539,168)</b>	<b>8,788,050</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Property Taxes	-	1,110,290	-	1,110,290
Operating Grants Received	215,202	-	-	215,202
Repayment of Advance Made to Other Governments	78,182	-	-	78,182
Repayment of Advance Made to Other Funds	500,815	-	-	500,815
Intergovernmental Revenue	330,496	-	-	330,496
Intergovernmental Expense	(3,869,540)	(2,557,946)	-	(6,427,486)
Non-Operating Revenue Received	-	-	761,141	761,141
Transfers In from Other Funds	58,458	2,230,970	-	2,289,428
Transfers Out to Other Funds	-	-	(2,230,970)	(2,230,970)
<b>Net Cash Provided (Used) for Noncapital Financing Activities</b>	<b>(2,686,387)</b>	<b>783,314</b>	<b>(1,469,829)</b>	<b>(3,372,902)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Payments for Acquisition and Construction of Capital Assets:				
Construction in Process	-	(197,547)	-	(197,547)
Parking Ramps	-	(619,866)	-	(619,866)
Buildings	-	(5,316)	-	(5,316)
Equipment	-	(398,148)	-	(398,148)
Proceeds from Issuance of Long-Term Debt	-	28,945,000	-	28,945,000
Principal Paid on Debt Maturities:				
General Obligation Bonds	-	(1,800,000)	-	(1,800,000)
Revenue Bonds	-	(32,060,000)	-	(32,060,000)
Interest Paid on Debt:				
General Obligation Bonds	-	(593,581)	-	(593,581)
Revenue Bonds	-	(1,090,170)	-	(1,090,170)
Revenue Notes	(40,719)	-	-	(40,719)
Payments of Debt Service Issuance Costs	-	(433,684)	-	(433,684)
<b>Net Cash Provided (Used) for Capital and Related Financing Activities</b>	<b>(40,719)</b>	<b>(8,253,312)</b>	<b>-</b>	<b>(8,294,031)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and Dividends Received	116,416	41,375	-	157,791
Investment Service Fee Paid	(8,568)	(8,420)	(4,172)	(21,160)
Increase (Decrease) in the Fair Value of Investments	(39,030)	(22,157)	-	(61,187)
Interest Earned - Other	149,184	-	-	149,184
<b>Net Cash Provided (Used) for Investing Activities</b>	<b>218,002</b>	<b>10,798</b>	<b>(4,172)</b>	<b>224,628</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(2,779,235)</b>	<b>2,138,149</b>	<b>(2,013,169)</b>	<b>(2,654,255)</b>
<b>CASH AND CASH EQUIVALENTS, January 1</b>	<b>18,091,766</b>	<b>22,112,428</b>	<b>2,925,462</b>	<b>43,129,656</b>
<b>CASH AND CASH EQUIVALENTS, December 31</b>	<b>\$15,312,531</b>	<b>\$24,250,577</b>	<b>\$912,293</b>	<b>\$40,475,401</b>

Continued

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**

For the Year Ended December 31, 2017  
(Amounts in dollars)

	Business-type Activities - Enterprise Funds			Total Proprietary Funds
	HRA Loan Enterprise	HRA Parking Enterprise	HRA Penfield Enterprise	
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) FOR OPERATING ACTIVITIES</b>				
Operating Income (Loss)	(\$567,434)	\$6,344,546	\$ -	\$5,777,112
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) for Operating Activities:				
Depreciation Expense	-	3,244,400	-	3,244,400
(Increase) Decrease in Accounts Receivable	(14,500)	(53,722)	-	(68,222)
(Increase) Decrease in Assessments Receivable	4,609	-	-	4,609
(Increase) Decrease in Land Held for Resale	171,512	-	-	171,512
(Increase) Decrease in Loans Receivable	365,028	-	-	365,028
(Increase) Decrease in Accrued Interest Receivable on Loans	6,562	-	-	6,562
Increase (Decrease) in Accounts Payable	30,231	62,039	(539,168)	(446,898)
Increase (Decrease) in Contracts Payable	3,235	-	-	3,235
Increase (Decrease) in Due to Other Governmental Units	(373)	86	-	(287)
Increase (Decrease) in Unearned Revenue	(269,001)	-	-	(269,001)
Total Adjustments	297,303	3,252,803	(539,168)	3,010,938
Net Cash Provided (Used) for Operating Activities	(\$270,131)	\$9,597,349	(\$539,168)	\$8,788,050
<b>DETAILS OF CASH AND CASH EQUIVALENTS</b>				
Cash and Investments with Treasurer	\$14,503,961	\$18,959,445	\$912,293	\$34,375,699
Cash with Fiscal Agents	-	1,059,965	-	1,059,965
Cash and Investments with Trustees	808,570	-	-	808,570
Restricted Cash and Investments for:				
General Obligation Bond Debt Service	-	2,020,700	-	2,020,700
Revenue Bond Debt Service	-	2,183,249	-	2,183,249
Revenue Bond Operations and Maintenance	-	27,218	-	27,218
Total Cash and Cash Equivalents	\$15,312,531	\$24,250,577	\$912,293	\$40,475,401
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>				
Loss on Retirement of Assets	\$ -	(\$242,027)	\$ -	(\$242,027)

The accompanying notes are an integral part of these financial statements.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL  
SAINT PAUL, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2017**

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**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL  
SAINT PAUL, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2017**

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**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

1. Reporting Entity

The Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, (HRA) is a public agency established pursuant to Minn. Laws 1947, Ch. 487, as codified at Minn. Stat. Ch. 469, to undertake urban renewal programs. These programs strive to redevelop the residential, commercial, and industrial areas of the City of Saint Paul (City) and to provide adequate jobs, a sound fiscal base, and a variety of affordable housing for City residents. The HRA is governed by a seven-member Board of Commissioners consisting of the members of the City Council.

The HRA was reorganized during 1978 and 1979. This reorganization consisted of the following:

- A. The HRA employees became employees of the City (Note 5.G.).
- B. The Public Housing Agency was spun off and became a separate governmental entity.
- C. The HRA and the City entered into an agreement, effective January 1, 1979, whereby the City agreed to perform administrative and accounting services for the HRA.

The HRA, for financial reporting purposes, includes all funds for which the HRA is financially accountable. Financial accountability was determined on the basis of selection of the governing body, ability to impose will, a financial benefit/burden relationship, and fiscal dependency including approval of budgets, tax levies, and bonded debt issuance. In applying the above financial accountability criteria, it has been determined that there is a component unit of the HRA.

Also, in applying the financial accountability criteria, it has been determined that the HRA is a component unit of the City of Saint Paul and is, therefore, included in the City's Comprehensive Annual Financial Report for the fiscal year ended December 31, 2017. The HRA's Board of Commissioners consists of the members of the City Council. The City also has the ability to impose its will on the HRA since City staff are responsible for the day-to-day management of the HRA. The City gives final substantive approval to HRA budgets and HRA tax levies. The financial data of the HRA is blended into the City's Comprehensive Annual Financial Report. Copies of the City's Comprehensive Annual Financial Report for the fiscal year ended December 31, 2017, can be obtained from the Financial Services Office, Accounting Section, 110 City Hall, Saint Paul, Minnesota 55102.

Blended Component Unit

The following component unit has been presented as a blended component unit because the component unit's governing body is the same as the governing body of the Housing and Redevelopment Authority of the City of Saint Paul (HRA) and the HRA has operational responsibility for the component unit.

Penfield Apartments, LLC

Penfield Apartments, LLC is the developer and owner of a 253-unit market rate apartment complex, with structured parking and a grocery store located in the complex. It is a special purpose entity LLC, financed primarily by a HUD guaranteed mortgage, and is wholly owned by a single entity, the HRA. The City of Saint Paul's HRA Board of Commissioners act as the Penfield Apartments, LLC board. The Penfield Apartments were sold on September 22, 2016, and the sales proceeds

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 1. (Continued)

paid off the mortgages. Separate financial statements since then are not available.

Joint Venture

The Minneapolis/Saint Paul Housing Finance Board (the Board) was established in accordance with a Joint Powers Agreement entered into between the HRA and the former Minneapolis Community Development Agency (MCDA), and accepted by the cities of Minneapolis and Saint Paul under State of Minnesota laws. The governing bodies of the HRA and the City of Minneapolis each appoint three of the six members of the Board. The Board was created for the public purpose of providing decent, safe, sanitary, and affordable housing to the residents of the City of Saint Paul and the City of Minneapolis. The powers exercised by the Board include the power to undertake financing programs to implement individual components of the housing plan for each city and to issue revenue bonds to finance such programs. All bonds are special limited obligations of the Board and shall be payable only out of funds specifically pledged for each issue. Total net position at December 31, 2017, was \$8,547,925. The 2017 operations resulted in a decrease of \$372,924 to net position. During 2017, there were no distributions made from the Board to Minneapolis/Saint Paul.

Upon dissolution of the Board, all properties acquired by the Board and any surplus monies shall be distributed to the HRA and the City of Minneapolis in the proportion and otherwise pursuant to directions provided in the related indenture of trust or other bond documents. If properties acquired by the Board and any surplus monies are not traceable to a particular bond issue or the indenture is silent as to distribution of the assets upon discharge of the issue, the assets shall be distributed on the basis of the amount of funds each entity has contributed that would affect those assets. The respective percentage shares of the HRA and the City of Minneapolis in the Board's assets, liabilities, and equity were not determined at December 31, 2017. There has been no investment made by the HRA in the joint venture. Thus, the financial statements do not reflect an equity interest in the joint venture. Complete financial statements of the Board can be obtained from the City of Saint Paul, Department of Planning and Economic Development, 1400 City Hall Annex, 25 West Fourth Street, Saint Paul, Minnesota 55102.

2. Summary of Significant Accounting Policies

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing generally accepted accounting principles (GAAP) for government units through its pronouncements (statements and interpretations). The financial statements of the HRA have been prepared in conformity with GAAP in the United States of America as applied to government units.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 2. (Continued)

A summary of the significant accounting policies follows:

A. Fund Accounting

The HRA's accounting is organized on the basis of funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Each fund is a separate accounting entity having its own assets, liabilities, equities, revenues, and expenditures or expenses, as appropriate. Government financial resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. All HRA funds are reported as major funds. A description of the funds follows:

Governmental Funds

HRA General Fund - accounts for all financial resources of the HRA, except those accounted for in another fund.

HRA Grants Special Revenue Fund - accounts for specific revenue sources, primarily federal and state grants, which are restricted or committed to expenditure for specified purposes.

HRA Debt Service Fund - accounts for the financing and payments made on the HRA's long-term general debt.

HRA Tax Increment Capital Projects Fund - accounts for the resources segregated for the purpose of financing capital projects, primarily in Saint Paul's tax increment financing districts.

HRA Development Capital Projects Fund - accounts for multi-year development projects that are locally financed.

Proprietary Funds

HRA Loan Enterprise Fund - accounts for loans issued and services related to housing and business assistance.

HRA Parking Enterprise Fund - accounts for the HRA's parking facility operations that are financed primarily by parking fees.

HRA Penfield Enterprise Fund - accounts for the operations and debt service for the Penfield Apartments. The Penfield Apartments were sold in 2016.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
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Note 2. (Continued)

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Activities) report information on all of the activities of the HRA. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and user charges. Interfund transactions within governmental activities and interfund transactions within business-type activities have been removed from these statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) charges to customers who use services provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. All HRA funds are considered major funds and are reported as separate columns in the fund financial statements section of the basic financial statements.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied. Grants and contributions are recognized as revenue when eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

Revenues

Governmental fund revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become both measurable and available to finance the expenditures of the fiscal period. “Available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues for nonexchange transactions are recognized based on the principal characteristics of the revenue. Exchange transactions are recognized as revenue when the exchange occurs.

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Note 2.C. (Continued)

Nonexchange Transactions

Derived tax revenue transactions result from assessments imposed by governments on exchange transactions.

Imposed nonexchange transactions result from assessments by governments on nongovernmental entities and individuals. Property taxes are imposed nonexchange transactions. Revenues from property taxes are recognized in the period for which they were levied to the extent they are collected in the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes receivable but not available are reported as deferred inflows of resources and will be recognized as revenue in the fiscal year that they become available. The HRA considers these revenues as available if they are collected within 60 days after year-end.

Government-mandated nonexchange transactions occur when a government at one level provides resources to a government at another level and requires that government to use them for a specific purpose. The provider government establishes purpose restrictions and may also establish time requirements. Federal and state grants mandating the HRA perform particular programs are government-mandated nonexchange transactions. Revenues are recognized when the eligibility and time requirements are met, usually when the corresponding HRA expenditure is incurred, using the guidelines of the legal and contractual requirements of the individual programs.

Voluntary nonexchange transactions result from legislative or contractual agreements, such as entitlements and donations. The provider may establish purpose restrictions and eligibility requirements. Revenues are recognized in the year to which they apply according to statute or contract. Contributions from individuals and miscellaneous revenues are also considered voluntary nonexchange transactions and are generally recognized when received in cash because they are usually not measurable until received. Tax credits paid by the state (included in intergovernmental revenue) are recognized as revenue in the fiscal year that they become available. The HRA considers revenues from tax credits paid by the state as available if they are collected within 60 days after year-end.

Exchange Transactions

Exchange transactions include revenues such as interest earned and fees, sales, and services. Interest earned is reported as revenue when it becomes both measurable and available to finance expenditures of the fiscal period. The HRA considers this revenue as available if it is collected within 60 days after year-end. Fees, sales, and services are reported as revenue when received in cash because they are usually not measurable until received.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
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**For the Fiscal Year Ended December 31, 2017**

Note 2.C. (Continued)

Expenditures

Expenditures are recorded under the modified accrual method in the accounting period in which the fund liability is incurred, with the exception of principal and interest on general long-term debt, which is recognized when due, and claims and judgments, which are recognized when the obligations are due and payable.

D. Proprietary Fund Financial Statement Presentation

Proprietary funds distinguish operating revenues and operating expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the HRA Loan Enterprise Fund is the payment of interest from loan recipients and fee revenue from customers who have received loans or grants from the HRA, while the principal operating expenses are administration, bad debts, and loans. The principal operating revenue of the HRA Parking Enterprise Fund is parking fees from parking ramp customers, while the principal operating expenses are parking operation costs, administration, and depreciation on capital assets. All revenues and expenses not meeting these criteria in each fund are reported as non-operating revenues and expenses. The Penfield Apartments were sold in 2016; thus there are no operating activities reported in 2017.

E. Cash and Investments

The City maintains a cash and investments pool which is available for use by all HRA funds. Each fund's portion of this pool is displayed in the financial statements within "Cash and Investments with Treasurer." Cash and investments are also maintained by trustees of the HRA under certain revenue bond indentures.

Investments are reported at fair value using a market approach with the exception of non-negotiable investment contracts, certain external investment pools, and money market investments, including commercial paper, banker's acceptances, and U.S. Treasury and agency obligations that have a remaining maturity at time of purchase of one year or less.

Other than certain external investment pools, these exceptions are reported at amortized cost provided that the fair value of these investments is not significantly affected by the impairment of the credit standing of the issuer. Investments in certain external investment pools are measured at the net asset value per share provided by the pool. All investment income, including changes in the fair value of investments, is reported as revenue.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 2.E. (Continued)

For purposes of the Statement of Cash Flows, the proprietary fund's cash equivalents are cash on hand, cash in banks, and highly liquid investments having original maturities (time span from purchase date to maturity date) of three months or less. Included in the classification of cash equivalents are cash and investments with treasurer, cash with fiscal agent, cash and investments with trustees, and restricted cash.

F. Property Taxes

Property tax levies are set by the HRA Board of Commissioners and approved by the City Council in December of each year and certified to Ramsey County for collection in the following year. In Minnesota, counties act as collection agents for all property taxes. The County spreads all levies over taxable assessed property. Taxable assessed property values are established by Ramsey County and reviewed by the State of Minnesota. In determining property taxes, estimated market values are converted to tax capacities based on a statutory rate for each class of property. Property taxes become a lien on taxable property on January 1 in the year of collection and are recorded as receivable by the HRA on that date. Property taxes may be paid by taxpayers in two equal installments on May 15 and October 15. Property tax revenue is recognized in the year for which it is levied. Property taxes which remain unpaid at December 31 are classified as delinquent taxes receivable. In the governmental funds balance sheet, the delinquent taxes receivable are offset by deferred inflows of resources, if not collected within 60 days after year-end, because they are not known to be available to finance current expenditures. In the government-wide financial statements, delinquent taxes receivable are recognized as revenue.

Property tax increments from the tax increment districts listed in Note 4.C. to the financial statements are levied by the City but deposited to HRA funds.

G. Restricted Assets

Certain proceeds of HRA Parking Enterprise Fund revenue and general obligation bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the Statement of Net Position because their use is limited by applicable bond covenants. The *revenue bond*, and *general obligation bond* accounts are used to segregate resources accumulated for debt service payments over the next 12 months. The *revenue bond operations and maintenance* account is used to segregate resources set aside to subsidize potential deficiencies from the parking operations that could adversely affect debt service payments. Program income for the HUD Rental Rehab Program is restricted in the HRA Loan Enterprise Fund because it may only be used for affordable housing in accordance with applicable HOME program rules.



**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 2. (Continued)

H. Loans Receivable

Loans have been issued by the HRA to financially assist private developers in various Saint Paul development projects or to provide housing or commercial rehabilitation financing for Saint Paul property owners. The loans are secured by property mortgages. Loans receivable are reported as an asset in the amount of loan proceeds, less collections on principal. An allowance for uncollectible loans, which offsets the total gross loans receivable, is recognized for the amount of loans receivable for which collection is doubtful or questionable. This allowance is based on an analysis of credit risk and payment delinquency. Interest earned on the loans is recognized as revenue. In governmental funds, the revenue from net loans receivable is not currently available and is reported as deferred inflows of resources, and revenues are recognized when principal payments are received. Unavailable revenue is eliminated when converting the governmental funds balance sheet to the governmental activities column on the Statement of Net Position. In the HRA Loan Enterprise Fund, unearned revenue is reported on the proprietary funds Statement of Net Position for grant-funded net loans receivable, and revenues are recognized when principal payments are received. In the HRA Parking Enterprise Fund, there is no unearned revenue reported on the proprietary funds Statement of Net Position and revenues are recognized when loans are receivable and allowances are recorded.

I. Land Held for Resale

Land is acquired by the HRA for subsequent resale for redevelopment purposes and not as an investment program. In order to entice development, the land is often resold at prices substantially lower than the HRA's cost. Land Held for Resale is reported as an asset at the net realizable value for all assets acquired before 2009 and at cost of purchase for all assets purchased after 2009 in the fund which acquired it. In governmental funds, land acquired is reported as an expenditure in the amount of the acquisition cost and as revenue for the same amount. When the land is subsequently sold, revenue is recognized for the sale amount. In the government-wide financial statements, a write-down of the land to market value is reported as an expense.

J. Leases Receivable

The HRA, as the lessor, entered into a lease agreement with the City of Saint Paul during the year ended December 31, 2009, through which the HRA is leasing certain improvements made to the RiverCentre Parking Ramp. The cost of the improvements was financed by the HRA through the issuance of the RiverCentre Parking Facility Lease Revenue Bonds, Note Series 2009. The lease is reported as a direct financing lease since the HRA has transferred substantially all of the risks and benefits of ownership of the improvements to the City, and the HRA is financing an in-substance purchase of the improvements by the City. Under the lease, the City has an option to purchase the improvements at any time prior to the expiration of the lease for the amount of any remaining outstanding bonds plus \$1.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 2.J. (Continued)

The present value of the total lease payments to be received under the lease agreement is recognized as leases receivable in the HRA Debt Service Fund. Deferred inflows of resources in an amount equal to the leases receivable is also reported in the HRA Debt Service Fund since none of the receivable is considered to be available to finance expenditures of the current period. In the government-wide financial statements, this deferred inflows of resources is eliminated when converting the governmental funds balance sheet to the governmental activities column on the Statement of Net Position.

K. Capital Assets

Capital assets, which include land, buildings, pedestrian skyway bridges, parking ramp structures and parking lots, equipment, and construction in progress are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the applicable proprietary fund financial statements. Capital assets are not reported on the governmental funds balance sheet. All capital assets are reported at cost if purchased or constructed, or at acquisition value if received as a gift or contribution. The reported amount of the capital assets is not reflective of the current value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Land and construction in progress is not depreciated. The equipment is depreciated over a ten-year useful life. The parking lots are depreciated over a 15-year useful life. Buildings, parking ramps, and pedestrian skyway bridges are depreciated over a 30-year or 40-year useful life. The depreciation method used is straight-line.

Capital assets are defined by the HRA as assets with an estimated useful life in excess of two years and individual cost exceeding the following thresholds:

Land	any amount
Equipment	\$ 5,000
Buildings	50,000
Parking ramps	20,000
Pedestrian skyway bridges	20,000

L. Unearned Revenues

Unearned revenue arises when resources are received by the HRA before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, or when the HRA has a legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized. This is true for both the government-wide and the fund financial statements.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 2. (Continued)

M. Long-Term Liabilities

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt is reported as a liability in the applicable governmental activities, business-type activities, or proprietary fund Statements of Net Position. Bond discounts and premiums, are deferred and amortized over the life of the bonds using the straight-line interest method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, governmental fund types recognize bond discounts and premiums during the current period. The face amount of debt is reported as other financing sources for governmental funds. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The HRA has deferred outflows for refundings of debt that qualify for reporting in this category in the business-type activities and proprietary fund Statement of Net Position. This deferred charge on bond refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The HRA has the following items, which arise only under a modified accrual basis of accounting, that qualify for reporting in this category. Accordingly, these items, *various unavailable revenues*, are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from six sources: property tax levy and increments, investment interest receivable, accounts receivable, note and loans receivable, and lease receivable. These amounts are recognized as an inflow of resources in the period that the amounts become available.

O. Net Position

In the government-wide financial statements and the proprietary fund financial statements, net position includes three components. First is the amount for Net Investment in Capital Assets. Second, restricted net position reports amounts that have restrictions imposed by parties outside the HRA (such as creditors, grantors, or federal or state laws). Finally, the difference between total net position and the first two components is unrestricted net position.

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Note 2.O. (Continued)

When both restricted and unrestricted resources are available for use, it is the HRA's policy to use restricted resources first, if legally permissible, then unrestricted resources as they are needed.

P. Fund Balances - Governmental Fund Financial Statements

In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. Restricted fund balance represents amounts to be spent for specific purposes as determined by enabling legislation or imposed by grantors or debt covenants; used before unrestricted fund balance when an expenditure is incurred for which both restricted and unrestricted fund balance is available.

Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a board resolution of the HRA Board of Commissioners. Once the resolution is passed, the limitation imposed by the resolution remains in place until the HRA Board of Commissioners passes a resolution removing or revising the limitation, or the specific fund balance amount is spent. The HRA Board of Commissioners is the highest level of decision-making authority for the HRA.

Amounts in the assigned fund balance classification are intended to be used by the HRA for HRA spending purposes but do not meet the criteria to be classified as committed. The HRA Board of Commissioners has assigned fund balance when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments may be removed without an additional resolution being passed.

Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. When any combination of committed, assigned, and unassigned resources are available for use, it is the HRA's policy to use committed resources first, then assigned, then unassigned resources as needed.

Q. Interfund Transactions

Interfund services provided and used are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers. Transfers between governmental funds and transfers between proprietary funds are eliminated in the government-wide financial statements.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 2. (Continued)

R. Restatement of Fund Balance

The January 1, 2017 fund balances for various governmental funds were corrected to eliminate certain components of deferred inflows and include them as a component of fund balance and classify them accordingly. The details of these changes are as follows:

	HRA General Fund	HRA Grants Fund	HRA Debt Service Fund	HRA Tax Increment Capital Projects Fund	HRA Development Capital Projects Fund	Total Governmental Funds
Fund Balances, January 1, 2017						
as Previously Reported	\$11,085,847	\$ 326,780	\$11,533,266	\$28,432,576	\$11,231,563	\$62,610,032
Eliminate Deferred Inflows - Land Held for Resale	327,993	-	-	982,328	832,533	2,142,854
Fund Balances, January 1, 2017						
as Restated	<u>\$11,413,840</u>	<u>\$ 326,780</u>	<u>\$11,533,266</u>	<u>\$29,414,904</u>	<u>\$12,064,096</u>	<u>\$64,752,886</u>

3. Reconciliation of Government-Wide and Fund Financial Statements

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The Governmental Fund Balance Sheet includes a reconciliation between fund balances - total governmental funds and net position - governmental activities as reported in the Government-wide Statement of Net Position.

The third element of that reconciliation explains that “long-term liabilities, including bonds, notes, and advances payable, are not due and payable in the current period and, therefore, are not reported in the funds”. The details of this (\$60,288,738) difference are as follows:

Governmental activities premium on bonds payable	\$ (835,757)
Governmental activities net bonds payable	(37,584,000)
Governmental activities notes payable	(11,849,876)
Governmental activities advances from other governments	(9,360,000)
Accrued interest payable	<u>(659,105)</u>
Net Adjustment to Decrease Fund Balance - Total Governmental Funds to Arrive at Net Position - Governmental Activities	<u>\$ (60,288,738)</u>

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
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**For the Fiscal Year Ended December 31, 2017**

Note 3. (Continued)

B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities

The Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the Government-wide Statement of Activities.

The third element of that reconciliation explains that “the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums and discounts when debt is issued, whereas, these amounts are amortized in the Statement of Activities”. The details of this \$4,828,706 difference are as follows:

2017 amortization of premium	\$ 85,566
2017 principal payments on bonds	4,235,000
2017 principal payments on notes	<u>508,140</u>
Net Adjustment to Increase Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	<u>\$ 4,828,706</u>

The fourth element of that reconciliation explains that “some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds”. The details of this \$1,208,403 difference are as follows:

Accrued interest on bonds:	
At December 31, 2016	\$ 680,606
At December 31, 2017	(632,806)
Accrued interest on notes:	
At December 31, 2016	36,902
At December 31, 2017	(26,299)
Pollution remediation obligation	<u>1,150,000</u>
Net Adjustment to Decrease Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	<u>\$ 1,208,403</u>

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
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4. Stewardship, Compliance and Accountability

A. Budgets and Budgetary Accounting

The HRA followed these procedures in establishing the 2017 budget:

The Executive Director presented a proposed budget to the HRA Board of Commissioners for the fiscal year commencing the following January 1, 2017. This budget included proposed expenditures and other uses and the means of financing them. Upon approval by the HRA Board, the Executive Director submitted the budget to the Mayor of the City of Saint Paul who submitted this budget to the City Council for consideration, approval, and certification. All budget amendments that authorize an increase in total fund spending require approval by the HRA Board of Commissioners. Amendments transferring budgeted amounts between cost centers within the same fund require administrative approval by the HRA Executive Director and the City Office of Financial Services Director. On May 24, 2017, the HRA Board revised the policy for HRA budget amendments, requiring HRA Board approval for budget amendments transferring greater than \$100,000 of budget amounts between cost centers in the HRA Development Capital Projects Fund.

All annual governmental fund budgets are adopted on a basis consistent with GAAP. Multi-year governmental fund budgets are utilized in the grants special revenue fund and the capital projects funds.

Unexpended appropriation balances lapse at the end of the fiscal year in the annual operating budgets. Unexpended appropriation balances do not lapse at the end of the fiscal year in the multi-year budgets.

Encumbrance accounting, under which purchase orders are recorded, is used. Encumbrances outstanding at year-end represent the estimated amount of the expenditures ultimately to result if unperformed contracts in process at year-end are completed. Encumbrances outstanding at year-end were not reported as expenditures or liabilities in the financial statements. The encumbrances are reappropriated and honored in the subsequent year.

Formal automated budgetary integration is employed as a management control device during the year. The legal level of budgetary control (that is, the level at which expenditures and other financing uses cannot legally exceed the appropriated amount) is at the fund level. Appropriations are controlled administratively at the project/activity level within multi-year budgeted funds. Governmental and proprietary funds with annually adopted budgets are controlled administratively at the accounting unit level and within the following major object levels of expenditure: debt service, services and supplies, equipment, and transfers out. Management is authorized to spend within the above stated administration limits without an HRA Board approved budget amendment or a budget amendment approved by the HRA Executive Director and the City Office of Financial Services Director.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Note 4.A. (Continued)

Spending budgets are controlled by encumbering requisitions and purchase orders. Encumbering instruments which exceed available appropriations are not authorized until additional appropriations are made available. There were no significant encumbrances for the annually budgeted funds at the end of 2017.

**B. General Obligation Bonds Issued by the City of Saint Paul for HRA Programs**

During 1995, the City of Saint Paul issued Midway Marketplace Tax Increment General Obligation Bonds, Series 1995A, in the amount of \$7,660,000. Proceeds from the Series 1995A bonds were used to provide financing for certain public redevelopment costs in an area referred to as Midway Marketplace. During 2005, the City issued the Snelling-University Tax Increment Refunding Bonds, Series 2005C in the amount of \$5,130,000 which refunded the 1995 Bonds. During 2014, the City issued Snelling-University Taxable General Obligation Refunding Bonds, Series 2014D in the amount of \$1,995,000 which refunded the 2005 bonds. The bonds have a City general obligation pledge but are to be retired using tax increments from the HRA's Snelling-University District and certain shortfall payments from the project developers as defined in the development agreements. The final scheduled debt service payments were made in 2017 for the Series 2014D bonds (Note 5.F.).

During 1998, the City of Saint Paul issued Block 39 Tax Increment General Obligation Bonds, Series 1998A and Series 1998B, in the amount of \$21,255,000 and \$18,745,000, respectively. Proceeds from the Series 1998A and Series 1998B were used to finance the acquisition of Block 39 properties in the downtown area and to construct a parking facility and retail space. During 2009, the City issued the Block 39 Tax Increment Refunding Bonds, Series 2009G and 2009H, in the amount of \$20,695,000 and \$8,655,000, respectively, which refunded the 1998 Bonds. The bonds have a City general obligation pledge but are to be retired using tax increments from the HRA's Block 39 Lawson/Arena District and revenues from the parking facility. The outstanding Series 2009G bonds are reported as a liability in the HRA Parking Enterprise Fund and in the business-type activities column of the HRA's Government-wide Statement of Net Position (Note 5.F.).

In March 2010, the City of Saint Paul issued Koch Mobil Tax Increment Refunding Bonds, Series 2010A, in the amount of \$2,670,000. The proceeds of the 2010 bonds were used to currently refund Koch Mobil Tax Increment Bonds, Series 2007B. The bonds are to be retired using HRA tax increment revenue from the Koch Mobil Tax Increment District. The City has issued a general obligation pledge on the 2010 bonds. The outstanding Series 2010A bonds are reported as a liability in the governmental activities column of the HRA's Government-wide Statement of Net Position (Note 5.F.).

