

# **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, 2014**



Amy Brendmoen, Chairperson  
Christopher B. Coleman, Mayor  
Jonathan Sage-Martinson, Executive Director

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

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For the Fiscal Year Ended December 31, 2014**

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Christopher B. Coleman, Mayor of the City of Saint Paul  
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**HRA Board of Commissioners:**

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**Prepared by:  
City of Saint Paul -  
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**HOUSING AND REDEVELOPMENT AUTHORITY OF  
THE CITY OF SAINT PAUL, MINNESOTA**

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**CITY OF SAINT PAUL**

*Christopher B. Coleman, Mayor*

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November 30, 2015

**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, 2014 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 and 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 and government agencies and other interested parties, who have expressed an interest in the HRA's financial affairs.

## **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 sufficient reliable information for the preparation of the City of Saint Paul's financial statements in conformity with Generally Accepted Accounting Principles. 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 and belief, 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. These services strive 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 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, 2014.

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. Gross employment gains were 14,032 in 2014.<sup>1</sup> The Minneapolis-Saint Paul area is expected to gain 407,656 jobs by 2040, a 25.3% increase from 2000.<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 3<sup>rd</sup> lowest annual unemployment rate in 2014 (4.1%).<sup>4</sup>
- Saint Paul ranked 2<sup>nd</sup> highest in percent of population 25 years and over with a bachelor's degree (22.8%).<sup>5</sup>
- Saint Paul ranks 6<sup>th</sup> highest in median household income (\$47,010), 4<sup>th</sup> highest in median family income (\$59,440) and 9<sup>th</sup> highest in per capita income (\$28,725).<sup>6</sup>
- The median value of owner-occupied houses in Saint Paul is 6<sup>th</sup> highest compared to peer cities (\$178,700).<sup>7</sup>

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 2014 was just above the Minnesota rate which was 4.1% and was significantly below the U.S. rate of 6.1%.<sup>8</sup>

<sup>1</sup> Minnesota Department of Employment and Economic Development, available at: <https://apps.deed.state.mn.us/lmi/qcew/ResultsDisp.aspx>

<sup>2</sup> Metropolitan Council, *2030 Regional Development Framework*, updated January, 2013, available at: <http://metro council.org/Data-and-Maps/Data/Census-Forecasts-Estimates.aspx>

<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, St. Louis and Toledo.

<sup>4</sup> Bureau of Labor Statistics, Local Area Unemployment Statistics available at: <http://www.bls.gov/lau/lacilg14.htm>; Minnesota city unemployment rates available at: <http://mn.gov/deed/data/>

<sup>5</sup> 2013 American Community Survey, through the American Fact Finder, available at: <http://www.census.gov>

<sup>6</sup> 2013 American Community Survey, through the American Fact Finder, available at: <http://www.census.gov>

<sup>7</sup> 2013 American Community Survey, through the American Fact Finder, available at: <http://www.census.gov>

Saint Paul's largest employment sector is Education and Health Services (58,759 jobs; 33.2% of total jobs). Other large employment sectors include Public Administration (22,859 jobs; 12.9% of total jobs) and Trade, Transportation and Utilities (19,091 jobs; 10.8% of total jobs).<sup>9</sup>

Similarly, tax base growth has been strong and sustained. Saint Paul's taxable market values have increased over 12% (from \$16.4 billion to \$18.4 billion). This strong growth rate is due to the combination of a number of factors, including:

- Strong residential and apartment markets in 2003-2006.
- A state law that is gradually phasing out preferential treatment that limited year-to-year growth in homestead taxable values (known as "limited market value"). Recently, the taxable market value growth rate has slowed slightly as the phase out of limited market value nears completion.

Saint Paul began collecting a half-cent sales tax at the end of 1993, and added a use tax in 2000. Annual net sales and use tax revenues have increased from \$8.4 million in 1994 to \$17.4 million in 2014. In 2015, revenues are estimated to be approximately \$1 million higher than 2014.

## **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**

To maintain this 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.

### **City Strategic Plan**

A new strategic vision for the City was developed by the Mayor's administration in consultation with other stakeholders. To support a vision of Saint Paul as the most livable city in America, it identifies four strategic goals:

**Ready for School, Ready for Life:** Education is core to the quality of life in our great City. Saint Paul will strive to eliminate the achievement gap by ensuring that learning opportunities are accessible for all and are quality-driven. We will achieve this goal by expanding early childhood learning opportunities

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

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



and setting children on a course for success in school: extending learning opportunities outside of the classroom and connecting formal and informal opportunities throughout the community: and open doorways to higher education by better informing and preparing students for post-secondary educational opportunities.

**Safe Streets and Safe Homes:** Families will feel secure on our sidewalks and in our homes as a result of our strong sense of community and confidence in our world-class public safety system. We will do this by engaging youth with quality recreational, educational, and youth organizing activities; address areas of disinvestment with revitalization; create strong community partnerships; build a world-class Police Department; invest in a 21<sup>st</sup> Century Fire Department; and elevate emergency management to leverage resources and knowledge that will prepare City to respond to multi-faceted crises.

**Expanding Economic Opportunity:** We will build our economic future on the foundation of the City's strengths – a well-educated and creative workforce, sound infrastructure, and local businesses rich with growth potential. Strategies include creating the East Metro's first light rail line and leverage \$1 billion in development; restoring the Union Depot to be a vital regional transportation hub supporting high-speed rail to Chicago; through Invest Saint Paul, stimulating growth by making strategic investments in neighborhoods of greatest disinvestment while coordinating and enhancing other services to these communities; aggressively pursuing the first major developments in downtown in a decade; and leveraging resources and markets for sustainable, environmentally friendly products to build a new manufacturing economy with living-wage jobs.

**Quality Way of Life:** Saint Paul will set high standards for healthy urban living through civic leadership, quality assets, sound environmental stewardship, and a welcoming, diverse population. We will improve, expand, and maintain our parks, libraries, and facilities that benefit the neighborhoods they serve; implement a public art policy to integrate into our public and private infrastructure; focus development on a more natural, urban, and connected city through an expanded system of parks, green spaces, bikeways, and trails; and make downtown a music, culture, and creative arts capital that amplifies the City's creative and ethnic voices that bring identity to Saint Paul.

## **MAJOR DEVELOPMENTS**

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

#### **Custom House**

Kellogg Boulevard is undergoing a \$125 million renovation. The Exeter Group, which bought the Custom House building in 2013, plans 250 units of market-rating housing, a Hyatt Place Hotel and a destination restaurant. Funding includes \$5.8 million in tax increment financing, \$725,000 from the Minnesota Department of Employment and Economic Development and \$850,000 for environmental abatement from the Metropolitan Council.

#### **The Ordway**

At 345 Washington Street, the Ordway Center for the Performing Arts has replaced the 306-seat McKnight Theatre with a \$42 million, 1,100-seat concert hall, which opened in March 2015. Funding

included \$20 million in state bonds and a 10-year, \$3 million Cultural STAR grant backed by the City's half-cent sales tax.

### **CHS Field**

Saint Paul's 7,000-seat regional ballpark has already hosted games for its second major tenant, the Hamline Pipers. The Saint Paul Saints played an exhibition game May 18, 2015, followed by opening day May 21. At 360 N. Broadway Street, the city-owned ballpark was funded with \$13.3 million in private contributions and \$51.4 million in public money and will be maintained by the Saints.

### **Stadium Ramp Restaurants**

Jim Crockarell now owns the Stadium Ramp overlooking CHS Field at 255 E. Sixth Street. Plans include a 10,000-square-foot rooftop bar and grill, as well as a restaurant occupying 6,000 square feet on the ground level. The ground floor restaurant opened in July 2015.

### **Rayette Lofts**

Sherman and Associates opened an 88-unit market-rate apartment building and retail space in the renovated, historic Rayette Building in October of 2014. The \$23 million project was funded by historic tax credits, the Metropolitan Council and private equity financing. St. Dinette, an upscale eatery from the proprietors of the Strip Club restaurant, also opened recently in the building.

### **Lafayette Bridge, Cayuga, Kellogg**

After four long years, the end is in sight for the Lafayette Bridge project. The \$125 million bridge replacement created two new U.S. 52 bridges over the Mississippi River, in addition to improvements to nearby roads. Work began in the fall of 2011 and wraps up in October 2015.

### **Sibley Square/Lofts on the Park**

Across Fourth Street from the Saint Paul Union Depot, Timberland Partners will convert a historic office building at 333 N. Sibley Street into "333 on the Park", 136 market-rate apartments with enclosed parking. The City has applied to the Metropolitan Council for environmental cleanup grants. Total estimated development cost is \$40 million.

### **Ramsey County West Building**

Hoping to entice developers to the Kellogg Boulevard river bluffs, the Ramsey County Board of Commissioners approved \$11.5 million to demolish the vacant adult detention center and former West Publishing buildings, which span Wabasha to Market streets. Demolition is expected to continue through spring 2016.

### **West Side Flats**

South of the Wabasha Street bridge and Raspberry Island, Sherman Associates opened the West Side Flats at 84 South Wabasha Street in 2014. The \$35.4 million complex has 178 apartments, with a mixture of market-rate and affordable units, and is 93 percent occupied. Funding included a \$23.5 million private loan insured by the U.S. Department of Housing and Urban Development, alongside grants and loans from the City and other local sources. The developer is planning a two-building expansion, which would include 264 units, 5,000 square feet of commercial space and a patio facing the Mississippi River. The expansion would be completed in 2017.

### **Lowry Hotel**

Building owner Jim Crockarell has been renovating the old Lowry Hotel building at 345 Wabasha Street N. since December 2012. The \$16 million facelift has created a new home for the Ramsey County Attorney's Office, 155 market-rate apartments and two floors of extended-stay hotel rooms. Crockarell hopes to add a ground-level restaurant and basement music venue, as well as rooftop dining.

### **Twin Cities Public Television**

Twin Cities Public Television is undergoing an \$18.4 million renovation and expansion of its 172 E. Fourth Street offices and studios. This renovation added space for public screenings, art exhibits, concerts and lectures, as well as a street-level presence. Funding includes \$9 million in state bonding and \$85,000 from Saint Paul's Cultural STAR program.

### **Central Station**

A \$1.8 million vertical elevator and stairway connection from the skyway to the sidewalk adjacent to the Green Line's Central Station platform opened at Fifth and Cedar streets in 2014. The City has identified the vacant land immediately to the east as a redevelopment opportunity, and is working with the Metropolitan Council on details.

### **Former Macy's**

The Saint Paul Port Authority acquired the block-long Macy's Department Store building at 411 Cedar Street for \$3 million in 2014. A retail developer bought 10 percent of the leasable space for \$2.5 million.

### **Kellogg Square**

Bigos Management purchased the 32-story, 450-apartment building at 111 E. Kellogg Boulevard for \$51 million in 2012. In addition to a remodeled lobby, a new fitness center and a skyway cafe, renovation of 300 apartments was completed in 2015.

### **Galtier Towers**

Bigos Management is wrapping up a \$6 million remodel in 2015 for 366 apartments and common spaces in the Galtier Towers, 172 E. Sixth Street in Lowertown, including new fitness and business workspace centers.

### **Crowne Plaza**

Mille Lacs Corporate Ventures has almost completed renovation of the Crowne Plaza Saint Paul Riverfront Hotel at 11 Kellogg Boulevard, which will soon be known as the InterContinental. Renovations include a redone lobby, meeting spaces and hotel rooms in the east tower. Work is underway on the west tower, where rooms will get new furniture, fixtures and bathroom expansions.

### **Park Square Theatre**

Located in the Historic Hamm Building at 408 St. Peter Street, the Park Square Theatre opened the Andy Boss Thrust Stage in October 2014. The 200-seat, lower-level theater has hosted four theater companies and doubled Park Square's usual roster of performances. The \$3.6 million project received a \$180,000 STAR grant from the City.

### **Palace Theatre**

The \$14 million transformation of the Palace Theatre into a concert venue is currently underway. On West Seventh Place, the 3,000-seat hall has been closed since 1977. The City will devote \$5 million from the 2014 state bonding bill, \$1 million from operating partners and an \$8 million City loan from the Mayor's 8-80 Vitality Fund. Opening is scheduled for 2016.

### **Children's Museum Expansion/Renovation**

The Minnesota Children's Museum began work in 2015 on a \$28 million expansion and renovation at 10 West Seventh Street. The museum received \$14 million from the State of Minnesota, \$1 million from the City's Cultural STAR program, and more than \$9 million in private contributions. The project will improve visitor amenities, increase gallery space and remake existing exhibits, with a focus on open-ended play.

### **7 Corners Hardware**

Opus Development Co. recently purchased the iconic 7 Corners Hardware store at 216 W. Seventh Street and an adjacent church in 2015 with plans to redevelop the block into 191 market-rate housing units next to a five-story hotel. The residential building will include about 11,000 square feet of retail space on the first floor. The Minnesota Department of Employment and Economic Development (DEED) plans to provide a \$200,000 cleanup grant. Construction has begun, and the project could be done by the end of 2016.

### **Seven Corners Gateway**

Across the street from the Xcel Energy Center, the Opus Group and Greco Property Management received tentative developer status in 2014 to turn a city-owned parking lot at West Fifth Street and North Smith Avenue into a gateway project. Early renderings propose two towers of hotel and residential units, retailers and a public plaza. Opus has announced that a Radisson RED hotel concept is planned for the site. Full site plan reviews and environmental and market studies are expected to be complete by April 30, 2016.

### **Lunds and Penfield**

A Lunds grocery store featuring Caribou Coffee, Big Bowl and other tenants opened in 2014 next to the City's six-story, 254-unit Penfield apartment building at 101 E. 10th Street in May 2014. This building was developed by the City for \$62 million.

### **United Hospital/Children's Hospital**

In March of 2015, United Hospital, Allina Health and Children's Hospitals and Clinics of Minnesota began work on a birthing center at 345 N. Smith Avenue. The \$32.5 million Mother Baby Center will be the third birth center in the metro area. The first phase will remodel the existing neonatal intensive-care unit and build out 30,000 square feet of new space this year, including a new entrance, a family waiting area, triage, labor, operating and post-op rooms.