In August 2011, the City of Saint Paul issued US Bank Tax Increment Refunding Bonds, Series 2011F and 2011G, in the amount of \$3,060,000 and \$8,870,000, respectively, which refunded the 2001 bonds. The bonds have a City general obligation pledge but are to be retired using tax increments from the HRA's US Bank Riverfront Renaissance District. The outstanding Series 2011G bonds are reported as a liability in the governmental activities column of the HRA's Government-wide Statement of Net Position (Note 5.F.).



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Note 4. (Continued)

C. Tax Increment Financing Districts

Pursuant to state law, the following tax increment financing districts have been established in Saint Paul and are administered by the HRA.

<u>District Number</u>	<u>District</u>	<u>Year Established</u>	<u>Duration of District</u>	<u>Outstanding Long-Term Debt (Including Advances)</u>
83	Spruce Tree Centre/Metz Bakery Area	1987	26 years	\$ -
87	Riverfront	1987	26 years	-
100	Neighborhood Business Development - Scattered Sites	1988	26 years	-
135	Snelling - University	1990	26 years	-
193	Hubbard Site	1997	26 years	-
194	1919 University	1997	26 years	-
212	Block 4 Minnesota Mutual	1997	26 years	1,153,056
213	Block 39 Lawson/Arena	1997	26 years	16,350,000
215	Superior Street Cottages	1998	26 years	-
224	North Quadrant Phase 1 - Essex	2000	26 years	805,000
225	Riverfront Renaissance-Upper Landing	2001	26 years	14,361,819
228	Emerald Park – Emerald Gardens	2002	26 years	5,075,000
232	Straus Building	2002	26 years	-
233	North Quadrant Expansion 1 - Dakota	2003	26 years	946,000
234	Phalen Village	2001	26 years	-
236	J. J. Hill	2001	26 years	2,639,000
237	Osceola Park	2002	26 years	-
240	Bridgecreek Senior Place	2003	26 years	-
241	North Quadrant Phase 2	2004	26 years	963,000
243	Shepard - Davern Owner Occupied	2003	26 years	-
245	Shepard - Davern Senior Rental	2003	26 years	-
248	Koch Mobil	2004	26 years	4,023,384
257	Payne Phalen	2005	26 years	9,340
260	North Quadrant - Sibley	2006	26 years	-

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Note 4.C. (Continued)

District Number	District	Year Established	Duration of District	Outstanding Long-Term Debt (Including Advances)
261	Riverfront Renaissance - US Bank	2006	26 years	8,025,793
262	Riverfront Renaissance - Drake Marble	2006	26 years	811,000
263	Riverfront Renaissance - Uncommitted	2006	26 years	1,695,446
264	Riverfront Renaissance - Llewellyn	2006	26 years	30,692
265	Riverfront Renaissance - HRA	2006	26 years	-
266	Emerald Park - Metro	2006	26 years	-
267	Emerald Park - Berry	2006	26 years	-
268	North Quadrant Expansion 1 - Sibley	2006	26 years	-
269	Phalen - Rose Hill	2006	26 years	-
271	Carlton Lofts	2007	26 years	6,603
278	Highland Pointe Lofts	2007	26 years	-
279	Minnesota Building	2010	26 years	-
281	2700 The Avenue	2008	26 years	-
282	Minnesota Events District	2009	26 years	-
291	Carondelet Village	2011	26 years	-
299	Cossetta Project	2011	9 years	-
301	Penfield	2012	26 years	-
302	Pioneer – Endicott	2012	26 years	-
304	Schmidt Brewery	2012	26 years	45,259
305	West Side Flats	2014	26 years	-
313	Hamline Station East	2014	26 years	22,192
314	Hamline Station West	2014	26 years	44,842
317	Custom House/Post Office	2014	26 years	58,982
318	East 7 <sup>th</sup> Bates Senior Housing	2014	26 years	77,058
319	2700 University at Gateway Station	2014	26 years	74,686
321	Schmidt Keg House	2015	26 years	47,200
322	Ford Site	2016	26 years	9,245
324	Wilson II Housing Project	2016	26 years	50,643
Total Outstanding at December 31, 2017				<u>\$ 57,325,240</u>

Total tax capacity amounts and tax increment revenue for these districts in 2017 are as follows.

Current tax capacity (assessed in 2016, payable in 2017)	\$ 20,845,463
Captured tax capacity retained by the HRA	17,933,595
Total tax increment revenue in 2017 (includes developer shortfall if any)	19,645,976
Total delinquent tax increment receivable at December 31, 2017	133,285

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Note 4. (Continued)

D. Conduit Debt Obligations

The HRA has issued Commercial/Industrial Development, Homeownership Mortgage, and Rental Housing Revenue Bonds to assist developers, businesses, and low-to moderate-income homeowners in projects which improve the economic and housing conditions of the City. The bonds are secured by the financed property and are payable solely from the revenues of the individual commercial/industrial or housing projects. The bonds do not constitute a charge, lien, or encumbrance, legal or equitable, upon any property or funds of the HRA, nor is the HRA subject to any liability thereon. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. Conduit bonds issued subsequent to January 1, 1996, have an outstanding principal balance of \$2.0 billion at December 31, 2017. The aggregate principal amount payable for conduit bonds issued prior to January 1, 1996, could not be determined; however, their original issue amounts totaled \$2.9 billion. There were 185 conduit bonds issued prior to January 1, 1996, and 160 conduit bonds issued subsequent to January 1, 1996.

E. Deficit - Net Position of Governmental Activities

On the Government-wide Statement of Net Position, the HRA is reporting a negative unrestricted net position of \$22,973,613 but is reporting an overall positive net position of \$28,982,156. The individual governmental funds which form a part of the governmental activities all have positive fund balances. The deficit was created with the addition of long-term debt to the government-wide governmental activities. The HRA issues long-term debt for development purposes and, in many cases, does not acquire or construct HRA-owned capital assets with the debt proceeds. The debt is to be retired with future revenues, such as property tax increments or sales taxes. (See Notes 3.A. and 5.F.)

5. Detailed Notes on All Funds

A. Deposits and Investments

Through agreement with the City, the HRA deposit and investment functions are managed by the City's Office of Financial Services, Treasury Section. City policies are applied to the HRA's portfolio of deposits and investments.

(1) Deposits

Minn. Stat. § 118A.02 and 118A.04 authorize the City to designate a depository for public funds and to invest in certificates of deposit. Minn. Stat. § 118A.03 requires that all City deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged shall be at least ten percent more than the amount on deposit at the close of the financial institution's banking day, not covered by insurance or bonds.

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Note 5.A.(1) (Continued)

Authorized collateral includes treasury bills, notes and bonds; issues of U.S. government agencies; general obligations rated “A” or better, revenue obligations rated “AA” or better, irrevocable standby letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. All pledged collateral is held in the City’s name at third party institutions.

The following table represents the HRA’s deposits balances at December 31, 2017:

Deposits:	
City cash and investment pool	\$ 89,494,255
Parking ramp	1,059,965
Cash with Trustees	912
Total Deposits:	<u>\$ 90,555,132</u>

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the HRA’s deposits may not be returned to it. The City is authorized to use only those financial institutions that have been approved by the City Council. The HRA’s deposits at December 31, 2017 consist of parking ramp checking and money market accounts, and trustee cash. The HRA deposits also consist of the City cash and investment pool.

(2) Investments

Minn. Stat. § 118A.04 and 118A.05 generally authorize the following types of investments as available to the HRA:

- (1) securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as “high risk” by Minn. Stat. § 118A.04, sub. 6;
- (2) mutual funds through shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments;
- (3) general obligations of the State of Minnesota and its municipalities, and in certain state agency and local obligations of Minnesota and other states provided such obligations have certain specified bond ratings by national bond rating service;
- (4) bankers’ acceptances of United States banks;

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Note 5.A.(2) (Continued)

- (5) commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by two nationally recognized rating agencies and matures in 270 days or less; and
- (6) with certain restrictions, in repurchase agreements, securities lending agreements, joint powers investment trusts, and guaranteed investment contracts.

In addition, under Minn. Stat. § 469.012, the HRA can invest funds in properties or securities in which savings banks may legally invest funds which provides broad investment authority.

The City Council has adopted an investment policy, dated July 9, 2003, which provides requirements and guidelines for the following:

- Authority and responsibility;
- Administrative and review procedures;
- Credit risk, interest rate risk, liquidity return, and avoidance of loss;
- Investments in special programs and projects;
- Short term and longer term investments; and
- Investment manager selection and termination.

Interest Rate Risk - Investments

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. The City minimizes its exposure to interest rate risk by investing in both shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The City has established maximum guidelines for investment duration.

Credit Risk - Investments

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy is that each portfolio must be invested in compliance with State of Minnesota Statute 118A. This statute governs which securities and with what credit ratings the City can hold in its portfolio and requires a broker certification annually from all brokers stating that they have read the City policy and will remain compliant with the statute.

Custodial Credit Risk - Investments

The custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of an investment or collateral securities that are in possession of an outside party. According to City

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Note 5.A.(2) (Continued)

policy, all securities purchased are held by a third-party safekeeping agent appointed as custodian (US Bank) who is also the lending agent/counterparty. Certificates of Deposit and select securities purchased from the City of St. Paul may be kept in the City's safe. The securities lending agreement, although the program is suspended, is still in place between the City and its custodian.

The City has no custodial credit risk for investments at December 31, 2017.

Concentration of Credit Risk

The concentration of credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City minimizes its credit risk by investing primarily in U.S. government backed securities. In accordance with the City's investment policy, the taxable municipal general obligation bonds are rated A or higher and the taxable municipal revenue bonds are rated AA or higher.

The following table represents the HRA's investment balances at December 31, 2017, and information relating to potential investment risks:

	Credit Risk		Investment Maturities in Years	Carrying Amount at Fair Value	Percentage of Fair Value Per Issuer
	Credit Rating	Rating Agency			
Negotiable Certificates of Deposit:					
Highland Bank Certificate of Deposit	N/R	N/A	2-5	\$ 606,288	0.6%
Money Market Mutual Funds:					
First American Government Obligations Fund Class D	AAAm	Standard & Poor's	less than 1	1,729,224	1.8%
First American Government Treasury Obligations Fund Class Y	AAAm	Standard & Poor's	less than 1	681,992	0.7%
US Bank Money Market Account 5-ct	A-1+	Standard & Poor's	less than 1	820,480	0.9%
Wells Fargo Advantage 100% Treasuries Fund	AAAm	Standard & Poor's	less than 1	808,570	0.9%
Total Investments Held Outside the City				\$ 4,646,554	
HRA funds invested with the City's investment pool				89,494,255	95.1%
Total Investments				\$ 94,140,809	100.0%
Deposits:					
Parking ramp checking and money market accounts				\$ 1,059,965	
Trustee cash				912	
Total Deposits				\$ 1,060,877	
Total Deposits and Investments				\$ 95,201,686	

N/A – Not Applicable

N/R – Not Rated

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Note 5.A.(Continued)

(3) Reconciliation

The above amounts of deposits and investments in Note 5.A.(1) and Note 5.A.(2), respectively, reconcile to the Government-wide Statement of Net Position as follows:

Cash and Investments with Treasurer	\$ 85,044,030
Cash with Fiscal Agents	1,059,965
Cash and Investments with Trustees	4,616,224
Restricted Cash and Investments for General Obligation Bond Debt Service	2,020,700
Restricted Cash and Investments for Revenue Bond Debt Service	2,183,249
Restricted Cash and Investments for Revenue Bond Operations and Maintenance	27,218
Restricted Cash and Investments for Note Debt Service	<u>250,300</u>
 Total Deposits and Investments	 <u>\$ 95,201,686</u>

(4) Net Increase (Decrease) in the Fair Value of Investments

All investment income, including changes in the fair value of investments, is reported as revenue on the operating statements of both governmental and proprietary funds. The calculation of realized gains and losses from the sale of investments is independent of the calculation of the net change in the fair value of investments. Realized gains and losses on investments that have been held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year. The decrease in the fair value of investments during 2017 was \$12,681. This amount takes into account all changes in fair value (including purchases and sales) that occurred during the year. The unrealized loss on investments held at December 31, 2017, was \$450,079.

(5) Fair Value Measurement

The HRA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy has three levels. Level 1 investments are valued using inputs that are based on quoted prices in active markets for identical assets. Level 2 investments are valued using inputs that are based on quoted prices for similar assets or inputs that are observable, either directly or indirectly. Level 3 investments are valued using inputs that are not observable. The HRA's investments at year-end are all valued at the Net Asset Value (NAV) rather than at the defined level.

The HRA invests in money market funds for the benefit of liquid investments that can be readily re-invested. Money market funds held by the HRA seek a constant NAV of \$1.00 per share. The investments are used primarily for debt service. The HRA also has a money market fund for homeownership loans issued through the joint venture with the Minneapolis/Saint Paul Housing Finance Agency.

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Note 5.A.(5) (Continued)

The HRA invests funds in the City of Saint Paul investment pool. The fair value of the investment is the fair value per share of the underlying portfolio. The HRA invests in this pool for the purpose of joint investment with the City in order to enhance investment earnings. There are no redemption limitations.

**B. Loans Receivable**

Loans receivable are reported as assets in the following funds at December 31, 2017 (net of allowances):

HRA General Fund	\$ 10,609
HRA Tax Increment Capital Projects Fund	1,055,754
HRA Development Capital Projects Fund	192,290
HRA Loan Enterprise Fund	3,889,709
HRA Parking Enterprise Fund	<u>236,250</u>
Total All Funds	<u>\$ 5,384,612</u>

Allowances for uncollectible loans have been established for loans for which collection is doubtful or questionable in the total amount of \$42,627,502 at December 31, 2017. During 2017, loans determined to be uncollectible or forgiven were written-off the books in the amount of \$24,486, net of allowance.

Changes in total gross loans receivable, allowances for uncollectible loans, and accrued interest receivable on loans for 2017 are shown below.

Total gross loans receivable - January 1, 2017	\$ 52,880,181
Loans issued	2,591,375
Principal payments received	(834,123)
Loans forgiven and written-off	<u>(6,625,319)</u>
Total Gross Loans Receivable - December 31, 2017	<u>\$ 48,012,114</u>
Less: allowance for uncollectible loans - January 1, 2017	47,526,747
Loans issued allowance	2,465,839
Allowances adjusted for principal payments received	(467,723)
Allowances adjusted for valuation	(296,528)
Loans forgiven and written-off	<u>(6,600,833)</u>
Total Allowance for Uncollectible Loans - December 31, 2017	<u>42,627,502</u>
Net Loans Receivable - December 31, 2017	<u>\$ 5,384,612</u>
Accrued Interest Receivable on Loans - December 31, 2017	<u>\$ 572,897</u>
(Net of Allowance)	



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Note 5.B. (Continued)

At December 31, 2017, future minimum principal and interest payments to be received under the loan agreements for the next ten years are as follows:

2018	\$ 1,826,039
2019	1,562,079
2020	2,589,862
2021	3,867,113
2022	1,014,002
2023 - 2027	<u>3,876,311</u>
 Total	 <u><u>\$ 14,735,406</u></u>

During 2006, the HRA entered into an agreement with the City to sell a loan receivable from The Science Museum of Minnesota (SM). The SM loan was sold for \$2,400,000 and had a principal balance of \$4,000,000 at the time of sale which resulted in a loss on the sale of \$1,600,000. The \$2,400,000 in sale proceeds was used by the HRA to repay Ramsey County relating to the final closeout of the West Midway Tax Increment Financing District. Also, as part of the loan sale agreement, the HRA was obligated to advance to the City an amount of \$860,000 in installments from 2006 through 2010. The City is to repay this advance, together with 5% interest, in installments from 2011 through 2021. In 2011, the City began repayment of the advance, with a payment of \$87,475 including interest.

C. Land Held for Resale

Land held for resale is reported in the following funds as an asset at December 31, 2017.

	Balance January 1, 2017	Additions	Deductions	Balance December 31, 2017
HRA General Fund	\$ 327,993	\$ -	\$ 2,757	\$ 325,236
HRA Tax Increment Capital Projects Fund	982,328	-	-	982,328
HRA Development Capital Projects Fund	832,533	133,434	-	965,967
HRA Loan Enterprise Fund	<u>4,296,654</u>	<u>-</u>	<u>171,512</u>	<u>4,125,142</u>
 Total All Funds	 <u>\$ 6,439,508</u>	 <u>\$ 133,434</u>	 <u>\$ 174,269</u>	 <u>\$ 6,398,673</u>

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
 NOTES TO THE FINANCIAL STATEMENTS  
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Note 5. (Continued)

D. Leases Receivable

As described in Note 2.J., the HRA entered into direct financing leases with the City during the year ended December 31, 2009.

The City is obligated under the RiverCentre Parking Facility Improvement Lease to make lease payments through 2024, which are to be used by the HRA to finance debt service payments on its RiverCentre Parking Facility Lease Revenue Bonds, Series 2009. The City of Saint Paul has approved a debt capital management plan which includes the amounts needed to make the lease payments through 2024.

The following is a summary of the leases receivable for the year ended December 31, 2017.

Year Ending December 31	RiverCentre Parking Facility Improvement Lease
2018	\$ 607,575
2019	608,798
2020	606,716
2021	606,424
2022	607,822
2023 - 2024	911,667
 Total	 \$ 3,949,002

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
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Note 5.E. Capital Assets

Capital asset activity for the year ended December 31, 2017, was as follows:

Governmental Activities	Balance January 1, 2017	Increase	Decrease	Balance December 31, 2017
Land (not depreciated)	\$ 3,042,169	\$ -	\$ -	\$ 3,042,169
Construction in progress (not depreciated)	14,502,367	1,274,290	15,776,657	-
Buildings	14,386,848	15,487,535	-	29,874,383
Pedestrian skyway bridges	13,016,924	-	84,957	12,931,967
Total at historical cost	44,948,308	16,761,825	15,861,614	45,848,519
Less: accumulated depreciation				
Buildings	(3,745,557)	(789,881)	-	(4,535,438)
Pedestrian skyway bridges	(10,104,193)	(305,423)	(78,939)	(10,330,677)
Total accumulated depreciation	(13,849,750)	(1,095,304)	(78,939)	(14,866,115)
Total Governmental Activities Capital Assets – Net	\$ 31,098,558	\$ 15,666,521	\$ 15,782,675	\$ 30,982,404

The Construction in progress decrease in the Governmental Activities includes \$289,122 for the City Soccer Stadium which is included with the City's Construction in Progress and the capitalization of the Palace Theatre construction costs.

Business-type Activities	Balance January 1, 2017	Increase	Decrease	Balance December 31, 2017
Land (not depreciated)	\$ 27,247,487	\$ -	\$ -	\$ 27,247,487
Construction in progress (not depreciated)	-	197,547	-	197,547
Parking Ramps	107,762,784	619,864	623,407	107,759,241
Buildings	1,471,321	5,316	16,872	1,459,765
Equipment	2,597,598	398,148	51,568	2,944,178
Total at historical cost	139,079,190	1,220,875	691,847	139,608,218
Less: accumulated depreciation				
Parking Ramps	\$ (53,584,269)	\$ (2,836,313)	\$ (412,782)	\$ (56,007,800)
Buildings	(237,403)	(111,842)	(3,187)	(346,058)
Equipment	(1,464,545)	(296,245)	(33,853)	(1,726,937)
Total accumulated depreciation	(55,286,217)	(3,244,400)	(449,822)	(58,080,795)
Total Business-type Activities Capital Assets – Net	\$ 83,792,973	\$ (2,023,525)	\$ 242,025	\$ 81,527,423

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
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Note 5.E. (Continued)

Depreciation expense for 2017 was charged to functions/programs as follows:

Governmental Activities	
Housing and economic development	<u>\$ 1,095,304</u>
Business-type Activities	
Parking operations	<u>\$ 3,244,400</u>

F. Long-Term Debt

Long-term debt consists of bonds payable, notes payable, and advances from other governments. This debt has been issued for both governmental and business-type activities. Governmental activity debt has been issued to provide financing for housing and economic development programs and projects. Business-type debt was issued to finance the construction of parking facilities.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
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Note 5.F. (Continued)

(1) Changes in Long-Term Debt

Long-term debt activity for the year ended December 31, 2017, was as follows:

<u>Governmental Activities</u>	Balance January 1, 2017	Increase	Decrease	Balance December 31, 2017	Due Within One Year
Bonds payable					
Tax increment bonds	\$ 37,774,000	\$ -	\$ 3,795,000	\$ 33,979,000	\$ 1,833,000
Lease revenue bonds	4,045,000	-	440,000	3,605,000	455,000
Add: unamortized premium on lease revenue bonds	105,616	-	14,241	91,375	-
Add: unamortized premium on tax increment bonds	815,707	-	71,325	744,382	-
Total bonds payable	<u>42,740,323</u>	<u>-</u>	<u>4,320,566</u>	<u>38,419,757</u>	<u>2,288,000</u>
Notes payable	12,358,016	-	508,140	11,849,876	895,280
Advances from other government	9,360,000	-	-	9,360,000	-
Total Governmental Activities Long-Term Debt	<u>\$ 64,458,339</u>	<u>\$ -</u>	<u>\$ 4,828,706</u>	<u>\$ 59,629,633</u>	<u>\$ 3,183,280</u>
	Balance January 1, 2017	Increase	Decrease	Balance December 31, 2017	Due Within One Year
<u>Business-type Activities</u>					
Bonds payable					
Parking revenue bonds	\$ 32,060,000	\$ 28,945,000	\$ 32,060,000	\$ 28,945,000	\$ 1,325,000
Tax increment - parking bonds	18,150,000	-	1,800,000	16,350,000	1,850,000
Add: unamortized premium on tax increment bonds	434,271	-	49,163	385,108	-
Add: unamortized premium on parking revenue bonds	161,958	1,561,525	183,849	1,539,634	-
Add: unamortized discount on parking revenue bonds	(79,664)	79,664	-	-	-
Total bonds payable	<u>50,726,565</u>	<u>30,586,189</u>	<u>34,093,012</u>	<u>47,219,742</u>	<u>3,175,000</u>
Notes payable					
LAAND Initiative loans	1,580,000	-	-	1,580,000	-
Housing 5000 Program loan	2,300,000	-	-	2,300,000	93,856
Total notes payable	<u>3,880,000</u>	<u>-</u>	<u>-</u>	<u>3,880,000</u>	<u>93,856</u>
Total Business-type Activities Long-Term Debt	<u>\$ 54,606,565</u>	<u>\$ 30,586,189</u>	<u>\$ 34,093,012</u>	<u>\$ 51,099,742</u>	<u>\$ 3,268,856</u>

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 5.F.(1) (Continued)

A long-term advance of \$9,360,000 was received from the City in 2016 for construction of the Palace Theatre. Interest at 3% per annum commences on the beginning of the 3<sup>rd</sup> year of the operating use agreement. The HRA is to repay the advance only from and to the extent that operating revenues are collected by the HRA, with payments applied to interest first. Annual operating revenues to be received are unknown and therefore, future payments for this advance are not included with the annual requirements schedule for governmental activity.

All 2017 scheduled principal and interest payments were made in accordance with the terms of the bonds and notes.

In November 2013, a loan agreement, with a revolving line of credit, was executed between the Saint Paul Foundation (Foundation) and the HRA whereby the Foundation has made available funds in the amount of \$2,500,000 to the HRA for use in its major housing initiative, the Housing 5000 Program. Any of the funds advanced under the loan agreement to the HRA by the Foundation are to be used solely for developer loans on approved housing projects. The agreement was amended in March 2016 to provide up to \$2,300,000 in loans for the Model Cities Brownstone project. The HRA is to repay the principal amount of the advances to the Foundation as the developer loans are repaid to the HRA. Simple interest of 1% on the outstanding Foundation advances is payable on each December 31 starting with 2016. December 1, 2026, is the final maturity date under the loan agreement.

On September 28, 2017, the HRA issued Parking Revenue Refunding bonds, Series 2017A in the amount of \$26,315,000, and Parking Revenue Refunding Bonds, Taxable Series 2017B in the amount of \$2,630,000. The proceeds were used to current refund the Parking Revenue Refunding Bonds, Series 2010B and advance refund the Parking Revenue Refunding Bonds, Series 2010A. The difference between the reacquisition price and the net carrying amount of the refunded debt was \$999,606, resulting in deferred outflows of resources. The net present value cash flow savings of refunding the Series 2010A and Series 2010B bonds was \$3,995,897. The refunding resulted in an economic gain of \$5,901,663 over the life of the Series 2017A and Series 2017B bonds.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Note 5.F. (Continued)

(2) Description of Bonds, Notes, Advances, and Sources for Retirement

Governmental Activities

The governmental activity long-term debt, represented by the Tax Increment Bonds, Lease Revenue Bonds, long-term notes, and advances from other governments, are not general obligations of the HRA, are not backed by the full faith and credit of the HRA, and are to be retired through specific revenue sources. Under Minn. Stat. § 469.034, the HRA is not authorized to issue bonds which constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Tax increments, lease payments, and advances are pledged under the respective bond covenants. Debt service payments have been made on the bonds, notes, and advances using the designated financing sources. The City has issued a general obligation pledge on the Koch Mobil Tax Increment Refunding Bonds, Series 2010A; the US Bank Tax Increment Bonds, Series 2011F and 2011G, and the Snelling-University Taxable Refunding Bonds Series, 2014D. The governmental activity bonds and notes are serviced by the HRA Debt Service Fund. The governmental activity advances are serviced by the fund that received the advance. A listing of the governmental activity bonds and notes at December 31, 2017, follows on the next page:

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 5.F.(2) (Continued)

<u>Debt Issue</u>	<u>Sources for Retirement</u>	<u>Interest Rate (%)</u>	<u>Original Debt Issue Amount</u>	<u>Amount Payable December 31, 2017</u>
North Quadrant Tax Increment Refunding Bonds, Series 2002	North Quadrant District Tax Increments	7.50	\$ 1,089,000	\$ 805,000
North Quadrant Phase II Tax Increment Bonds, Series 2002	North Quadrant District Tax Increments	7.00	1,140,000	946,000
Drake Marble Tax Increment Bonds, Series 2002	Riverfront Renaissance District Tax Increments	6.75	1,800,000	811,000
9th Street Lofts Tax Increment Bonds, Series 2004	9th Street Lofts District Tax Increments	6.375	1,335,000	963,000
Great Northern Lofts (JJ Hill) Tax Increment Bonds, Series 2004	JJ Hill District Tax Increments	6.25	3,660,000	2,639,000
Neighborhood Scattered Site Tax Increment Bonds, Series 2005	Neighborhood Scattered Site District Tax Increments	4.24 - 5.45	7,515,000	-
RiverCentre Parking Facility Lease Revenue Bonds, Series 2009	Lease Payments from the City of Saint Paul	3.00 - 4.50	6,790,000	3,605,000
Koch Mobil Tax Increment Refunding Bonds, Series 2010A	Koch Mobil District Tax Increments	2.00 - 4.00	2,670,000	1,915,000
Emerald Gardens Tax-Exempt Tax Increment Revenue Bonds, Series 2010	Emerald Gardens District Tax Increments	5.00 - 6.50	6,595,000	5,075,000
US Bank Tax Increment Refunding Bonds, Series 2011G	Riverfront Renaissance District Tax Increments	2.00 - 4.00	8,870,000	7,720,000
Upper Landing Tax Increment Refunding Bonds, Series 2012	Riverfront Renaissance District Tax Increments	5.00	15,790,000	13,105,000
Snelling-University General Obligation Taxable Refunding Bonds, Series 2014D	Snelling-University Site District Tax Increments	1.00 - 1.25	1,995,000	-
HUD Section 108 Note, Series 2003-A	EDI Grant, Port Authority	5.20	3,300,000	675,000
Catholic Charities Midway Residence POPSHP Loan	Forgiven after 20 years of compliance	0.00	10,599,852	10,599,852
Upper Landing Tax Increment Revenue Note, Series 2008	Upper Landing District Tax Increments	5.75	2,019,087	575,024
Palace Theatre Revenue Advance	Palace Theatre operating revenue received by the HRA	3.00	<u>9,360,000</u>	<u>9,360,000</u>
Total Governmental Activities Long-Term Debt			<u>\$ 84,527,939</u>	<u>\$ 58,793,876</u>



**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Note 5.F.(2) (Continued)

Business-type Activities

The business-type activity long-term debt is reported in the HRA Parking Enterprise Fund and the HRA Loan Enterprise Fund where specific fund revenues are used to service the debt. The City has issued a general obligation pledge on the Block 39 Tax Increment Bonds, Series 2009G. A listing of the business-type bonds and notes at December 31, 2017, follows:

<u>Debt Issue</u>	<u>Sources for Retirement</u>	<u>Interest Rate (%)</u>	<u>Original Debt Issue Amount</u>	<u>Amount Payable December 31, 2017</u>
Parking Revenue Bonds, Series 1997A, (7th Street Ramp)	7th Street Ramp Parking Revenues	6.75	\$ 11,305,000	\$ -
Block 39 Tax Increment Refunding Bonds, Series 2009G	Block 39 District Tax Increments Block 39 Parking Revenues	3.00 - 4.00	20,695,000	16,350,000
Parking Revenue Refunding Bonds, Series 2010A	HRA Parking Revenues	3.00 - 5.00	24,135,000	-
Parking Revenue Refunding Bonds, Series 2010B	HRA Parking Revenues	3.00 - 5.00	12,820,000	-
Parking Revenue Refunding Bonds, Series 2017A (Tax Exempt)	HRA Parking Revenues	3.00 - 5.00	26,315,000	26,315,000
Parking Revenue Refunding Bonds, Series 2017B (Taxable)	HRA Parking Revenues	1.68 - 2.08	2,630,000	2,630,000
LAAND Initiative Loan	Land Sales Proceeds	0.00	1,000,000	1,000,000
LAAND Initiative Loan	Land Sales Proceeds	0.00	580,000	580,000
Housing 5000 Program Loan	Model Cities Brownstone	1.00	2,300,000	2,300,000
Total Business-type Activities Long-Term Debt			<u>\$ 101,780,000</u>	<u>\$ 49,175,000</u>

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 5.F. (Continued)

(3) Annual Requirements – Principal and Interest on Long-Term Debt

Annual principal and interest debt service requirements for governmental activity long-term debt are as follows:

Year Ending December 31	Tax Increment Bonds		Lease Revenue Bonds	
	Principal	Interest	Principal	Interest
2018	\$ 1,833,000	\$ 1,694,313	\$ 455,000	\$ 139,387
2019	1,918,000	1,601,464	475,000	120,788
2020	2,069,000	1,514,880	495,000	101,387
2021	2,235,000	1,418,128	510,000	81,288
2022	2,349,000	1,313,147	535,000	60,387
2023-2027	13,636,000	4,748,073	1,135,000	50,944
2028-2032	9,939,000	508,778	-	-
Total	<u>\$ 33,979,000</u>	<u>\$ 12,798,783</u>	<u>\$ 3,605,000</u>	<u>\$ 554,181</u>

Year Ending December 31	Development Notes		Total Governmental Activity	
	Principal	Interest	Principal	Interest
2018	\$ 895,280	\$ 51,638	\$ 3,183,280	\$ 1,885,338
2019	233,128	17,094	2,626,128	1,739,346
2020	121,616	3,497	2,685,616	1,619,764
2021	-	-	2,745,000	1,499,416
2022	-	-	2,884,000	1,373,534
2023-2027	10,599,852	-	25,370,852	4,799,017
2028-2032	-	-	9,939,000	508,778
Total	<u>\$ 11,849,876</u>	<u>\$ 72,229</u>	<u>\$ 49,433,876</u>	<u>\$ 13,425,193</u>

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
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**For the Fiscal Year Ended December 31, 2017**

Note 5.F.(3) (Continued)

Annual principal and interest debt service requirements for business-type activity long-term debt are as follows:

Year Ending December 31	Parking Revenue Bonds HRA Parking Enterprise Fund		Tax Increment - Parking Bonds HRA Parking Enterprise Fund		LAAND Initiative Loans HRA Loan Enterprise Fund	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 1,325,000	\$ 854,225	\$ 1,850,000	\$ 520,581	\$ -	\$ 17,400
2019	1,185,000	992,660	1,855,000	455,756	1,580,000	17,400
2020	1,205,000	969,790	1,920,000	397,931	-	-
2021	1,240,000	934,744	1,985,000	336,916	-	-
2022	1,290,000	885,144	2,055,000	269,938	-	-
2023-2027	7,475,000	3,406,170	6,685,000	358,314	-	-
2028-2032	9,085,000	1,798,970	-	-	-	-
2033-2037	6,140,000	385,172	-	-	-	-
Total	<u>\$ 28,945,000</u>	<u>\$ 10,226,875</u>	<u>\$ 16,350,000</u>	<u>\$ 2,339,436</u>	<u>\$ 1,580,000</u>	<u>\$ 34,800</u>

Year Ending December 31	Housing 5000 Program HRA Loan Enterprise Fund		Total Business-type Activity	
	Principal	Interest	Principal	Interest
2018	\$ 93,856	\$ 23,320	\$ 3,268,856	\$ 1,415,526
2019	95,776	22,368	4,715,776	1,488,184
2020	97,619	21,455	3,222,619	1,389,176
2021	99,735	20,407	3,324,735	1,292,067
2022	101,776	19,396	3,446,776	1,174,478
2023-2027	1,811,238	65,855	15,971,238	3,830,339
2028-2032	-	-	9,085,000	1,798,970
2033-2037	-	-	6,140,000	385,172
Total	<u>\$ 2,300,000</u>	<u>\$ 172,801</u>	<u>\$ 49,175,000</u>	<u>\$ 12,773,912</u>

**G. Employee Benefits, Pension Plan Obligations**

As part of the reorganization discussed in Note 1, the HRA employees became employees of the City in 1978. The HRA has no employees. Services are provided by the City in administering HRA programs. All pension costs, vacation, and sick leave benefits are paid and accounted for by the City.

**H. Risk Management**

The HRA is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The City of Saint Paul administers the HRA's risk management activities. The HRA's risk management activities are reported in the HRA General Fund. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported (IBNRs). The liability for claims and judgments is recognized when amounts are due and payable. The HRA had no January 1, 2016, liability for claims and judgments; nor were there any fiscal year 2016 or 2017 claims or claims payments, which resulted in any end of fiscal year 2016 or 2017 claims liabilities.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Note 5.H. (Continued)

The HRA acquired in 2009 a site with existing pollution which required remediation. To address its exposure to risk of loss related to pollution liability torts, the HRA has purchased a Premises Pollution Liability Insurance Policy. The limits of this liability coverage is \$20,000,000 and the policy expires in December 23, 2019.

The City has purchased all risk property insurance coverage for its real and personal property throughout the City. The deductible for each occurrence of damage or loss of property is \$250,000. Each City department participating in the insurance program is charged a yearly amount based upon pro rata shares of the property insurance coverage, and contributions are made to a risk retention pool to address potential losses due to the higher deductible. The HRA is responsible for the first \$10,000 of each loss. The risk retention pool reimburses losses that exceed \$10,000 that are not covered by insurance. The HRA General Fund pays the insurance premium for HRA-related property coverage. The HRA General Fund reimburses the City for deductible amounts paid each year based on its share of the property insurance coverage. There were no significant reductions in insurance for the previous year or settlements in excess of insurance coverage for any of the past three fiscal years. A complete audit and actuarial analysis is conducted by the City's Risk Management Division to insure proper premium, retention, and administrative charges. Tort liability is administered by the City with professional claim managers and attorneys. Because the HRA has no employees, there is no risk for workers' compensation and unemployment compensation (Note 5.G.).

I. Pay-As-You-Go Tax Increment Notes

The HRA provides tax abatements pursuant to Minnesota Statutes 469.174 to 469.1794 (Tax Increment Financing) through a pay-as-you-go note program. Tax increment financing (TIF) can be used to encourage private development, redevelopment, renovation and renewal, growth in low-to-moderate-income housing, and economic development within Saint Paul. TIF captures the increase in tax capacity and property taxes from development or redevelopment to provide funding for the related project.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
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Note 5.I. (Continued)

The HRA has issued pay-as-you-go tax increment notes to finance development in the following tax increment financing districts as of December 31, 2017.

No.	Tax Increment Financing District – Project	Date Issued	Note Amount	Note	Note	Total Amount
				Principal Balance 12/31/2016	Principal Balance 12/31/2017	Expended (Principal & Interest) Under Notes for the Year Ended 12/31/2017
194	1919 University	11/7/1997	\$ 1,357,000	\$ 1,357,000	\$ 1,357,000	\$ -
212	Block 4-TIR Note, Series 2004	5/6/2004	17,800,000	14,663,002	13,609,908	1,881,965
215	Superior Street Cottages Series 2016	5/6/2016	205,000	190,983	159,305	39,031
232	Straus Building	12/26/2002	600,000	596,964	596,964	42,344
234	Phalen Village Cub Foods Project	3/1/2008	3,100,000	2,582,306	2,416,770	318,078
237	Osceola Park Senior Housing	11/4/2002	950,000	950,000	950,000	80,298
240	Bridgecreek Senior Place Project	6/30/2004	2,398,952	2,398,952	2,398,952	130,689
241	Lyons Court Rental Project	4/14/2004	682,000	682,000	682,000	40,576
243	Shepard-Davern Ownership Housing	11/1/2006	3,257,067	2,653,114	2,593,317	231,427
244	Shepard Davern Rental Housing	3/28/2006	4,820,000	3,032,052	2,581,616	599,797
245	Shepard-Davern Gateway Senior	12/2/2003	1,353,286	1,334,964	1,303,148	111,393
248	Koch Mobil-Schmidt Rathskeller	12/22/2017	1,290,260	-	1,290,260	-
257	Phalen Senior Lofts Project	2/10/2005	925,000	908,750	908,750	35,378
260	North Quadrant Rental Phase I	2/1/2001	2,140,000	2,140,000	2,140,000	181,454
267	Emerald Park Rental	10/16/2002	3,110,000	2,679,800	2,352,522	523,232
268	North Quadrant Rental Phase II	2/28/2002	1,500,000	1,500,000	1,500,000	155,641
268	North Quadrant Shortfall TIR, Note II*	6/20/2002	179,781	179,781	-	-
269	Phalen Village Ames Lake	8/1/2003	418,000	418,000	418,000	13,857
271	Carlton Lofts	10/1/2005	2,358,660	2,358,660	2,358,660	137,372
278	River Pointe Lofts Project	12/27/2007	1,829,000	1,433,981	1,294,399	213,314
279	Minnesota Building	6/9/2010	936,000	936,000	936,000	64,234
291	Carondelet Village	8/12/2010	3,104,000	3,104,000	3,104,000	222,619
299	Cosseta	11/4/2011	388,000	336,804	285,023	72,860
302	Pioneer-Endicott Note #1	10/31/2012	2,500,000	2,500,000	2,500,000	344,053
302	Pioneer-Endicott Note #2 (MMAA)	12/15/2017	900,000	-	900,000	-
304	Schmidt Brewery	11/16/2012	3,770,000	3,770,000	3,770,000	194,290
305	West Side Flats	11/19/2012	3,800,000	3,800,000	3,695,631	336,650
313	Hamline Station East	12/12/2014	530,000	530,000	530,000	21,008
314	Hamline Station West	12/12/2014	1,559,000	1,559,000	1,559,000	33,033
317	Custom House/Post Office	11/12/2014	5,800,000	5,800,000	5,800,000	82,599
318	East 7th-Bates Senior Housing	6/2/2015	2,291,000	2,291,000	2,291,000	66,107
319	2700 University at Westgate Station	6/29/2015	7,865,000	7,865,000	7,865,000	64,152
321	Schmidt Keg House	3/8/2017	1,700,000	-	1,700,000	-
324	Wilson II Housing Project	10/31/2016	1,720,000	1,720,000	1,720,000	-
	Total		<u>\$ 87,137,006</u>	<u>\$ 76,272,113</u>	<u>\$ 77,567,225</u>	<u>\$ 6,237,451</u>

\*The developer received escrowed proceeds and has acknowledged that the North Quadrant Shortfall TIR, Note II has been cancelled.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Note 5.I. (Continued)

The notes are payable only after the HRA has received tax increment revenue from the above districts and can only be paid using that tax increment as the financing source. No liability is recognized at December 31, 2017, since all scheduled note payments have been made from the available tax increment. All expenditures under the notes are reported in the HRA Tax Increment Capital Projects Fund.

During 2017, the HRA had 33 tax increment pay-as-you-go agreements and one subordinate loan agreement in place or executed. The agreements are not a general obligation of the HRA and are payable solely from available tax increment revenues. Accordingly, these agreements are not reflected in the financial statements of the HRA. Details of the pay-as-you-go notes are as follows:

1) TIF District #194, 1919 University:

Issued in 1997 in the principal sum of \$1,357,000 with an interest rate of 9.75% per annum. Principal and interest is paid on August 1, 1999, and each February 1 and August 1 thereafter to and including February 1, 2025. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 95% of available tax increments received in the prior six months. The payment reimburses the developer for land acquisition and other public redevelopment costs. Principal and interest payments will be completed February 1, 2025, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on February 1, 2025. The current year abatement (TIF note payments) amounted to \$0. At December 31, 2017, the principal amount outstanding on the note was \$1,357,000.

2) TIF District #212, Block 4 – TIR Note, Series 2004:

Issued in 2004 in the principal sum of \$17,800,000 with an interest rate of 5.75% per annum. Principal and interest is paid on August 1, 2013 and each February 1 and August 1 thereafter to and including February 1, 2027. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% declining to 87.5% on August 1, 2016, and to 85% on August 1, 2021 of available tax increments received in the prior six months. The payment reimburses the developer for land acquisition, site assembly and other public redevelopment costs including parking. Principal and interest payments will be completed February 1, 2027, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on February 1, 2027. The current year abatement (TIF note payments) amounted to \$1,881,965. At December 31, 2017, the principal amount outstanding on the note was \$13,609,908.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Note 5.I. (Continued)

3) TIF District #215, Superior Street Cottages Series 2016:

Issued in 1998 in the original principal sum of \$311,341 with an interest rate of 6.00% per annum. Principal and interest is paid on March 15, 1999, and each September 15 and March 15 thereafter to and including March 15, 2016. A new note was issued in 2016 in the principal sum of \$205,000 with an interest rate of 4.00% per annum. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months, provided that the total payments made under the new note do not exceed \$236,000. The payment reimburses the project owner for affordable housing construction costs. Principal and interest payments will be completed March 15, 2026, or earlier if the total payments equal \$236,000, the full principal is repaid earlier or has been deemed paid in full, or if the note is otherwise terminated. The Taxable Tax Increment Revenue Note, Series 2016 (dated May 6, 2016) replaces the tax increment revenue portion of the Multi-Family Housing Revenue Note (Superior Street Cottages Project) Series 1998 dated as of July 16, 1998 (the original note) which is hereby deemed cancelled and the HRA has no further obligation to make any payments under the original note. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 15, 2026. The current year abatement (TIF note payments) amounted to \$39,031. At December 31, 2017, the principal amount outstanding on this note was \$159,305.

4) TIF District #232, Straus Building:

Issued in 2002 in the principal sum of \$600,000 with an interest rate of 6.25% per annum. Principal and interest is paid on March 1, 2004, and each September 1 and March 1 thereafter to and including March 1, 2029. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months up to \$23,800. The payment reimburses the developer for affordable housing construction costs. Principal and interest payments will be completed March 1, 2029, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2029. The current year abatement (TIF note payments) amounted to \$42,344. At December 31, 2017, the principal amount outstanding on the note was \$596,964.

5) TIF District #234, Phalen Village – Cub Foods Project:

Issued in 2008 in the principal sum of \$3,100,000 with an interest rate of 6.00% per annum. Principal and interest is paid on August 1, 2010, and each February 1 and August 1 thereafter to and including February 1, 2029. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
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Note 5.I.(5) (Continued)

pay-as-you-go note provides for the payment to the developer equal to 90% of the Cub Foods tax increment plus 90% of the balance of available tax increment from the TIF district up to \$47,100 received in the prior six months. The payment reimburses the developer for land acquisition, site assembly and other public redevelopment costs. Principal and interest payments will be completed February 1, 2029, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on February 1, 2029. The current year abatement (TIF note payments) amounted to \$318,078. At December 31, 2017, the principal amount outstanding on the note was \$2,416,770.

6) TIF District #236, JJ Hill Subordinate Loan:

Issued in 2002 in the principal sum of \$260,000 without a set interest rate. The principal and interest shall be due in a single payment at such time as a supplemental reserve account is fully funded in the amount of \$260,000. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The payment reimburses the developer for monies used to fund a debt service reserve established under the bond indenture and pledged to the holders of the HRA's JJ Hill Tax Increment Bonds, Series 2004. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the TIF district expires on December 31, 2028. The current year abatement (TIF note payments) amounted to \$0. At December 31, 2017, the principal amount outstanding on the loan was \$260,000.

7) TIF District #237, Osceola Park Senior Housing:

Issued in 2002 in the principal sum of \$950,000 with an interest rate of 6.35% per annum. Principal and interest is paid on March 1, 2005, and each September 1 and March 1 thereafter to and including March 1, 2030. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for affordable housing construction costs. Principal and interest payments will be completed March 1, 2030, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2030. The current year abatement (TIF note payments) amounted to \$80,298. At December 31, 2017, the principal amount outstanding on the note was \$950,000.

8) TIF District #240, Bridgecreek Senior Place Project:

Issued in 2004 in the principal sum of \$2,398,952 with an interest rate of 6.00% per annum. Principal and interest is paid on September 1, 2004, and each March 1 and September 1 thereafter to and including March 1, 2030. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-



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Note 5.I.(8) (Continued)

as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for affordable housing construction costs. Principal and interest payments will be completed March 1, 2030, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2030. The current year abatement (TIF note payments) amounted to \$130,689. At December 31, 2017, the principal amount outstanding on the note was \$2,398,952.

9) TIF District #241, Lyons Court Rental Project:

Issued in 2004 in the principal sum of \$682,000 with an interest rate of 5.80% per annum. Principal and interest is paid on September 15, 2006, and each March 15 and September 15 thereafter to and including March 15, 2028. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months up to \$30,500. The payment reimburses the developer for affordable housing construction costs. Principal and interest payments will be completed March 15, 2028, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 15, 2028. The current year abatement (TIF note payments) amounted to \$40,576. At December 31, 2017, the principal amount outstanding on the note was \$682,000.

10) TIF District #243, Shepard-Davern Ownership Housing:

Issued in 2006 in the principal sum of \$3,257,067 with an interest rate of 6.50% per annum. Principal and interest is paid on March 1, 2007, and each September 1 and March 1 thereafter to and including March 1, 2032. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for land acquisition, site assembly, and other public redevelopment costs. Principal and interest payments will be completed March 1, 2032, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2032. The current year abatement (TIF note payments) amounted to \$231,427. At December 31, 2017, the principal amount outstanding on the note was \$2,593,317.

11) TIF District #244, Shepard-Davern Rental Housing

Issued in 2006 in the principal sum of \$4,820,000 with an interest rate of 5.09% per annum. Principal and interest is paid on October 1, 2006, and each April 1 and

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Note 5.I.(11) (Continued)

October 1 thereafter to and including April 1, 2032. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for land acquisition, site assembly and other public redevelopment costs. Principal and interest payments will be completed April 1, 2032, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on April 1, 2032. The current year abatement (TIF note payments) amounted to \$599,797. At December 31, 2017, the principal amount outstanding on the note was \$2,581,616.

12) TIF District #245, Shepard-Davern Gateway Senior:

Issued in 2003 in the principal sum of \$1,353,286 with an interest rate of 5.00% per annum. Principal and interest is paid on September 1, 2006, and each March 1 and September 1 thereafter to and including March 1, 2032. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for land acquisition, site assembly, and other public redevelopment costs. Principal and interest payments will be completed March 1, 2032, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2032. The current year abatement (TIF note payments) amounted to \$111,393. At December 31, 2017, the principal amount outstanding on the note was \$1,303,148.

13) TIF District #248, Koch Mobil-Schmidt Rathskeller:

Issued in 2017 in the principal sum of \$1,290,260 with an interest rate of 4.50% per annum. Principal and interest is paid each September 1 and March 1 following an initial payment after the project is completed and conditions are satisfied, and continuing until the earlier of the following: a) the date immediately following the final collection of pledged tax increments received prior to the date the Koch Mobil TIF District is decertified by the HRA, or b) March 1, 2031. Payments are payable solely from available pledged tax increments derived from the Koch Mobil TIF District and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 20% of available tax increments received by the HRA. The payment reimburses the developer for qualifying redevelopment expenses related to the renovation of the Schmidt Rathskeller building. Principal and interest payments will be completed March 1, 2031, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2031. The current

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Note 5.I.(13) (Continued)

year abatement (TIF note payments) amounted to \$0. At December 31, 2017, the principal amount outstanding on the note was \$1,290,260.

14) TIF District #257, Payne Senior Lofts Project:

Issued in 2005 in the principal sum of \$925,000 with an interest rate of 5.72% per annum. Principal and interest is paid on September 15, 2007, and each March 15 and September 15 thereafter to and including March 15, 2032. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for site-related and public redevelopment costs. Principal and interest payments will be completed March 15, 2032, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 15, 2032. The current year abatement (TIF note payments) amounted to \$35,378. At December 31, 2017, the principal amount outstanding on the note was \$908,750.

15) TIF District #260, North Quadrant Rental Phase I:

Issued in 2001 in the principal sum of \$2,140,000 with an interest rate of 8.00% per annum. Principal and interest is paid on August 15, 2003, and each February 15 and August 15 thereafter to and including February 15, 2028. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 95% of available tax increments received in the prior six months. The payment reimburses the developer for site-related and public redevelopment costs. Principal and interest payments will be completed February 15, 2028, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on February 15, 2028. The current year abatement (TIF note payments) amounted to \$181,454. At December 31, 2017, the principal amount outstanding on the note was \$2,140,000.

16) TIF District #267, Emerald Park Rental:

Issued in 2002 in the principal sum of \$3,110,000 with an interest rate of 7.50% per annum. Principal and interest is paid on September 1, 2005, and each March 1 and September 1 thereafter to and including March 1, 2030. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months up to \$279,354. The payment reimburses the developer for affordable housing construction costs. Principal and interest payments will be completed March 1, 2030, unless the full principal is repaid earlier or has been deemed

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Note 5.I.(16) (Continued)

paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2030. The current year abatement (TIF note payments) amounted to \$523,232. At December 31, 2017, the principal amount outstanding on the note was \$2,352,522.

17) TIF District #268, North Quadrant Rental Phase II and North Quadrant Shortfall TIR,  
Note II:

Issued in 2002 in the principal sum of \$1,500,000 with an interest rate of 8.00% per annum. Principal and interest is paid on August 15, 2003, and each February 15 and August 15 thereafter to and including February 15, 2028. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for public redevelopment costs. Principal and interest payments will be completed February 15, 2028, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on February 15, 2028. The current year abatement (TIF note payments) amounted to \$155,641. At December 31, 2017, the principal amount outstanding on the note was \$1,500,000.

Issued in 2002 in the principal sum of \$179,781 with an interest rate of 7.00% per annum. Principal and interest is paid on each August 15 and February 15 commencing on the first August 15 or February 15 after the HRA's North Quadrant Phase II – Dakota TI Refunding Bonds, Series 2002 have been paid in full, through and including February 15, 2028. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months following the repayment in full of the HRA's North Quadrant Phase II – Dakota TI Refunding Bonds. The payment reimburses the developer for public redevelopment costs. Principal and interest payments will be completed February 15, 2028, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on February 15, 2028. The developer received escrowed proceeds and has acknowledged that the note has been cancelled. The current year abatement (TIF note payments) amounted to \$0. At December 31, 2017, the principal amount outstanding on the note was \$0.

18) TIF District #269, Phalen Village Ames Lake:

Issued in 2003 in the principal sum of \$418,000 with an interest rate of 8.50% per annum. Principal and interest is paid on February 15, 2004, and each August 15 and February 15 thereafter to and including February 15, 2029. Payments are payable solely from available

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Note 5.I.(18) (Continued)

pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for site assembly and land acquisition costs. Principal and interest payments will be completed February 15, 2029, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on February 15, 2029. The current year abatement (TIF note payments) amounted to \$13,857. At December 31, 2017, the principal amount outstanding on the note was \$418,000.

19) TIF District #271, Carleton Lofts:

Issued in 2005 in the principal sum of \$2,358,660 with an interest rate of 6.00% per annum. Principal and interest is paid on September 1, 2008, and each March 1 and September 1 thereafter to and including March 1, 2033. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for affordable housing construction costs. Principal and interest payments will be completed March 1, 2033, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2033. The current year abatement (TIF note payments) amounted to \$137,372. At December 31, 2017, the principal amount outstanding on the note was \$2,358,660.

20) TIF District #278, River Pointe Lofts Project:

Issued in 2007 in the principal sum of \$1,829,000 with an interest rate of 5.25% per annum. Principal and interest is paid on February 1, 2009, and each August 1 and February 1 thereafter to and including February 1, 2035. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for affordable housing construction costs. Principal and interest payments will be completed February 1, 2035, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on February 1, 2035. The current year abatement (TIF note payments) amounted to \$213,314. At December 31, 2017, the principal amount outstanding on the note was \$1,294,399.

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Note 5.I. (Continued)

21) TIF District #279, Minnesota Building:

Issued in 2010 in the principal sum of \$936,000 with an interest rate of 5.94% per annum. Principal and interest is paid on September 15, 2012, and each March 15 and September 15 thereafter to and including March 15, 2037. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for affordable housing construction costs. Principal and interest payments will be completed March 15, 2037, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 15, 2037. The current year abatement (TIF note payments) amounted to \$64,234. At December 31, 2017, the principal amount outstanding on the note was \$936,000.

22) TIF District #291, Carondelet Village:

Issued in 2010 in the principal sum of \$3,104,000 with an interest rate of 6.00% per annum. Principal and interest is paid on September 15, 2013, and each March 15 and September 15 thereafter to and including March 15, 2039. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of the available tax increment received in the prior six months for payments ending March 15, 2016, and 62.55% for payments beginning September 15, 2016. The payment reimburses the developer for site assembly and other public redevelopment costs. Principal and interest payments will be completed March 15, 2039, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated (there is a provision in the note that may reduce the outstanding principal of the note with surplus revenue on each September 15, commencing September 15, 2015, and will likely result in earlier termination). The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 15, 2039. The current year abatement (TIF note payments) amounted to \$222,619. At December 31, 2017, the principal amount outstanding on the note was \$3,104,000.

23) TIF District #299, Cossetta:

Issued in 2011 in the principal sum of \$388,000 with an interest rate of 6.50% per annum. Principal and interest is paid on September 15, 2013, and each March 15 and September 15 thereafter to and including March 15, 2021. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for site-related parking and other public redevelopment costs. Principal and interest payments will be completed March 15, 2021, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no

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obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 15, 2021. The current year abatement (TIF note payments) amounted to \$72,860. At December 31, 2017, the principal amount outstanding on the note was \$285,023.

24) TIF District #302, Pioneer Endicott Note #1:

Issued in 2012 in the principal sum of \$2,500,000 with an interest rate of 6.50% per annum. Principal and interest is paid on September 1, 2015, and each March 1 and September 1 thereafter to and including March 1, 2041. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 65% of available tax increments received in the prior six months. The payment reimburses the developer for acquisition, site-related, and other public redevelopment costs. Principal and interest payments will be completed March 1, 2041, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2041. The current year abatement (TIF note payments) amounted to \$344,053. At December 31, 2017, the principal amount outstanding on the note was \$2,500,000.

25) TIF District #302, Pioneer Endicott Note #2:

Issued in 2017 in the principal sum of \$900,000 with an initial interest rate of 5.25% per annum. Principal and interest is paid each September 1 and March 1 following an initial payment after the project is completed and conditions are satisfied, and continuing until the March 1 which follows 2 collection years from the final collection year for the TIF District #302, Pioneer Endicott (TIF Note #1) listed above. Payments are payable solely from available pledged tax increments derived from the Pioneer Endicott TIF District and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 12% of available tax increments received by the HRA until the TIF District #302, Pioneer Endicott (TIF Note #1) listed above is paid and then equal to 40% for the following two years. The payment reimburses the developer (Minnesota Museum of American Art) for qualifying redevelopment expenses related to the renovation of the Pioneer Endicott building related to their specific project. Principal and interest payments will be completed two years following the repayment of the TIF District #302, Pioneer Endicott (TIF Note #1) listed above (but in no event any later than March 1, 2041), unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment following the two collection years detailed above. The current year abatement (TIF note payments) amounted to \$0. At December 31, 2017, the principal amount outstanding on the note was \$900,000.

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26) TIF District #304, Schmidt Brewery:

Issued in 2012 in the principal sum of \$3,770,000 with an interest rate of 4.45% per annum. Principal and interest is paid on September 1, 2015, and each March 1 and September 1 thereafter to and including March 1, 2041. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for acquisition and affordable housing construction costs. Principal and interest payments will be completed March 1, 2041, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2041. The current year abatement (TIF note payments) amounted to \$194,290. At December 31, 2017, the principal amount outstanding on the note was \$3,770,000.

27) TIF District #305, West Side Flats:

Issued in 2012 in the principal sum of \$3,800,000 with an interest rate of 3.15% per annum. Principal and interest is paid on September 15, 2016, and each September 15 and March 15 thereafter to and including March 15, 2041. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for acquisition and affordable housing construction costs. Principal and interest payments will be completed March 15, 2041, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 15, 2041. The current year abatement (TIF note payments) amounted to \$336,650. At December 31, 2017, the principal amount outstanding on the note was \$3,695,631.

28) TIF District #313, Hamline Station East:

Issued in 2014 in the principal sum of \$530,000 with an interest rate of 5.82% per annum. Principal and interest is paid on September 1, 2017, and each March 1 and September 1 thereafter to and including March 1, 2043. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for acquisition and affordable housing construction costs. Principal and interest payments will be completed March 1, 2043, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2043. The current year abatement (TIF note payments)



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amounted to \$21,008. At December 31, 2017, the principal amount outstanding on the note was \$530,000.

29) TIF District #314, Hamline Station West:

Issued in 2014 in the principal sum of \$1,559,000 with an interest rate of 5.50% per annum. Principal and interest is paid on September 1, 2017, and each March 1 and September 1 thereafter to and including March 1, 2043. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for acquisition and affordable housing construction costs. Principal and interest payments will be completed March 1, 2043, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2043. The current year abatement (TIF note payments) amounted to \$33,033. At December 31, 2017, the principal amount outstanding on the note was \$1,559,000.

30) TIF District #317, Custom House/Post Office:

Issued in 2014 in the principal sum of \$5,800,000 with an initial interest rate of 4.00% per annum, to be adjusted up to 6.00%. Principal and interest is paid on September 1, 2017, and each March 1 and September 1 thereafter to and including March 1, 2043. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 65% of available tax increments received in the prior six months. The payment reimburses the developer for acquisition, site related and other public redevelopment costs. Principal and interest payments will be completed March 1, 2043, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2043. The current year abatement (TIF note payments) amounted to \$82,599. At December 31, 2017, the principal amount outstanding on the note was \$5,800,000.

31) TIF District #318, East - Bates Senior Housing:

Issued in 2015 in the principal sum of \$2,291,000 with an interest rate of 3.84% per annum. Principal and interest is paid on September 1, 2017, and each March 1 and September 1 thereafter to and including March 1, 2043. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for affordable housing construction costs. Principal and interest payments will be completed March 1, 2043, unless the full principal is repaid earlier or has been deemed paid in full or

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Note 5.I.(31) (Continued)

if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2043. The current year abatement (TIF note payments) amounted to \$66,107. At December 31, 2017, the principal amount outstanding on the note was \$2,291,000.

32) TIF District #319, 2700 University at Westgate Station:

Issued in 2015 in the principal sum of \$7,865,000 with an interest rate of 5.16% per annum. Principal and interest is paid on September 1, 2017, and each March 1 and September 1 thereafter to and including March 1, 2043. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for acquisition and affordable housing construction costs. Principal and interest payments will be completed March 1, 2043, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2043. The current year abatement (TIF note payments) amounted to \$64,152. At December 31, 2017, the principal amount outstanding on the note was \$7,865,000.

33) TIF District #321, Schmidt Keg House Project:

Issued in 2017 in the principal sum of \$1,700,000 with an interest rate of 4.95% per annum. Principal and interest is paid on September 1, 2018, and each March 1 and September 1 thereafter to and including March 1, 2044. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for qualifying redevelopment expenses related to the renovation of the Schmidt Keg House building. Principal and interest payments will be completed March 1, 2044, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2044. The current year abatement (TIF note payments) amounted to \$0. At December 31, 2017, the principal amount outstanding on the note was \$1,700,000.