### **Children's Hospital**

Children's Hospital opened a new Ronald McDonald room in July 2015 to serve families with kids in intensive care. The \$2 million project at 345 N. Smith Avenue includes four family sleep suites, a full kitchen, entertainment space, a laundry and a fitness room.

### **Regions Hospital**

The hospital is renovating 61,000 square feet, at an estimated cost of \$28.8 million. A \$9 million pathology testing lab opened in January 2015. From June through September of 2015, the hospital will open a \$6.5 million hybrid operating and cardiology/radiology imaging room, a \$2.9 million employee fitness center and wellness clinic, and a \$5.4 million remodel of the 20-bed observation center. About \$3.8 million in improvements to the intensive-care unit and cardiovascular, interventional imaging and radiation therapy rooms are underway. A physical therapy rehab clinic opened April 1, 2015, at 1710 Suburban Avenue.

### **State Capitol/Minnesota Senate Building**

The Capitol is undergoing a \$272 million facelift that will continue into January 2017. Work is also underway on a \$76.1 million Senate office building and \$13.5 million, 265-stall parking ramp. A \$16.8 million, four-level, 532-stall parking ramp next to the Minnesota Transportation Building opened in December 2014.

## **II. Along the Green Line (Central Corridor)**

### **Green Line**

Metro Transit's \$957 million Green Line is the second light-rail corridor in the State of Minnesota. Linking downtown Saint Paul and Minneapolis, the Green Line made its debut June 14, 2014, and quickly surpassed ridership expectations.

### **Dorothy Day**

Catholic Charities plans a \$100 million, two-phase reconstruction of its overcrowded Dorothy Day Center. The "ReVision" plan calls for converting the Labor and Professional Centre at 411 Main Street into a five-level building offering 278 shelter and pay-for-stay beds, as well as 193 units of permanent housing.

### **Sears**

Since at least January 2013, Sears has been working with a broker to market its location at 425 Rice Street for redevelopment. Sears would remain the anchor tenant, but early concept plans for "Capitol View" include more than 100 apartments, 18 townhomes, and multiple stories of office and retail. Redevelopment of the site is still under discussion after Chicago-based Seritage Growth Properties paid \$5.15 million for the Rice Street property in July 2015.

### **Western U Plaza**

The historic Old Home Dairy building at 370 W. University Avenue is being converted into 68 units of rental housing, including eight market-rate units. Some 6,600 square feet of commercial space will be added at 470 Western Avenue. The \$20 million project was supported by state and federal historic tax credits, a \$250,000 federal HOME loan, and a wide range of additional grants. Construction is expected to wrap up in 2015.

### **Central Exchange, Brownstone**

Model Cities is working with the City on financing two construction projects along University Avenue, comprising 60 to 70 units of affordable housing, as well as retail. Central Exchange would be a

three-story development at 773-785 W. University Avenue, and Brownstone would be a four-floor mixed-use building at 839 W. University. Brownstone includes a reading room emphasizing the history of the Pullman railroad workers.

### **Saxon-Ford**

City staff are working with the Local Initiatives Support Coalition to market the site of the former Saxon-Ford dealership's financing center at 253-255 W. University Avenue in Frogtown. Preliminary ideas include retail on the avenue with assisted living in back. A recent request for information on the development opportunity closed to submissions in early July 2015.

### **Little Mekong Plaza**

The Saint Paul City Council approved \$300,000 from the Mayor's "8-80 Vitality Initiative" to demolish a vacant meat shop at 402 W. University Avenue and create a temporary, publicly owned plaza next to the Mai Village restaurant. Long-term plans call for a \$1 million to \$3 million renovation into a permanent outdoor market and gathering space.

### **Lexington Library**

The HRA bought the vacant Lexington Library at 1080 W. University Avenue in 2014.

### **Goodwill**

In February 2015, Goodwill Industries opened its largest store in the metro area at 1239 W. University Avenue, by Griggs Street. The \$10 million, two-level Goodwill spans 30,000 feet of retail, donation and office space and replaces a long-vacant Whitaker Buick dealership.

### **Hamline Station**

Project for Pride in Living Inc. is well into redevelopment of the former Midway Chevrolet used-car lot at 1333 W. University Avenue into a \$28 million, two-building, block-long affordable-housing development with 108 apartments. The west building will include 13,000 square feet of commercial space. It's supported by roughly \$11 million in public grants and loans.

### **YMCA**

Demolition and groundbreaking began in April 2015 for the new Saint Paul Midway YMCA. The \$16.4 million redesign includes an aquatics center, a rooftop patio, a demonstration kitchen, a play maze and multiple fitness studios at 1761 W. University Avenue.

### **Episcopal Homes**

Episcopal Homes hosted a grand opening on May 20, 2015, for a 168-unit building that combines three types of market-rate and affordable senior residences. The \$45 million project is at 1860-1890 W. University Avenue, in the general location of what had been a Porky's drive-in. The City helped secure \$500,000 in federal HOME funds and \$2 million in transit-oriented development funds from the Metropolitan Council.

### **Prior Crossing**

Beacon Interfaith Housing Collaborative secured financing in 2015 to build an \$11 million, 44-unit housing development for homeless youth at 1949 W. University Avenue. Site demolition has been

completed, and the HRA has committed \$1.1 million to the project.

### **Silgan Can**

Orton Development has put at least \$2 million into renovating the 8.78-acre Silgan Can factory at 755 Prior Avenue. About 10 commercial tenants have moved in, including Black Stack Brewery. Can Can Wonderland plans a mini-golf-themed entertainment center next to an interior rail spur.

### **Pirtek**

Aeon, a developer of affordable housing, bought two half-vacant commercial buildings at 2147 and 2161 W. University Avenue in 2015 with the intention of demolishing them and building residential units by Vandalia Street. The project would span four or five levels and about 100 to 140 apartments with a possible retail aspect.

### **Vandalia Tower**

First and First LLC is spending \$10 million to remodel eight buildings within the former King Koil factory at 550-558 Vandalia Street. Signature tenants include Lake Monster Brewing, which plans to open a taproom later this year, and the Independent Filmmaker Project, a media arts center offering classrooms and screening space.

### **2700 University**

Indianapolis-based Flaherty and Collins plans a five-level, 248-unit housing complex at 2700 W. University Avenue. The \$54.7 million building includes 3,000 square feet of retail, and 20 percent of the units will be affordable housing. The HRA approved tax increment financing and HOME funds for the project in the fall. Metropolitan Council is providing a \$2.0 million transit-oriented development grant. The project broke ground in June 2015.

### **Taprooms and Microbreweries**

At least a dozen taprooms and microbreweries have opened in Saint Paul, many of them near the Metro Transit's Green Line corridor. Urban Growler at 2325 Endicott Street, the first microbrewery owned by a woman in Minnesota, plans to expand its kitchen. The latest arrivals include Sidhe Brewing at 990 Payne Avenue and Bad Weather Brewing at 414 W. Seventh Street, which opened in 2015.

## **III. Neighborhoods**

### **Neuroscience Center**

HealthPartners plans a \$75 million, four-story, 128,000-square-foot neuroscience center at 295 Phalen Boulevard. The project includes a 640-space parking ramp. Construction began in 2015 and wraps up in 2017.

### **Phalen Village**

The North East Neighborhoods Development Corp. hopes to bring a mix of housing and retail to the former site of the Phalen Village Shopping Center, west of the 1300 block of Phalen Boulevard. Executive director Chuck Repke envisions 60 housing units and 25,000 square feet of retail development.

### **Ames Lake “New Rose” Development**

Real Estate Equities acquired four dilapidated buildings housing 48 apartments in 2015, which it will rehabilitate as part of the fifth phase of the Ames Lake development at 1144 Barclay Street financed by \$2.8 million in Community Development Block Grant loan assistance.

### **Hamm’s Brewery**

The Hamm’s Brewery is once again producing beer at 700 Minnehaha Avenue Flat Earth Brewery, which began brewing on-site in March 2014, is tentatively poised to open a beer garden this fall. Next door, the 11 Wells Distillery opened a tasting room in 2015. Urban Organics has been operating an aquaponics fish-and-produce farm.

### **Willow Reserve**

Habitat for Humanity will build a dozen three- and four-bedroom homes on a three-acre lot in the North End previously owned by the HRA. Bordering wetlands, the Willow Reserve project at 389 and 425 Maryland Avenue is projected to break ground in spring 2016.

### **Pipefitters Training Facility**

Steamfitters Pipefitters Local 455 will spend \$8 million to add a story to an old contractor's shop at 1301 L'Orient Avenue and convert it into a 65,000-square-foot headquarters and training facility, with space for their credit union.

### **234-238 Bates**

Euclid View Flats, a three-story apartment building at 234-238 Bates Avenue that dates to 1895, was listed in the National Register of Historic Places in February 2014. The 12-unit site was acquired by the City and sold to the Sand Cos., which plans a \$2.2 million renovation supported by state and federal historic tax credits.

### **Mississippi Market and the Cambric Apartments**

The Mississippi Market co-op plans opened its third store in 2015, a \$10 million, two-level building at 740 E. Seventh Street. Next door, Dominion plans to build the \$27 million Cambric Apartments, 113 units of affordable rental housing for seniors.

### **Metro State**

Metropolitan State University is remaking its Dayton’s Bluff campus with a \$20 million, 760-stall parking ramp at 400 Maria Avenue, a \$12 million student center off East Seventh Street, and a \$39 million, three-story science center at Sixth Street and Mounds Boulevard. The ramp and student center opened in 2015.

### **Schmidt Brewery**

The Jacob Schmidt Brewery’s renovated the Bottlehouse and Brewhouse buildings which are now the Schmidt Artist Lofts, thanks to a \$130 million historic renovation led by Plymouth-based Dominion and a host of public funding partners. Urban Organics, a local produce supplier, has a purchase agreement to move into land owned by investor Bruce Hendry. Craig Cohen has received two grants from the Metropolitan Council for environmental cleanup of the Schmidt Keg House, which he envisions turning into an open-air marketplace anchored by a restaurant.



### **Hazelden**

The Hazelden Betty Ford Foundation is devoting \$25 million to doubling treatment capacity at its 680 Stewart Avenue campus. The first phase, a 55,000-square-foot building for its existing chemical-health programs, is scheduled to open in 2015. Phase two, which includes renovations of the mansion, the outpatient mental health clinic, the upper parking lot and landscaping, could be completed by April 2016.

### **Victoria Park Apartments**

At 740 S. Victoria Street, Chase Real Estate completed the \$30 million, three-story, 215-unit Victoria Park apartments in 2014. Construction of phase two, also \$30 million, began in 2015 and will entail 197 market-rate units in a five-story apartment building at the edge of the future Victoria Park off Shepard Road and Otto Avenue.

### **The Waters of Highland Park**

Minnetonka-based Waters Senior Living started construction in October 2014 of a four-story, 84-unit senior living apartment building at 678 S. Snelling Avenue. The HRA issued \$21.9 million in tax-exempt conduit revenue bonds. Construction is estimated to be complete in 2015.

### **Highland Village**

Between Highland Parkway and Pinehurst Avenue, TJJ Development has proposed converting an Edina Realty office at 735 Cleveland Avenue into a four-story building featuring 53 apartments over 19,000 square feet of commercial space.

### **Ford Site**

Eager to see the Ford Plant's nearly 150-acre Highland Park campus redeveloped into a model of environmental sustainability, Saint Paul Mayor Chris Coleman toured European redevelopment sites for ideas this year. The City has organized task forces geared to alternative energy, zoning, jobs and biking, transit and pedestrian infrastructure at the former Ford plant. Community input meetings and informational sessions are ongoing.

### **The Vintage on Selby**

Associated Bank relocated from 1573 Selby Avenue and opened a location next door in 2014, making room for the Ryan Cos. to build "The Vintage on Selby", 208 market-rate apartments, and a 39,000-square-foot Whole Foods Market.

### **Libraries**

The Saint Paul Public Library system has nearly completed \$14.8 million in renovations outlined in its 2011 capital needs assessment, including top-to-bottom remodels of the Sun Ray and Highland branch libraries. Next up is a \$1 million reorganization of the George Latimer Central Library at 90 W. Fourth Street.

## 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, 2013. This was the twenty-ninth 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.