34) TIF District #324, Wilson II Housing Project:

Issued in 2016 in the principal sum of \$1,720,000 with an interest rate of 4.25% per annum. Principal and interest is paid on September 1, 2019, and each March 1 and September 1 thereafter to and including March 1, 2045. Payments are payable solely from available pledged tax increments derived from the property and paid to the HRA. The pay-as-you-go note provides for the payment to the developer equal to 90% of available tax increments received in the prior six months. The payment reimburses the developer for

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 5.I.(34) (Continued)

affordable housing construction costs. Principal and interest payments will be completed March 1, 2045, unless the full principal is repaid earlier or has been deemed paid in full or if the note is otherwise terminated. The HRA shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final payment on March 1, 2045. The current year abatement (TIF note payments) amounted to \$0. At December 31, 2017, the principal amount outstanding on the note was \$1,720,000.

J. Loan Guaranty Commitments

The HRA has entered into agreements with lending institutions and various Saint Paul businesses to guaranty the repayment of a portion of loans issued by the lending institutions to the businesses. The primary repayment source of these loans is the business. The HRA would be required to repay a portion of the loans in the event of default by the business. There are no private loans issued where a HRA guaranty exists at December 31, 2017.

K. Construction and Other Significant Commitments

The HRA purchased the Palace Theatre and began construction on the building in 2015. The project was financed by a loan from the City and a Minnesota Department of Employment and Economic Development (DEED) grant. The City loan is to be repaid solely from the revenues collected by the HRA from the operations of the Palace Theatre and any sales proceeds in accordance with the DEED grant agreement. Total capital construction costs were \$15,487,535 and the theatre was placed into service on March 10, 2017. The Palace Theatre is included with the Buildings Capital Assets, Net of Related Depreciation, on the Governmental Activities on the Government-Wide Statement of Net Position.

In March 2016, the HRA entered into an agreement with the City whereby the HRA will provide up to \$18.3 million in funding for remediation, infrastructure, and other costs for a soccer stadium site located at Snelling and University Avenues. Included in this amount was \$1,500,000 for the payment of remediation costs, which has been paid and is no longer included with the Pollution Remediation Obligation in the Governmental Activities on the Government-Wide Statement of Net Position. The developer, MUSC Holdings, LLC, entered into an agreement with the City in April 2016, and is exclusively responsible for all costs associated with the soccer stadium. The City will own the soccer stadium per the agreement with MUSC. Therefore, the soccer stadium infrastructure construction in progress will be included with the City's Governmental Activities on the Government -Wide Statement of Net Position.

The HRA is constructing a parking lot to support new development on Saint Paul property the HRA acquired from Hamm's Brewing Co. Construction in progress for this parking lot was \$197,547 on December 31, 2017. This construction in progress is included with the HRA Parking Enterprise Fund Statement of Net Position and the Business-type Activities Statement of Net Position.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 5. (Continued)

L. Deferred Outflows/Inflows of Resources

The amounts reported as Deferred Outflows of Resources in the Business-type Activities and on the Statement of Net Position – Proprietary Funds in the HRA Parking Enterprise Fund include \$979,919 from debt refunding.

The amounts reported as Deferred Inflows of Resources on the Balance Sheet – Governmental Funds in the HRA General Fund, HRA Debt Service Fund, HRA Tax Increment Capital Projects Fund, and HRA Development Capital Projects Fund include \$90,044, \$3,703,015, \$1,211,799, and \$292,373, respectively, are from the following unavailable revenue sources:

	HRA General Fund	HRA Debt Service Fund	HRA Tax Increment Capital Projects Fund	HRA Development Capital Projects Fund	HRA Total Governmental Funds
Investment Interest	\$ 21,799	\$ 60,394	\$ 95,141	\$ 83	\$ 177,417
Property Tax Increments	-	37,621	60,905	-	98,526
Property Tax Levy	53,178	-	-	-	53,178
Accounts Receivable	4,458	-	-	-	4,458
Leases Receivable	-	3,605,000	-	-	3,605,000
Notes and Loans Receivable	10,609	-	1,055,753	292,290	1,358,652
Total Deferred Inflows of Resources	<u>\$ 90,044</u>	<u>\$ 3,703,015</u>	<u>\$ 1,211,799</u>	<u>\$ 292,373</u>	<u>\$ 5,297,231</u>

M. Interfund Transactions

(1) Interfund Receivables and Payables

During the course of its operations, the HRA has transactions between funds to finance operations and provide services. To the extent that certain transactions between funds had not been paid or received as of December 31, 2017, individual fund interfund receivable and payable balances were as follows:

Fund	Interfund Receivable	Interfund Payable
HRA General Fund	\$ 774,983	\$ -
HRA Tax Increment Capital Projects Fund	-	5,720,162
HRA Development Capital Projects Fund	2,358,384	300,000
HRA Loan Enterprise Fund	3,136,795	814,744
HRA Parking Enterprise Fund	564,744	-
Total Interfund Receivables and Payables - All Funds	<u>\$ 6,834,906</u>	<u>\$ 6,834,906</u>

Note: All advances are noncurrent.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 5.M.(1) (Continued)

The interfund receivables in the HRA General Fund, the HRA Development Capital Projects Fund, and the HRA Loan Enterprise Fund include \$774,983, \$2,108,384, and \$2,836,795, respectively, which were advanced to the HRA Tax Increment Capital Projects Fund for the purpose of financing development expenditures in various tax increment financing districts prior to the receipt of tax increment revenues in these districts. The advances are to be repaid with interest when future available tax increment revenues are received in these districts. The interfund receivables in the HRA Loan Enterprise Fund includes \$300,000 due from the HRA Development Capital Projects Fund for construction of the Palace Theatre. The interfund receivables in the HRA Development Capital Projects Fund and the HRA Parking Enterprise Fund include \$250,000 and \$564,744, respectively, which were advanced to the HRA Loan Enterprise Fund for the purchase of land held for resale, and to hold a loan to a ballpark project.

(2) Interfund Transfers

Individual fund interfund transfers during the fiscal year ended December 31, 2017, were as follows:

Transfers	Transfers In From Other Funds	Transfers Out To Other Funds
HRA General Fund	\$ 76,486	\$ 2,061
HRA Grants Fund	-	262,249
HRA Debt Service Fund	131,019	3,137,781
HRA Tax Increment Capital Projects Fund	3,139,842	214,963
HRA Development Capital Projects Fund	211,249	-
HRA Loan Enterprise Fund	58,458	-
HRA Parking Enterprise Fund	2,230,970	-
HRA Penfield Enterprise Fund	-	2,230,970
	<u>-</u>	<u>2,230,970</u>
Total Interfund Transfers - All Funds	<u>\$ 5,848,024</u>	<u>\$ 5,848,024</u>

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them or (2) move unrestricted revenues from the fund that collects them to programs and projects accounted in another fund in accordance with budgetary authorizations.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 5. (Continued)

N. Net Position/Fund Balances

(1) Net Position - Governmental Activities

The amount reported as “Net Investment in Capital Assets” on the government-wide Statement of Net Position for the governmental activities as of December 31, 2017, is determined as follows:

Capital assets	\$ 45,848,519
Less: accumulated depreciation	(14,866,115)
Less: outstanding principal of related debt	<u>(19,959,852)</u>
Net Investment in Capital Assets	<u>\$ 11,022,552</u>

The amount reported as “Restricted for Debt Service” on the government-wide Statement of Net Position for the governmental activities is based on required balances per bond indentures. This amount is \$7,974,116 at December 31, 2017.

(2) Net Position - Business-type Activities

The amount reported as “Net Investment in Capital Assets” on the government-wide Statement of Net Position for the business-type activities and on the Statement of Net Position for the Proprietary Funds as of December 31, 2017, is determined as follows:

Capital assets	\$ 139,608,218
Less: accumulated depreciation	(58,080,795)
Less: outstanding principal of HRA Parking Enterprise Fund debt	<u>(47,219,742)</u>
Net Investment in Capital Assets	<u>\$ 34,307,681</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 5.N.(2) (Continued)

The amount reported as “Restricted for Debt Service” is based on required balances per bond indentures. The amount reported as “Restricted for Debt Service” on the government-wide Statement of Net Position for the business-type activities and on the Statement of Net Position for Proprietary Funds as of December 31, 2017, as follows:

	HRA Parking Enterprise Fund
Restricted Assets	
Cash for general obligation bond debt service	\$ 2,020,700
Cash for revenue bond debt service	2,183,249
Less: liabilities payable from restricted assets accrued interest on bonds	<u>(492,399)</u>
Restricted for Debt Service	<u>\$ 3,711,550</u>

The amount reported as “Restricted for Operations and Maintenance” on the government-wide Statement of Net Position for the business-type activities and on the Statement of Net Position for Proprietary Funds as of December 31, 2017, as follows:

Restricted assets - cash for revenue bond operations and maintenance	<u>\$ 27,218</u>
Restricted for Operations and Maintenance	<u>\$ 27,218</u>

The amount reported as “Restricted for Grantors” is based on restrictions from granting agencies. The amount reported as “Restricted for Grantors” on the government-wide Statement of Net Position for the business-type activities and on the Statement of Net Position for Proprietary Funds as of December 31, 2017, as follows:

Restricted assets – program income cash balance for grants	<u>\$ 802,592</u>
Restricted for Grantors	<u>\$ 802,592</u>

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 5.N. (Continued)

(3) Fund Balances – Governmental Funds

Portions of the HRA’s fund balance are nonspendable, restricted due to legal restrictions, committed by HRA action, assigned by HRA management, or unassigned. At December 31, 2017, fund balance classifications were reported in the following governmental funds:

	HRA General Fund	HRA Grants Fund	HRA Debt Service Fund	HRA Tax Increment Capital Projects Fund	HRA Development Capital Projects Fund	Total Governmental Funds
<b>Nonspendable</b>						
Land Held for Resale	\$ 325,236	\$ -	\$ -	\$ -	\$ -	\$ 325,236
<b>Restricted</b>						
Land Held for Resale	\$ -	\$ -	\$ -	\$ 982,328	\$ 965,967	\$ 1,948,295
Debt Service	-	-	8,409,566	-	-	8,409,566
Tax Increment Financing	-	-	-	23,501,085	-	23,501,085
Grants	-	64,531	-	-	-	64,531
Capital Projects	-	-	-	-	8,879,632	8,879,632
Total Restricted	\$ -	\$ 64,531	\$ 8,409,566	\$ 24,483,413	\$ 9,845,599	\$ 42,803,109
<b>Committed</b>						
Economic Development	\$ 6,001,576	\$ -	\$ -	\$ -	\$ -	\$ 6,001,576
<b>Assigned</b>						
Economic Development	\$ 4,211,338	\$ -	\$ -	\$ -	\$ -	\$ 4,211,338
<b>Total Fund Balance</b>	<b>\$ 10,538,150</b>	<b>\$ 64,531</b>	<b>\$ 8,409,566</b>	<b>\$ 24,483,413</b>	<b>\$ 9,845,599</b>	<b>\$ 53,341,259</b>



**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

6. Contingent Liabilities

Litigation

The HRA, in connection with the normal conduct of its affairs, is involved in various judgments, claims, and litigation; it is expected that the final settlement of these matters will not materially affect the financial statements of the HRA.

Regions Hospital Parking Ramp Contingent Lease

During 2006, the Port Authority of the City of Saint Paul (Port) issued revenue bonds to finance construction of a parking ramp at the Regions Hospital complex. The bonds are 30 year bonds with final scheduled retirement in 2036. The Port will lease the ramp for years 2008 through 2030 to Regions Hospital after construction is completed. The HRA agreed to a lease commitment in an amount equal to the annual debt service on the Port bonds for the years 2031 through 2036. The scheduled principal balance on the bonds is \$6,045,000 in 2031 prior to the 2031 through 2036 debt payments. This HRA lease is not triggered and no payments are made by the HRA if any one of the following takes place:

1. Regions Hospital continues to need the ramp for their business and extends the lease with the Port from 2031 through 2036.
2. Sometime during the period of 2008 through 2030, Regions Hospital elects to purchase the ramp for the greater of the outstanding debt or fair market value of the ramp.
3. Regions Hospital defaults on the Port lease and the bond trustee determines on behalf of the bondholders to sell the ramp to a third party and cancels the HRA lease commitment.

Cleanup of Hazardous Materials

Properties owned by the HRA may have certain contingent liabilities associated with them due to potential contamination from hazardous materials or difficulty in securing vacant structures located on them. It is not expected that these contingencies will have a material effect on the financial statements of the HRA.

The following properties have been identified as possible sites of pollution or contamination:

1. Capp Road (Catholic Charities) - Possible pollution or contamination
2. Koch/Mobil - Remediation has already been completed
3. Rivoli Street Properties - Remediation has already been completed by the original polluter
4. Willow Reserve Property – Contamination

In 2009, the Exxon-Mobil property site was purchased which was polluted and required pollution remediation. This site was a former petroleum storage tank farm, built in the 1950's which had suffered some leakage of petroleum. The purchase agreement requires the HRA to remediate the pollution and restricts the future use of the land to specific uses. The land was purchased for \$1, and in addition, the seller donated \$5,000,000 to the HRA for pollution

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2017**

Note 6. (Continued)

remediation and park features. This donation is identified as unearned revenue in the Governmental Funds Balance Sheet, in the HRA Development Capital Projects Fund. Because the land had no fair market value before remediation, it is valued at its purchase price in the Governmental Activities Capital Assets. On March 27, 2017, the HRA received a letter from the Minnesota Pollution Control Agency stating that the HRA has adequately addressed the petroleum tank release for the Exxon Mobil site and that such case file has been closed. In response to the letter received on March 27, 2017, from the Minnesota Pollution Control Agency the estimated maximum future cost of \$50,000 is included with the Pollution Remediation Obligation identified on the Government-Wide Statement of Net Position. This pollution remediation obligation is an estimate and subject to changes resulting from price increases or reductions, technology, or changes in applicable laws or regulations.

The Willow Reserve property is comprised of 11 single family homes, to be constructed by Habitat for Humanity, a public alley, and public space. The public alley and space is in the HRA's possession. During excavation in 2017, construction debris was discovered and excavation stopped. The former use of the site included a greenhouse/garden center, out buildings and one or more residential structures. Several additional borings were conducted by Habitat for Humanity in 2017 and contaminants discovered include asbestos containing waste materials, buried debris and solid waste, arsenic, lead and benzo(a)pyrene (a carcinogen). Habitat for Humanity conducted the site investigation, development of a Phase I and Phase II report, and Response Action Plan. The method of investigation and the proposed course of action have been approved by the Minnesota Pollution Control Agency (MPCA). The investigation covers the entire site and has been done, in part, on behalf of the HRA. The estimated costs for cleanup for the homes, public alley, and public space are \$700,000. The HRA portion of the costs is estimated to be \$350,000 and is included with the Pollution Remediation Obligation identified on the Government-Wide Statement of Net Position. This pollution remediation obligation is an estimate and subject to changes resulting from price increases or reductions, cleanup grants awarded, technology, or changes in applicable laws or regulations.

7. Subsequent Events

On May 16, 2018, the City issued General Obligation Tax Increment Refunding Bonds, Series 2018C in the amount of \$13,175,000. The proceeds will be used to current refund the HRA Parking Enterprise Fund General Obligation Tax Increment Refunding Bonds, Series 2009G. The HRA pledge agreement with the City outlines the explicit pledge of the HRA to remit 100% of the tax increments from the Block 39/Lawson TIF district and net parking revenue of the Lawson Parking Ramp to pay the scheduled principal and interest on the Series 2018C bonds.

## **SUPPLEMENTARY SCHEDULES**

**Supplementary schedules are presented to provide useful additional financial data to readers of this report.**



**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
HRA DEBT SERVICE FUND**

For the Fiscal Year Ended December 31, 2017  
(Amounts in dollars)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 6,085,860	\$ 6,085,860	\$ 5,302,453	\$ (783,407)
Fees, Sales and Services	577,438	577,438	583,885	6,447
Investment Income	98,700	98,700	208,412	109,712
Miscellaneous	902,539	902,539	326,269	(576,270)
<b>Total Revenues</b>	<u>7,664,537</u>	<u>7,664,537</u>	<u>6,421,019</u>	<u>(1,243,518)</u>
<b>EXPENDITURES</b>				
Debt Service				
Principal Payment on Bonds	4,186,470	4,248,882	4,235,000	13,882
Interest on Bonds	1,980,914	1,969,945	1,954,564	15,381
Principal Payment on Notes	850,000	850,000	300,000	550,000
Interest on Notes	52,539	52,539	26,269	26,270
Fiscal Charges	27,410	22,910	22,124	786
<b>Total Expenditures</b>	<u>7,097,333</u>	<u>7,144,276</u>	<u>6,537,957</u>	<u>606,319</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>567,204</u>	<u>520,261</u>	<u>(116,938)</u>	<u>(637,199)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	117,500	117,500	131,019	13,519
Transfers Out	(3,271,550)	(3,224,607)	(3,137,781)	86,826
<b>Total Other Financing Sources (Uses)</b>	<u>(3,154,050)</u>	<u>(3,107,107)</u>	<u>(3,006,762)</u>	<u>100,345</u>
<b>Net Changes in Fund Balances</b>	<u>(2,586,846)</u>	<u>(2,586,846)</u>	<u>(3,123,700)</u>	<u>(536,854)</u>
<b>FUND BALANCE, January 1</b>	<u>11,533,266</u>	<u>11,533,266</u>	<u>11,533,266</u>	<u>-</u>
<b>FUND BALANCE, December 31</b>	<u>\$ 8,946,420</u>	<u>\$ 8,946,420</u>	<u>\$ 8,409,566</u>	<u>\$ (536,854)</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**SCHEDULE OF DEPOSITS AND INVESTMENTS**

**ALL FUNDS**

At December 31, 2017

(Amounts in dollars at cost)

Investment Description	Maturity Date	Interest Rate	Amount
Parking Ramp Checking and Money Market Accounts at St. Paul Banks			\$1,059,965
Money Market Mutual Funds:			
First American Government Obligations Fund Class D		0.02%	1,729,224
First American Treasury Obligations Fund Class Y		0.00%	681,992
US Bank Money Market 5 - Ct Accounts		0.04%	820,480
Wells Fargo Advantage Money Market Fund Accounts		0.01%	808,570
Highland Bank Certificate of Deposit	3/30/2019	3.75%	606,288
Trustee Cash		0.00%	912
City Cash and Investments Pool			89,494,255
<b>TOTAL DEPOSITS AND INVESTMENTS</b>			<b>\$95,201,686</b>
 <u>Summary by Statement of Net Position Account</u>			
Cash and Investments with Treasurer			\$85,044,030
Cash with Fiscal Agents			1,059,965
Cash and Investments with Trustees			4,616,224
Restricted Cash and Investments for General Obligation Bond Debt Service			2,020,700
Restricted Cash and Investments for Revenue Bond Debt Service			2,183,249
Restricted Cash and Investments for Revenue Bond Operations and Maintenance			27,218
Restricted Cash and Investments for Note Debt Service			250,300
<b>TOTAL DEPOSITS AND INVESTMENTS</b>			<b>\$95,201,686</b>

**SCHEDULE OF LOANS RECEIVABLE****ALL FUNDS**

At December 31, 2017

(Amounts in dollars)

<u>Fund - Program</u>	<u>Number of Loans Outstanding</u>	<u>Principal Balance 12/31/2017</u>	<u>Allowance for Uncollectible Loans 12/31/2017</u>	<u>Net Reported Loans Receivable 12/31/2017</u>
<b>HRA GENERAL FUND</b>				
Escrow Account for Taxes and Insurance	1	\$ 42,435	\$ 31,826	\$ 10,609
Total HRA General Fund	1	\$ 42,435	\$ 31,826	\$ 10,609
<b>HRA GRANTS SPECIAL REVENUE FUND</b>				
Ready for Rail Program	103	\$ 395,736	\$ 395,736	\$ -
Total HRA Grants Special Revenue Fund	103	\$ 395,736	\$ 395,736	\$ -
<b>HRA TAX INCREMENT CAPITAL PROJECTS FUND</b>				
Jobs Bill Loan Program	46	\$ 2,724,520	\$ 1,831,266	\$ 893,254
Scattered Site TIF Bonds	14	\$ 5,681,693	\$ 5,519,193	\$ 162,500
Total HRA Tax Increment Capital Projects Fund	60	\$ 8,406,213	\$ 7,350,459	\$ 1,055,754
<b>HRA DEVELOPMENT CAPITAL PROJECTS FUND</b>				
HRA Funded	1	\$ 1,389,063	\$ 1,389,063	\$ -
Inspiring Communities	80	\$ 2,203,847	\$ 2,203,847	\$ -
ISP Programs	14	\$ 575,453	\$ 383,163	\$ 192,290
Total HRA Development Capital Projects Fund	95	\$ 4,168,363	\$ 3,976,073	\$ 192,290
<b>HRA LOAN ENTERPRISE FUND</b>				
Section 108 Loan Repayments	1	\$ 675,000	\$ 33,750	\$ 641,250
Tax Credit Assistance Program (TCAP)	2	\$ 3,166,171	\$ 3,166,171	\$ -
Section 1602 Tax Credit Exchange (TCE)	3	\$ 11,302,314	\$ 11,302,314	\$ -
Rental Rehab	2	\$ 37,335	\$ 28,001	\$ 9,334
Enterprise Leverage	4	\$ 289,398	\$ 237,342	\$ 52,056
Commercial Real Estate	5	\$ 738,133	\$ 726,883	\$ 11,250
Home Purchase and Rehab	25	\$ 291,780	\$ 219,717	\$ 72,063
Home Ownership Opportunities	5	\$ 186,165	\$ 186,165	\$ -
Housing Real Estate	12	\$ 6,468,667	\$ 5,953,167	\$ 515,500
Mixed Income Housing	11	\$ 1,046,528	\$ 776,150	\$ 270,378
Business Assistance	1	\$ 39,000	\$ 19,500	\$ 19,500
Strategic Investment Program	5	\$ 204,190	\$ 204,190	\$ -
Business - UDAG	2	\$ 27,598	\$ 13,798	\$ 13,800
Housing - UDAG	2	\$ 256,000	\$ 253,500	\$ 2,500
Downtown Tax Increment	1	\$ 406,176	\$ 304,632	\$ 101,544
Neighborhood Development Tax Increment	2	\$ 474,000	\$ 451,200	\$ 22,800
HUD Rental Rehab	11	\$ 2,168,418	\$ 2,092,049	\$ 76,369
Home Mortgage Loan Origination Program	135	\$ 1,328,481	\$ 1,160,622	\$ 167,859
Mortgage Foreclosure Prevention	9	\$ 34,024	\$ 25,518	\$ 8,506
New Housing and Blighted Land Tax Increment	1	\$ 360,000	\$ 180,000	\$ 180,000
Affordable Housing	5	\$ 4,973,864	\$ 3,248,864	\$ 1,725,000
Ramsey County Rehab	5	\$ 96,125	\$ 96,125	\$ -
Total HRA Loan Enterprise Fund	249	\$ 34,569,367	\$ 30,679,658	\$ 3,889,709
<b>HRA PARKING ENTERPRISE FUND</b>				
Neighborhood Parking	1	\$ 115,000	\$ 115,000	\$ -
Land Purchase	1	\$ 315,000	\$ 78,750	\$ 236,250
Total HRA Parking Enterprise Fund	2	\$ 430,000	\$ 193,750	\$ 236,250
<b>TOTAL ALL FUNDS</b>	<b>510</b>	<b>\$ 48,012,114</b>	<b>\$ 42,627,502</b>	<b>\$ 5,384,612</b>

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**SCHEDULE OF BONDS, NOTES, AND ADVANCES**

December 31, 2017  
(Amounts in dollars)

Debt Issue	Lender	Sources for Retirement	Interest Rate (%)
<b><u>GOVERNMENTAL ACTIVITIES</u></b>			
<b>BONDS:</b>			
North Quadrant Tax Increment Refunding Bonds, Series 2002	Public Sale	North Quadrant District Tax Increments	7.50
North Quadrant Phase II Tax Increment Bonds, Series 2002	Public Sale	North Quadrant District Tax Increments	7.00
Drake Marble Tax Increment Bonds, Series 2002	Public Sale	Riverfront Renaissance District Tax Increments	6.75
9th Street Lofts Tax Increment Bonds, Series 2004	Private Placement	9th Street Lofts District Tax Increments	6.375
Great Northern Lofts (JJ Hill) Tax Increment Bonds, Series 2004	Private Placement	JJ Hill District Tax Increments	6.25
Neighborhood Scattered Site Tax Increment Bonds, Series 2005	Public Sale	Neighborhood Scattered Site District Tax Increments	4.24 - 5.45
RiverCentre Parking Facility Lease Revenue Bonds, Series 2009	Public Sale	Lease Payments from the City of Saint Paul	3.00 - 4.50
Koch Mobil Tax Increment Refunding Bonds, Series 2010A *	Public Sale	Koch Mobil District Tax Increments	2.00 - 4.00
Emerald Gardens Tax-Exempt Tax Increment Revenue Bonds, Series 2010	Public Sale	Emerald Gardens District Tax Increments	5.00 - 6.50
US Bank Tax Increment Refunding Bonds, Series 2011G *	Public Sale	Riverfront Renaissance District Tax Increments	2.00 - 4.00
Upper Landing Tax Increment Refunding Bonds, Series 2012	Public Sale	Riverfront Renaissance District Tax Increments	5.00
Snelling-University General Obligation Taxable Refunding Bonds, Series 2014D *	Public Sale	Snelling-University Site District Tax Increments	1.00 - 1.25
<b>TOTAL BONDS - GOVERNMENTAL ACTIVITIES</b>			
<b>NOTES:</b>			
HUD Section 108 Note, Series 2003-A	Public Sale	EDI Grant, Port Authority	5.20
Catholic Charities Midway Residence POPSH Loan	Public Sale	Forgiven after 20 years of compliance	0.00
Upper Landing Tax Increment Revenue Note, Series 2008	City of Saint Paul	Upper Landing District Tax Increments	5.75
<b>TOTAL NOTES - GOVERNMENTAL ACTIVITIES</b>			
<b>ADVANCES:</b>			
Palace Theatre Revenue Advance	City of Saint Paul	Palace Theatre operating revenue received by the HRA	3.00
<b>TOTAL ADVANCES - GOVERNMENTAL ACTIVITIES</b>			
<b>TOTAL BONDS, NOTES, AND ADVANCES - GOVERNMENTAL ACTIVITIES</b>			



<u>Issue Date</u>	<u>Final Maturity Year</u>	<u>Issued</u>	<u>Retired</u>	<u>Amount Payable December 31, 2017</u>
2002	2028	\$ 1,089,000	\$ 284,000	\$ 805,000
2002	2028	1,140,000	194,000	946,000
2002	2028	1,800,000	989,000	811,000
2004	2028	1,335,000	372,000	963,000
2004	2029	3,660,000	1,021,000	2,639,000
2005	2017	7,515,000	7,515,000	-
2009	2024	6,790,000	3,185,000	3,605,000
2010	2031	2,670,000	755,000	1,915,000
2010	2029	6,595,000	1,520,000	5,075,000
2011	2028	8,870,000	1,150,000	7,720,000
2012	2029	15,790,000	2,685,000	13,105,000
2014	2017	1,995,000	1,995,000	-
		<u>\$ 59,249,000</u>	<u>\$ 21,665,000</u>	<u>\$ 37,584,000</u>
2003	2022	\$ 3,300,000	\$ 2,625,000	\$ 675,000
2006	2026	10,599,852	-	10,599,852
2008	2020	2,019,087	1,444,063	575,024
		<u>\$ 15,918,939</u>	<u>\$ 4,069,063</u>	<u>\$ 11,849,876</u>
2016	None	\$ 9,360,000	\$ -	\$ 9,360,000
		<u>\$ 9,360,000</u>	<u>\$ -</u>	<u>\$ 9,360,000</u>
		<u>\$ 84,527,939</u>	<u>\$ 25,734,063</u>	<u>\$ 58,793,876</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**SCHEDULE OF BONDS, NOTES, AND ADVANCES**

December 31, 2017  
(Amounts in dollars)

Debt Issue	Lender	Sources for Retirement	Interest Rate (%)
<b><u>BUSINESS-TYPE ACTIVITIES</u></b>			
<b>BONDS:</b>			
Parking Revenue Bonds, Series 1997A, (7th Street Ramp)	Public Sale	7th Street Ramp Parking Revenues	6.75
Block 39 Tax Increment Refunding Bonds, Series 2009G *	Public Sale	Block 39 District Tax Increments Block 39 Parking Revenues	3.00 - 4.00
Parking Revenue Refunding Bonds, Series 2010A	Public Sale	HRA Parking Revenues	3.00 - 5.00
Parking Revenue Refunding Bonds, Series 2010B	Public Sale	HRA Parking Revenues	3.00 - 5.00
Parking Revenue Refunding Bonds, Series 2017A (Tax Exempt)	Public Sale	HRA Parking Revenues	3.00 - 5.00
Parking Revenue Refunding Bonds, Series 2017B (Taxable)	Public Sale	HRA Parking Revenues	1.00 - 3.00
<b>TOTAL BONDS - BUSINESS-TYPE ACTIVITIES</b>			
<b>NOTES</b>			
LAAND Initiative Loan	Met Council	Land Sales Proceeds	0.00
LAAND Initiative Loan	Family Housing Fund	Land Sales Proceeds	0.00
Housing 5000 Program Loan	Saint Paul Foundation	Model Cities Brownstone Loan Payments	1.00
<b>TOTAL NOTES - BUSINESS -TYPE ACTIVITIES</b>			
<b>TOTAL BONDS, NOTES, AND ADVANCES - BUSINESS-TYPE ACTIVITIES</b>			

\* The City of Saint Paul has issued a general obligation pledge on these bonds.