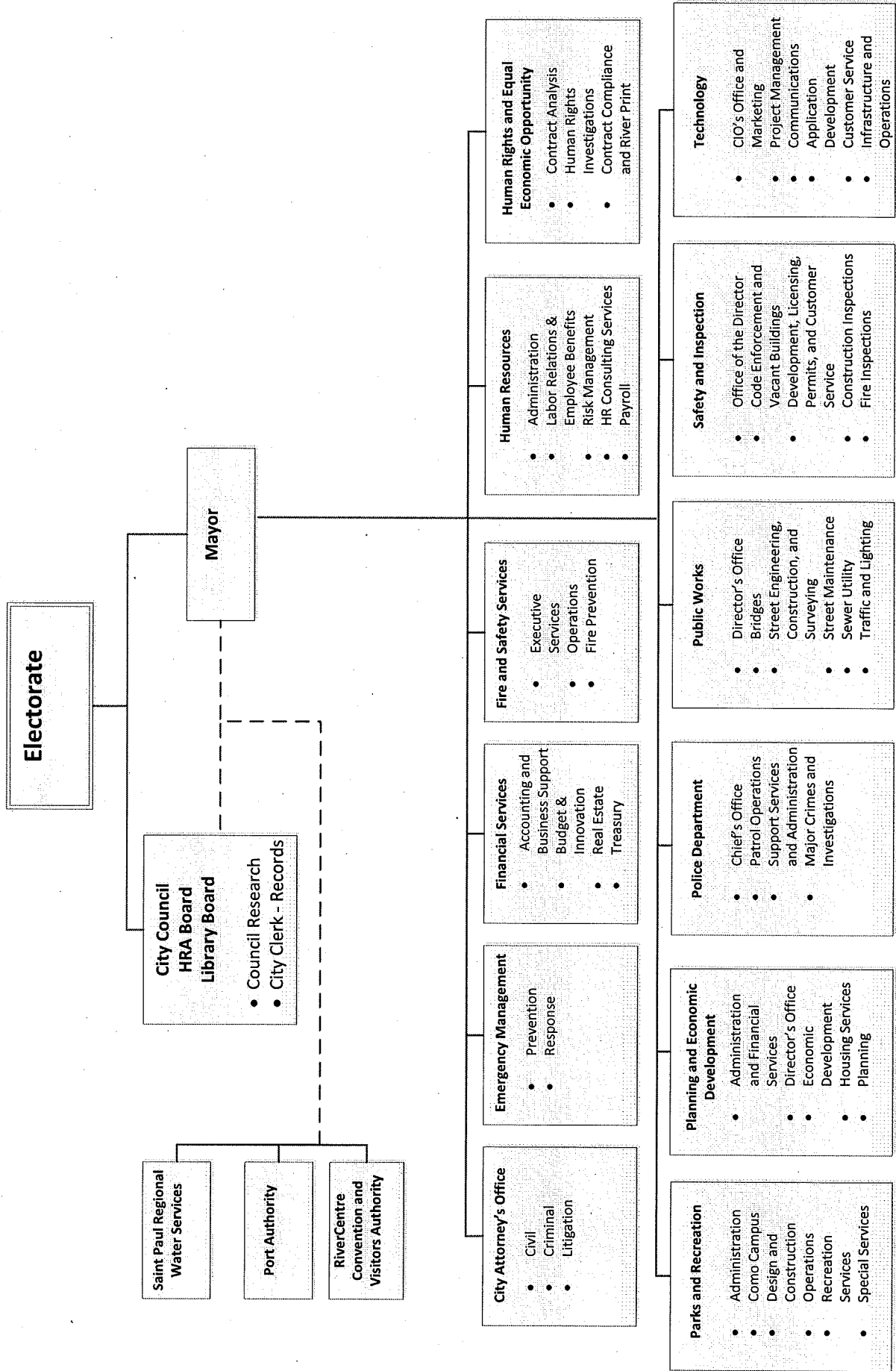
for Jonathan Sage-Martinson  
Director



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, 2014**

	Term of Office	
	From	To
<b><u>Commissioners</u></b>		
Daniel Bostrom	January 1, 1996	December 31, 2015
Amy Brendmoen	January 11, 2012	December 31, 2015
Kathy Lantry	January 1, 1998	December 31, 2015
Russ Stark	January 8, 2008	December 31, 2015
Dai Thao	November 21, 2013	December 31, 2015
David Thune	January 14, 2004	December 31, 2015
Chris Tolbert	January 11, 2012	December 31, 2015
<b><u>Officers</u></b>		
<b><u>Chairperson</u></b>		
Amy Brendmoen	January 8, 2014	December 31, 2015
<b><u>Vice-Chairperson</u></b>		
Russ Stark	January 8, 2014	December 31, 2015
<b><u>Secretary</u></b>		
Kathy Lantry	January 11, 2012	December 31, 2015
<b><u>Treasurer</u></b>		
Dai Thao	January 8, 2014	December 31, 2015
<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, 2013**

Executive Director/CEO

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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, 2014, 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 did not audit the financial statements of the Penfield Apartments, a major fund (HRA Penfield Enterprise Fund) and 30 percent, 22 percent, and 18 percent, respectively, of the assets, net position, and revenues of the business-type activities. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Penfield Apartments, is based solely on the report of the other auditors. 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 of 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, based on our audit and the report of the other auditors, 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, 2014, 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.

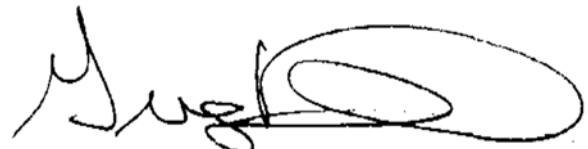
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2015, 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 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. It does not include the Penfield Apartments, which was audited by other auditors.



REBECCA OTTO  
STATE AUDITOR



GREG HIERLINGER, CPA  
DEPUTY STATE AUDITOR

November 25, 2015

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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, 2014**

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, 2014. We encourage readers to consider the information presented here in conjunction with the financial statements which are found on pages 38-95.

**Financial Highlights**

- Total position of the HRA exceeded total liabilities at the end of 2014 by \$94.0 million. Net position increased by \$42.6 million during 2014. This net increase included an increase in business-type activity net position by \$2.2 million and an increase in governmental activity net position by \$40.4 million. The business-type activities are the HRA Loan Enterprise Fund, the HRA Parking Enterprise Fund, the HRA Lofts Enterprise Fund, and the HRA Penfield Enterprise Fund.
- The HRA's governmental funds reported combined fund balances of \$43.8 million. An amount of \$28.7 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 2014 by \$35.9 million to a total of \$176.3 million, a 16.9% decrease from 2013. Total interest expense on long-term debt in 2014 was \$14.6 million, an increase of \$3.3 million from 2013.
- The assets of loans receivable and accrued interest on loans decreased by \$31.7 million to a total of \$53.9 million at December 31, 2014. There was an overall decrease in the net loans receivable after subtracting the allowance for uncollectible loans and loan interest. The allowance for uncollectible loans and interest, based on an analysis of credit risk and payment delinquency, is \$47.8 million at December 31, 2014, a decrease of \$31.0 million over December 31, 2013.
- Five new HRA administered tax increment financing districts were created in 2014. Total tax increment revenue for HRA Districts was \$20.9 million in 2014, an increase of \$0.5 million from 2013. The captured tax capacity of all Saint Paul tax increment financing districts including the Port Authority is 9.74% of Saint Paul's total tax capacity. This represents a decrease of 0.01 percentage points from 2013.
- The major housing development initiative continued in 2014 with 774 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  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2014**

**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 38-40 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
- Lofts
- Penfield

On January 1, 2014, the HRA fund structure for the HRA Grants Special Revenue Fund, the HRA Grants Fund, and the HRA Loan Enterprise Fund were changed. The HRA uses the City's finance system and a new finance system was implemented on January 1, 2014 that changed the fund structure. The accounting for foreclosure prevention grants was moved from the HRA Grants Fund to the HRA Loan Enterprise Fund and the accounting for the Housing and Urban Development (HUD) grants was moved from the HRA Grants Fund to the City's HUD Grant

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2014**

Special Revenue Fund. The accounting for the Lofts and Penfield was moved from the HRA Loan Enterprise Fund into two separate enterprise funds. HRA fund accounting policies are included in Note 2.A.

The *statement of net position* presents financial information on all of the HRA's assets and liabilities at December 31, 2014, 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.

The *statement of activities* presents information showing how the HRA's net position changed during 2014. 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 41-45 and pages 46-50 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 Grant Fund, HRA Debt Service Fund, HRA Tax Increment Capital Projects Fund, and 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

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2014**

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 almost exclusively positive variances compared to the final 2014 and multi-year budgets.

Proprietary funds are used to account for the same functions reported as business-type activities in the government-wide financial statements. The HRA maintains four proprietary funds: HRA Loan Enterprise Fund, HRA Parking Enterprise Fund, HRA Lofts Enterprise Fund, and HRA Penfield Enterprise Fund. Information is presented separately in the proprietary fund financial statements for each of these funds.

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 51-95 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, 2014**

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

**Net Position.** The following chart shows components of the HRA's assets, liabilities, and net position and compares 2014 with 2013 at December 31.

	Governmental Activities		Business-Type Activities		Totals		Total Percentage Change 2014-2013
	12/31/14	Restated 12/31/13	12/31/14	12/31/13	12/31/14	Restated 12/31/13	
<b>Assets</b>							
Cash and Investments	\$ 46,909,107	\$ 46,088,681	\$ 28,650,299	\$ 29,046,636	\$ 75,559,406	\$ 75,135,317	0.6%
Other Current Assets	(1,196,111)	(1,093,938)	3,138,073	2,948,488	1,941,962	1,854,550	4.7%
Land Held For Resale	3,489,351	3,620,573	7,222,021	7,337,433	10,711,372	10,958,006	-2.3%
Loans Receivable	915,388	3,857,979	5,189,947	2,925,159	6,105,335	6,783,138	-10.0%
Leases Receivable	11,250,000	11,857,500	-	-	11,250,000	11,857,500	-5.1%
Capital Assets	17,929,964	18,605,286	153,888,264	157,193,222	171,818,228	175,798,508	-2.3%
Other Non-Current Assets	2,462,191	2,462,191	1,312,273	1,390,454	3,774,464	3,852,645	-2.0%
<b>Total Assets</b>	<b>81,759,890</b>	<b>85,398,272</b>	<b>199,400,877</b>	<b>200,841,392</b>	<b>281,160,767</b>	<b>286,239,664</b>	<b>-1.8%</b>
<b>Liabilities</b>							
Current Liabilities	2,908,490	7,996,164	8,006,583	14,625,896	10,915,073	22,622,060	-51.7%
Long-Term Debt	72,519,746	112,127,866	103,735,769	101,042,619	176,255,515	213,170,485	-17.3%
<b>Total Liabilities</b>	<b>75,428,236</b>	<b>120,124,030</b>	<b>111,742,352</b>	<b>115,668,515</b>	<b>187,170,588</b>	<b>235,792,545</b>	<b>-20.6%</b>
<b>Net Position</b>							
Net Investment in Capital Assets	7,330,112	8,005,434	47,512,699	54,190,603	54,842,811	62,196,037	-11.8%
Restricted for Debt Service	10,259,124	12,372,431	4,225,175	3,865,748	14,484,299	16,238,179	-10.8%
Restricted for Operations and Maintenance	-	-	572,070	564,898	572,070	564,898	1.3%
Restricted for Capital Projects	8,660,499	-	-	-	8,660,499	-	100.0%
Restricted for Tax Increment Financing	12,054,523	-	-	-	12,054,523	-	100.0%
Restricted by Grantors	-	-	773,865	-	773,865	-	100.0%
Unrestricted	(31,972,604)	(54,404,315)	34,574,716	26,551,628	2,602,112	(27,852,687)	109.3%
<b>Total Net Position</b>	<b>\$ 6,331,654</b>	<b>\$ (34,026,450)</b>	<b>\$ 87,658,525</b>	<b>\$ 85,172,877</b>	<b>\$ 93,990,179</b>	<b>\$ 51,146,427</b>	<b>83.8%</b>

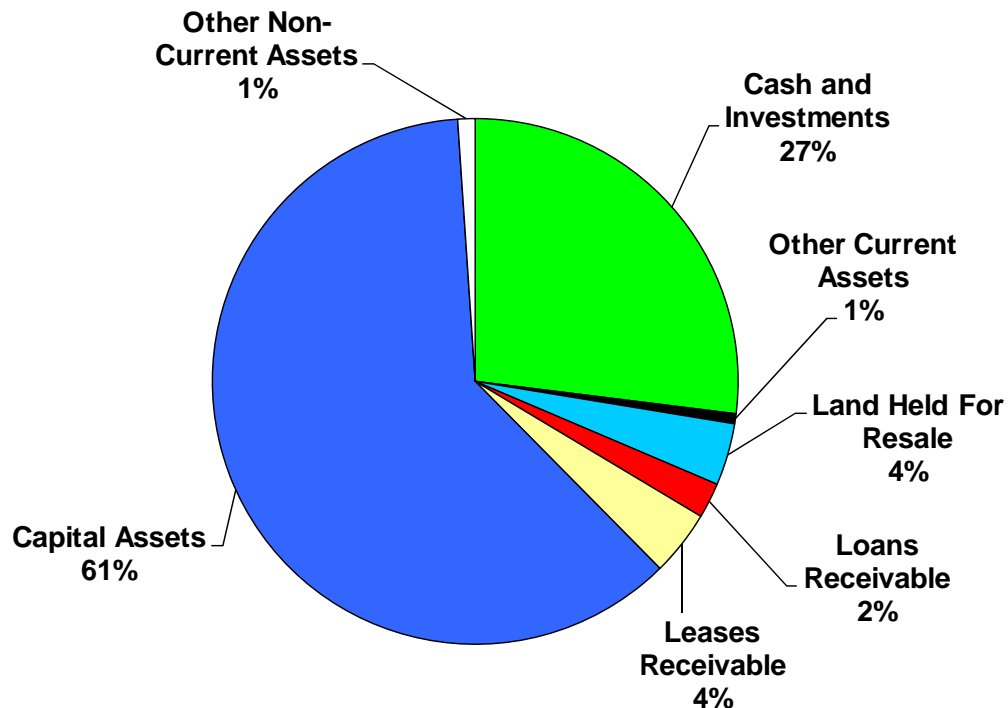
Total assets of the HRA exceeded total liabilities resulting in an overall surplus of \$94.0 million at December 31, 2014. Net position of the business-type activities are \$87.7 million at December 31, 2014. In governmental activities, the HRA issues long-term debt for housing and economic development 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 and the sales tax bonds. The debt is to be retired with future revenues, namely property tax increments and city sales taxes. 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. Unrestricted net position in business-type activities is \$34.6 million at December 31, 2014. However, a large portion of the unrestricted net position is represented by loans receivable, which often have repayment terms in excess of twenty years.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2014**

Total assets of the HRA decreased by 1.8%, to a total of \$281.2 million at year-end. Cash and investment balances increased by 0.6% in 2014. The net asset for loans less their allowance decreased in 2014 by 10.0%. Capital assets decreased during 2014 by 2.3%.

The HRA's long-term debt, at \$176.3 million is 94.1% of its total liabilities. The outstanding balance of long-term debt decreased by 17.3% during 2014. Governmental activity long-term debt includes tax-supported debt – the tax increment bonds and the sales tax bonds, along with the lease revenue bonds and various development notes. Business-type activity debt includes the parking revenue bonds, that were issued to finance the construction of HRA-owned parking ramps, the 2010 issued Lofts at Farmers Market Limited Tax Bonds, and the Penfield Apartments, LLC mortgage for construction of Penfield Apartments, LLC.

## 2014 Assets





**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2014**

**Changes in Net Position.** The following chart shows the changes in net position during 2014 and compares this with 2013.

<b>SAINT PAUL HRA'S CHANGES IN NET POSITION</b>							
<b>For the Fiscal Year Ended December 31, 2014 and 2013</b>							
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>		<u>Total Percentage Change</u>
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014-2013</u>
<b>Revenues</b>							
<b>Program Revenues:</b>							
Charges for Services	\$ 3,586,141	\$ 1,659,753	\$ 18,034,795	\$ 14,494,306	\$ 21,620,936	\$ 16,154,059	33.8%
Operating Grants and Contributions	46,968,517	24,700,142	2,223,684	2,673,781	49,192,201	27,373,923	79.7%
Capital Grants and Contributions	-	-	-	17,971	-	17,971	-100.0%
<b>General Revenues:</b>							
Property Taxes	22,344,285	21,739,480	1,753,095	1,738,167	24,097,380	23,477,647	2.6%
Gain on Sale of Capital Asset	-	-	-	31,681	-	31,681	-100.0%
Investment Income	1,405,439	(681,645)	553,952	(221,893)	1,959,391	(903,538)	-316.9%
<b>Total Revenues</b>	<b><u>74,304,382</u></b>	<b><u>47,417,730</u></b>	<b><u>22,565,526</u></b>	<b><u>18,734,013</u></b>	<b><u>96,869,908</u></b>	<b><u>66,151,743</u></b>	<b><u>46.4%</u></b>
<b>Expenses</b>							
Housing and Economic Development	25,470,071	35,650,269	-	-	25,470,071	35,650,269	-28.6%
Interest on Govt Activity Long-Term Debt	10,166,094	8,442,342	-	-	10,166,094	8,442,342	20.4%
Development Loan Programs	-	-	1,802,462	2,826,743	1,802,462	2,826,743	-36.2%
Parking Operations	-	-	11,938,124	11,779,363	11,938,124	11,779,363	1.3%
Lofts	-	-	1,122,190	-	1,122,190	-	-
Penfield	-	-	3,777,489	-	3,777,489	-	-
<b>Total Expenses</b>	<b><u>35,636,165</u></b>	<b><u>44,092,611</u></b>	<b><u>18,640,265</u></b>	<b><u>14,606,106</u></b>	<b><u>54,276,430</u></b>	<b><u>58,698,717</u></b>	<b><u>-7.5%</u></b>
<b>Excess (Deficiency) before Transfers</b>	<b><u>38,668,217</u></b>	<b><u>3,325,119</u></b>	<b><u>3,925,261</u></b>	<b><u>4,127,907</u></b>	<b><u>42,593,478</u></b>	<b><u>7,453,026</u></b>	
<b>Transfers</b>	<b><u>1,689,887</u></b>	<b><u>(994,613)</u></b>	<b><u>(1,689,887)</u></b>	<b><u>994,613</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	
<b>Increase (Decrease) in Net Position</b>	<b><u>40,358,104</u></b>	<b><u>2,330,506</u></b>	<b><u>2,235,374</u></b>	<b><u>5,122,520</u></b>	<b><u>42,593,478</u></b>	<b><u>7,453,026</u></b>	
<b>Net Position, January 1</b>	<b><u>(34,026,450)</u></b>	<b><u>(37,056,264)</u></b>	<b><u>85,423,151</u></b>	<b><u>80,050,357</u></b>	<b><u>51,396,701</u></b>	<b><u>42,994,093</u></b>	
<b>Net Position, December 31</b>	<b><u>\$ 6,331,654</u></b>	<b><u>(34,725,758)</u></b>	<b><u>\$ 87,658,525</u></b>	<b><u>85,172,877</u></b>	<b><u>\$ 93,990,179</u></b>	<b><u>50,447,119</u></b>	
2013 Restatements		699,308		250,274		949,582	
<b>Net Position, December 31, Restated</b>		<b><u>\$ (34,026,450)</u></b>		<b><u>\$ 85,423,151</u></b>		<b><u>\$ 51,396,701</u></b>	

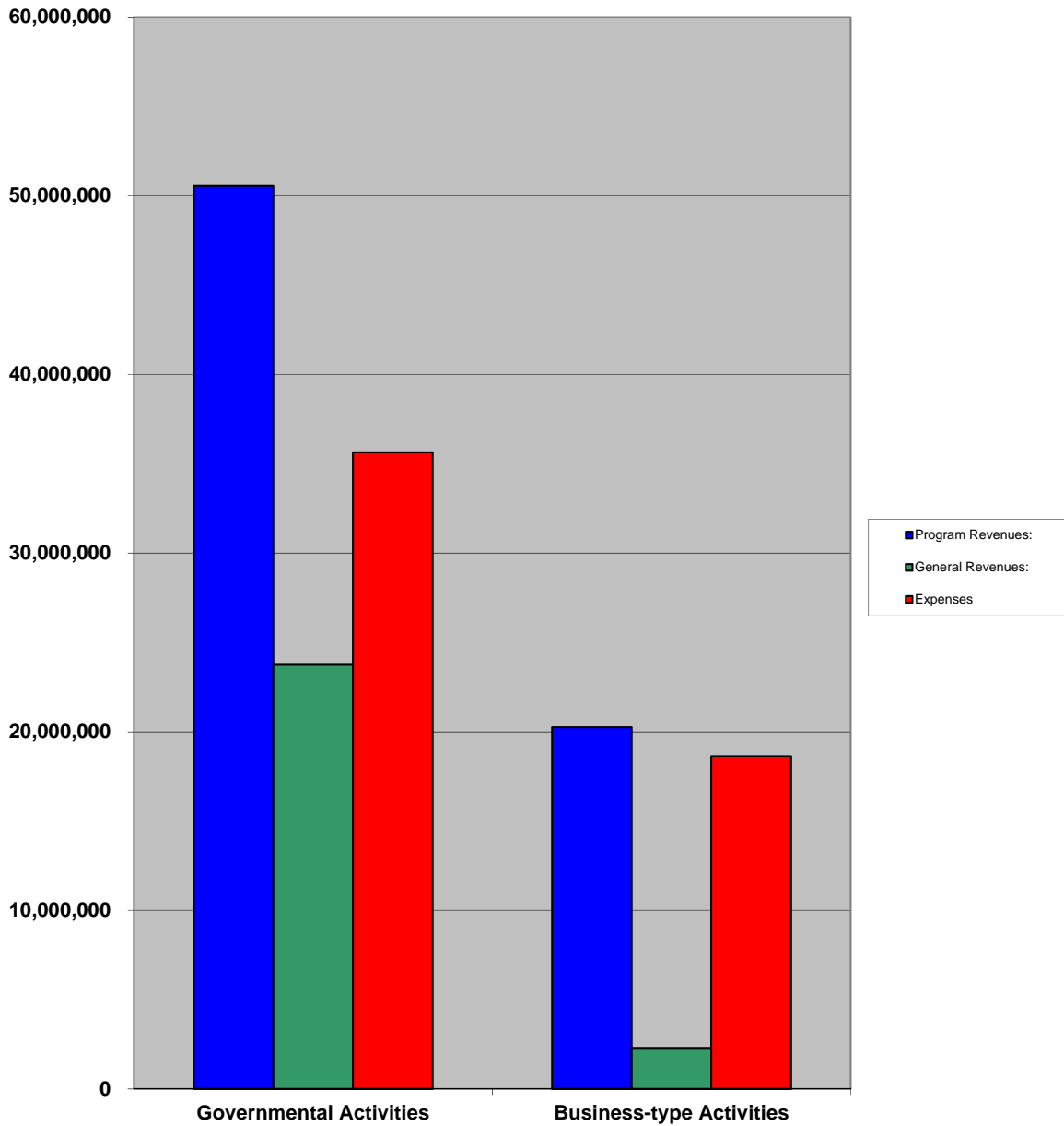
Total revenues of the HRA increased by 44.6% in 2014, while total expenses decreased by 7.5%, resulting in an increase in net position in 2014 of \$42.6 million.

As shown in the table, governmental activities are financed heavily with tax revenue and operating grants and contributions. Property tax revenue in governmental activities increased by 2.7% with most of the increase being in tax increment revenue. Operating grants and contributions increased by 90.2% in 2014. Housing and Economic Development expenses decreased in 2014 from 2013 by \$10.2 million, or 28.6%. Interest on governmental activity long-term debt increased in 2014 by 20.4% from 2013.

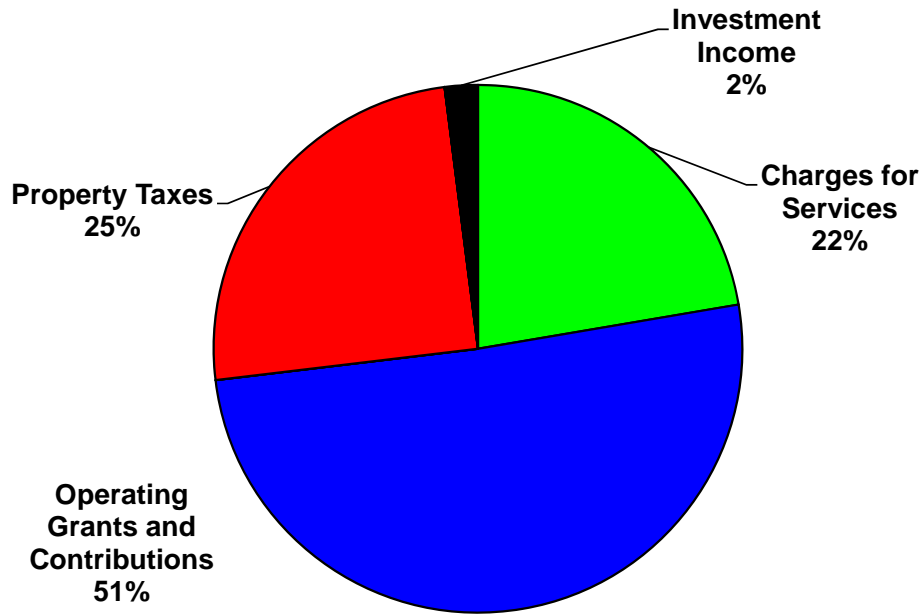
Charges for service revenue in business-type activities in 2014 increased by 24.4%. Total business-type activities expenses increased in 2014 by \$4.0 million or 27.6%.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2014**

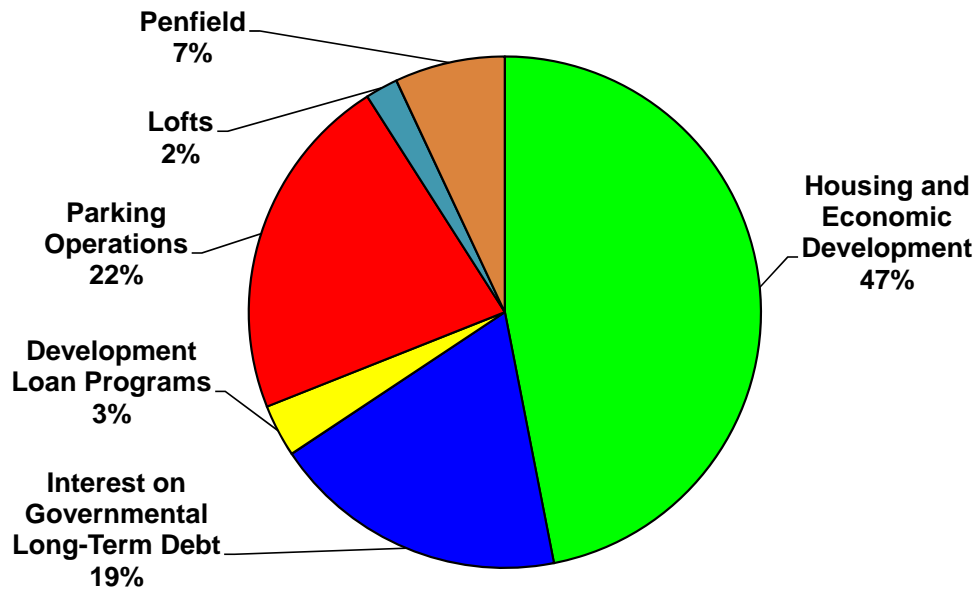
## 2014 Revenue and Expenses



## 2014 Revenues by Source



## 2014 Expenses by Function



**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2014**

**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, 2014, the HRA's governmental funds reported total fund balances of \$43.8 million. Approximately 74.1% of this is either nonspendable or restricted to indicate that it is not available for new spending. Of the restricted amounts totaling \$28.7 million, \$10.3 million is for future debt service on existing bonds and notes. Committed, assigned, and unassigned balances total \$11.3 million. Of the committed, assigned, and unassigned fund balances, \$6.3 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, land sale proceeds, investment earnings, and excess tax increments receipts. 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 increased during 2014 by \$0.1 million to a total of \$12.0 million at December 31, 2014, due to decreased spending of staff administration for HRA programs and projects.

***The HRA Grant 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. During 2014, the Special Revenue Fund received \$0.15 million in revenues which were grant revenues from other governments.

***The HRA Debt Service Fund*** accumulates resources and pays debt service for the HRA's debt that is not financed by the four enterprise funds. Debt service on the bonds is financed by property tax increments, City sales taxes, lease payments from the City, and investment earnings. At December 31, 2014, the fund balance is \$10.3 million, which is entirely restricted for future debt service. Total debt spending during 2014 was \$45.7 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. \$11.1 million of the total fund balance at December 31, 2014, is restricted for unspent balances of

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2014**

previously approved projects. Total 2014 spending from this Fund was \$9.6 million. Projects with the largest 2014 spending include the support of the RiverCentre from the MN Events District. All of these projects are financed with tax increment bond proceeds.

***The HRA Development Capital Projects Fund*** was established during 2007 to account for HRA multi-year development projects. These projects are locally funded through transfers from other funds and bonds sold for development purposes. During 2007, the HRA implemented the Invest Saint Paul Initiative program which is financed in part with Sales Tax Revenue Bonds. The fund balance at year-end was \$10.2 million. In 2014, a contribution of \$2.0 million from the Minneapolis/Saint Paul Housing Finance Board was received for HRA development capital projects.