<u>Issue Date</u>	<u>Final Maturity Year</u>	<u>Issued</u>	<u>Retired</u>	<u>Amount Payable December 31, 2017</u>
1997	2017	\$ 11,305,000	\$ 11,305,000	\$ -
2009	2025	20,695,000	4,345,000	16,350,000
2010	2035	24,135,000	24,135,000	-
2010	2035	12,820,000	12,820,000	-
2017	2035	26,315,000	-	26,315,000
2017	2020	2,630,000	-	2,630,000
		<u>\$ 97,900,000</u>	<u>\$ 52,605,000</u>	<u>\$ 45,295,000</u>
2009	2014	\$ 1,000,000	\$ -	\$ 1,000,000
2009	2014	580,000	-	580,000
2016	2026	2,300,000	-	2,300,000
		<u>\$ 3,880,000</u>	<u>\$ -</u>	<u>\$ 3,880,000</u>
		<u>\$ 101,780,000</u>	<u>\$ 52,605,000</u>	<u>\$ 49,175,000</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY - BONDS AND NOTES**

December 31, 2017

(Amounts in dollars)

Year	North Quadrant (Essex on the Park) Tax Increment Refunding Bonds, Series 2002		North Quadrant Phase II Tax Increment Bonds, Series 2002		Drake Marble Tax Increment Bonds, Series 2002	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ -	\$ 71,125	\$ -	\$ 66,220	\$ -	\$ 54,743
2019	-	60,375	-	66,220	-	54,743
2020	-	60,375	-	66,220	-	54,743
2021	-	60,375	-	66,220	-	54,743
2022	-	60,375	-	66,220	-	54,743
2023	-	60,375	-	66,220	-	54,743
2024	-	60,375	-	66,220	-	54,743
2025	-	60,375	-	66,220	-	54,743
2026	-	60,375	-	66,220	-	54,743
2027	-	60,375	-	66,220	-	54,743
2028	805,000	30,188	946,000	33,110	811,000	27,371
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
2035	-	-	-	-	-	-
Totals	<u>\$ 805,000</u>	<u>\$ 644,688</u>	<u>\$ 946,000</u>	<u>\$ 695,310</u>	<u>\$ 811,000</u>	<u>\$ 574,801</u>

Continued

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY - BONDS AND NOTES**

December 31, 2017

(Amounts in dollars)

Year	9th Street Lofts Tax Increment Bonds, Series 2004		JJ Hill Tax Increment Bonds, Series 2004		RiverCentre Parking Facility Lease Revenue Bonds, Series 2009	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ -	\$ 61,391	\$ 163,000	\$ 162,438	\$ 455,000	\$ 139,387
2019	-	61,391	173,000	152,094	475,000	120,788
2020	-	61,391	184,000	141,094	495,000	101,387
2021	-	61,391	195,000	129,438	510,000	81,288
2022	-	61,391	209,000	117,031	535,000	60,387
2023	-	61,391	221,000	103,782	555,000	37,894
2024	-	61,391	236,000	89,750	580,000	13,050
2025	-	61,391	250,000	74,781	-	-
2026	-	61,391	266,000	58,906	-	-
2027	-	61,391	283,000	42,031	-	-
2028	963,000	30,696	301,000	24,063	-	-
2029	-	-	158,000	4,938	-	-
2030	-	-	-	-	-	-
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
2035	-	-	-	-	-	-
Totals	<u>\$ 963,000</u>	<u>\$ 644,606</u>	<u>\$ 2,639,000</u>	<u>\$ 1,100,346</u>	<u>\$ 3,605,000</u>	<u>\$ 554,181</u>

Continued

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY - BONDS AND NOTES**

December 31, 2017

(Amounts in dollars)

Year	Koch Mobil Tax Increment Refunding Bonds, Series 2010A		Emerald Gardens Tax Increment Bonds, Series 2010		US Bank Tax Increment Refunding Bonds, Series 2011G	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 110,000	\$ 63,820	\$ 280,000	\$ 308,957	\$ 600,000	\$ 258,744
2019	110,000	60,878	300,000	292,644	615,000	240,744
2020	115,000	57,697	325,000	275,066	635,000	222,294
2021	120,000	54,230	350,000	254,987	655,000	203,244
2022	125,000	50,493	380,000	232,175	675,000	183,594
2023	130,000	46,475	405,000	207,644	695,000	163,344
2024	130,000	42,250	440,000	181,238	715,000	140,756
2025	135,000	37,810	475,000	152,644	740,000	116,625
2026	140,000	33,065	510,000	121,225	770,000	90,725
2027	150,000	27,915	550,000	86,775	795,000	62,812
2028	155,000	22,347	590,000	49,725	825,000	33,000
2029	160,000	16,440	470,000	15,275	-	-
2030	165,000	10,100	-	-	-	-
2031	170,000	3,400	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
2035	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 1,915,000</b>	<b>\$ 526,920</b>	<b>\$ 5,075,000</b>	<b>\$ 2,178,355</b>	<b>\$ 7,720,000</b>	<b>\$ 1,715,882</b>

Continued

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY - BONDS AND NOTES**

December 31, 2017

(Amounts in dollars)

Year	Upper Landing Tax Increment Refunding Bonds, Series 2012		HUD Section 108 Note, Series 2003-A		Upper Landing Tax Increment Revenue Note, Series 2008	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 680,000	\$ 646,875	\$ 675,000	\$ 21,696	\$ 220,280	\$ 29,942
2019	720,000	612,375	-	-	233,128	17,094
2020	810,000	576,000	-	-	121,616	3,497
2021	915,000	533,500	-	-	-	-
2022	960,000	487,125	-	-	-	-
2023	1,010,000	438,500	-	-	-	-
2024	1,065,000	387,375	-	-	-	-
2025	1,115,000	333,500	-	-	-	-
2026	1,175,000	277,000	-	-	-	-
2027	1,235,000	217,500	-	-	-	-
2028	1,295,000	155,000	-	-	-	-
2029	2,125,000	53,125	-	-	-	-
2030	-	-	-	-	-	-
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
2035	-	-	-	-	-	-
Totals	<u>\$ 13,105,000</u>	<u>\$ 4,717,875</u>	<u>\$ 675,000</u>	<u>\$ 21,696</u>	<u>\$ 575,024</u>	<u>\$ 50,533</u>

Continued

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY - BONDS AND NOTES**

December 31, 2017

(Amounts in dollars)

Year	Catholic Charities Midway Residence POPSHP Loan		LAAND Initiative Metropolitan Council Loan Saxon Site		LAAND Initiative Family Housing Fund Midway Chev Site	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,400
2019	-	-	1,000,000	-	580,000	17,400
2020	-	-	-	-	-	-
2021	-	-	-	-	-	-
2022	-	-	-	-	-	-
2023	-	-	-	-	-	-
2024	-	-	-	-	-	-
2025	-	-	-	-	-	-
2026	10,599,852	-	-	-	-	-
2027	-	-	-	-	-	-
2028	-	-	-	-	-	-
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
2035	-	-	-	-	-	-
Totals	<u>\$ 10,599,852</u>	<u>\$ -</u>	<u>\$ 1,000,000</u>	<u>\$ -</u>	<u>\$ 580,000</u>	<u>\$ 34,800</u>

Continued



HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY - BONDS AND NOTES**

December 31, 2017

(Amounts in dollars)

Year	Housing 5000 Program Saint Paul Foundation Note Model Cities Brownstone Project		Block 39 Tax Increment Refunding Bonds, Series 2009G		Parking Revenue Refunding Bonds, Series 2017A (Tax Exempt)	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 93,856	\$ 23,320	\$ 1,850,000	\$ 520,581	\$ -	\$ 814,139
2019	95,776	22,368	1,855,000	455,756	-	967,294
2020	97,619	21,455	1,920,000	397,931	1,085,000	967,294
2021	99,735	20,407	1,985,000	336,916	1,240,000	934,744
2022	101,776	19,396	2,055,000	269,938	1,290,000	885,144
2023	103,859	18,364	2,125,000	196,788	1,355,000	820,644
2024	105,890	17,358	2,225,000	120,663	1,425,000	752,894
2025	108,152	16,237	2,335,000	40,863	1,495,000	681,644
2026	1,493,337	13,896	-	-	1,570,000	606,894
2027	-	-	-	-	1,630,000	544,094
2028	-	-	-	-	1,695,000	478,894
2029	-	-	-	-	1,765,000	411,094
2030	-	-	-	-	1,820,000	358,144
2031	-	-	-	-	1,875,000	303,544
2032	-	-	-	-	1,930,000	247,294
2033	-	-	-	-	1,985,000	189,394
2034	-	-	-	-	2,045,000	129,844
2035	-	-	-	-	2,110,000	65,934
Totals	<u>\$ 2,300,000</u>	<u>\$ 172,801</u>	<u>\$ 16,350,000</u>	<u>\$ 2,339,436</u>	<u>\$ 26,315,000</u>	<u>\$ 10,158,927</u>

Continued

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY - BONDS AND NOTES**

December 31, 2017

(Amounts in dollars)

Year	Parking Revenue Refunding Bonds, Series 2017B (Taxable)		TOTAL BONDS AND NOTES	
	Principal	Interest	Principal	Interest
2018	\$ 1,325,000	\$ 40,086	\$ 6,452,136	\$ 3,300,864
2019	1,185,000	25,366	7,341,904	3,227,530
2020	120,000	2,496	5,908,235	3,008,940
2021	-	-	6,069,735	2,791,483
2022	-	-	6,330,776	2,548,012
2023	-	-	6,599,859	2,276,164
2024	-	-	6,921,890	1,988,063
2025	-	-	6,653,152	1,696,833
2026	-	-	16,524,189	1,444,440
2027	-	-	4,643,000	1,223,856
2028	-	-	8,386,000	884,394
2029	-	-	4,678,000	500,872
2030	-	-	1,985,000	368,244
2031	-	-	2,045,000	306,944
2032	-	-	1,930,000	247,294
2033	-	-	1,985,000	189,394
2034	-	-	2,045,000	129,844
2035	-	-	2,110,000	65,934
Totals	<u>\$ 2,630,000</u>	<u>\$ 67,948</u>	<u>\$ 98,608,876</u>	<u>\$ 26,199,105</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**SCHEDULE OF INTERGOVERNMENTAL REVENUE, OPERATING GRANTS, AND CAPITAL GRANTS**

**ALL FUNDS**

For the Fiscal Year Ended December 31, 2017

(Amounts in dollars)

	Federal	State	City	Other	Total
<b><u>HRA TAX INCREMENT CAPITAL PROJECTS FUND</u></b>					
Administration	\$ -	\$ -	\$ 1,922	\$ -	\$ 1,922
<b><u>HRA DEVELOPMENT CAPITAL PROJECTS FUND</u></b>					
Financing for Capital Projects	\$ -	\$ -	\$ 289,123	\$ -	\$ 289,123
Minnesota Housing Agency Economic Development and Housing Challenge	-	287,882	-	-	287,882
Minnesota Department of Employment and Economic Development Palace Theatre	-	153,917	-	-	153,917
<b>Total HRA Development Capital Projects Fund</b>	<b>\$ -</b>	<b>\$ 441,799</b>	<b>\$ 289,123</b>	<b>\$ -</b>	<b>\$ 730,922</b>
<b><u>HRA LOAN ENTERPRISE FUND</u></b>					
Bond Financing for Predevelopment	\$ -	\$ -	\$ 143,949	\$ -	\$ 143,949
Return of Unused Financing for City Capital Projects	-	-	177,254	-	177,254
Interest on Advance	-	-	9,293	-	9,293
Housing Counseling Assistance Program					
- Minnesota Home Ownership Center	18,215	-	-	-	18,215
National Foreclosure Mitigation Counseling Program - Minnesota Housing Finance Agency	6,938	-	-	-	6,938
Homeowner Loan Program - State Administered	-	189,209	-	-	189,209
Mortgage Foreclosure Prevention Assistance Program - State Administered	-	-	-	840	840
<b>Total HRA Loan Enterprise Fund</b>	<b>\$ 25,153</b>	<b>\$ 189,209</b>	<b>\$ 330,496</b>	<b>\$ 840</b>	<b>\$ 545,698</b>
<b>TOTAL INTERGOVERNMENTAL REVENUE, OPERATING GRANTS, AND CAPITAL GRANTS</b>	<b>\$ 25,153</b>	<b>\$ 631,008</b>	<b>\$ 621,541</b>	<b>\$ 840</b>	<b>\$ 1,278,542</b>

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**SCHEDULE OF INTERGOVERNMENTAL EXPENDITURES AND EXPENSES  
ALL FUNDS**

For the Fiscal Year Ended December 31, 2017  
(Amounts in dollars)

	<u>City</u>
<b><u>HRA GENERAL FUND</u></b>	
Financing for Planning and Economic Development Operating Costs	\$ 227,960
Financing for HRA Board Salaries and Expenses	183,233
Financing for Policy Analyst	84,322
Financing for Right Track Program	66,437
Financing for Citizen Participation Program	<u>18,486</u>
Total HRA General Fund	<u>580,438</u>
<b><u>HRA TAX INCREMENT CAPITAL PROJECTS FUND</u></b>	
Financing for Sanitary Sewer Study at West Side Flats Site	3,300
Financing for RiverCentre Arena Revenue Bonds	2,787,264
Financing for Jackson Street Improvements	2,135,000
Financing for Soccer Stadium Site Infrastructure	<u>4,699,219</u>
Total HRA Tax Increment Capital Projects Fund	<u>9,624,783</u>
<b><u>HRA DEVELOPMENT CAPITAL PROJECTS FUND</u></b>	
Financing for Soccer Stadium Site Infrastructure	285,314
Financing for Demolitions	<u>96,695</u>
Total HRA Development Capital Projects Fund	<u>382,009</u>
<b><u>HRA LOAN ENTERPRISE FUND</u></b>	
Financing for Minority Business Development	819,540
Financing for Community Revitalization	120,000
Financing for Mayor's Technology Cabinet	50,000
Financing for Right Track Program	125,000
Financing for Soccer Stadium Site Infrastructure	50,000
Financing for Street Maintenance	<u>2,705,000</u>
Total HRA Loan Enterprise Fund	<u>3,869,540</u>
<b><u>HRA PARKING ENTERPRISE FUND</u></b>	
Financing for Parking Meter Operations	345,000
Financing for Parking Meter Improvements	621,000
Financing for Farmers Market Parking Operations	12,560
Financing for Lawson Retail Operations	10,950
Financing for Street Maintenance	<u>1,568,436</u>
Total HRA Parking Enterprise Fund	<u>2,557,946</u>
<b>TOTAL INTERGOVERNMENTAL EXPENDITURES AND EXPENSES</b>	<b><u><u>\$ 17,014,716</u></u></b>

# STATISTICAL SECTION

This part of the HRA's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the HRA's overall financial health.

	<u>Page</u>
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the HRA's financial performance and well-being have changed over time.	120-135
<b>Revenue Capacity</b>	
These schedules contain trend information to help the reader assess the HRA's most significant local revenue sources.	137-147
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the HRA's current levels of outstanding debt and the HRA's ability to issue additional debt in the future.	148-163
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the HRA's activities take place.	164-165
<b>Operating Information</b>	
These schedules contain service and capital asset data to help the reader understand how the information in the HRA's financial report relates to the services the HRA provides and the activities it performs.	166-169

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.



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HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**NET POSITION BY COMPONENT**

**Last Ten Fiscal Years**

*(Accrual Basis of Accounting)*

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Governmental Activities</b>				(b)
Net Investment in Capital Assets	\$ 8,784,001	\$ 10,540,586	\$ 9,888,295	\$ 9,356,032
Restricted	5,187,806	5,266,362	5,548,931	14,346,114
Unrestricted	<u>(50,473,041)</u>	<u>(45,504,293)</u>	<u>(43,143,612)</u>	<u>(54,824,532)</u>
Total Governmental Activities Net Position (a)	<u>(36,501,234)</u>	<u>(29,697,345)</u>	<u>(27,706,386)</u>	<u>(31,122,386)</u>
<b>Business-type Activities</b>				(b)
Net Investment in Capital Assets	21,467,557	23,496,206	26,573,501	30,569,951
Restricted	6,722,704	8,763,988	13,786,889	4,726,217
Unrestricted	<u>36,762,770</u>	<u>33,349,092</u>	<u>27,002,634</u>	<u>33,102,047</u>
Total Business-type Activities Net Position	<u>64,953,031</u>	<u>65,609,286</u>	<u>67,363,024</u>	<u>68,398,215</u>
<b>Total Saint Paul HRA</b>				
Net Investment in Capital Assets	30,251,558	34,036,792	36,461,796	39,925,983
Restricted	11,910,510	14,030,350	19,335,820	19,072,331
Unrestricted	<u>(13,710,271)</u>	<u>(12,155,201)</u>	<u>(16,140,978)</u>	<u>(21,722,485)</u>
Total Housing & Redevelopment Authority Net Position	<u>\$ 28,451,797</u>	<u>\$ 35,911,941</u>	<u>\$ 39,656,638</u>	<u>\$ 37,275,829</u>

(a) The deficit in governmental activities net position is explained in Management's Discussion and Analysis and Note 4.E. to the financial statements.

(b) Restated



<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
	(b)			(b)	
\$ 8,680,756	\$ 8,005,434	\$ 7,330,112	\$ 9,793,139	\$ 20,498,706	\$ 11,022,552
12,230,743	12,372,431	30,974,146	27,664,863	36,994,276	40,933,217
<u>(57,967,763)</u>	<u>(54,404,315)</u>	<u>(31,972,604)</u>	<u>(23,821,849)</u>	<u>(20,823,012)</u>	<u>(22,973,613)</u>
<u>(37,056,264)</u>	<u>(34,026,450)</u>	<u>6,331,654</u>	<u>13,636,153</u>	<u>36,669,970</u>	<u>28,982,156</u>
	(b)				
42,227,870	54,190,603	47,512,699	46,591,094	33,066,408	34,307,681
4,610,890	4,430,646	5,571,110	4,698,504	4,766,231	4,541,360
<u>33,211,597</u>	<u>26,801,902</u>	<u>34,574,716</u>	<u>39,875,937</u>	<u>43,048,001</u>	<u>41,679,450</u>
<u>80,050,357</u>	<u>85,423,151</u>	<u>87,658,525</u>	<u>91,165,535</u>	<u>80,880,640</u>	<u>80,528,491</u>
50,908,626	62,196,037	54,842,811	56,384,233	53,565,114	45,330,233
16,841,633	16,803,077	36,545,256	32,363,367	41,760,507	45,474,577
<u>(24,756,166)</u>	<u>(27,602,413)</u>	<u>2,602,112</u>	<u>16,054,088</u>	<u>22,224,989</u>	<u>18,705,837</u>
<u>\$ 42,994,093</u>	<u>\$ 51,396,701</u>	<u>\$ 93,990,179</u>	<u>\$ 104,801,688</u>	<u>\$ 117,550,610</u>	<u>\$ 109,510,647</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**CHANGES IN NET POSITION**  
**Last Ten Fiscal Years**  
*(Accrual Basis of Accounting)*

	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>EXPENSES</b>			
Governmental Activities:			
Housing and Economic Development	\$ 24,163,156	\$ 30,430,746	\$ 53,868,777
Interest on Long-Term Debt	10,945,951	10,264,402	10,132,800
Total Governmental Activities Expenses	<u>35,109,107</u>	<u>40,695,148</u>	<u>64,001,577</u>
Business-type Activities:			
Development Loan Programs	6,444,810	5,194,227	1,462,546
Parking Operations	12,628,706	11,864,859	11,610,535
Lofts	-	-	-
Penfield	-	-	-
Total Business-type Activities Expenses	<u>19,073,516</u>	<u>17,059,086</u>	<u>13,073,081</u>
Total Saint Paul HRA Expenses	<u>54,182,623</u>	<u>57,754,234</u>	<u>77,074,658</u>
<b>PROGRAM REVENUES</b>			
Governmental Activities:			
Charges for Services:			
Housing and Economic Development	2,811,075	1,715,578	5,104,319
Operating Grants and Contributions	21,744,714	20,874,019	37,531,003
Capital Grants and Contributions	1,861,975	271,305	27,711
Total Governmental Activities Program Revenues	<u>26,417,764</u>	<u>22,860,902</u>	<u>42,663,033</u>
Business-type Activities:			
Charges for Services:			
Development Loan Programs	1,164,671	1,748,389	504,286
Parking Operations	11,779,690	11,204,743	11,394,497
Lofts	-	-	-
Penfield	-	-	-
Operating Grants and Contributions	3,765,808	1,352,810	317,340
Capital Grants and Contributions	-	-	534,591
Total Business-type Activities Program Revenues	<u>16,710,169</u>	<u>14,305,942</u>	<u>12,750,714</u>
Total Saint Paul HRA Program Revenues	<u>43,127,933</u>	<u>37,166,844</u>	<u>55,413,747</u>
<b>NET (EXPENSE) REVENUE</b>			
Governmental Activities	(8,691,343)	(17,834,246)	(21,338,544)
Business-type Activities	<u>(2,363,347)</u>	<u>(2,753,144)</u>	<u>(322,367)</u>
Total Saint Paul HRA Net (Expense) Revenue	<u>\$ (11,054,690)</u>	<u>\$ (20,587,390)</u>	<u>\$ (21,660,911)</u>

2011	2012	2013	2014	2015	2016	2017
(1)						
\$ 41,241,422	\$ 38,347,251	\$ 35,650,269	\$ 25,470,071	\$ 18,308,894	\$ 21,848,201	\$ 27,761,356
11,037,746	9,027,333	8,442,342	10,166,094	5,931,537	6,169,591	5,850,217
<u>52,279,168</u>	<u>47,374,584</u>	<u>44,092,611</u>	<u>35,636,165</u>	<u>24,240,431</u>	<u>28,017,792</u>	<u>33,611,573</u>
4,515,981	3,090,554	2,826,743	1,802,462	4,380,104	9,039,259	4,771,234
11,584,599	11,105,306	11,779,363	11,938,124	13,469,087	13,389,604	15,294,478
-	-	-	1,122,190	1,168,300	438,769	-
-	-	-	3,777,489	4,587,216	3,685,094	4,172
<u>16,100,580</u>	<u>14,195,860</u>	<u>14,606,106</u>	<u>18,640,265</u>	<u>23,604,707</u>	<u>26,552,726</u>	<u>20,069,884</u>
<u>68,379,748</u>	<u>61,570,444</u>	<u>58,698,717</u>	<u>54,276,430</u>	<u>47,845,138</u>	<u>54,570,518</u>	<u>53,681,457</u>
1,465,054	3,651,135	1,659,753	3,586,141	2,602,414	2,254,099	3,600,694
23,644,851	24,344,903	24,700,142	46,968,517	2,039,549	1,040,493	920,401
148,459	-	-	-	-	4,846,083	443,040
<u>25,258,364</u>	<u>27,996,038</u>	<u>26,359,895</u>	<u>50,554,658</u>	<u>4,641,963</u>	<u>8,140,675</u>	<u>4,964,135</u>
2,478,443	919,137	968,535	606,581	3,820,711	174,557	284,973
12,140,085	12,186,953	13,525,771	13,669,640	14,856,306	15,828,064	16,654,305
-	-	-	1,013,404	964,050	590	-
-	-	-	2,745,170	4,924,670	3,820,113	-
647,787	983,084	2,673,781	2,223,684	576,559	795,291	545,698
1,592,480	15,713	17,971	-	-	-	-
<u>16,858,795</u>	<u>14,104,887</u>	<u>17,186,058</u>	<u>20,258,479</u>	<u>25,142,296</u>	<u>20,618,615</u>	<u>17,484,976</u>
<u>42,117,159</u>	<u>42,100,925</u>	<u>43,545,953</u>	<u>70,813,137</u>	<u>29,784,259</u>	<u>28,759,290</u>	<u>22,449,111</u>
(27,020,804)	(19,378,546)	(17,732,716)	14,918,493	(19,598,468)	(19,877,117)	(28,647,438)
758,215	(90,973)	2,579,952	1,618,214	1,537,589	(5,934,111)	(2,584,908)
<u>\$ (26,262,589)</u>	<u>\$ (19,469,519)</u>	<u>\$ (15,152,764)</u>	<u>\$ 16,536,707</u>	<u>\$ (18,060,879)</u>	<u>\$ (25,811,228)</u>	<u>\$ (31,232,346)</u>

Continued

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**CHANGES IN NET POSITION**

**Last Ten Fiscal Years**

*(Accrual Basis of Accounting)*

	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>			
Governmental Activities:			
HRA Property Tax	\$ 1,123,627	\$ 2,172,763	\$ 2,990,745
Property Tax Increments	14,177,905	21,153,837	20,984,261
State Market Value Homestead Credit	246,796	305,835	354,395
Ir	4 1,881,031	1,340,151	1,062,612
Transfers	<u>(495,865)</u>	<u>(2,131,339)</u>	<u>(2,062,510)</u>
Total Governmental Activities	<u>16,933,494</u>	<u>22,841,247</u>	<u>23,329,503</u>
Business-type Activities			
HRA Property Tax	-	-	-
Property Tax Increments	1,193,871	1,178,925	1,258,761
Investment Income	794,694	99,135	305,311
Interest Earned - Other	-	-	-
Miscellaneous	-	-	-
Gain on Sale of Capital Assets	1,336,484	-	-
Transfers	495,865	2,131,339	2,062,510
Special Item	-	-	-
Total Business-type Activities	<u>3,820,914</u>	<u>3,409,399</u>	<u>3,626,582</u>
Total Saint Paul HRA General Revenues and Other			
Changes in Net Position	<u>20,754,408</u>	<u>26,250,646</u>	<u>26,956,085</u>
<b>CHANGES IN NET POSITION</b>			
Governmental Activities	8,242,151	5,007,001	1,990,959
Business-type Activities	<u>1,457,567</u>	<u>656,255</u>	<u>3,304,215</u>
Total Saint Paul HRA Changes in Net Position	<u>\$ 9,699,718</u>	<u>\$ 5,663,256</u>	<u>\$ 5,295,174</u>

Notes:

Large housing and development expenses were incurred and large operating grants, contributions, and direct appropriations were received during 2010 for tax credit assistance and exchange.

(1) Restated

2011	2012	2013	2014	2015	2016	2017
(1)						
\$ 3,174,596	\$ 2,678,548	\$ 2,462,066	\$ 2,515,651	\$ 2,534,187	\$ 3,240,341	\$ 3,504,744
19,794,753	20,437,440	19,277,414	19,828,634	20,129,392	21,946,057	18,525,898
347,852	-	-	-	-	-	-
1,900,121	370,954	(681,645)	1,405,439	644,865	593,254	1,130,294
(188,087)	(10,042,274)	(994,613)	1,689,887	3,594,523	14,988,428	(58,458)
<u>25,029,235</u>	<u>13,444,668</u>	<u>20,063,222</u>	<u>25,439,611</u>	<u>26,902,967</u>	<u>40,768,080</u>	<u>23,102,478</u>
-	257,046	618,035	650,730	656,206	-	-
1,242,838	1,181,563	1,120,132	1,102,365	1,124,374	1,099,375	1,103,567
733,407	259,732	(221,893)	553,952	219,249	1,587	160,409
-	-	-	-	-	191,184	149,184
-	-	-	-	-	-	761,141
-	2,500	31,681	-	-	-	-
188,087	10,042,274	994,613	(1,689,887)	(3,594,523)	(14,988,428)	58,458
-	-	-	-	3,564,115	9,345,498	-
<u>2,164,332</u>	<u>11,743,115</u>	<u>2,542,568</u>	<u>617,160</u>	<u>1,969,421</u>	<u>(4,350,784)</u>	<u>2,232,759</u>
<u>27,193,567</u>	<u>25,187,783</u>	<u>22,605,790</u>	<u>26,056,771</u>	<u>28,872,388</u>	<u>36,417,296</u>	<u>25,335,237</u>
(1,991,569)	(5,933,878)	2,330,506	40,358,104	7,304,499	20,890,963	(5,544,960)
<u>2,922,547</u>	<u>11,652,142</u>	<u>5,122,520</u>	<u>2,235,374</u>	<u>3,507,010</u>	<u>(10,284,895)</u>	<u>(352,149)</u>
<u>\$ 930,978</u>	<u>\$ 5,718,264</u>	<u>\$ 7,453,026</u>	<u>\$ 42,593,478</u>	<u>\$ 10,811,509</u>	<u>\$ 10,606,068</u>	<u>\$ (5,897,109)</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**PROGRAM REVENUES BY FUNCTIONS / PROGRAMS**

**Last Ten Fiscal Years**

(Accrual Basis of Accounting)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u> (1)
<b><u>GOVERNMENTAL ACTIVITIES</u></b>				
Housing and Economic Development				
Charges for Services	\$ 2,811,075	\$ 1,715,578	\$ 5,104,319	\$ 1,465,054
Operating Grants and Contributions	21,744,714	20,874,019	37,531,003	23,644,851
Capital Grants and Contributions	<u>1,861,975</u>	<u>271,305</u>	<u>27,711</u>	<u>148,459</u>
Total Housing and Economic Development	<u>26,417,764</u>	<u>22,860,902</u>	<u>42,663,033</u>	<u>25,258,364</u>
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<u>26,417,764</u>	<u>22,860,902</u>	<u>42,663,033</u>	<u>25,258,364</u>
<b><u>BUSINESS-TYPE ACTIVITIES</u></b>				
Development Loan Programs				
Charges for Services	1,164,671	1,748,389	504,286	2,478,443
Operating Grants and Contributions	3,765,808	1,352,810	317,340	647,787
Capital Grants and Contributions	-	-	534,591	1,592,480
Total Development Loan Programs	<u>4,930,479</u>	<u>3,101,199</u>	<u>1,356,217</u>	<u>4,718,710</u>
Parking Operations				
Charges for Services	11,779,690	11,204,743	11,394,497	12,140,085
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	-	-	-	-
Total Parking Operations	<u>11,779,690</u>	<u>11,204,743</u>	<u>11,394,497</u>	<u>12,140,085</u>
Lofts				
Charges for Services	-	-	-	-
Operating Grants and Contributions	-	-	-	-
Total Lofts	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Penfield				
Charges for Services	-	-	-	-
Operating Grants and Contributions	-	-	-	-
Total Penfield	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<u>16,710,169</u>	<u>14,305,942</u>	<u>12,750,714</u>	<u>16,858,795</u>
<b>TOTAL - ALL FUNCTIONS / PROGRAMS</b>	<u>\$ 43,127,933</u>	<u>\$ 37,166,844</u>	<u>\$ 55,413,747</u>	<u>\$ 42,117,159</u>

(1) Restated

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 3,651,135	\$ 1,659,753	\$ 3,586,141	\$ 2,602,414	\$ 2,254,099	\$ 3,600,694
24,344,903	24,700,142	46,968,517	2,039,549	1,040,493	920,401
-	-	-	-	4,846,083	443,040
<u>27,996,038</u>	<u>26,359,895</u>	<u>50,554,658</u>	<u>4,641,963</u>	<u>8,140,675</u>	<u>4,964,135</u>
<u>27,996,038</u>	<u>26,359,895</u>	<u>50,554,658</u>	<u>4,641,963</u>	<u>8,140,675</u>	<u>4,964,135</u>
919,137	968,535	606,581	3,820,711	174,557	284,973
983,084	1,673,781	721,925	419,430	795,291	545,698
15,713	-	-	-	-	-
<u>1,917,934</u>	<u>2,642,316</u>	<u>1,328,506</u>	<u>4,240,141</u>	<u>969,848</u>	<u>830,671</u>
12,186,953	13,525,771	13,669,640	14,856,306	15,828,064	16,654,305
-	1,000,000	82,945	-	-	-
-	17,971	-	-	-	-
<u>12,186,953</u>	<u>14,543,742</u>	<u>13,752,585</u>	<u>14,856,306</u>	<u>15,828,064</u>	<u>16,654,305</u>
-	-	1,013,404	964,050	590	-
-	-	157,299	157,129	-	-
<u>-</u>	<u>-</u>	<u>1,170,703</u>	<u>1,121,179</u>	<u>590</u>	<u>-</u>
-	-	2,745,170	4,924,670	3,820,113	-
-	-	1,261,515	-	-	-
<u>-</u>	<u>-</u>	<u>4,006,685</u>	<u>4,924,670</u>	<u>3,820,113</u>	<u>-</u>
<u>14,104,887</u>	<u>17,186,058</u>	<u>20,258,479</u>	<u>25,142,296</u>	<u>20,618,615</u>	<u>17,484,976</u>
<u>\$ 42,100,925</u>	<u>\$ 43,545,953</u>	<u>\$ 70,813,137</u>	<u>\$ 29,784,259</u>	<u>\$ 28,759,290</u>	<u>\$ 22,449,111</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**FUND BALANCES - GOVERNMENTAL FUNDS**

**Last Ten Fiscal Years**

(Modified Accrual Basis of Accounting)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u> (1)
HRA General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ 717,599
Committed	-	-	-	4,448,812
Assigned	-	-	-	1,414,495
Unassigned	-	-	-	4,242,795
Reserved	801,534	742,647	731,031	-
Unreserved	<u>10,881,369</u>	<u>9,614,435</u>	<u>9,133,372</u>	<u>-</u>
Total HRA General Fund	<u>\$ 11,682,903</u>	<u>\$ 10,357,082</u>	<u>\$ 9,864,403</u>	<u>\$ 10,823,701</u>
All Other HRA Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	44,696,696
Assigned	-	-	-	562,349
Reserved	22,956,178	25,366,854	31,047,251	-
Unreserved	<u>31,037,525</u>	<u>28,496,659</u>	<u>21,230,536</u>	<u>-</u>
Total All Other HRA Funds	<u>\$ 53,993,703</u>	<u>\$ 53,863,513</u>	<u>\$ 52,277,787</u>	<u>\$ 45,259,045</u>
TOTAL - ALL HRA FUNDS				
Nonspendable	\$ -	\$ -	\$ -	\$ 717,599
Restricted	-	-	-	44,696,696
Committed	-	-	-	4,448,812
Assigned	-	-	-	1,976,844
Unassigned	-	-	-	4,242,795
Reserved	23,757,712	26,109,501	31,778,282	-
Unreserved	<u>41,918,894</u>	<u>38,111,094</u>	<u>30,363,908</u>	<u>-</u>
Total All HRA Funds	<u>\$ 65,676,606</u>	<u>\$ 64,220,595</u>	<u>\$ 62,142,190</u>	<u>\$ 56,082,746</u>
Restatement				
Total All HRA Funds, Restated				

- (1) The implementation of Governmental Accounting Standards Board Statement No. 54 in 2011 resulted in a significant change in the Authority's fund balance classifications.
- (2) The implementation of a new fund structure related to the City's implementation of the new finance system on January 1, 2014 resulted in a significant change in the Authority's fund balance classifications.
- (3) On January 1, 2017, the fund balances for governmental funds were adjusted to eliminate deferred inflows for land held for resale.



<u>2012</u>	<u>2013</u> (2)	<u>2014</u>	<u>2015</u>	<u>2016</u> (3)	<u>2017</u>
\$ 717,599	\$ 717,599	\$ 692,050	\$ 1,047,962	\$ -	\$ 325,236
6,168,246	5,814,724	6,370,768	7,172,276	6,148,400	6,001,576
597,945	1,224,283	4,959,422	4,245,483	4,937,447	4,211,338
4,145,023	4,147,129	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 11,628,813</u>	<u>\$ 11,903,735</u>	<u>\$ 12,022,240</u>	<u>\$ 12,465,721</u>	<u>\$ 11,085,847</u>	<u>\$ 10,538,150</u>
\$ -	\$ -	\$ 3,047,078	\$ 3,658,385	\$ -	\$ -
32,446,803	30,156,288	28,709,493	29,116,951	51,524,185	42,803,109
562,349	241,165	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 33,009,152</u>	<u>\$ 30,397,453</u>	<u>\$ 31,756,571</u>	<u>\$ 32,775,336</u>	<u>\$ 51,524,185</u>	<u>\$ 42,803,109</u>
\$ 717,599	\$ 717,599	\$ 3,739,128	\$ 4,706,347	\$ -	\$ 325,236
32,446,803	30,156,288	28,709,493	29,116,951	51,524,185	42,803,109
6,168,246	5,814,724	6,370,768	7,172,276	6,148,400	6,001,576
1,160,294	1,465,448	4,959,422	4,245,483	4,937,447	4,211,338
4,145,023	4,147,129	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 44,637,965</u>	<u>42,301,188</u>	<u>\$ 43,778,811</u>	<u>\$ 45,241,057</u>	<u>62,610,032</u>	<u>\$ 53,341,259</u>
	<u>(3,120,079)</u>			<u>2,142,854</u>	
	<u>\$ 39,181,109</u>			<u>\$ 64,752,886</u>	

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**

**Last Ten Fiscal Years**

(Modified Accrual Basis of Accounting)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>REVENUES</b>				
Taxes	\$ 17,752,965	\$ 23,145,710	\$ 23,568,364	\$ 23,240,973
Intergovernmental	22,475,134	20,330,468	35,188,892	22,421,293
Fees, Sales and Services	3,396,565	2,676,402	5,556,017	2,008,781
Investment Income	1,892,081	1,322,681	1,074,507	1,904,956
Miscellaneous	902,476	543,551	2,448,040	1,223,558
<b>Total Revenues</b>	<u>46,419,221</u>	<u>48,018,812</u>	<u>67,835,820</u>	<u>50,799,561</u>
<b>EXPENDITURES</b>				
Housing and Economic Development	10,655,374	15,705,363	37,390,286	23,993,249
Intergovernmental	25,488,058	17,133,134	16,142,704	16,896,257
Capital Outlay	1,186,100	-	-	-
Debt Service:				
Interest	11,098,149	10,353,912	10,089,143	11,311,119
Principal	8,911,675	5,671,147	9,227,737	6,580,944
Issuance Costs & Fiscal Charges	274,195	141,085	384,506	139,665
Debt Prepayment Penalty	-	-	-	-
<b>Total Expenditures</b>	<u>57,613,551</u>	<u>49,004,641</u>	<u>73,234,376</u>	<u>58,921,234</u>
Excess of Revenues over (under) Expenditures	(11,194,330)	(985,829)	(5,398,556)	(8,121,673)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from Borrowing	9,635,761	-	6,595,000	-
Proceeds from Refunding	-	7,003,608	2,682,662	12,085,316
Redemption of Refunded Bonds	-	(4,970,000)	(3,895,000)	(9,835,000)
Transfers In	1,092,065	2,154,432	7,462,416	20,745,170
Transfers Out	(1,661,514)	(4,658,222)	(9,524,926)	(20,933,258)
<b>Total Other Financing Sources (Uses)</b>	<u>9,066,312</u>	<u>(470,182)</u>	<u>3,320,152</u>	<u>2,062,228</u>
<b>Net Change in Fund Balance</b>	<u>\$ (2,128,018)</u>	<u>\$ (1,456,011)</u>	<u>\$ (2,078,404)</u>	<u>\$ (6,059,445)</u>
Debt Service as a Percentage of Noncapital Expenditures	35.5%	32.7%	26.4% (a)	30.4%

(a) In 2010, a balloon payment of \$3,450,000 was made on the HUD Section 108 Note, Series 2003-B.

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 24,402,731	\$ 21,775,071	\$ 22,383,553	\$ 22,724,508	\$ 25,197,511	\$ 22,048,750
23,229,228	23,854,124	44,599,377	1,471,179	11,129,073	732,844
4,248,416	2,154,654	2,922,779	3,944,542	3,165,531	3,665,322
413,264	(705,720)	1,238,909	598,355	547,786	1,101,846
1,115,675	846,018	2,910,215	983,295	1,029,548	670,018
<u>53,409,314</u>	<u>47,924,147</u>	<u>74,054,833</u>	<u>29,721,879</u>	<u>41,069,449</u>	<u>28,218,780</u>
31,220,168	18,857,958	14,445,892	15,138,425	16,926,287	16,950,979
16,209,356	16,197,775	9,732,751	2,652,900	2,867,458	10,587,230
-	-	-	3,129,938	11,372,429	1,274,290
9,493,948	8,286,020	10,468,007	6,105,479	6,326,420	5,994,186
7,588,309	5,924,558	37,692,841	4,796,830	10,526,669	4,743,140
297,016	-	56,887	30,584	29,639	22,124
-	-	757,271	-	-	-
<u>64,808,797</u>	<u>49,266,311</u>	<u>73,153,649</u>	<u>31,854,156</u>	<u>48,048,902</u>	<u>39,571,949</u>
(11,399,483)	(1,342,164)	901,184	(2,132,277)	(6,979,453)	(11,353,169)
-	-	-	-	9,360,000	-
16,785,330	-	2,006,611	-	-	-
(17,141,000)	-	-	-	-	-
9,712,248	7,659,365	7,169,198	4,173,451	16,819,094	3,558,596
(9,401,876)	(8,653,978)	(5,479,311)	(578,928)	(1,830,666)	(3,617,054)
<u>(45,298)</u>	<u>(994,613)</u>	<u>3,696,498</u>	<u>3,594,523</u>	<u>24,348,428</u>	<u>(58,458)</u>
<u>\$ (11,444,781)</u>	<u>\$ (2,336,777)</u>	<u>\$ 4,597,682</u>	<u>\$ 1,462,246</u>	<u>\$ 17,368,975</u>	<u>\$ (11,411,627)</u>
26.4%	28.8%	66.9%	38.0%	46.0%	28.0%

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**NET POSITION - PROPRIETARY FUNDS**

**Last Ten Fiscal Years**

(Accrual Basis of Accounting)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
HRA Loan Enterprise Fund				(1)
Net Investment in Capital Assets	\$ -	\$ -	\$ (21,292)	\$ 1,530,300
Restricted	1,148,967	1,072,523	7,250,562	393,566
Unrestricted	<u>21,385,035</u>	<u>21,645,396</u>	<u>17,267,290</u>	<u>23,048,381</u>
Total HRA Loan Enterprise Fund	<u>22,534,002</u>	<u>22,717,919</u>	<u>24,496,560</u>	<u>24,972,247</u>
 HRA Parking Enterprise Fund				
Net Investment in Capital Assets	21,467,557	23,496,206	26,594,793	27,152,295
Restricted	5,573,737	7,691,465	6,536,327	4,332,651
Unrestricted	<u>15,377,735</u>	<u>11,703,696</u>	<u>9,735,344</u>	<u>11,941,022</u>
Total HRA Parking Enterprise Fund	<u>42,419,029</u>	<u>42,891,367</u>	<u>42,866,464</u>	<u>43,425,968</u>
 HRA Lofts Enterprise Fund				
Net Investment in Capital Assets	-	-	-	-
Restricted	-	-	-	-
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total HRA Lofts Enterprise Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 HRA Penfield Enterprise Fund				
Net Investment in Capital Assets	-	-	-	-
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total HRA Penfield Enterprise Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <b>TOTAL - ALL PROPRIETARY FUNDS</b>				
Net Investment in Capital Assets	21,467,557	23,496,206	26,573,501	28,682,595
Restricted	6,722,704	8,763,988	13,786,889	4,726,217
Unrestricted	<u>36,762,770</u>	<u>33,349,092</u>	<u>27,002,634</u>	<u>34,989,403</u>
Total Net Position - All Proprietary Funds	<u>\$ 64,953,031</u>	<u>\$ 65,609,286</u>	<u>\$ 67,363,024</u>	<u>\$ 68,398,215</u>
2013 Restatements (2)				
Total Net Position - All Proprietary Funds, Restated				

(1) Restated

(2) The implementation of a new fund structure related to the City's implementation of the new finance system on January 1, 2014 resulted in a significant change in the Authority's net position classifications.

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 14,015,074	\$ 25,145,183	\$ -	\$ -	\$ -	\$ -
256,756	414,569	773,865	815,483	834,754	802,592
<u>22,371,117</u>	<u>13,396,478</u>	<u>16,496,404</u>	<u>18,830,554</u>	<u>22,881,556</u>	<u>19,289,898</u>
<u>36,642,947</u>	<u>38,956,230</u>	<u>17,270,269</u>	<u>19,646,037</u>	<u>23,716,310</u>	<u>20,092,490</u>
28,212,796	29,045,420	30,153,360	31,490,755	33,066,408	34,307,681
4,354,134	4,016,077	4,273,882	3,883,021	3,931,477	3,738,768
<u>10,840,480</u>	<u>13,155,150</u>	<u>14,245,591</u>	<u>15,920,392</u>	<u>17,780,311</u>	<u>21,477,419</u>
<u>43,407,410</u>	<u>46,216,647</u>	<u>48,672,833</u>	<u>51,294,168</u>	<u>54,778,196</u>	<u>59,523,868</u>
-	-	1,774,510	-	-	-
-	-	523,363	-	-	-
-	-	<u>174,812</u>	<u>971,985</u>	-	-
-	-	<u>2,472,685</u>	<u>971,985</u>	-	-
-	-	15,584,829	15,100,339	-	-
-	-	<u>3,657,909</u>	<u>4,153,006</u>	<u>2,386,134</u>	<u>912,133</u>
-	-	<u>19,242,738</u>	<u>19,253,345</u>	<u>2,386,134</u>	<u>912,133</u>
42,227,870	54,190,603	47,512,699	46,591,094	33,066,408	34,307,681
4,610,890	4,430,646	5,571,110	4,698,504	4,766,231	4,541,360
<u>33,211,597</u>	<u>26,551,628</u>	<u>34,574,716</u>	<u>39,875,937</u>	<u>43,048,001</u>	<u>41,679,450</u>
<u>\$ 80,050,357</u>	85,172,877	<u>\$ 87,658,525</u>	<u>\$ 91,165,535</u>	<u>\$ 80,880,640</u>	<u>\$ 80,528,491</u>
	250,274				
	<u>\$ 85,423,151</u>				

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**CHANGES IN NET POSITION - PROPRIETARY FUNDS**

**Last Ten Fiscal Years**

(Accrual Basis of Accounting)

	2008	2009	2010	2011
OPERATING REVENUES				(2)
Fees, Sales and Services:				
Loan Programs	\$ 388,149	\$ 1,329,083	\$ 139,364	\$ 1,466,278
Apartment Facilities	-	-	-	-
Parking Facilities	11,779,690	11,204,743	11,394,497	12,140,085
Interest Earned on Loans	776,522	419,306	364,922	1,012,165
Total Operating Revenues	<u>12,944,361</u>	<u>12,953,132</u>	<u>11,898,783</u>	<u>14,618,528</u>
OPERATING EXPENSES				
Development Loan Programs	3,581,561	2,970,167	710,321	2,929,465
Costs of Parking and Apartment Facility Operation	5,497,193	5,043,784	5,425,658	5,229,275
Depreciation	2,758,238	2,766,036	2,846,729	2,937,220
Bad Debt Expense on Loans	365,486	187,588	309,257	5,994
Forgivable Loan Expense	1,920,551	1,708,022	161,365	609,833
Total Operating Expenses	<u>14,123,029</u>	<u>12,675,597</u>	<u>9,453,330</u>	<u>11,711,787</u>
OPERATING INCOME (LOSS)	(1,178,668)	277,535	2,445,453	2,906,741
NONOPERATING REVENUES (EXPENSES)				
Property Tax Increments	1,193,871	1,178,925	1,258,761	1,242,838
Operating Grants	84,539	427,828	294,329	519,025
Gain on Sale of Capital Assets	1,336,484	-	-	-
Noncapital Contributions	3,681,269	924,982	23,011	128,762
Investment Income	794,694	99,134	305,311	733,407
Interest Earned - Other	-	-	-	-
Revaluation of Land Held for Resale	(270,345)	-	-	-
Interest on Long-Term Debt	(4,493,159)	(3,909,476)	(3,162,276)	(3,313,774)
Debt Service Issuance Costs	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Intergovernmental Expenses	(76,483)	(357,244)	(312,089)	(467,116)
Miscellaneous Other Revenue	-	-	-	-
Miscellaneous Other Expense	-	-	-	-
Loss on Retirement of Assets	-	-	-	(405,036)
Litigation Mediation - Noncash Advance	-	-	(412,753)	-
Amortization of Debt Issuance Costs (1)	(110,500)	(116,768)	(145,386)	(2,090,223)
Total Non-operating Revenues (Expenses)	<u>2,140,370</u>	<u>(1,752,619)</u>	<u>(2,151,092)</u>	<u>(3,652,117)</u>
Capital Contributions	-	-	947,344	1,592,480
Transfers In	600,316	2,528,208	2,078,822	195,190
Transfers Out	(104,451)	(396,869)	(16,312)	(7,103)
Special Item	-	-	-	-
Change in Net Position	<u>\$ 1,457,567</u>	<u>\$ 656,255</u>	<u>\$ 3,304,215</u>	<u>\$ 1,035,191</u>
2013 Restatements (3)				
Change in Net Position, Restated				

(1) In 2012, with adoption of GASB 65, total debt issuance cost for the year is expensed, not amortized.

(2) Restated

(3) The implementation of a new fund structure related to the City's implementation of the new finance system on January 1, 2014 resulted in a significant change in the Authority's net position classifications.

Unaudited

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 726,949	\$ 1,081,783	\$ 524,197	\$ 3,482,030	\$ 142,618	\$ 103,185
-	-	3,758,574	5,888,720	3,820,703	-
12,101,480	13,485,208	13,669,640	14,856,306	15,828,064	16,654,305
<u>277,661</u>	<u>(72,685)</u>	<u>82,384</u>	<u>338,681</u>	<u>31,939</u>	<u>181,788</u>
<u>13,106,090</u>	<u>14,494,306</u>	<u>18,034,795</u>	<u>24,565,737</u>	<u>19,823,324</u>	<u>16,939,278</u>
639,686	949,697	1,040,210	3,589,939	3,626,474	852,407
5,652,432	6,370,512	7,661,228	8,650,210	8,508,630	7,065,359
3,187,169	3,246,852	4,586,554	4,652,169	4,080,855	3,244,400
-	-	-	-	-	-
-	-	-	-	-	-
<u>9,479,287</u>	<u>10,567,061</u>	<u>13,287,992</u>	<u>16,892,318</u>	<u>16,215,959</u>	<u>11,162,166</u>
3,626,803	3,927,245	4,746,803	7,673,419	3,607,365	5,777,112
1,438,609	1,738,167	1,753,095	1,780,580	1,099,375	1,103,567
681,284	1,172,384	869,931	567,266	385,998	215,202
2,500	31,681	-	-	-	-
301,800	501,397	-	-	-	-
259,732	(221,893)	553,952	219,249	1,587	160,409
-	-	-	-	191,184	149,184
-	-	-	-	-	-
(3,201,470)	(3,079,041)	(4,151,237)	(4,110,741)	(3,072,558)	(1,783,361)
-	-	-	-	-	(433,684)
-	1,000,000	1,353,753	9,293	409,293	330,496
(402,201)	(822,616)	(770,432)	(2,204,113)	(6,819,949)	(6,427,486)
-	-	-	-	-	761,141
-	-	(254,256)	(269,133)	(165,574)	(21,160)
(117,091)	(137,388)	(176,348)	(128,402)	(278,686)	(242,027)
-	-	-	-	-	-
<u>(995,811)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(2,032,648)</u>	<u>182,691</u>	<u>(821,542)</u>	<u>(4,136,001)</u>	<u>(8,249,330)</u>	<u>(6,187,719)</u>
10,368,359	17,971	-	-	-	-
2,377,524	2,709,828	1,903,282	2,858,575	14,640,594	2,289,428
(2,687,896)	(1,715,215)	(3,593,169)	(6,453,098)	(29,629,022)	(2,230,970)
-	-	-	3,564,115	9,345,498	-
<u>\$ 11,652,142</u>	<u>5,122,520</u>	<u>\$ 2,235,374</u>	<u>\$ 3,507,010</u>	<u>\$ (10,284,895)</u>	<u>\$ (352,149)</u>
	<u>250,274</u>				
	<u>\$ 5,372,794</u>				

Unaudited

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HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS**

**Last Ten Fiscal Years**

*(Modified Accrual Basis of Accounting)*

Fiscal Year	HRA Property Tax Levy	Property Tax Increments	Total Tax Revenue
2008	\$1,157,506	\$16,595,459	\$17,752,965
2009	2,129,936	21,015,774	23,145,710
2010	2,797,136	20,771,228	23,568,364
2011	3,185,612	20,055,361	23,240,973
2012	2,866,172	21,536,559	24,402,731
2013	2,463,327	19,311,744	21,775,071
2014	2,548,212	19,835,341	22,383,553
2015	2,544,885	20,179,623	22,724,508
2016	3,246,045	21,951,466	25,197,511
2017	3,506,341	18,542,409	22,048,750
Change 2008-2017	202.9%	11.7%	24.2%

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**HRA PROPERTY TAX LEVIES, PROPERTY VALUES, AND RATES  
Last Ten Fiscal Years**

LEVY - PAYABLE	2008	2009	2010	2011
Tax Capacity*				
Real Property*		\$ 247,182,526	\$ 234,400,482	\$ 217,930,655
Personal Property*		6,885,304	5,850,737	7,032,252
Fiscal Disparities*		25,238,471	26,101,435	26,457,028
Total Net Tax Capacity*	275,575,863	279,306,301	266,352,654	251,419,935
Taxable Market Value*	23,071,399,600	22,776,772,200	21,551,886,800	20,065,253,800
Tax Capacity Rate	0.4470%	0.8980%	1.2720%	1.2620%
State Law Maximum Levy Rate (% of Taxable Market Value)	0.0144%	0.0185%	0.0185%	0.0185%
Maximum Tax Levy per State Law	\$ 3,322,282	\$ 4,213,703	\$ 3,987,099	\$ 3,712,072
Actual Tax Levy Certified	\$ 1,215,903	\$ 2,278,148	\$ 3,178,148	\$ 3,178,148
Actual Levy under Maximum	\$ 2,106,379	\$ 1,935,555	\$ 808,951	\$ 533,924
% of Actual Levy to Maximum	36.60%	54.07%	79.71%	85.62%

Data for this table is obtained from the City of Saint Paul Comprehensive Annual Financial Report, the Housing and Redevelopment Authority of the City of Saint Paul Comprehensive Annual Financial Report, and the City of Saint Paul Office of Financial Services.

Data for Real Property, Personal Property, and Fiscal Disparities prior to 2009 is not available.

\* Amounts are in Dollars. Real and Personal Property, Fiscal Disparity, and Taxable Market Value. Beginning in 2013, Taxable Market Value is replaced by Estimated Market Value. The levy is based on the prior year's estimated market value but applies to the current year's net tax capacity.

2012	2013	2014	2015	2016	2017
\$ 197,620,962	\$ 186,461,109	\$ 187,239,027	\$ 201,250,561	\$ 232,125,615	\$ 251,086,775
6,062,185	6,816,827	6,953,340	7,153,758	7,462,143	7,574,675
25,556,968	23,150,886	24,580,157	25,956,548	29,541,926	30,129,216
229,240,115	216,428,822	218,772,524	234,360,867	269,129,684	288,790,666
18,163,450,800	18,187,359,400	18,388,992,700	18,425,451,200	19,709,227,700	20,563,822,400
1.4180%	1.4824%	1.4445%	1.3860%	1.3110%	1.3270%
0.0185%	0.0185%	0.0185%	0.0185%	0.0185%	0.0185%
\$ 3,360,238	\$ 3,364,661	\$ 3,401,964	\$ 3,408,708	\$ 3,646,207	\$ 3,804,307
\$ 3,178,148	\$ 3,178,148	\$ 3,178,148	\$ 3,278,148	\$ 3,278,148	\$ 3,546,597
\$ 182,090	\$ 186,513	\$ 223,816	\$ 130,560	\$ 368,059	\$ 257,710
94.58%	94.46%	93.42%	96.17%	89.91%	93.23%

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**HRA PROPERTY TAX LEVIES AND COLLECTIONS**  
**Last Ten Fiscal Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Total Taxes Levied for Current Fiscal Year	\$ 1,215,903	\$ 2,278,148	\$ 3,178,148	\$ 3,178,148
Collection of Current Year Tax Levy				
From Taxpayers	\$ 953,678	\$ 1,874,829	\$ 2,259,765	\$ 2,470,269
Fiscal Disparity Aid	183,574	223,759	493,367	693,746
State Credits and Aids	44,437	87,974	115,779	108,652
Closed TIF District Adj.	-	-	194,065	-
Total Current Year Tax Levy Collection	<u>\$ 1,181,689</u>	<u>\$ 2,186,562</u>	<u>\$ 3,062,976</u> (1)	<u>\$ 3,272,667</u>
Actual Percent of Current Year Levy	97.19%	95.98%	96.38%	102.97%
Collection of Delinquent Taxes for Subsequent Years				
1st Year Delinquent	\$ 28,026	\$ 41,495	\$ 14,489	\$ 21,851
2nd Year Delinquent	2,991	9,941	(8,660)	(4,284)
3rd Year Delinquent	(4,334)	(654)	(1,867)	(3,642)
4th Year Delinquent	349	276	1,259	(2,854)
5th Year Delinquent	353	1,095	(1,904)	932
6th Year & Prior Delinquent	492	(8,768)	1,693	1,902
Total Delinquent Taxes Collection	<u>\$ 27,877</u>	<u>\$ 43,385</u>	<u>\$ 5,010</u>	<u>\$ 13,905</u>
Total Tax Collections	<u>\$ 1,209,566</u>	<u>\$ 2,229,947</u>	<u>\$ 3,067,986</u>	<u>\$ 3,286,572</u>
Total Percent of Levy Collected	99.48%	97.88%	96.53%	103.41%

(1) Revaluation downward of property in a closed Tax Increment Finance District reduced net levy collected by HRA by 6.11%

Note: Collections do not include Tax Increment Districts.

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 3,178,148	\$ 3,178,148	\$ 3,178,148	\$ 3,278,148	\$ 3,278,148	\$ 3,546,597
\$ 2,476,585	\$ 2,464,092	\$ 2,432,640	\$ 2,481,531	\$ 2,505,951	\$ 2,776,822
633,373	662,508	696,821	725,135	723,429	719,336
-	70	-	-	166	-
-	-	-	-	-	-
<u>\$ 3,109,958</u>	<u>\$ 3,126,670</u>	<u>\$ 3,129,461</u>	<u>\$ 3,206,666</u>	<u>\$ 3,229,546</u>	<u>\$ 3,496,158</u>
97.85%	98.38%	98.47%	97.82%	98.52%	98.58%
\$ (40,292)	\$ 75,700	\$ 18,489	\$ 17,114	\$ 11,543	\$ -
(5,424)	(6,309)	(3,895)	(4,511)	-	-
(4,229)	(949)	(1,394)	-	-	-
1,604	1,543	-	-	-	-
1,100	-	-	-	-	-
-	-	-	-	-	-
<u>\$ (47,241)</u>	<u>\$ 69,985</u>	<u>\$ 13,200</u>	<u>\$ 12,603</u>	<u>\$ 11,543</u>	<u>\$ -</u>
<u>\$ 3,062,717</u>	<u>\$ 3,196,655</u>	<u>\$ 3,142,661</u>	<u>\$ 3,219,269</u>	<u>\$ 3,241,089</u>	<u>\$ 3,496,158</u>
96.37%	100.58%	98.88%	98.20%	98.87%	98.58%

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**PROPERTY TAX INCREMENT LEVIES AND COLLECTIONS**  
**Last Ten Fiscal Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>TOTAL - ALL TAX INCREMENT DISTRICTS</b>			
Original Tax Capacity Before Development - All Tax Increment Districts	\$4,547,218	\$4,332,382	\$4,491,122
Current Tax Capacity - All Tax Increment Districts	\$29,852,423	\$30,308,177	\$29,809,160
Captured Tax Capacity Retained by HRA / Port Authority	\$27,910,718	\$25,975,795	\$25,318,038
Tax capacity rate (Watershed district)	102.306%	106.465%	120.820%
Tax Increment Spread	\$28,448,140	\$27,268,157	\$28,705,815
Tax Increment Collected:			
Current	\$24,466,765	\$26,337,565	\$27,171,525
Delinquent	\$159,896	\$128,882	(\$592,694)
Developer Shortfall Payments	\$178,011	\$252,345	-
Homestead Credit	<u>\$228,422</u>	<u>\$217,861</u>	<u>\$238,616</u>
Total Tax Increment Collected	\$25,033,094	\$26,936,653	\$26,817,447
Percentage of Tax Increment Collected to Tax Increment Spread	88.00%	98.78%	93.42%
Delinquent Tax Increment Receivable at December 31	\$399,845	\$746,588	\$696,706
Percentage of Delinquent Tax Increment Receivable to Tax Increment Spread	1.41%	2.74%	2.43%
Percentage of Captured Tax Capacity to Saint Paul Total Tax Capacity	9.22%	8.52%	8.67%

Note: This table includes data from both Saint Paul Housing and Redevelopment Authority and Saint Paul Port Authority administered tax increment financing districts. The percentage of Total Captured Tax Capacity to Saint Paul Total Tax Capacity was adjusted for 2011.