**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 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, the HRA Lofts 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 \$16.5 million at December 31, 2014. The assets of the Fund include loans receivable and accrued interest on these loans which are reported at \$4.9 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 \$6.8 million at December 31, 2014. The Fund had an overall increase in net position of \$0.8 million for 2014, primarily due to restructuring HRA's funds by moving HRA Lofts and Penfield activities into two separate funds.

***The HRA Parking Enterprise Fund*** accounts for the operation of HRA-owned parking facilities in Saint Paul. The Fund has unrestricted net position of \$14.2 million at December 31, 2014. Assets in the Fund include capital assets for parking facilities reported at the depreciated amount of \$88.3 million. Long-term debt used for financing the construction of the parking facilities is \$58.1 million in principal outstanding at December 31, 2014. The Fund had operating income of \$4.4 million during 2014.

***The HRA Lofts Fund*** accounts for the Lofts at Farmers Market. The Fund has unrestricted net position totaling \$0.2 million at December 31, 2014. The assets of the Fund include capital assets which are reported at \$9.5 million, net of accumulated depreciation. Cash and investments are reported at \$0.9 million at December 31, 2014. The Fund had an overall net position of \$2.5 million at December 31, 2014.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2014**

*The HRA Penfield Fund* accounts the Penfield Apartments. The Fund has unrestricted net position totaling \$3.7 million at December 31, 2014. The assets of the Fund include capital assets which are reported at \$56.0 million, net of accumulated depreciation. Cash and investments are reported at \$3.8 million at December 31, 2014. The Fund had an overall net position of \$19.2 million for at December 31, 2014.

**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 2014 spending was 0.8% lower than the final spending budget. Actual revenues were 25.3% higher than the final financing budget.

**Long-Term Debt**

At December 31, 2014, the HRA had total long-term debt outstanding of \$178.6 million as shown in the following chart.

**SAINT PAUL HRA'S LONG-TERM DEBT  
At December 31, 2014 and 2013**

	Governmental Activities		Business-Type Activities		Totals		Total Percentage Change
	2013		2014	2013	2013		
	2014	Restated			2014	Restated	
Tax Increment Bonds	\$ 45,288,952	\$ 48,228,892	\$ -	\$ -	\$ 45,288,952	\$ 48,228,892	-6.1%
Sales Tax Revenue Bonds	-	31,430,000	-	-	-	31,430,000	-100.0%
Lease Revenue Bonds	11,384,098	12,028,339	-	-	11,384,098	12,028,339	-5.4%
Parking Revenue Bonds	-	-	36,076,152	37,910,580	36,076,152	37,910,580	-4.8%
Tax Increment - Parking Bonds	-	-	22,079,493	23,864,931	22,079,493	23,864,931	-7.5%
Limited Tax Bonds	-	-	7,755,000	7,855,000	7,755,000	7,855,000	-1.3%
Mortgage	-	-	40,464,920	33,372,108	40,464,920	33,372,108	21.3%
Development Notes	13,930,515	14,491,104	1,580,000	1,580,000	15,510,515	16,071,104	-3.5%
<b>Totals</b>	<b>\$ 70,603,565</b>	<b>\$ 106,178,335</b>	<b>\$ 107,955,565</b>	<b>\$ 104,582,619</b>	<b>\$ 178,559,130</b>	<b>\$ 210,760,954</b>	<b>-15.3%</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 \$35.4 million outstanding at year-end 2014. 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 Sales Tax Revenue Bonds, there is a gross pledge of the half-cent sales tax to pay debt service. 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

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2014**

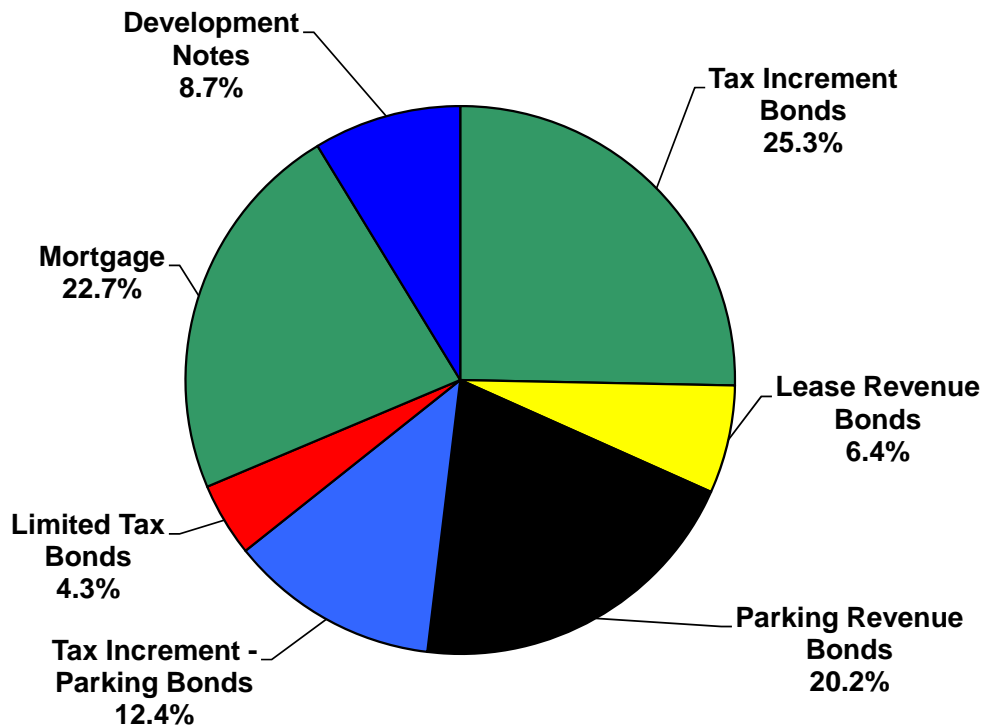
& Poor's. For the Parking Revenue Bonds, in addition to net parking ramp revenues, the City has pledged the first \$3.0 million collected annually in parking meter and parking fine revenues.

In 2014, the Snelling-University Tax Increment Refunding Bonds, Series 2005C were refunded with the Snelling-University General Obligation Refunding Bonds, Series 2014D. In 2014, the Penfield mortgage issued to construct Penfield Apartments, LLC was adjusted and construction was completed.

All 2014 scheduled principal and interest payments were made in accordance with the terms of the bonds and notes.

Additional information on the HRA's long-term debt can be found in Note 5.F. on pages 80-86 of this report. The schedule of revenue bond coverage in the Statistical Section of this report shows the history and reliability of debt service financing sources.

## 2014 Long-Term Debt



**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2014**

**Capital Assets**

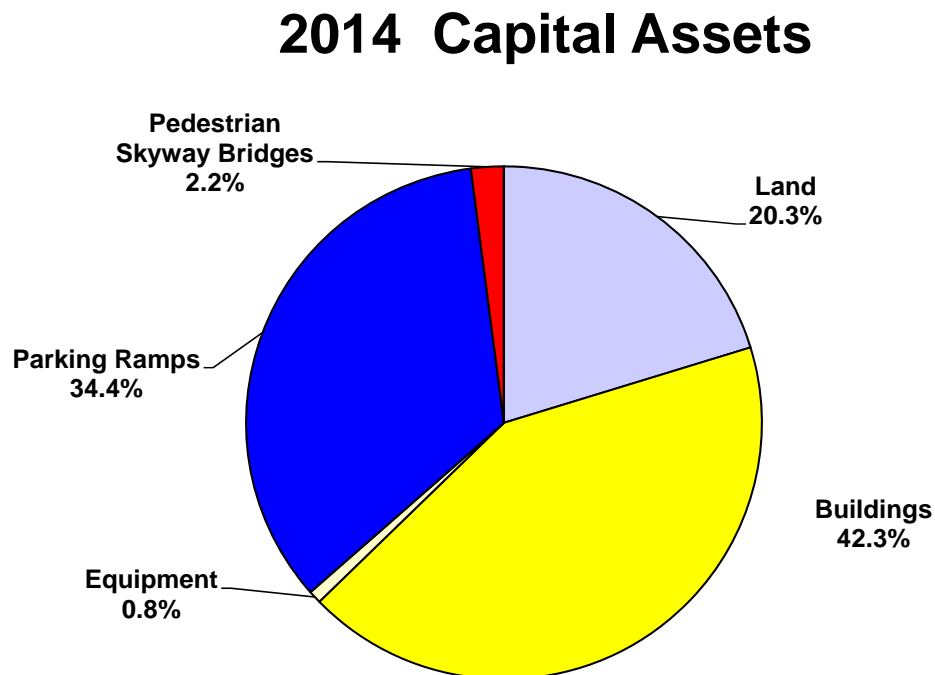
The HRA's investment in capital assets for its governmental and business-type activities as of December 31, 2014 is \$171.8 million (net of accumulated depreciation) as shown in the following chart.

**Saint Paul HRA's Capital Assets  
(Net of Depreciation)  
At December 31, 2014 and 2013**

	Governmental Activities		Business-Type Activities		Totals		Total Percentage Change 2014-2013
	2014	2013	2014	2013 Restated	2014	2013 Restated	
Land	\$ 3,042,169	\$ 3,042,169	\$ 31,754,831	\$ 31,754,831	\$ 34,797,000	\$ 34,797,000	0.0%
Buildings	11,360,679	11,720,395	61,572,728	9,315,200	72,933,407	21,035,595	246.7%
Equipment	-	-	1,391,882	1,557,379	1,391,882	1,557,379	-10.6%
Parking Ramps	-	-	59,168,823	61,516,341	59,168,823	61,516,341	-3.8%
Pedestrian Skyway Bridges	3,527,116	3,842,722	-	-	3,527,116	3,842,722	-8.2%
Construction in Progress	-	-	-	53,049,471	-	53,049,471	-100.0%
<b>Totals</b>	<b>\$ 17,929,964</b>	<b>\$ 18,605,286</b>	<b>\$ 153,888,264</b>	<b>\$ 157,193,222</b>	<b>\$ 171,818,228</b>	<b>\$ 175,798,508</b>	<b>-2.3%</b>

Total depreciation expense for governmental and business-type activities during 2014 was \$5.3 million.

Additional information on the HRA's capital assets can be found in Note 5.E. on 79-80 of this report. A chart of the HRA's capital assets is shown below.





**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2014**

**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.

**STATEMENT OF NET POSITION**

December 31, 2014

(Amounts in dollars)

**ASSETS**

	Governmental Activities	Business-type Activities	Total
Cash and Investments with Treasurer	\$40,439,948	\$17,091,595	\$57,531,543
Cash with Fiscal Agents	-	5,037,564	5,037,564
Cash and Investments with Trustees	6,218,859	560,049	6,778,908
Accounts Receivable (Net of Allowance)	168,713	815,421	984,134
Property Taxes Receivable - Due from Ramsey County	497,503	82,646	580,149
Delinquent Assessments Receivable (Net of Allowance)	-	17,157	17,157
Accrued Interest Receivable on Investments	184,100	68,366	252,466
Internal Balances	(2,046,427)	2,046,427	-
Due From Other Government Units	-	12,399	12,399
Prepaid Expense	-	95,657	95,657
Land Held for Resale	3,489,351	7,222,021	10,711,372
Restricted Assets:			
Cash for Revenue Bond Debt Service	-	2,646,304	2,646,304
Cash for General Obligation Bond Debt Service	-	2,377,846	2,377,846
Cash for Limited Tax Bond Debt Service	-	201,185	201,185
Cash for Revenue Bond Operations and Maintenance	-	364,871	364,871
Cash for Limited Tax Bond Operations and Maintenance	-	370,885	370,885
Cash for Note Debt Service	250,300	-	250,300
Direct Financing Leases Receivable	11,250,000	-	11,250,000
Loans Receivable (Net of Allowance)	865,769	4,464,054	5,329,823
Accrued Interest Receivable on Loans (Net of Allowance)	49,619	725,893	775,512
Note Receivable	100,000	-	100,000
Advance to Other Government Units	2,362,191	1,312,273	3,674,464
Capital Assets, Net of Related Depreciation:			
Land (Not Depreciated)	3,042,169	31,754,831	34,797,000
Buildings	11,360,679	61,572,728	72,933,407
Equipment	-	1,391,882	1,391,882
Parking Ramps	-	59,168,823	59,168,823
Pedestrian Skyway Bridges	3,527,116	-	3,527,116
<b>TOTAL ASSETS</b>	<b>81,759,890</b>	<b>199,400,767</b>	<b>281,160,767</b>

**STATEMENT OF NET POSITION**

December 31, 2014

(Amounts in dollars)

	Governmental Activities	Business-type Activities	Total
<b>LIABILITIES</b>			
Accounts Payable	\$116,379	\$222,229	\$338,608
Contracts Payable	223,362	153,139	376,501
Accrued Salaries Payable	-	23,238	23,238
Due to Other Governmental Units	1,541,971	3,815	1,545,786
Accrued Interest Payable on Long-Term Debt	866,552	951,453	1,818,005
Unearned Revenue	160,226	2,115,311	2,275,537
Revenue Bonds Payable - Due within One Year	-	777,212	777,212
Mortgage Payable-Due within One Year	-	654,796	654,796
Liabilities Payable from Restricted Assets:			
Accrued Interest on Mortgage Payable	-	105,209	105,209
Accrued Interest on Bonds Payable	-	212,393	212,393
General Obligation Bonds Payable	-	1,650,000	1,650,000
Revenue Bonds Payable	-	1,137,788	1,137,788
Long-Term Liabilities:			
General Obligation Bonds Payable - Due within One Year	1,550,000	-	1,550,000
Revenue Bonds Payable - Due within One Year	2,261,000	-	2,261,000
Revenue Notes Payable - Due within One Year	435,830	-	435,830
Notes Payable- Due within One Year	-	1,580,000	1,580,000
Limited Tax Bonds Payable - Due within One Year	-	110,000	110,000
Revenue Bonds Payable - Due in more than One Year	40,441,739	34,161,152	74,602,891
General Obligation Bonds Payable - Due in more than One Year	12,420,311	20,429,493	32,849,804
Limited Tax Bonds Payable - Due in more than One Year	-	7,645,000	7,645,000
Mortgage Payable	-	39,810,124	39,810,124
Notes Payable - Due in more than One Year	13,494,685	-	13,494,685
Pollution Remediation Obligation	1,916,181	-	1,916,181
<b>TOTAL LIABILITIES</b>	<b>75,428,236</b>	<b>111,742,352</b>	<b>187,170,588</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	7,330,112	47,512,699	54,842,811
Amounts Restricted for:			
Debt Service	10,259,124	4,225,175	14,484,299
Capital Projects	8,660,499	-	8,660,499
Tax Increment Financing	12,054,523	-	12,054,523
Operations and Maintenance	-	572,070	572,070
By Grantors	-	773,865	773,865
Unrestricted Amounts (Deficit)	(31,972,604)	34,574,716	2,602,112
<b>TOTAL NET POSITION (DEFICIT)</b>	<b>\$6,331,654</b>	<b>\$87,658,525</b>	<b>\$93,990,179</b>