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2011	2012	2013	2014	2015	2016	2017
\$4,838,654	\$4,977,370	\$4,900,569	\$4,918,344	\$4,671,951	\$4,532,616	\$3,502,068
\$27,664,571	\$26,928,860	\$25,718,660	\$25,654,138	\$25,562,017	\$26,768,060	\$24,495,735
\$22,825,917 133.883%	\$21,961,592 153.079%	\$20,826,379 162.369%	\$20,796,390 163.482%	\$20,745,503 152.350%	\$22,093,792 150.696%	\$20,845,463 145.553%
\$27,278,203	\$27,580,222	\$25,932,396	\$25,973,141	\$25,364,445	\$27,075,751	\$25,820,957
\$26,021,565 (\$1,359,307)	\$26,690,452 \$495,150	\$25,144,638 (\$162,936)	\$25,817,771 (\$387,772)	\$25,092,583 (\$450,152)	\$26,721,385 (\$245,152)	\$24,975,673 (\$2,121,942)
- \$239,200	- -	- -	\$88,360 -	\$23,097 -	- -	- -
<u>\$24,901,458</u>	<u>\$27,185,602</u>	<u>\$24,981,702</u>	<u>\$25,518,359</u>	<u>\$24,665,528</u>	<u>\$26,476,233</u>	<u>\$22,853,731</u>
91.29%	98.57%	96.33%	98.25%	97.24%	97.79%	88.51%
\$1,188,906	\$459,660	\$322,048	\$254,843	\$207,659	\$174,789	\$162,688
4.36%	1.67%	1.24%	0.98%	0.82%	0.65%	0.63%
9.23%	8.85%	9.75%	9.74%	9.71%	9.24%	9.83%

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**City of Saint Paul, Minnesota**  
**PRINCIPAL PROPERTY TAXPAYERS**  
 Current Year and Nine Years Ago

Taxpayer	2017			2008		
	Taxable Capacity Value	Rank	Percentage of Total City Capacity Value	Taxable Capacity Value	Rank	Percentage of Total City Capacity Value
Xcel Energy	\$ 7,144,122	1	2.66%	\$ 4,940,299	1	1.79%
Minnesota Mutual Life Insurance	2,118,600	2	0.79%	2,784,210	2	1.01%
St. Paul Tower LP (World Trade Center)	1,531,084	3	0.57%	1,839,250	4	0.67%
BNSF Railway Co.	1,350,166	4	0.50%	827,410	9	0.30%
U.S. Bank Corp. Property & U.S. Bancorp	1,081,642	5	0.40%	1,712,968	5	0.62%
Lawson Commons LLC	968,146	6	0.36%	1,239,250	7	0.45%
Ecolab	877,000	7	0.33%			
Ford Motor Company <sup>1)</sup>	692,090	8	0.26%	1,947,330	3	0.71%
Court International LLC	685,194	9	0.26%			
US REIF Upper Landing MN LLC	657,308	10	0.25%			
St. Paul Fire & Marine Insurance Company				1,559,180	6	0.57%
CSM Corporation & Investors				976,710	8	0.35%
Griffin Capital LLC				805,250	10	0.29%
	<u>\$ 17,105,352</u>		<u>6.38%</u>	<u>\$ 18,631,857</u>		<u>6.76%</u>

1) Ford Motor Company closed its Highland Park plant in December 2011 and is in the process of completing the environmental cleanup of the site for future redevelopment.

**Source:** Ramsey County Auditor

**HRA PARKING FACILITY REVENUES**  
**Last Ten Fiscal Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Block 7A Ramp</b>				
Operating Revenues	\$ 1,015,628	\$ 993,836	\$ 1,008,924	\$ 1,033,804
Operating Expenses	480,518	508,861	491,015	521,086
Operating Income (Loss)	<u>\$ 535,110</u>	<u>\$ 484,975</u>	<u>\$ 517,909</u>	<u>\$ 512,718</u>
<b>Seventh Street Ramp</b>				
Operating Revenues	\$ 1,227,842	\$ 1,225,262	\$ 1,225,291	\$ 1,248,375
Operating Expenses	421,835	379,331	384,743	430,719
Operating Income (Loss)	<u>\$ 806,007</u>	<u>\$ 845,931</u>	<u>\$ 840,548</u>	<u>\$ 817,656</u>
<b>Robert Street Ramp</b>				
Operating Revenues	\$ 1,142,381	\$ 1,141,031	\$ 1,163,213	\$ 1,164,102
Operating Expenses	559,901	590,226	622,956	596,312
Operating Income (Loss)	<u>\$ 582,480</u>	<u>\$ 550,805</u>	<u>\$ 540,257</u>	<u>\$ 567,790</u>
<b>Kellogg Street Ramp</b>				
Operating Revenues	\$ 924,210	\$ 996,824	\$ 970,621	\$ 1,043,662
Operating Expenses	747,589	763,337	815,042	856,609
Operating Income (Loss)	<u>\$ 176,621</u>	<u>\$ 233,487</u>	<u>\$ 155,579</u>	<u>\$ 187,053</u>
<b>Lowertown Ramp</b>				
Operating Revenues	\$ 1,275,598	\$ 1,316,502	\$ 1,287,034	\$ 1,432,031
Operating Expenses	904,894	863,920	944,781	982,832
Operating Income (Loss)	<u>\$ 370,704</u>	<u>\$ 452,582</u>	<u>\$ 342,253</u>	<u>\$ 449,199</u>
<b>Block 19 Ramp</b>				
Operating Revenues	\$ 963,400	\$ 865,927	\$ 932,988	\$ 1,096,533
Operating Expenses	802,959	814,198	813,000	820,691
Operating Income (Loss)	<u>\$ 160,441</u>	<u>\$ 51,729</u>	<u>\$ 119,988</u>	<u>\$ 275,842</u>
<b>Block 39 - Lawson Ramp</b>				
Operating Revenues	\$ 3,088,511	\$ 2,753,776	\$ 2,813,317	\$ 2,889,249
Operating Expenses	1,745,391	1,675,320	1,450,502	1,519,414
Operating Income (Loss)	<u>\$ 1,343,120</u>	<u>\$ 1,078,456</u>	<u>\$ 1,362,815</u>	<u>\$ 1,369,835</u>
<b>Spruce Tree Ramp</b>				
Operating Revenues	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Operating Expenses	86,720	69,191	81,139	86,405
Operating Income (Loss)	<u>\$ (56,720)</u>	<u>\$ (39,191)</u>	<u>\$ (51,139)</u>	<u>\$ (56,405)</u>
<b>Smith Avenue Transit Hub</b>				
Operating Revenues	\$ 824,582	\$ 774,855	\$ 844,516	\$ 831,464
Operating Expenses	1,112,112	1,029,106	1,013,551	971,022
Operating Income (Loss)	<u>\$ (287,530)</u>	<u>\$ (254,251)</u>	<u>\$ (169,035)</u>	<u>\$ (139,558)</u>
<b>HRA Parking Lots / Miscellaneous</b>				
Operating Revenues	\$ 1,287,538	\$ 1,106,731	\$ 1,118,591	\$ 1,370,866
Operating Expenses	1,393,512	1,116,330	1,655,659	1,381,405
Operating Income (Loss)	<u>\$ (105,974)</u>	<u>\$ (9,599)</u>	<u>\$ (537,068)</u>	<u>\$ (10,539)</u>
<b>TOTAL PARKING FACILITIES</b>				
Operating Revenues	\$ 11,779,690	\$ 11,204,744	\$ 11,394,495	\$ 12,140,086
Operating Expenses	8,255,431	7,809,820	8,272,388	8,166,495
Operating Income (Loss)	<u>\$ 3,524,259</u>	<u>\$ 3,394,924</u>	<u>\$ 3,122,107</u>	<u>\$ 3,973,591</u>

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2012	2013	2014	2015	2016	2017
\$ 1,059,400 516,900 <u>\$ 542,500</u>	\$ 1,049,940 546,847 <u>\$ 503,093</u>	\$ 1,044,868 762,043 <u>\$ 282,825</u>	\$ 1,110,516 573,329 <u>\$ 537,187</u>	\$ 1,145,264 590,271 <u>\$ 554,993</u>	\$ 1,174,849 620,742 <u>\$ 554,107</u>
\$ 1,226,439 456,382 <u>\$ 770,057</u>	\$ 1,227,220 467,827 <u>\$ 759,393</u>	\$ 1,219,279 471,983 <u>\$ 747,296</u>	\$ 1,195,643 470,663 <u>\$ 724,980</u>	\$ 1,225,142 473,375 <u>\$ 751,767</u>	\$ 1,136,824 442,330 <u>\$ 694,494</u>
\$ 1,319,575 598,830 <u>\$ 720,745</u>	\$ 1,475,567 696,759 <u>\$ 778,808</u>	\$ 1,520,183 676,882 <u>\$ 843,301</u>	\$ 1,553,435 639,971 <u>\$ 913,464</u>	\$ 1,619,622 649,713 <u>\$ 969,909</u>	\$ 1,708,509 678,815 <u>\$ 1,029,694</u>
\$ 961,304 893,418 <u>\$ 67,886</u>	\$ 1,163,536 1,038,693 <u>\$ 124,843</u>	\$ 1,194,375 996,053 <u>\$ 198,322</u>	\$ 1,205,243 1,073,383 <u>\$ 131,860</u>	\$ 1,226,502 1,004,038 <u>\$ 222,464</u>	\$ 1,382,260 1,092,206 <u>\$ 290,054</u>
\$ 1,345,168 915,991 <u>\$ 429,177</u>	\$ 1,401,241 937,227 <u>\$ 464,014</u>	\$ 1,469,667 1,039,248 <u>\$ 430,419</u>	\$ 1,735,826 949,400 <u>\$ 786,426</u>	\$ 1,757,488 1,051,626 <u>\$ 705,862</u>	\$ 1,547,721 967,095 <u>\$ 580,626</u>
\$ 1,306,133 811,633 <u>\$ 494,500</u>	\$ 1,437,421 816,552 <u>\$ 620,869</u>	\$ 1,530,096 849,658 <u>\$ 680,438</u>	\$ 1,663,251 873,283 <u>\$ 789,968</u>	\$ 1,873,562 877,505 <u>\$ 996,057</u>	\$ 1,879,963 1,034,919 <u>\$ 845,044</u>
\$ 3,029,724 1,512,407 <u>\$ 1,517,317</u>	\$ 3,165,835 1,587,752 <u>\$ 1,578,083</u>	\$3,290,496 1,681,046 <u>\$ 1,609,450</u>	\$ 3,507,248 2,168,142 <u>\$ 1,339,106</u>	\$ 3,660,130 2,293,303 <u>\$ 1,366,827</u>	\$ 3,961,403 2,234,381 <u>\$ 1,727,022</u>
\$ 30,025 94,876 <u>\$ (64,851)</u>	\$ 30,038 89,326 <u>\$ (59,288)</u>	\$ 30,000 87,822 <u>\$ (57,822)</u>	\$ 50,999 97,673 <u>\$ (46,674)</u>	\$ 50,000 100,760 <u>\$ (50,760)</u>	\$ 50,030 104,492 <u>\$ (54,462)</u>
\$ 660,969 977,159 <u>\$ (316,190)</u>	\$ 1,007,458 1,026,926 <u>\$ (19,468)</u>	\$ 943,745 1,031,141 <u>\$ (87,396)</u>	\$ 1,056,062 991,024 <u>\$ 65,038</u>	\$ 1,279,189 1,076,340 <u>\$ 202,849</u>	\$ 1,731,944 1,246,729 <u>\$ 485,215</u>
\$ 1,162,743 1,483,691 <u>\$ (320,948)</u>	\$ 1,526,953 1,761,185 <u>\$ (234,232)</u>	\$ 1,426,929 1,702,331 <u>\$ (275,402)</u>	\$ 1,778,083 1,747,537 <u>\$ 30,546</u>	\$ 1,991,165 1,821,945 <u>\$ 169,220</u>	\$ 2,080,802 1,888,050 <u>\$ 192,752</u>
\$ 12,101,480 8,261,287 <u>\$ 3,840,193</u>	\$ 13,485,209 8,969,094 <u>\$ 4,516,115</u>	\$ 13,669,638 9,298,207 <u>\$ 4,371,431</u>	\$ 14,856,306 9,584,405 <u>\$ 5,271,901</u>	\$ 15,828,064 9,938,876 <u>\$ 5,889,188</u>	\$ 16,654,305 10,309,759 <u>\$ 6,344,546</u>

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HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities				Advances from Other Governments	Business-type Activities	
	Tax Increment Bonds	Sales Tax Bonds	Lease Revenue Bonds	Development Notes		Parking Revenue Bonds	Tax Increment Parking Bonds
2008	\$ 57,978,994	\$ 40,685,000	\$ 13,230,000	\$ 23,987,626	\$ -	\$ 49,770,172	\$ 31,690,000
2009	55,112,460	39,080,000	14,210,000	23,818,370	-	47,372,393	30,281,683
2010	57,038,439	37,360,000	13,846,060	20,113,997	-	42,918,567	28,911,245
2011	55,695,011	35,520,000	13,256,820	19,532,701	-	41,344,761	27,260,807
2012	50,892,817	33,545,000	12,652,579	18,931,187	-	39,664,327	25,580,369
2013	48,228,892	31,430,000	12,028,339	18,310,491	-	37,910,580	23,864,931
2014	45,288,952	-	11,384,098	13,930,515	-	36,076,152	22,079,493
2015	41,886,032	-	10,719,857	13,104,685	-	34,156,723	20,358,434
2016	38,589,707	-	4,150,616	12,358,016	9,360,000	32,142,294	18,584,271
2017	34,723,382	-	3,696,375	11,849,876	9,360,000	30,484,634	16,735,108
Change 2008-2017	-40.11%	-100.00%	-72.06%	-50.60%	100.00%	-38.75%	-47.19%

Notes:

Details regarding the HRA's outstanding debt can be found in the notes to the financial statements.

- (1) See the "Demographic and Economic Statistics" Table for population data. Beginning in 2016, the ratio is calculated using population for the current calendar year. Prior to 2016, the ratio is calculated using population for the prior calendar year.
- (2) See the "Demographic and Economic Statistics" Table for personal income data. Beginning in 2016, the ratio is calculated using personal income for the current year. Prior to 2016, the ratio is calculated using personal income for the prior calendar year.

Housing 5000 Land Assembly Bonds	Business-type Activities			Total Saint Paul HRA	Per Capita (1)	Percent of Household Personal Income (2)
	Limited Tax Bonds	Revenue Notes	Mortgages			
\$ 6,440,000	\$ -	\$ 1,085,190	\$ -	\$ 224,866,982	781.69	3.39%
2,510,000	-	2,585,190	-	214,970,096	746.28	2.95%
-	7,855,000	1,775,190	-	209,818,498	729.70	3.02%
-	7,855,000	1,580,000	-	202,045,100	708.76	2.86%
-	7,855,000	1,580,000	25,000	190,726,279	666.02	2.68%
-	7,855,000	1,580,000	33,372,108	214,580,341	741.80	3.00%
-	7,755,000	1,580,000	40,464,920	178,559,130	605.55	2.34%
-	7,170,000	1,580,000	39,810,124	168,785,855	561.96	2.26%
-	-	3,880,000	-	119,064,904	391.09	1.50%
-	-	3,880,000	-	110,729,375	358.14	1.33%
-100.00%	0.00%	257.54%	0.00%	-50.76%		

**SCHEDULE OF BOND COVERAGE**  
Last Ten Fiscal Years

**Note:** For TIF or levy supported debt issues, revenues available for debt service reflect taxes received in July and December of the fiscal year and debt service requirements reflect obligations during the fiscal year. Since the second half taxes are not received until December, they are used for the first debt payments of the following fiscal year; and second half taxes received in December of the prior fiscal year are used for the first debt payments of the current fiscal year.

	2008	2009	2010	2011
<b>SPRUCE TREE CENTRE TAX INCREMENT BONDS, SERIES 1988A AND 2003</b>				
Fund Servicing Debt - HRA Debt Service Fund				
Revenues Available for Debt Service				
Tax Increments	\$ 334,855	\$ 375,697	\$ 441,406	\$ 480,427
Developer Shortfall Payments	51,195	15,155	-	-
Net Investment Earnings	85,645	58,277	53,062	52,227
Total Revenues Available for Debt Service	<u>\$ 471,695</u>	<u>\$ 449,129</u>	<u>\$ 494,468</u>	<u>\$ 532,654</u>
Debt Service Requirements				
Principal	\$ 180,180	\$ 191,891	\$ 204,364	\$ 217,648
Interest	82,728	71,016	58,544	45,260
Total Debt Service Requirements	<u>\$ 262,908</u>	<u>\$ 262,907</u>	<u>\$ 262,908</u>	<u>\$ 262,908</u>
Coverage (Revenues / Debt Service)	1.79	1.71	1.88	2.03

**MIDWAY MARKETPLACE TAX INCREMENT BONDS, SERIES 1995A / SNELLING-UNIVERSITY TAX INCREMENT BONDS, SERIES 2005C AND 2014D**

Fund Servicing Debt - HRA Debt Service Fund

Revenues Available for Debt Service				
Tax Increments	\$ 1,427,457	\$ 1,563,981	\$ 1,197,542	\$ 1,175,554
Net Investment Earnings	151,489	127,478	133,263	121,825
Total Revenues Available for Debt Service	<u>\$ 1,578,946</u>	<u>\$ 1,691,459</u>	<u>\$ 1,330,805</u>	<u>\$ 1,297,379</u>
Debt Service Requirements				
Principal	\$ 370,000	\$ 380,000	\$ 395,000	\$ 400,000
Interest	203,780	187,463	169,923	151,638
Total Debt Service Requirements	<u>\$ 573,780</u>	<u>\$ 567,463</u>	<u>\$ 564,923</u>	<u>\$ 551,638</u>
Coverage (Revenues / Debt Service)	2.75	2.98	2.36	2.35

\* Tax increment from prior year was used to make final debt service payment in 2017 (final maturity was 3/1/2017).

**SALES TAX REVENUE BONDS, SERIES 1993 AND 1996**

Fund Servicing Debt - HRA Debt Service Fund

Note: In 2014 the bonds were refunded and upon funding of the escrow and defeasance of the bonds in August 2014, sales tax revenue was no longer available for debt service.

Revenues Available for Debt Service				
City Sales Tax Revenues	\$ 15,393,811	\$ 17,153,570	\$ 18,652,765	\$ 20,125,431
Net Investment Earnings	47,160	(2,940)	(3,252)	(3,379)
Total Revenues Available for Debt Service	<u>\$ 15,440,971</u>	<u>\$ 17,150,630</u>	<u>\$ 18,649,513</u>	<u>\$ 20,122,052</u>
Debt Service Requirements				
Principal	\$ 1,500,000	\$ 1,605,000	\$ 1,720,000	\$ 1,840,000
Interest	2,995,135	2,888,635	2,774,680	2,652,560
Total Debt Service Requirements	<u>\$ 4,495,135</u>	<u>\$ 4,493,635</u>	<u>\$ 4,494,680</u>	<u>\$ 4,492,560</u>
Coverage (Revenues / Debt Service)	3.44	3.82	4.15	4.48

2012	2013	2014	2015	2016	2017	Totals
\$ 392,445	\$ 484,506	\$ -	\$ -	\$ -	\$ -	\$ 2,509,336
-	-	-	-	-	-	66,350
(52,150)	(11,161)	-	-	-	-	185,900
<u>\$ 340,295</u>	<u>\$ 473,345</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,761,586</u>
\$ 231,795	\$ 246,862	\$ -	\$ -	\$ -	\$ -	\$ 1,272,740
31,113	16,046	-	-	-	-	304,707
<u>\$ 262,908</u>	<u>\$ 262,908</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,577,447</u>
1.29	1.80	N/A	N/A	N/A	N/A	1.75
\$ 1,888,544	\$ 1,363,792	\$ 1,400,686	\$ 1,318,512	\$ 1,393,693	\$ -	\$ 12,729,761
(81,945)	(49,832)	18,586	9,413	-	-	430,277
<u>\$ 1,806,599</u>	<u>\$ 1,313,960</u>	<u>\$ 1,419,272</u>	<u>\$ 1,327,925</u>	<u>\$ 1,393,693</u>	<u>\$ -</u>	<u>\$ 13,160,038</u>
\$ 420,000	\$ 450,000	\$ 470,000	\$ 660,000	\$ 665,000	\$ 670,000	\$ 4,880,000
132,568	111,898	83,077	20,548	11,700	4,188	1,076,783
<u>\$ 552,568</u>	<u>\$ 561,898</u>	<u>\$ 553,077</u>	<u>\$ 680,548</u>	<u>\$ 676,700</u>	<u>\$ 674,188</u>	<u>\$ 5,956,783</u>
3.27	2.34	2.57	1.95	2.06	0.00 *	2.21
\$ 18,811,159	\$ 18,633,271	\$ 11,663,648	\$ -	\$ -	\$ -	\$ 120,433,655
(3,940)	(3,994)	(1)	-	-	-	29,654
<u>\$ 18,807,219</u>	<u>\$ 18,629,277</u>	<u>\$ 11,663,647</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120,463,309</u>
\$ 1,975,000	\$ 2,115,000	\$ 2,265,000	\$ -	\$ -	\$ -	\$ 13,020,000
2,521,920	2,381,695	2,231,530	-	-	-	18,446,155
<u>\$ 4,496,920</u>	<u>\$ 4,496,695</u>	<u>\$ 4,496,530</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,466,155</u>
4.18	4.14	2.59	N/A	N/A	N/A	3.83

Continued

**SCHEDULE OF BOND COVERAGE**  
**Last Ten Fiscal Years**

**Note:** For TIF or levy supported debt issues, revenues available for debt service reflect taxes received in July and December of the fiscal year and debt service requirements reflect obligations during the fiscal year. Since the second half taxes are not received until December, they are used for the first debt payments of the following fiscal year; and second half taxes received in December of the prior fiscal year are used for the first debt payments of the current fiscal year.

	2008	2009	2010	2011
<b>DOWNTOWN TAX INCREMENT BONDS, SERIES 1993 AND 1998</b>				
Fund Servicing Debt - HRA Debt Service Fund				
Revenues Available for Debt Service				
Tax Increments	\$ 3,189,751	\$ -	\$ -	\$ -
Hotel-Motel Taxes	-	-	-	-
RiverCentre Revenues	200,000	-	-	-
N.O.C. Sales	-	-	-	-
Net Investment Earnings	148,288	-	-	-
<b>Total Revenues Available for Debt Service</b>	<b>\$ 3,538,039</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Debt Service Requirements				
Principal	\$ 3,830,000	\$ -	\$ -	\$ -
Interest	223,775	-	-	-
<b>Total Debt Service Requirements</b>	<b>\$ 4,053,775</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Coverage (Revenues / Debt Service)	0.87	N/A	N/A	N/A

**RIVERCENTRE PARKING FACILITY LEASE REVENUE BONDS, SERIES 2000 AND SERIES 2009**  
Fund Servicing Debt - HRA Debt Service Fund

Revenues Available for Debt Service				
Lease Payments from the City	\$ 835,943	\$ 1,098,963	\$ 580,367	\$ 586,422
Net Investment Earnings	5,022	27,744	19,761	19,596
<b>Total Revenues Available for Debt Service</b>	<b>\$ 840,965</b>	<b>\$ 1,126,707</b>	<b>\$ 600,128</b>	<b>\$ 606,018</b>
Debt Service Requirements				
Principal	\$ 525,000	\$ 650,000	\$ 360,000	\$ 370,000
Interest	348,988	290,673	240,800	229,850
<b>Total Debt Service Requirements</b>	<b>\$ 873,988</b>	<b>\$ 940,673</b>	<b>\$ 600,800</b>	<b>\$ 599,850</b>
Coverage (Revenues / Debt Service)	0.96	1.20	1.00	1.01

**RIVERFRONT TAX INCREMENT BONDS, SERIES 1993C, 1993D, 2000D, AND 2002C**  
Fund Servicing Debt - HRA Debt Service Fund

Revenues Available for Debt Service				
Tax Increments	\$ 979,997	\$ 1,035,466	\$ 1,067,737	\$ (223,653)
Tax Increment Pooling from Other Districts	368,455	319,165	214,049	702,798
Net Investment Earnings	1,890	(4,216)	(368)	(14,128)
<b>Total Revenues Available for Debt Service</b>	<b>\$ 1,350,342</b>	<b>\$ 1,350,415</b>	<b>\$ 1,281,418</b>	<b>\$ 465,017</b>
Debt Service Requirements				
Principal	\$ 1,035,000	\$ 1,095,000	\$ 1,150,000	\$ 1,215,000
Interest	262,028	210,591	155,899	97,255
<b>Total Debt Service Requirements</b>	<b>\$ 1,297,028</b>	<b>\$ 1,305,591</b>	<b>\$ 1,305,899</b>	<b>\$ 1,312,255</b>
Coverage (Revenues / Debt Service)	1.04	1.03	0.98	0.35



2012	2013	2014	2015	2016	2017	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,189,751
-	-	-	-	-	-	-
-	-	-	-	-	-	200,000
-	-	-	-	-	-	-
-	-	-	-	-	-	148,288
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,538,039</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,830,000
-	-	-	-	-	-	223,775
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,053,775</u>
N/A	N/A	N/A	N/A	N/A	N/A	0.87
\$ 607,712	\$ 604,005	\$ 586,204	\$ 583,745	\$ 582,903	\$ 583,885	\$ 6,650,149
20,075	20,820	22,536	22,069	24,385	21,028	203,036
<u>\$ 627,787</u>	<u>\$ 624,825</u>	<u>\$ 608,740</u>	<u>\$ 605,814</u>	<u>\$ 607,288</u>	<u>\$ 604,913</u>	<u>\$ 6,853,185</u>
\$ 380,000	\$ 390,000	\$ 405,000	\$ 415,000	\$ 425,000	\$ 440,000	\$ 4,360,000
218,600	207,050	195,125	182,825	169,694	155,638	2,239,243
<u>\$ 598,600</u>	<u>\$ 597,050</u>	<u>\$ 600,125</u>	<u>\$ 597,825</u>	<u>\$ 594,694</u>	<u>\$ 595,638</u>	<u>\$ 6,599,243</u>
1.05	1.05	1.01	1.01	1.02	1.02	1.04
\$ 986,088	\$ 1,041,947	\$ -	\$ -	\$ -	\$ -	\$ 4,887,582
296,000	-	-	-	-	-	1,900,467
(19,360)	32,466	-	-	-	-	(3,716)
<u>\$ 1,262,728</u>	<u>\$ 1,074,413</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,784,333</u>
\$ 1,295,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,790,000
33,366	-	-	-	-	-	759,139
<u>\$ 1,328,366</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,549,139</u>
0.95	N/A	N/A	N/A	N/A	N/A	1.04

Continued

**SCHEDULE OF BOND COVERAGE**  
Last Ten Fiscal Years

**Note:** For TIF or levy supported debt issues, revenues available for debt service reflect taxes received in July and December of the fiscal year and debt service requirements reflect obligations during the fiscal year. Since the second half taxes are not received until December, they are used for the first debt payments of the following fiscal year; and second half taxes received in December of the prior fiscal year are used for the first debt payments of the current fiscal year.

	2008	2009	2010	2011
<b>US BANK TAX INCREMENT BONDS, SERIES 2001, 2011F, AND 2011G</b>				
Fund Servicing Debt - HRA Debt Service Fund				
Revenues Available for Debt Service				
Tax Increments	\$ 1,175,602	\$ 1,223,585	\$ 1,388,596	\$ 1,497,416
Net Investment Earnings	15,594	10,052	16,670	19,255
Total Revenues Available for Debt Service	<u>\$ 1,191,196</u>	<u>\$ 1,233,637</u>	<u>\$ 1,405,266</u>	<u>\$ 1,516,671</u>
Debt Service Requirements				
Principal	\$ 285,000	\$ 335,000	\$ 410,000	\$ 400,000
Interest	712,106	696,789	677,692	677,870
Total Debt Service Requirements	<u>\$ 997,106</u>	<u>\$ 1,031,789</u>	<u>\$ 1,087,692</u>	<u>\$ 1,077,870</u>
Coverage (Revenues / Debt Service)	1.19	1.20	1.29	1.41

**NORTH QUADRANT TAX INCREMENT BONDS, SERIES 2000 AND 2002, AND 9TH STREET LOFTS TAX INCREMENT BONDS, SERIES 2004**  
Fund Servicing Debt - HRA Debt Service Fund

Revenues Available for Debt Service				
Tax Increments	\$ 314,364	\$ 248,218	\$ 309,134	\$ 316,996
Net Investment Earnings	2,989	143	(956)	1,590
Total Revenues Available for Debt Service	<u>\$ 317,353</u>	<u>\$ 248,361</u>	<u>\$ 308,178</u>	<u>\$ 318,586</u>
Debt Service Requirements				
Principal	\$ 87,000	\$ 53,000	\$ 38,000	\$ 41,000
Interest	224,558	240,079	225,002	222,939
Total Debt Service Requirements	<u>\$ 311,558</u>	<u>\$ 293,079</u>	<u>\$ 263,002</u>	<u>\$ 263,939</u>
Coverage (Revenues / Debt Service)	1.02	0.85	1.17	1.21

**UPPER LANDING TAX INCREMENT BONDS, SERIES 2002A, 2002B-1, 2002B-2, and 2012**  
Fund Servicing Debt - HRA Debt Service Fund

Revenues Available for Debt Service				
Tax Increments	\$ 1,281,447	\$ 1,609,155	\$ 1,769,019	\$ 1,952,421
Developer Shortfall Payments	687,476	517,590	261,324	130,176
Net Investment Earnings	73,086	38,818	21,728	32,681
Total Revenues Available for Debt Service	<u>\$ 2,042,009</u>	<u>\$ 2,165,563</u>	<u>\$ 2,052,071</u>	<u>\$ 2,115,278</u>
Debt Service Requirements				
Principal	\$ 267,000	\$ 389,000	\$ 415,000	\$ 444,000
Interest	1,311,999	1,289,644	1,262,249	1,232,981
Total Debt Service Requirements	<u>\$ 1,578,999</u>	<u>\$ 1,678,644</u>	<u>\$ 1,677,249</u>	<u>\$ 1,676,981</u>
Coverage (Revenues / Debt Service)	1.29	1.29	1.22	1.26

2012	2013	2014	2015	2016	2017	Totals
\$ 1,511,315 (26,204) \$ 1,485,111	\$ 1,511,314 (3,845) \$ 1,507,469	\$ 1,511,316 13,359 \$ 1,524,675	\$ 1,442,099 17,700 \$ 1,459,799	\$ 1,413,008 - \$ 1,413,008	\$ 1,339,734 - \$ 1,339,734	\$ 14,013,985 62,581 \$ 14,076,566
\$ 745,000 335,182 \$ 1,080,182	\$ 755,000 333,844 \$ 1,088,844	\$ 770,000 318,744 \$ 1,088,744	\$ 790,000 303,344 \$ 1,093,344	\$ 570,000 287,544 \$ 857,544	\$ 580,000 276,144 \$ 856,144	\$ 5,640,000 4,619,259 \$ 10,259,259
1.37	1.38	1.40	1.34	1.65	1.56	1.37
\$ 274,069 3,049 \$ 277,118	\$ 275,240 (2,931) \$ 272,309	\$ 260,720 1,222 \$ 261,942	\$ 287,447 (550) \$ 286,897	\$ 264,991 (748) \$ 264,243	\$ 288,215 (1,052) \$ 287,163	\$ 2,839,394 2,756 \$ 2,842,150
\$ 116,000 218,594 \$ 334,594	\$ 61,000 211,719 \$ 272,719	\$ 52,000 207,646 \$ 259,646	\$ 68,000 203,936 \$ 271,936	\$ 84,000 198,285 \$ 282,285	\$ 94,000 183,190 \$ 277,190	\$ 694,000 2,135,948 \$ 2,829,948
0.83	1.00	1.01	1.06	0.94	1.04	1.00
\$ 1,906,253 156,464 4,950 \$ 2,067,667	\$ 1,915,100 - (234,242) \$ 1,680,858	\$ 1,961,196 - 233,211 \$ 2,194,407	\$ 1,883,254 - 60,606 \$ 1,943,860	\$ 1,963,776 - 29,158 \$ 1,992,934	\$ 2,436,541 - 4,509 \$ 2,441,050	\$ 18,678,162 1,753,030 264,505 \$ 20,695,697
\$ 474,000 1,563,948 \$ 2,037,948	\$ - 550,457 \$ 550,457	\$ 825,000 776,000 \$ 1,601,000	\$ 590,000 741,000 \$ 1,331,000	\$ 620,000 711,125 \$ 1,331,125	\$ 650,000 679,750 \$ 1,329,750	\$ 4,674,000 10,119,153 \$ 14,793,153
1.01	3.05	1.37	1.46	1.50	1.84	1.40

Continued

Unaudited

**SCHEDULE OF BOND COVERAGE**  
Last Ten Fiscal Years

**Note:** For TIF or levy supported debt issues, revenues available for debt service reflect taxes received in July and December of the fiscal year and debt service requirements reflect obligations during the fiscal year. Since the second half taxes are not received until December, they are used for the first debt payments of the following fiscal year; and second half taxes received in December of the prior fiscal year are used for the first debt payments of the current fiscal year.