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

**STATEMENT OF ACTIVITIES**

For the Fiscal Year Ended December 31, 2014  
(Amounts in Dollars)

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	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	\$25,470,071	\$3,586,141	\$46,968,517	\$ -	\$25,084,587	\$ -	\$25,084,587
Interest on Governmental Long-Term Debt	10,166,094	-	-	-	(10,166,094)	-	(10,166,094)
<b>Total - Governmental Activities</b>	<b>35,636,165</b>	<b>3,586,141</b>	<b>46,968,517</b>	<b>-</b>	<b>14,918,493</b>	<b>-</b>	<b>14,918,493</b>
<b>Business-type Activities:</b>							
Development Loan Programs	1,802,462	606,581	721,925	-	-	(473,956)	(473,956)
Parking Operations	11,938,124	13,669,640	82,945	-	-	1,814,461	1,814,461
Lofts	1,122,190	1,013,404	157,299	-	-	48,513	48,513
Penfield	3,777,489	2,745,170	1,261,515	-	-	229,196	229,196
<b>Total Business-type Activities</b>	<b>18,640,265</b>	<b>18,034,795</b>	<b>2,223,684</b>	<b>-</b>	<b>-</b>	<b>1,618,214</b>	<b>1,618,214</b>
<b>Total - All Functions/Programs</b>	<b>\$54,276,430</b>	<b>\$21,620,936</b>	<b>\$49,192,201</b>	<b>\$ -</b>	<b>14,918,493</b>	<b>1,618,214</b>	<b>16,536,707</b>
<b>General Revenues:</b>							
HRA Property Tax					2,515,651	650,730	3,166,381
Property Tax Increments					19,828,634	1,102,365	20,930,999
Investment Income					1,405,439	553,952	1,959,391
Transfers					1,689,887	(1,689,887)	-
<b>Total General Revenues and Transfers</b>					<b>25,439,611</b>	<b>617,160</b>	<b>26,056,771</b>
<b>Change in Net Position</b>					<b>40,358,104</b>	<b>2,235,374</b>	<b>42,593,478</b>
<b>Net Position, January 1, 2014-Restated (Note 2.R)</b>					<b>(34,026,450)</b>	<b>85,423,151</b>	<b>51,396,701</b>
<b>Net Position, December 31, 2014</b>					<b>\$6,331,654</b>	<b>\$87,658,525</b>	<b>\$93,990,179</b>

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

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**BALANCE SHEET  
GOVERNMENTAL FUNDS**

December 31, 2014  
(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	\$11,427,313	\$236,720	\$3,920,197	\$15,604,812	\$9,250,906	\$40,439,948
Cash and Investments with Trustees	-	-	6,218,859	-	-	6,218,859
Property Taxes Receivable:						
Due from County	43,223	-	125,103	103,309	-	271,635
Delinquent Taxpayer	71,179	-	64,198	90,491	-	225,868
Accounts Receivable (Net of Allowance)	168,713	-	-	-	-	168,713
Accrued Interest Receivable on Investments	43,026	-	67,656	58,462	14,956	184,100
Loans Receivable (Net of Allowance)	-	-	-	756,250	109,519	865,769
Accrued Interest Receivable on Loans (Net of Allowance)	-	-	-	49,611	8	49,619
Note Receivable	-	-	-	-	100,000	100,000
Land Held for Resale	488,345	-	-	1,352,328	1,648,678	3,489,351
Restricted Assets: Cash for Note Debt Service	-	-	-	250,300	-	250,300
Advances to Other Funds	692,050	-	-	-	684,887	1,376,937
Advances to Other Governmental Units	-	-	-	-	2,362,191	2,362,191
Direct Financing Leases Receivable	-	-	11,250,000	-	-	11,250,000
<b>TOTAL ASSETS</b>	<b>\$12,933,849</b>	<b>\$236,720</b>	<b>\$21,646,013</b>	<b>\$18,265,563</b>	<b>\$14,171,145</b>	<b>\$67,253,290</b>
<b>LIABILITIES, DIR, AND FUND BALANCES</b>						
<u>Liabilities</u>						
Accounts Payable	\$106,894	\$-	\$-	\$9,485	\$-	\$116,379
Contracts Payable	223,362	-	-	-	-	223,362
Due to Other Governmental Units	2,294	21,000	-	1,425,863	92,814	1,541,971
Unearned Revenue	-	37,095	-	-	2,039,312	2,076,407
Advance from Other Funds	-	-	-	3,423,364	-	3,423,364
<b>Total Liabilities</b>	<b>332,550</b>	<b>58,095</b>	<b>-</b>	<b>4,858,712</b>	<b>2,132,126</b>	<b>7,381,483</b>
<b>Total Deferred Inflows of Resources "DIR" (1)</b>	<b>579,059</b>	<b>-</b>	<b>11,386,889</b>	<b>2,264,655</b>	<b>1,862,393</b>	<b>16,092,996</b>

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**BALANCE SHEET  
GOVERNMENTAL FUNDS**

December 31, 2014

(Amounts in dollars)

<u>Fund Balances</u>	HRA General	HRA Grants	HRA Debt Service	HRA Tax Increment Capital Projects	HRA Development Capital Projects	Total Governmental Funds
Nonspendable	\$692,050	\$ -	\$ -	\$ -	\$3,047,078	\$3,739,128
Restricted	-	178,625	10,259,124	11,142,196	7,129,548	28,709,493
Committed	6,370,768	-	-	-	-	6,370,768
Assigned	4,959,422	-	-	-	-	4,959,422
Total Fund Balances	12,022,240	178,625	10,259,124	11,142,196	10,176,626	43,778,811
TOTAL LIABILITIES, DIR, AND FUND BALANCES	\$12,933,849	\$236,720	\$21,646,013	\$18,265,563	\$14,171,145	\$67,253,290

1. Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	\$17,929,964
2. Other long-term resources are not available to pay for current period expenditures and, therefore, are unavailable revenue in the funds.	16,092,996
3. Long-term liabilities, including bonds and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(71,470,117)
4. The pollution remediation obligation is long-term in nature and is not expected to be due and payable in the current period and, therefore, is not reported in the funds. The liability is offset by a reduction in unearned revenue.	1,916,181
Pollution remediation obligation	(1,916,181)
Unearned revenue	-
5. Bad debt expense is not an outlay of financial resources and is, therefore, not reported in the funds.	(37,447,157)
Total Reconciling Items	43,778,811
Fund Balances per Balance Sheet - Governmental Funds, December 31, 2014	\$6,331,654
Net Position (Deficit) per Statement of Net Position - Governmental Activities column, December 31, 2014	

(1) The individual items in the summary total of deferred inflows are shown in Note 5.M, page 89.

Amounts reported for governmental activities in the Statement of Net Position (pages 38-39) are different because:

- Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.
- Other long-term resources are not available to pay for current period expenditures and, therefore, are unavailable revenue in the funds.
- Long-term liabilities, including bonds and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds.
- The pollution remediation obligation is long-term in nature and is not expected to be due and payable in the current period and, therefore, is not reported in the funds. The liability is offset by a reduction in unearned revenue.
- Bad debt expense is not an outlay of financial resources and is, therefore, not reported in the funds.

Total Reconciling Items

Fund Balances per Balance Sheet - Governmental Funds, December 31, 2014

Net Position (Deficit) per Statement of Net Position - Governmental Activities column, December 31, 2014

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

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, 2014

(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>						
<b>Taxes</b>						
Current Property Taxes	\$ 1,781,911	\$ -	\$ -	\$ -	\$ -	\$ 1,781,911
Delinquent Property Taxes	69,480	-	-	-	-	69,480
Fiscal Disparities	696,821	-	-	-	-	696,821
Property Tax Increments	-	-	9,695,870	10,139,471	-	19,835,341
Intergovernmental	9,196	153,432	44,156,750	-	279,999	44,599,377
Fees, Sales and Services						
Revenue Bond Fees	1,547,704	-	-	-	-	1,547,704
Other Fees and Services	277,130	-	-	-	8,315	285,445
Sales of Land	-	-	-	181,278	219,027	400,305
Rentals of Property	-	-	586,204	-	-	586,204
Interest on Loans	-	-	-	7,592	93,625	101,217
Loan Repayments	-	-	-	1,286	618	1,904
Investment Income						
Interest Earned on Investments	230,882	-	170,447	248,643	10,759	660,731
Increase (Decrease) in the Fair Value of Investments	197,240	-	204,155	155,216	21,567	578,178
Miscellaneous						
Outside Contributions	-	-	521,645	-	2,388,570	2,910,215
Total Revenues	4,810,364	153,432	55,335,071	10,733,486	3,022,480	74,054,833
<b>EXPENDITURES</b>						
<b>Current</b>						
Housing and Economic Development	5,155,713	437,105	-	5,595,922	3,257,152	14,445,892
Intergovernmental - City	286,041	-	8,688,930	757,780	-	9,732,751
Debt Service						
Principal Payment on Bonds	-	-	36,920,000	-	-	36,920,000
Interest on Bonds	-	-	7,054,576	-	-	7,054,576
Principal Payment on Notes	-	-	597,252	175,589	-	772,841
Interest on Notes	-	-	328,346	3,085,085	-	3,413,431
Debt Prepayment Penalty	-	-	757,271	-	-	757,271
Bond Issuance Costs	-	-	56,887	-	-	56,887
Total Expenditures	5,441,754	437,105	54,403,262	9,614,376	3,257,152	73,153,649
Excess (Deficiency) of Revenues Over (Under) Expenditures	(631,390)	(283,673)	931,809	1,119,110	(234,672)	901,184

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, 2014  
 (Amounts in dollars)

OTHER FINANCING SOURCES (USES)	HRA General	HRA Grants	HRA Debt Service	HRA Tax Increment Capital Projects	HRA Development Capital Projects	Total Governmental Funds
Transfers In	\$ 749,887	\$ -	\$545,585	\$4,933,726	\$940,000	\$7,169,198
Transfers Out	-	-	(4,933,726)	(545,585)	-	(5,479,311)
Refunding Bonds Issued	-	-	1,995,000	-	-	1,995,000
Premium on Bonds Issued	-	-	11,611	-	-	11,611
Total Other Financing Sources (Uses)	<u>749,887</u>	<u>-</u>	<u>(2,381,530)</u>	<u>4,388,141</u>	<u>940,000</u>	<u>3,696,498</u>
Net Changes in Fund Balances	118,497	(283,673)	(1,449,721)	5,507,251	705,328	4,597,682
FUND BALANCES, January 1- Restated (Note 2.R)	11,903,743	462,298	11,708,845	5,634,945	9,471,298	39,181,129
FUND BALANCES, December 31	<u>\$12,022,240</u>	<u>\$178,625</u>	<u>\$10,259,124</u>	<u>\$11,142,196</u>	<u>\$10,176,626</u>	<u>\$43,778,811</u>

Amounts reported for governmental activities in the Statement of Activities (page 40) are different because:

Net change in fund balances - total governmental funds (above)	\$4,597,682
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.	
Current year depreciation	
2. Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.	(675,322)
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.	(249,549)
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.	35,787,022
Total Reconciling Items	898,271
Change in Net Position of Governmental Activities - Statement of Activities	<u>35,760,422</u>
	<u>\$40,358,104</u>

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



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

For the Fiscal Year Ended December 31, 2014  
(Amounts in dollars)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$2,438,416	\$2,438,416	\$2,548,212	\$109,796
Fees, Sales and Services	1,067,975	1,067,975	1,824,834	756,859
Intergovernmental - City	-	-	9,196	9,196
Investment Income	332,000	332,000	428,122	96,122
Total Revenues	<u>3,838,391</u>	<u>3,838,391</u>	<u>4,810,364</u>	<u>971,973</u>
<b>EXPENDITURES</b>				
Current				
Housing and Economic Development	5,496,044	5,201,044	5,155,713	45,331
Intergovernmental - City	286,041	286,041	286,041	-
Total Expenditures	<u>5,782,085</u>	<u>5,487,085</u>	<u>5,441,754</u>	<u>45,331</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,943,694)</u>	<u>(1,648,694)</u>	<u>(631,390)</u>	<u>1,017,304</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	642,514	642,514	749,887	107,373
Transfers Out	-	(295,000)	-	295,000
Total Other Financing Sources (Uses)	<u>642,514</u>	<u>347,514</u>	<u>749,887</u>	<u>402,373</u>
Net Changes in Fund Balances	<u>(1,301,180)</u>	<u>(1,301,180)</u>	<u>118,497</u>	<u>1,419,677</u>
FUND BALANCE, January 1, Restated (Note 2.R)	<u>11,903,743</u>	<u>11,903,743</u>	<u>11,903,743</u>	<u>-</u>
FUND BALANCE, December 31	<u>\$10,602,563</u>	<u>\$10,602,563</u>	<u>\$12,022,240</u>	<u>\$1,419,677</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, 2014  
(Amounts in dollars)