	2008	2009	2010	2011
<b>DRAKE MARBLE TAX INCREMENT BONDS, SERIES 2002</b>				
Fund Servicing Debt - HRA Debt Service Fund				
Note: trustee redeemed \$28,000 in 2014 for 2013 debt service.				
Revenues Available for Debt Service				
Tax Increments	\$ 180,044	\$ 236,731	\$ 177,334	\$ 219,640
Net Investment Earnings	1,737	1,373	183	(739)
Total Revenues Available for Debt Service	<u>\$ 181,781</u>	<u>\$ 238,104</u>	<u>\$ 177,517</u>	<u>\$ 218,901</u>
Debt Service Requirements				
Principal	\$ 38,000	\$ 74,000	\$ 57,000	\$ 61,000
Interest	113,130	109,890	104,186	101,723
Total Debt Service Requirements	<u>\$ 151,130</u>	<u>\$ 183,890</u>	<u>\$ 161,186</u>	<u>\$ 162,723</u>
Coverage (Revenues / Debt Service)	1.20	1.29	1.10	1.35

\* Tax increments from prior years used to redeem add'l principal

**KOCH MOBIL TAX INCREMENT BONDS, SERIES 2004C, 2007B, AND 2010A**  
Fund Servicing Debt - HRA Debt Service Fund

Revenues Available for Debt Service				
Tax Increments	\$ 275,936	\$ 202,986	\$ 299,002	\$ 269,163
Developer Shortfall Payments	-	237,190	-	-
Net Investment Earnings	4,589	8,114	2,649	5,005
Total Revenues Available for Debt Service	<u>\$ 280,525</u>	<u>\$ 448,290</u>	<u>\$ 301,651</u>	<u>\$ 274,168</u>
Debt Service Requirements				
Principal	\$ -	\$ -	\$ -	\$ 150,000
Interest	165,538	165,538	124,419	79,113
Total Debt Service Requirements	<u>\$ 165,538</u>	<u>\$ 165,538</u>	<u>\$ 124,419</u>	<u>\$ 229,113</u>
Coverage (Revenues / Debt Service)	1.69	2.71	2.42	1.20

**JJ HILL TAX INCREMENT BONDS, SERIES 2004**  
Fund Servicing Debt - HRA Debt Service Fund

Revenues Available for Debt Service				
Tax Increments	\$ 281,183	\$ 290,744	\$ 308,946	\$ 303,555
Trustee Reserve Funds	-	-	-	-
Net Investment Earnings	(11,069)	1,140	373	403
Total Revenues Available for Debt Service	<u>\$ 270,114</u>	<u>\$ 291,884</u>	<u>\$ 309,319</u>	<u>\$ 303,958</u>
Debt Service Requirements				
Principal	\$ 40,000	\$ 54,000	\$ 69,000	\$ 81,000
Interest	227,063	224,406	220,750	216,250
Total Debt Service Requirements	<u>\$ 267,063</u>	<u>\$ 278,406</u>	<u>\$ 289,750</u>	<u>\$ 297,250</u>
Coverage (Revenues / Debt Service)	1.01	1.05	1.07	1.02

2012	2013	2014	2015	2016	2017	Totals
\$ 213,154	\$ 181,391	\$ 191,471	\$ 201,974	\$ 200,074	\$ 204,663	\$ 2,006,476
(299)	(3,430)	2,254	913	(2,500)	(2,495)	(3,003)
<u>\$ 212,855</u>	<u>\$ 177,961</u>	<u>\$ 193,725</u>	<u>\$ 202,887</u>	<u>\$ 197,574</u>	<u>\$ 202,168</u>	<u>\$ 2,003,473</u>
\$ 96,000	\$ 48,000	\$ 119,000	\$ 92,000	\$ 107,000	\$ 173,000	\$ 865,000
96,019	89,505	85,320	78,300	71,888	62,674	912,635
<u>\$ 192,019</u>	<u>\$ 137,505</u>	<u>\$ 204,320</u>	<u>\$ 170,300</u>	<u>\$ 178,888</u>	<u>\$ 235,674</u>	<u>\$ 1,777,635</u>
1.11	1.29	0.95	1.19	1.10	0.86 *	1.13
\$ 241,305	\$ 241,732	\$ 242,286	\$ 331,295	\$ 645,355	\$ 776,297	\$ 3,525,357
-	-	-	-	-	-	237,190
8,734	(7,285)	4,000	2,886	1,639	(1,639)	28,692
<u>\$ 250,039</u>	<u>\$ 234,447</u>	<u>\$ 246,286</u>	<u>\$ 334,181</u>	<u>\$ 646,994</u>	<u>\$ 774,658</u>	<u>\$ 3,791,239</u>
\$ 95,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 105,000	\$ 105,000	\$ 755,000
76,663	74,713	72,713	70,713	68,663	66,431	964,504
<u>\$ 171,663</u>	<u>\$ 174,713</u>	<u>\$ 172,713</u>	<u>\$ 170,713</u>	<u>\$ 173,663</u>	<u>\$ 171,431</u>	<u>\$ 1,719,504</u>
1.46	1.34	1.43	1.96	3.73	4.52	2.20
\$ 284,913	\$ 277,029	\$ 284,200	\$ 310,208	\$ 323,453	\$ 343,914	\$ 3,008,145
-	-	3,205	33,156	2	9,317	45,680
2,022	(3,308)	3,100	15	(1,951)	(610)	(9,885)
<u>\$ 286,935</u>	<u>\$ 273,721</u>	<u>\$ 290,505</u>	<u>\$ 343,379</u>	<u>\$ 321,504</u>	<u>\$ 352,621</u>	<u>\$ 3,043,940</u>
\$ 94,000	\$ 108,000	\$ 124,000	\$ 136,000	\$ 144,000	\$ 153,000	\$ 1,003,000
211,000	204,906	197,906	189,906	181,281	172,156	2,045,624
<u>\$ 305,000</u>	<u>\$ 312,906</u>	<u>\$ 321,906</u>	<u>\$ 325,906</u>	<u>\$ 325,281</u>	<u>\$ 325,156</u>	<u>\$ 3,048,624</u>
0.94	0.87	0.90	1.05	0.99	1.08	1.00

Continued

Unaudited

**SCHEDULE OF BOND COVERAGE**  
Last Ten Fiscal Years

**Note:** For TIF or levy supported debt issues, revenues available for debt service reflect taxes received in July and December of the fiscal year and debt service requirements reflect obligations during the fiscal year. Since the second half taxes are not received until December, they are used for the first debt payments of the following fiscal year; and second half taxes received in December of the prior fiscal year are used for the first debt payments of the current fiscal year.

	2008	2009	2010	2011
<b>NEIGHBORHOOD SCATTERED SITE TAX INCREMENT BONDS, SERIES 2005</b>				
Fund Servicing Debt - HRA Debt Service Fund				
Revenues Available for Debt Service				
Tax Increments	\$ 2,170,482	\$ 2,352,017	\$ 2,252,256	\$ 2,044,411
Reserve Funds	-	-	-	-
Net Investment Earnings	139,301	166,523	189,872	191,976
Total Revenues Available for Debt Service	<u>\$ 2,309,783</u>	<u>\$ 2,518,540</u>	<u>\$ 2,442,128</u>	<u>\$ 2,236,387</u>
Debt Service Requirements				
Principal	\$ 480,000	\$ 485,000	\$ 510,000	\$ 535,000
Interest	314,761	292,700	269,762	244,612
Total Debt Service Requirements	<u>\$ 794,761</u>	<u>\$ 777,700</u>	<u>\$ 779,762</u>	<u>\$ 779,612</u>
Coverage (Revenues / Debt Service)	2.91	3.24	3.13	2.87

\* Tax incr from prior year was used to make final debt serv pmnt in 2017 (final maturity was 3/1/2017)

**JIMMY LEE RECREATION FACILITY LEASE BONDS, SERIES 2008**

Fund Servicing Debt - HRA Debt Service Fund

Revenues Available for Debt Service				
Lease Payments from the City	\$ 222,980	\$ 538,560	\$ 521,579	\$ 529,575
Net Investment Earnings	72,671	(7,622)	69,224	24,500
Total Revenues Available for Debt Service	<u>\$ 295,651</u>	<u>\$ 530,938</u>	<u>\$ 590,803</u>	<u>\$ 554,075</u>
Debt Service Requirements				
Principal	\$ 75,000	\$ 190,000	\$ 195,000	\$ 205,000
Interest	146,188	348,600	342,900	336,075
Total Debt Service Requirements	<u>\$ 221,188</u>	<u>\$ 538,600</u>	<u>\$ 537,900</u>	<u>\$ 541,075</u>
Coverage (Revenues / Debt Service)	1.34	0.99	1.10	1.02

**EMERALD GARDENS TAX INCREMENT BONDS, SERIES 2010**

Fund Servicing Debt - HRA TI Capital Projects Fund

Note: A portion of the listed tax increments are not pledged (10% of the Emerald-Metro).

Revenues Available for Debt Service				
Tax Increments	\$ -	\$ -	\$ -	\$ 610,362
Net Investment Earnings	-	-	-	40,194
Total Revenues Available for Debt Service	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 650,556</u>
Debt Service Requirements				
Principal	\$ -	\$ -	\$ -	\$ 40,000
Interest	-	-	-	448,342
Total Debt Service Requirements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 488,342</u>
Coverage (Revenues / Debt Service)	N/A	N/A	N/A	1.33

2012	2013	2014	2015	2016	2017	Totals
\$ 1,974,102	\$ 1,811,777	\$ 1,707,814	\$ 1,711,344	\$ 1,792,663	\$ -	\$ 17,816,866
-	-	-	-	-	1,084,809	1,084,809
(152,884)	(66,738)	21,312	14,537	7	221	504,127
<u>\$ 1,821,218</u>	<u>\$ 1,745,039</u>	<u>\$ 1,729,126</u>	<u>\$ 1,725,881</u>	<u>\$ 1,792,670</u>	<u>\$ 1,085,030</u>	<u>\$ 19,405,802</u>
\$ 565,000	\$ 585,000	\$ 620,000	\$ 660,000	\$ 690,000	\$ 1,110,000	\$ 6,240,000
217,854	188,556	157,858	124,468	88,835	30,248	1,929,654
<u>\$ 782,854</u>	<u>\$ 773,556</u>	<u>\$ 777,858</u>	<u>\$ 784,468</u>	<u>\$ 778,835</u>	<u>\$ 1,140,248</u>	<u>\$ 8,169,654</u>
2.33	2.26	2.22	2.20	2.30	0.95 *	2.38
\$ 507,199	\$ 513,972	\$ 534,538	\$ 535,538	\$ 537,788	\$ -	\$ 4,441,729
23,865	(5,480)	10,572	5,492	32,203	-	225,425
<u>\$ 531,064</u>	<u>\$ 508,492</u>	<u>\$ 545,110</u>	<u>\$ 541,030</u>	<u>\$ 569,991</u>	<u>\$ -</u>	<u>\$ 4,667,154</u>
\$ 210,000	\$ 220,000	\$ 225,000	\$ 235,000	\$ 245,000	\$ -	\$ 1,800,000
328,388	319,988	311,188	302,188	292,788	-	2,728,303
<u>\$ 538,388</u>	<u>\$ 539,988</u>	<u>\$ 536,188</u>	<u>\$ 537,188</u>	<u>\$ 537,788</u>	<u>\$ -</u>	<u>\$ 4,528,303</u>
0.99	0.94	1.02	1.01	1.06	N/A	1.03
\$ 713,258	\$ 666,507	\$ 650,750	\$ 585,460	\$ 677,148	\$ 686,816	\$ 4,590,301
5,571	31	3,684	(772)	(24)	1,123	49,807
<u>\$ 718,829</u>	<u>\$ 666,538</u>	<u>\$ 654,434</u>	<u>\$ 584,688</u>	<u>\$ 677,124</u>	<u>\$ 687,939</u>	<u>\$ 4,640,108</u>
\$ 290,000	\$ 225,000	\$ 240,000	\$ 225,000	\$ 240,000	\$ 260,000	\$ 1,520,000
388,431	374,581	362,469	350,581	338,206	324,144	2,586,754
<u>\$ 678,431</u>	<u>\$ 599,581</u>	<u>\$ 602,469</u>	<u>\$ 575,581</u>	<u>\$ 578,206</u>	<u>\$ 584,144</u>	<u>\$ 4,106,754</u>
1.06	1.11	1.09	1.02	1.17	1.18	1.13

Continued

Unaudited

**SCHEDULE OF BOND COVERAGE**  
**Last Ten Fiscal Years**

**Note:** For TIF or levy supported debt issues, revenues available for debt service reflect taxes received in July and December of the fiscal year and debt service requirements reflect obligations during the fiscal year. Since the second half taxes are not received until December, they are used for the first debt payments of the following fiscal year; and second half taxes received in December of the prior fiscal year are used for the first debt payments of the current fiscal year.

	2008	2009	2010	2011
<b>HOUSING 5000 LAND ASSEMBLY BONDS, SERIES 2004</b>				
Fund Servicing Debt - HRA Loan Enterprise Fund				
Revenues Available for Debt Service				
Land Sales	\$ 2,477,716	\$ 2,358,000	\$ -	\$ 1,404,760
Net Investment Earnings	314,168	5,594	24,642	2,033
Total Revenues Available for Debt Service	<u>\$ 2,791,884</u>	<u>\$ 2,363,594</u>	<u>\$ 24,642</u>	<u>\$ 1,406,793</u>
Debt Service Requirements				
Principal	\$ 2,695,000	\$ 3,930,000	\$ 2,510,000	\$ -
Interest	291,500	50,782	1,681	-
Total Debt Service Requirements	<u>\$ 2,986,500</u>	<u>\$ 3,980,782</u>	<u>\$ 2,511,681</u>	<u>\$ -</u>
Coverage (Revenues / Debt Service)	0.93	0.59	0.01	N/A
<b>PARKING REVENUE BONDS, SERIES 1997A</b>				
Fund Servicing Debt - HRA Parking Enterprise Fund				
Revenues Available for Debt Service				
Ramp Lease Revenues	\$ 1,078,142	\$ 1,075,562	\$ 1,075,591	\$ 1,077,475
Capital Repair Reserves	-	-	-	-
Net Investment Earnings	(1,480)	(3,993)	(4,018)	(4,023)
Total Revenues Available for Debt Service	<u>\$ 1,076,662</u>	<u>\$ 1,071,569</u>	<u>\$ 1,071,573</u>	<u>\$ 1,073,452</u>
Debt Service Requirements				
Principal	\$ 560,000	\$ 595,000	\$ 635,000	\$ 680,000
Interest	514,350	476,550	436,388	393,525
Total Debt Service Requirements	<u>\$ 1,074,350</u>	<u>\$ 1,071,550</u>	<u>\$ 1,071,388</u>	<u>\$ 1,073,525</u>
Coverage (Revenues / Debt Service)	1.00	1.00	1.00	1.00
<b>BLOCK 39 TAX INCREMENT GENERAL OBLIGATION BONDS, SERIES 1998A, 1998B, 2009G AND 2009H</b>				
Fund Servicing Debt - HRA Parking Enterprise Fund				
Revenues Available for Debt Service				
Tax Increments	\$ 1,067,054	\$ 1,159,081	\$ 1,236,563	\$ 1,226,734
Developer Shortfall Payments	126,816	-	-	-
Net Parking Revenues	1,929,248	1,640,037	1,924,977	1,946,959
Net Investment Earnings	138,493	37,016	152,120	184,762
Total Revenues Available for Debt Service	<u>\$ 3,261,611</u>	<u>\$ 2,836,134</u>	<u>\$ 3,313,660</u>	<u>\$ 3,358,455</u>
Debt Service Requirements				
Principal	\$ 1,570,000	\$ 2,340,000	\$ 1,295,000	\$ 1,575,000
Interest	1,712,473	1,954,043	763,015	935,129
Total Debt Service Requirements	<u>\$ 3,282,473</u>	<u>\$ 4,294,043</u>	<u>\$ 2,058,015</u>	<u>\$ 2,510,129</u>
Coverage (Revenues / Debt Service)	0.99	0.66	1.61	1.34



2012	2013	2014	2015	2016	2017	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,240,476
(4,057)	-	-	-	-	-	342,380
<u>\$ (4,057)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,582,856</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,135,000
-	-	-	-	-	-	343,963
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,478,963</u>
N/A	N/A	N/A	N/A	N/A	N/A	0.69
\$ 1,076,739	\$ 1,077,520	\$ 1,038,283	\$ 1,069,187	\$ 1,120,692	\$ 903,815	\$ 10,593,006
-	-	-	-	-	193,959	193,959
(3,884)	(4,024)	6,457	17,949	(4,023)	674	(365)
<u>\$ 1,072,855</u>	<u>\$ 1,073,496</u>	<u>\$ 1,044,740</u>	<u>\$ 1,087,136</u>	<u>\$ 1,116,669</u>	<u>\$ 1,098,448</u>	<u>\$ 10,786,600</u>
\$ 725,000	\$ 775,000	\$ 825,000	\$ 880,000	\$ 940,000	\$ 1,005,000	\$ 7,620,000
347,625	298,687	246,375	190,688	131,288	67,838	3,103,314
<u>\$ 1,072,625</u>	<u>\$ 1,073,687</u>	<u>\$ 1,071,375</u>	<u>\$ 1,070,688</u>	<u>\$ 1,071,288</u>	<u>\$ 1,072,838</u>	<u>\$ 10,723,314</u>
1.00	1.00	0.98	1.02	1.04	1.02	1.01
\$ 1,181,563	\$ 1,120,132	\$ 1,102,365	\$ 1,124,373	\$ 1,099,375	\$ 1,103,567	\$ 11,420,807
-	-	-	-	-	-	126,816
2,121,341	2,165,993	2,236,509	1,441,510	1,745,163	2,097,249	19,248,986
(8,022)	(33,083)	66,618	38,950	360	370	577,584
<u>\$ 3,294,882</u>	<u>\$ 3,253,042</u>	<u>\$ 3,405,492</u>	<u>\$ 2,604,833</u>	<u>\$ 2,844,898</u>	<u>\$ 3,201,186</u>	<u>\$ 31,374,193</u>
\$ 1,605,000	\$ 1,640,000	\$ 1,710,000	\$ 1,650,000	\$ 1,725,000	\$ 1,800,000	\$ 16,910,000
885,839	835,542	783,616	727,847	664,082	593,581	9,855,167
<u>\$ 2,490,839</u>	<u>\$ 2,475,542</u>	<u>\$ 2,493,616</u>	<u>\$ 2,377,847</u>	<u>\$ 2,389,082</u>	<u>\$ 2,393,581</u>	<u>\$ 26,765,167</u>
1.32	1.31	1.37	1.10	1.19	1.34	1.17

Continued

**SCHEDULE OF BOND COVERAGE**  
Last Ten Fiscal Years

**Note:** For TIF or levy supported debt issues, revenues available for debt service reflect taxes received in July and December of the fiscal year and debt service requirements reflect obligations during the fiscal year. Since the second half taxes are not received until December, they are used for the first debt payments of the following fiscal year; and second half taxes received in December of the prior fiscal year are used for the first debt payments of the current fiscal year.

	2008	2009	2010	2011
<b>PARKING REVENUE BONDS, SERIES 1992A, 1995A, 1995B, 2001A, 2002A, 2002B, 2005A, AND 2010A</b>				
Fund Servicing Debt - HRA Parking Enterprise Fund				
Note: Revenues are pledged in aggregate for Parking Revenue Bonds, Series 2010A and 2010B, and have been adjusted for the Smith Avenue Transit Center bonds.				
Revenues Available for Debt Service				
Parking Facility Net Revenues	\$ 3,124,631	\$ 3,084,230	\$ 3,043,611	\$ 3,492,539
Parking Meter and Parking Fine Revenues	2,000,000	2,000,000	2,000,000	3,000,000
Net Investment Earnings	-	-	-	-
Total Revenues Available for Debt Service	<u>\$ 5,124,631</u>	<u>\$ 5,084,230</u>	<u>\$ 5,043,611</u>	<u>\$ 6,492,539</u>
Debt Service Requirements				
Principal	\$ 1,590,000	\$ 1,655,000	\$ 1,790,000	\$ 565,000
Interest	1,384,918	1,324,097	1,307,828	1,087,242
Total Debt Service Requirements	<u>\$ 2,974,918</u>	<u>\$ 2,979,097</u>	<u>\$ 3,097,828</u>	<u>\$ 1,652,242</u>
Coverage (Revenues / Debt Service)	1.72	1.71	1.63	3.93

**PARKING REVENUE BONDS (SMITH AVENUE TRANSIT CENTER), SERIES 2005 AND 2010B**

Fund Servicing Debt - HRA Parking Enterprise Fund

Note: Revenues are pledged in aggregate and have been adjusted for the Smith Avenue Transit Center bonds.

Revenues Available for Debt Service				
Parking & Transit Center Net Revenues	\$ 220,990	\$ 226,406	\$ 290,945	\$ 320,922
Parking Meter and Parking Fine Revenues	-	-	-	-
Net Investment Earnings	125,279	19,463	9,924	49,559
Total Revenues Available for Debt Service	<u>\$ 346,269</u>	<u>\$ 245,869</u>	<u>\$ 300,869</u>	<u>\$ 370,481</u>
Debt Service Requirements				
Principal	\$ 120,000	\$ 125,000	\$ 130,000	\$ 305,000
Interest	619,200	614,525	406,450	563,798
Total Debt Service Requirements	<u>\$ 739,200</u>	<u>\$ 739,525</u>	<u>\$ 536,450</u>	<u>\$ 868,798</u>
Coverage (Revenues / Debt Service)	0.47	0.33	0.56	0.43

**LOFTS AT FARMERS MARKET LIMITED TAX BONDS, SERIES 2010A AND 2010B**

Fund Servicing Debt - HRA Lofts Enterprise Fund

Note: The bonds were defeased in 2015 using sales proceeds from the 12/14/2015 sale of the Lofts at Farmers Market Apartments.

Revenues Available for Debt Service				
HRA Tax Levy	\$ -	\$ -	\$ -	\$ -
Bond Proceeds - Capitalized Interest	-	-	569,786	-
Net Investment Earnings	-	-	-	16,249
Total Revenues Available for Debt Service	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 569,786</u>	<u>\$ 16,249</u>
Debt Service Requirements				
Principal	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	312,740
Total Debt Service Requirements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 312,740</u>
Coverage (Revenues / Debt Service)	N/A	N/A	N/A	0.05

2012	2013	2014	2015	2016	2017	Totals
\$ 3,794,576	\$ 3,895,149	\$ 3,326,529	\$ 4,001,857	\$ 4,182,523	\$ 4,026,595	\$ 35,972,240
3,000,000	3,000,000	2,491,647	2,596,814	2,661,622	2,969,537	25,719,620
-	-	58,694	13,945	12,644	3,874	89,157
<u>\$ 6,794,576</u>	<u>\$ 6,895,149</u>	<u>\$ 5,876,870</u>	<u>\$ 6,612,616</u>	<u>\$ 6,856,789</u>	<u>\$ 7,000,006</u>	<u>\$ 61,781,017</u>
\$ 615,000	\$ 635,000	\$ 655,000	\$ 675,000	\$ 695,000	\$ 715,000	\$ 9,590,000
1,038,056	1,019,606	1,000,556	980,906	960,656	1,551,845	11,655,710
<u>\$ 1,653,056</u>	<u>\$ 1,654,606</u>	<u>\$ 1,655,556</u>	<u>\$ 1,655,906</u>	<u>\$ 1,655,656</u>	<u>\$ 2,266,845</u>	<u>\$ 21,245,710</u>
4.11	4.17	3.55	3.99	4.14	3.09	2.91
\$ 145,161	\$ 443,593	\$ 328,667	\$ 460,205	\$ 526,670	\$ 917,970	\$ 3,881,529
-	-	508,353	403,186	338,378	30,463	1,280,380
33,800	(14,339)	30,723	7,028	6,484	2,038	269,959
<u>\$ 178,961</u>	<u>\$ 429,254</u>	<u>\$ 867,743</u>	<u>\$ 870,419</u>	<u>\$ 871,532</u>	<u>\$ 950,471</u>	<u>\$ 5,431,868</u>
\$ 330,000	\$ 340,000	\$ 350,000	\$ 360,000	\$ 375,000	\$ 385,000	\$ 2,820,000
537,931	528,032	517,743	507,332	496,532	565,471	5,357,014
<u>\$ 867,931</u>	<u>\$ 868,032</u>	<u>\$ 867,743</u>	<u>\$ 867,332</u>	<u>\$ 871,532</u>	<u>\$ 950,471</u>	<u>\$ 8,177,014</u>
0.21	0.49	1.00	1.00	1.00	1.00	0.66
\$ 257,047	\$ 618,035	\$ 650,730	\$ 656,206	\$ -	\$ -	\$ 2,182,018
-	-	-	-	-	-	569,786
5,494	(6,048)	11,864	7,196	-	-	34,755
<u>\$ 262,541</u>	<u>\$ 611,987</u>	<u>\$ 662,594</u>	<u>\$ 663,402</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,786,559</u>
\$ -	\$ -	\$ 100,000	\$ 110,000	\$ -	\$ -	\$ 210,000
514,093	514,093	511,918	507,350	-	-	2,360,194
<u>\$ 514,093</u>	<u>\$ 514,093</u>	<u>\$ 611,918</u>	<u>\$ 617,350</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,570,194</u>
0.51	1.19	1.08	1.07	N/A	N/A	1.08

**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income</u>	<u>Personal Income (2)</u>	<u>Labor Force (3)</u>	<u>Unemployment Rate (3)</u>
2008	288,055	\$27,120	\$7,294,251,800	144,589	5.5%
2009	287,501	24,702	6,947,235,100	143,492	7.9%
2010	285,068	25,066	7,145,514,488	148,515	7.6%
2011	286,367	25,576	7,106,711,800	149,870	6.9%
2012	289,270	25,072	7,165,005,800	150,515	6.0%
2013	294,873	25,695	7,636,250,500	151,967	5.1%
2014	297,640	26,268	7,818,407,520	152,612	4.2%
2015	300,353	25,611	7,692,209,635	153,855	3.7%
2016	304,442	26,054	7,931,854,576	153,035	3.5%
2017	309,180	26,896	8,315,693,459	153,216	2.8%

Sources:

- (1) 2008-2009, 2011-2012, 2016, 2017 data is based on Metropolitan Council estimates. 2010, 2013-2015 data is based on U.S. Census Bureau information.
- (2) 2008-2015 data provided by U.S. Census Bureau's Annual American Community Survey. 2016-2017 data is provided by Minnesota Department of Employment and Economic Development (DEED).
- (3) Annual average - not seasonally adjusted. Data provided by Minnesota DEED.

Unaudited

**City of Saint Paul, Minnesota**  
**PRINCIPAL EMPLOYERS**  
Current Year and Nine Years Ago

<u>Employers</u>	<u>2017</u>			<u>2008</u>		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
University of Minnesota <sup>1)</sup>	18,000	1	11.41%			
State of Minnesota <sup>1)</sup>	14,173	2	8.99%	13,200	1	7.29%
3M Company	10,500	3	6.66%			
Health East <sup>1)2)</sup>	7,500	4	4.76%	3,078	7	1.70%
Saint Paul Public Schools	5,966	5	3.78%	5,737	2	3.17%
Regions Hospital <sup>1)</sup>	5,309	6	3.37%	4,554	4	2.52%
Ramsey County	4,427	7	2.81%	2,686	9	1.48%
United Hospital <sup>1)</sup>	3,600	8	2.28%	3,791	6	2.09%
City of Saint Paul <sup>1)</sup>	2,913	9	1.85%	3,010	8	1.68%
Securian Financial Group	2,750	10	1.74%			
U.S. Bancorp				4,700	3	2.60%
United States Federal Government				4,184	5	2.31%
St. Paul Traveler's Insurance				2,550	10	1.40%
<b>Total</b>	<b>75,138</b>		<b>47.65%</b>	<b>47,490</b>		<b>26.24%</b>

<sup>1)</sup> Includes full- and part-time employees.

<sup>2)</sup> Includes all home care clinics in its network

Sources: Minnesota DEED and City Capital Partnership for 2008 data; 2017 data compiled by Springsted Inc. based on February 2018 telephone survey of individual employers.

**OPERATING INDICATORS**

**Last Ten Fiscal Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>
New and Substantially Rehabilitated Single- and Multi-Family Housing Units	10	100	96
Number of Pedestrian Skyway Bridges	37	37	37

Source: City of Saint Paul, Department of Planning and Economic Development.

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
100	106	99	774	316	1,600	1,232
37	37	37	37	37	37	37

Unaudited

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**CAPITAL ASSET STATISTICS**  
**Last Ten Fiscal Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Number of Parking Ramps	9	9	9	9
Number of Parking Lots	8	8	8	8
Number of Parking Spaces	7,958	7,958	7,958	7,958
Depreciated Cost of Parking Ramps, Lots, and Buildings	\$ 101,652,375	\$ 99,337,412	\$ 97,997,999	\$ 93,596,580
Number of Apartment Houses	-	-	-	-
Depreciated Cost of Apartment Houses and Land	-	-	-	-

Source: City of Saint Paul, Department of Planning and Economic Development.



<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
9	9	9	9	9	9
8	8	9	9	9	8
7,958	7,958	8,008	8,008	8,008	7,884
\$ 92,237,595	\$ 89,282,341	\$ 88,309,005	\$ 86,005,911	\$ 83,792,973	\$ 81,527,423
2	2	2	1	-	-
\$ 24,545,604	\$ 66,353,501	\$ 65,579,259	\$ 54,910,462	-	-

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