	Business-type Activities - Enterprise Funds				Total Proprietary Funds
	HRA Loan Enterprise	HRA Parking Enterprise	HRA Lofts Enterprise	HRA Penfield Enterprise	
<b>ASSETS</b>					
Current Assets:					
Cash and Investments with Treasurer	\$6,250,045	\$10,831,281	\$10,268	\$1	\$17,091,595
Cash with Fiscal Agents	-	1,041,927	178,367	3,817,270	5,037,564
Cash and Investments with Trustees	560,049	-	-	-	560,049
Accounts Receivable (Net of Allowance)	-	730,297	-	85,124	815,421
Delinquent Property Taxes Receivable-Due from County	-	82,646	-	-	82,646
Delinquent Assessments Receivable (Net of Allowance)	17,157	-	-	-	17,157
Accrued Interest Receivable on Investments	38,510	22,764	7,092	-	68,366
Due From Other Government Units	12,399	-	-	-	12,399
Land Held for Resale	7,222,021	-	-	-	7,222,021
Prepaid Expense	-	-	-	95,657	95,657
Restricted Cash for Revenue Bond Debt Service	-	2,646,304	-	-	2,646,304
Restricted Cash for General Obligation Bond Debt Service	-	2,377,846	-	-	2,377,846
Restricted Cash for Limited Tax Bond Debt Service	-	-	364,871	-	364,871
Restricted Cash for Revenue Bond Operations and Maintenance	-	201,185	-	-	201,185
Restricted Cash for Limited Tax Bond Operations and Maintenance	-	-	370,885	-	370,885
<b>Total Current Assets</b>	<b>14,100,181</b>	<b>17,934,250</b>	<b>931,483</b>	<b>3,998,052</b>	<b>36,963,966</b>
Noncurrent Assets:					
Loans Receivable (Net of Allowance)	4,227,804	236,250	-	-	4,464,054
Accrued Interest Receivable on Loans (Net of Allowance)	642,888	83,005	-	-	725,893
Advances to Other Funds	2,296,427	564,744	-	-	2,861,171
Advances to Other Governmental Units	547,273	765,000	-	-	1,312,273
Capital Assets:					
Land (Not Depreciated)	-	27,247,487	947,344	3,560,000	31,754,831
Parking Ramps	-	107,639,616	-	-	107,639,616
Buildings	-	584,772	9,239,408	53,767,436	63,591,616
Equipment	-	2,336,972	23,245	22,804	2,383,021
Less: Accumulated Depreciation	-	(49,499,842)	(680,487)	(1,300,491)	(51,480,820)
<b>Total Capital Assets (Net of Accumulated Depreciation)</b>	<b>-</b>	<b>88,309,005</b>	<b>9,529,510</b>	<b>56,049,749</b>	<b>153,888,264</b>
<b>Total Noncurrent Assets</b>	<b>7,174,392</b>	<b>89,958,004</b>	<b>9,529,510</b>	<b>56,049,749</b>	<b>163,251,655</b>
<b>TOTAL ASSETS</b>	<b>21,814,573</b>	<b>107,892,254</b>	<b>10,460,993</b>	<b>60,047,801</b>	<b>200,215,621</b>

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

Continued

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**STATEMENT OF NET POSITION**

**PROPRIETARY FUNDS**

At December 31, 2014

(Amounts in dollars)

	Business-type Activities - Enterprise Funds					Total Proprietary Funds
	HRA Loan Enterprise	HRA Parking Enterprise	HRA Lofts Enterprise	HRA Penfield Enterprise		
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts Payable	\$19,437	\$112,247	\$ -	\$90,545	\$222,229	
Contracts Payable	33,664	-	20,915	98,560	153,139	
Accrued Salaries Payable	-	-	-	23,238	23,238	
Due to Other Governmental Units	3,739	76	-	-	3,815	
Advance from Other Funds	814,744	-	-	-	814,744	
Accrued Interest on General Obligation Bonds Payable from Restricted Assets	-	315,463	-	-	315,463	
Accrued Interest on Revenue Bonds Payable from Restricted Assets	-	635,990	-	-	635,990	
Accrued Interest on Limited Tax Bonds Payable from Restricted Assets	-	-	212,393	-	212,393	
Accrued Interest on Mortgage Payable	-	-	-	105,209	105,209	
Unearned Revenue	2,092,720	-	-	22,591	2,115,311	
Revenue Bonds Payable - Due within One Year	-	777,212	-	-	777,212	
Mortgage Payable - Due within One Year	-	-	-	654,796	654,796	
General Obligation Bonds Payable from Restricted Assets	-	1,650,000	-	-	1,650,000	
Revenue Bonds Payable from Restricted Assets	-	1,137,788	-	-	1,137,788	
Limited Tax Bonds Payable from Restricted Assets	-	-	110,000	-	110,000	
<b>Total Current Liabilities</b>	<b>2,964,304</b>	<b>4,628,776</b>	<b>343,308</b>	<b>994,939</b>	<b>8,931,327</b>	
Noncurrent Liabilities:						
General Obligation Bonds Payable	-	20,429,493	-	-	20,429,493	
Revenue Bonds Payable	-	34,161,152	-	-	34,161,152	
Limited Tax Bonds Payable	-	-	7,645,000	-	7,645,000	
Mortgage Payable	-	-	-	39,810,124	39,810,124	
Revenue Notes Payable	1,580,000	-	-	-	1,580,000	
<b>Total Noncurrent Liabilities</b>	<b>1,580,000</b>	<b>54,590,645</b>	<b>7,645,000</b>	<b>39,810,124</b>	<b>103,625,769</b>	
<b>TOTAL LIABILITIES</b>	<b>4,544,304</b>	<b>59,219,421</b>	<b>7,988,308</b>	<b>40,805,063</b>	<b>112,557,096</b>	
<b>NET POSITION</b>						
Net Investment in Capital Assets						
Capital Assets						
Capital Assets	-	137,808,847	10,209,997	57,350,240	205,369,084	
Accumulated Depreciation	-	(49,499,842)	(680,487)	(1,300,491)	(51,480,820)	
Debt: (Related Debt issued for Capital Acquisition)						
Bonds Payable	-	(57,510,000)	(7,755,000)	-	(65,265,000)	
Mortgage Payable	-	-	-	(40,464,920)	(40,464,920)	
Unamortized Discount and Premium	-	(645,645)	-	-	(645,645)	
<b>Total Net Investment in Capital Assets</b>	<b>-</b>	<b>30,153,360</b>	<b>1,774,510</b>	<b>15,584,829</b>	<b>47,512,699</b>	
Restricted for Debt Service	-	4,072,697	152,478	-	4,225,175	
Restricted for Operations and Maintenance	-	201,185	370,885	-	572,070	
Restricted for Grantors	773,865	-	-	-	773,865	
Unrestricted Amounts (deficit)	16,496,404	14,245,591	174,812	3,657,909	34,574,716	
<b>TOTAL NET POSITION</b>	<b>\$17,270,269</b>	<b>\$48,672,833</b>	<b>\$2,472,685</b>	<b>\$19,242,738</b>	<b>\$87,658,525</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, 2014  
(Amounts in dollars)

	Business-type Activities - Enterprise Funds					Total Proprietary Funds
	HRA Loan Enterprise	HRA Parking Enterprise	HRA Lofts Enterprise	HRA Penfield Enterprise		
<b>OPERATING REVENUES</b>						
Fees, Sales and Services	\$524,197	\$13,669,640	\$1,013,404	\$2,745,170		\$17,952,411
Interest Earned on Loans	82,384	-	-	-		82,384
Total Operating Revenues	606,581	13,669,640	1,013,404	2,745,170		18,034,795
<b>OPERATING EXPENSES</b>						
Development Loan Programs	1,040,210	-	-	-		1,040,210
Costs of Parking and Apartment Facility Operation	-	6,245,457	376,939	1,038,832		7,661,228
Depreciation	-	3,052,752	233,310	1,300,492		4,586,554
Total Operating Expenses	1,040,210	9,298,209	610,249	2,339,324		13,287,992
<b>OPERATING INCOME (LOSS)</b>	(433,629)	4,371,431	403,155	405,846		4,746,803
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Property Tax Increments and Levy	-	1,102,365	650,730	-		1,753,095
Operating Grants	712,632	-	157,299	-		869,931
Investment Income:						
Interest Earnings	225,497	93,046	17,658	89		336,290
Increase (Decrease) in Fair Value of Investments	118,260	88,077	11,325	-		217,662
Interest on Bonds	-	(2,429,392)	(510,105)	-		(2,939,497)
Interest on Mortgage	-	-	-	(1,211,740)		(1,211,740)
Intergovernmental Expense	(742,120)	(28,312)	-	-		(770,432)
Intergovernmental Revenue	9,293	82,945	-	1,261,515		1,353,753
Non-operating Costs of Parking and Apartment Facility Operation	(20,132)	(5,863)	(1,836)	(226,425)		(254,256)
Loss on Retirement of Assets	-	(176,348)	-	-		(176,348)
Total Nonoperating Revenues (Expenses)	303,430	(1,273,482)	325,071	(176,561)		(821,542)
Income Before Contributions and Transfers	(130,199)	3,097,949	728,226	229,285		3,925,261
Transfers In	1,903,282	-	-	-		1,903,282
Transfers Out	(940,000)	(641,767)	(749,887)	(1,261,515)		(3,593,169)
Total Transfers	963,282	(641,767)	(749,887)	(1,261,515)		(1,689,887)
<b>CHANGE IN NET POSITION</b>	833,083	2,456,182	(21,661)	(1,032,230)		2,235,374
<b>TOTAL NET POSITION, January 1-Restated (Note 2.R)</b>	16,437,186	46,216,651	2,494,346	20,274,968		85,423,151
<b>TOTAL NET POSITION, December 31</b>	\$17,270,269	\$48,672,833	\$2,472,685	\$19,242,738		\$87,658,525

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

**STATEMENT OF CASH FLOWS**

**PROPRIETARY FUNDS**

For the Year Ended December 31, 2014

(Amounts in dollars)

	Business-type Activities - Enterprise Funds				Total Proprietary Funds
	HRA Loan Enterprise	HRA Parking Enterprise	HRA Lofts Enterprise	HRA Penfield Enterprise	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from Customers/Borrowers	\$919,780	\$13,349,706	\$1,013,404	\$2,593,342	\$17,876,232
Other Operating Receipts	-	-	-	86,030	86,030
Payments to Suppliers	(1,450,298)	(7,153,075)	(418,987)	(2,414,898)	(11,437,256)
Net Cash Provided (Used) for Operating Activities	(530,518)	6,196,631	594,417	264,474	6,525,004
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Operating Grants Received	712,632	-	157,299	-	869,931
Repayment of Advance Made to Other Funds	78,182	295,323	-	-	373,505
Transfers In from Other Funds	1,903,282	-	-	-	1,903,282
Transfers Out to Other Funds	(940,000)	(641,767)	(749,887)	(1,261,515)	(3,593,169)
Property Tax Increments	-	1,114,908	650,730	-	1,765,638
Intergovernmental Revenue	9,293	82,945	-	-	92,238
Intergovernmental Expense	(742,120)	(28,312)	-	-	(770,432)
Net Cash Provided (Used) for Noncapital Financing Activities	1,021,269	823,097	58,142	(1,261,515)	640,993
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital Grants Received	-	-	-	1,261,515	1,261,515
Proceeds from Issuance of Long-Term Debt	-	-	-	7,570,610	7,570,610
Proceeds from Reserves	-	-	-	1,282,120	1,282,120
Principal Payments on Long-Term Debt	-	-	(100,000)	(477,800)	(577,800)
Payments for Acquisition and Construction of Capital Assets	-	(59,581)	-	(9,088,413)	(9,147,994)
Equipment	-	(584,862)	-	-	(584,862)
Building and Structures	-	(75,048)	-	-	(75,048)
Improvements Other Than Building	-	-	-	-	-
Principal Paid on Debt Maturities:	-	(1,710,000)	-	-	(1,710,000)
General Obligation Bonds	-	(1,830,000)	-	-	(1,830,000)
Revenue Bonds	-	(783,616)	-	-	(783,616)
Interest Paid on Debt:	-	(1,764,762)	-	-	(1,764,762)
General Obligation Bonds	-	-	(511,918)	-	(511,918)
Revenue Bonds	-	-	(611,918)	-	(611,918)
Limited Tax Bonds	-	(6,807,869)	-	548,032	(6,871,755)
Net Cash Provided (Used) for Capital and Related Financing Activities	-	(6,807,869)	(611,918)	548,032	(6,871,755)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest and Dividends Received	186,987	96,115	19,282	-	302,384
Purchase of Investment Securities	21,160	-	-	-	21,160
Investment Securities Sold	-	(79,286)	-	-	(79,286)
Security Deposits and Other Accounts	-	-	35,921	-	35,921
Insurance and Tax Escrow Deposits (Net)	-	-	-	(289,777)	(289,777)
Operating Reserve and Replacement Reserves	-	-	-	(95,256)	(95,256)
Escrow and Replacement Reserve	-	-	-	(777,005)	(777,005)
Investment Service Fee	(20,132)	(5,863)	(1,836)	-	(27,831)
Increase (Decrease) in the Fair Value of Investments	118,260	88,077	11,325	-	217,662
Net Cash Provided (Used) for Investing Activities	306,275	99,043	64,692	(1,162,038)	(692,028)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	797,026	310,902	105,333	(1,611,047)	(397,786)
<b>CASH AND CASH EQUIVALENTS, January 1, Restated</b>	\$6,013,068	\$16,787,641	\$819,058	\$5,428,318	\$29,048,085
<b>CASH AND CASH EQUIVALENTS, December 31</b>	\$6,810,094	\$17,098,543	\$924,391	\$3,817,271	\$28,650,299

Continued

**STATEMENT OF CASH FLOWS**

**PROPRIETARY FUNDS**

For the Year Ended December 31, 2014

(Amounts in dollars)

	Business-type Activities - Enterprise Funds				Total Proprietary Funds
	HRA Loan Enterprise	HRA Parking Enterprise	HRA Lofts Enterprise	HRA Penfield Enterprise	
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) FOR OPERATING ACTIVITIES</b>					
Operating Income (Loss)	(433,629)	4,371,431	403,155	405,846	4,746,803
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) for Operating Activities:					
Increase (decrease) in allowance for uncollectible loans	(1,650,909)	71,989	-	-	(1,578,920)
Depreciation Expense	-	3,052,752	233,310	1,300,492	4,586,554
(Increase) decrease in accounts receivable	-	(391,923)	-	(84,539)	(476,462)
(Increase) decrease in delinquent assessments receivable	(16,223)	-	-	-	(16,223)
(Increase) decrease in loans receivable	2,033,266	-	-	-	2,033,266
(Increase) decrease in accrued interest receivable on loans	(158,991)	-	-	-	(158,991)
(Increase) decrease in land held for resale	115,412	-	-	-	115,412
(Increase) decrease due from other governmental units	(9,356)	-	-	-	(9,356)
(Increase) decrease in prepaid items	-	-	-	7,736	7,736
Increase (decrease) in accounts payable	(28,708)	(750,369)	(43,093)	(8,584,959)	(9,407,119)
Increase (decrease) in accrued salaries payable	-	-	-	23,238	23,238
Increase (decrease) in mortgage payable	(377,925)	(4,896)	-	7,092,812	7,092,812
Increase (decrease) in unearned revenue	6,296	-	-	15,756	(367,063)
Increase (decrease) in contracts payable	(9,751)	(152,353)	1,035	88,090	95,421
Increase (decrease) in due to other governmental units	-	-	-	-	(162,104)
Total Adjustments	(96,889)	1,825,200	191,262	(141,372)	1,778,201
Net Cash Provided (Used) for Operating Activities	(\$530,518)	\$6,196,631	\$594,417	\$264,474	\$6,525,004
<b>DETAILS OF CASH AND CASH EQUIVALENTS</b>					
Cash and Investments with Treasurer	6,250,045	10,831,281	10,288	1	17,091,595
Cash with Fiscal Agents	-	1,041,927	178,367	3,817,270	5,037,564
Cash and Investments with Trustees	560,049	-	-	-	560,049
Restricted Cash for Revenue Bond Debt Service	-	2,646,304	-	-	2,646,304
Restricted Cash for General Obligation Bond Debt Service	-	2,377,846	-	-	2,377,846
Restricted Cash for Limited Tax Bond Debt Service	-	-	364,871	-	364,871
Restricted Cash for Limited Tax Bond Operations and Maintenance	-	-	370,885	-	370,885
Restricted Cash for Revenue Bond Operations and Maintenance	-	201,185	-	-	201,185
Total Cash and Cash Equivalents	\$6,810,094	\$17,098,543	\$924,391	\$3,817,271	\$28,650,299
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>					
Loss on Retirement of Assets	\$ -	\$176,348	\$ -	\$ -	\$176,348
Change in Fair Value of Investments	118,260	88,077	11,325	-	217,662

**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, 2014**

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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, 2014**

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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, 2014**

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, 2014. 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, 2014, can be obtained from the Financial Services Office, Accounting Section, 700 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.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2014**

Note 1. (Continued)

the HRA. The City of Saint Paul's HRA Board of Commissioners act as the Penfield Apartments, LLC board. Separate financial statements for the Penfield Apartments, LLC 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.

Joint Venture

The Minneapolis/Saint Paul Housing Finance Board (the Board) was established in accordance with a Joint Powers Agreement entered into between the Housing and Redevelopment Authority of the City of Saint Paul (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, 2014, was \$10,951,578. The 2014 operations resulted in a decrease of \$1,529,824 to net position.

During 2014, total distributions of \$2,030,000 were 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, 2014. 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 Minneapolis Community Planning and Economic Development Department at Suite 200, Crown Roller Mill, 105 Fifth Avenue South, Minneapolis, Minnesota 55401.

2. Summary of Significant Accounting Policies

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

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2014**

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. The HRA uses the City's finance system and a new finance system was implemented on January 1, 2014. 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. The City implemented a new finance system on January 1, 2014, and under the new fund structure the accounting for foreclosure prevention grants was moved to the HRA Loan Enterprise Fund and the accounting for the Housing and Urban Development (HUD) grants was moved to the City's HUD Grant Special Revenue Fund.

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, primarily with loan enterprise funds and the 2007 Sales Tax Revenue Bonds issued by the City of Saint Paul.

Proprietary Funds

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

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

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2014**

Note 2.A. (Continued)

business assistance. The City implemented a new finance system on January 1, 2014 and under the new fund structure, the Lofts at Farmers Market and Penfield Apartments are now in separate HRA enterprise funds.

HRA Lofts Enterprise Fund - accounts for the operations and debt service for the Lofts at Farmers Market.

HRA Penfield Enterprise Fund - accounts for the operations and debt service for the Penfield Apartments.

**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.

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 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.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2014**

Note 2.C. (Continued)

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.

Nonexchange Transactions

Derived tax revenue transactions result from assessments imposed by governments on exchange transactions. Hotel-motel tax is reported as revenue when the underlying exchange occurs and the receivable amount is available.

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.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2014**

Note 2 C. (Continued)

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.

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 forgivable 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. The principal operating revenue of the HRA Lofts Enterprise Fund is rent from tenants, while the principal operating expenses are apartment operating costs and debt service on bonds. The principal operating revenue of the HRA Penfield Enterprise Fund is rent from tenants, while the principal operating expenses are apartment operating costs and debt service on the mortgage. All revenues and expenses not meeting these criteria in each fund are reported as non-operating revenues and expenses.

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 on the balance sheet with the exception of non-negotiable investment contracts, 2a7-like 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.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2014**

Note 2 E. (Continued)

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. All investment income, including changes in the fair value of investments, is reported as revenue. The fair value of investments is determined using quoted market prices at December 31, 2014.

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, and HRA Lofts Enterprise Fund limited tax 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, general obligation bond, and limited tax debt service* accounts are used to segregate resources accumulated for debt service payments over the next 12 months. The *limited tax bond operations and maintenance* account is used to segregate resources set aside to subsidize potential deficiencies from the Lofts at Farmers Market operation that could adversely affect debt service payments. The *revenue bond operations and maintenance* account is used to segregate resources set aside to

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended December 31, 2014**

Note 2.G. (Continued)

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 or HOPE program rules.

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 disbursed, 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 the HRA Loan Enterprise Fund, in order to satisfy federal grant reporting requirements, unearned revenue of an equal amount to restricted grants is also reported on the proprietary funds balance sheet, and revenues are reported when principal payments are received from the loan recipient.

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 2008 in the fund which acquired it. Unavailable revenue of an equal amount is also reported on the respective governmental fund balance sheet. In governmental funds, in order to satisfy federal grant reporting requirements, land acquired is reported as an expenditure in the amount of the acquisition cost and as federal revenue for the same amount. When the land is subsequently sold, miscellaneous program income is recognized for the sale amount. Future draw downs from the federal government for reimbursement of expenditures incurred are adjusted by program income available at that date.

In the government-wide financial statements, a write-down of the land to market value is reported as an expense. Unavailable revenue is eliminated when converting the governmental funds balance sheet to the governmental activities column on the Statement of Net Position.

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



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Note 2.J. (Continued)

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.

The HRA, as the lessor, entered into a lease agreement with the City of Saint Paul during the year ended December 31, 2008, through which the HRA will purchase the Jimmy Lee Recreational Facility from the City of Saint Paul, and then lease it back for 25 years. The cost of the purchase was financed by the HRA through the issuance of the Jimmy Lee Recreational Facility Lease Revenue Bonds, Series 2008. 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 facility to the City, and the HRA is financing an in-substance purchase of the facility by the City. The lease payments made by the City will be sufficient to service the Recreational Facility Lease Bonds principal and interest when due. Under the lease, the City may acquire the interest in the Jimmy Lee Recreational Facility for \$1 at the end of the term of the Lease.

The present value of the total lease payments to be received under the lease agreements are 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 estimated fair market value on the date acquired 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 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 40-year useful life. Construction in progress is not depreciated. The depreciation method used is straight-line.

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Note 2. K. (Continued)

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.

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 method. 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.

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 (expenses/expenditure) until then. The government had no item that qualifies for reporting in this category.

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 government 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 seven sources: property tax levy and

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

increments, investment interest receivable, accounts receivable, note and loans receivable, lease receivable, and land held for resale. 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.

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 Authority's policy to use committed resources first, then assigned, then unassigned resources as needed.

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

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.

R. Restatement of Net Position/Fund Balance

On January 1, 2014, the net position for the governmental and business-type activities was adjusted for the new fund structure related to the City's implementation of the new finance system. On January 1, 2014, the net position for the governmental activities was restated by \$3,819,387 due to a prior year adjustment that reclassified a notes payable in the HRA Debt Service Fund to a pay-as-you-go tax increment note in the HRA Tax Increment Capital Projects Fund. The details of these changes are as follows:

	Governmental Activities	Business-Type Activities
	<hr/>	<hr/>
Net Position, January 1, 2014, as previously reported	\$ (34,725,758)	\$ 85,172,877
Fund Structure Change	(3,120,079)	250,274
Notes Payable	3,819,387	-
	<hr/>	<hr/>
Net Position, January 1, 2014, as restated	<u>\$ (34,026,450)</u>	<u>\$ 85,423,151</u>

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

On January 1, 2014, the fund balance for the governmental funds and the net position for the proprietary funds were adjusted for the new fund structure. On January 1, 2014, the net position for the HRA Lofts Enterprise Fund was restated by \$35,923 due to a prior period adjustment affecting accounts payable, and the net position for the HRA Penfield Enterprise Fund was restated by \$214,349 due to a prior period adjustment affecting construction in progress. The details of these changes are as follows:

	HRA Grants Fund	HRA Development Capital Fund	HRA Loan Enterprise Fund	HRA Lofts Enterprise Fund	HRA Penfield Enterprise Fund
Fund Balance/Net Position, January 1, 2014 as Previously Reported	\$ -	\$ 13,053,661	\$ 38,956,230	\$ -	\$ -
Fund Structure Change	462,298	(3,582,363)	(22,519,044)	2,458,423	20,060,619
Accounts Payable Adjustment	-	-	-	35,923	-
Construction in Progress Adjustments	-	-	-	-	214,349
Fund Balance/Net Position, January 1, 2014 as Restated	<u>\$ 462,298</u>	<u>\$ 9,471,298</u>	<u>\$ 16,437,186</u>	<u>\$ 2,494,346</u>	<u>\$ 20,274,968</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 and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$(71,470,117) difference are as follows:

Governmental Activity premium on bonds payable	\$ (1,103,050)
Governmental activity net bonds payable	(55,570,000)
Governmental activity notes payable	(13,930,515)
Accrued interest payable	<u>(866,552)</u>
Net Adjustment to Decrease Fund Balance - Total Governmental Funds to Arrive at Net Position - Governmental Activities	<u>\$ (71,470,117)</u>

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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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, premiums and discounts are deferred and amortized in the Statement of Activities. The details of this \$35,787,022 difference are as follows:

2014 amortization of premium	\$ 100,792
2014 principal payments on bonds	36,920,000
2014 principal payments on notes	772,841
2014 issuance of bonds	(1,995,000)
2014 premium on bonds	<u>(11,611)</u>
Net Adjustment to Increase Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	<u>\$ 35,787,022</u>

4. Stewardship, Compliance and Accountability

A. Budgets and Budgetary Accounting

The HRA followed these procedures in establishing the 2014 budget:

The Executive Director presented a proposed budget to the HRA Board of Commissioners for the fiscal year commencing the following January 1, 2014. 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. Any amendments transferring budgeted amounts between activities within the same fund require administrative approval by the HRA Executive Director and the City Budget Director.

All annual governmental fund budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Multi-year governmental fund budgets are utilized

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

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 governmental fund budgets. Upon HRA Board approval, outstanding encumbrances at the end of the fiscal year are re-appropriated in the following year in annual governmental fund budgets. Unexpended appropriation balances do not lapse at the end of the fiscal year in the multi-year governmental fund 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 in the financial statements and, therefore, are included as part of assigned fund balance.

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 Budget Director.

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 2014.

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.

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Note 4.B (Continued)

The outstanding Series 2014D bonds are reported as a liability in the governmental activities column of the HRA's Government-Wide Statement of Net Position (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 and 2009H bonds are reported as a liability in the 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 2011F and 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.

	District	Year Established	Duration of District	Outstanding Long-Term Debt (Including Advances)
83	Spruce Tree Centre/Metz Bakery Area	1987	26 years	\$ -
87	Riverfront	1987	26 years	-
100	Neighborhood Business Development - Scattered Sites	1988	26 years	2,460,000
135	Snelling - University	1990	26 years	1,995,000
193	Hubbard Site	1997	26 years	2,061
194	1919 University	1997	26 years	-
212	Block 4 Minnesota Mutual	1997	26 years	-
213	Block 39 Lawson/Arena	1997	26 years	21,525,000
215	Superior Street Cottages	1998	26 years	-
224	North Quadrant Phase 1 - Essex	2000	26 years	858,000
225	Riverfront Renaissance-Upper Landing	2001	26 years	16,812,458
228	Emerald Park – Emerald and Metro	2002	26 years	5,800,000
232	Straus Building	2002	26 years	-
233	North Quadrant Expansion 1 - Dakota	2003	26 years	1,021,000
234	Phalen Village	2001	26 years	2,590
236	J. J. Hill	2001	26 years	3,072,000
237	Osceola Park	2002	26 years	-
240	Bridgecreek Senior Place	2003	26 years	-
241	North Quadrant Phase 2	2004	26 years	1,081,000
243	Shepard - Davern Owner Occupied	2003	26 years	-
245	Shepard - Davern Senior Rental	2003	26 years	-
248	Koch Mobil	2004	26 years	2,659,887
257	Payne Phalen	2005	26 years	2,759
260	North Quadrant - Sibley	2006	26 years	-
261	Riverfront Renaissance - US Bank	2006	26 years	10,578,482
262	Riverfront Renaissance - Drake Marble	2006	26 years	1,183,000
263	Riverfront Renaissance - Uncommitted	2006	26 years	994,391
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	29,712
271	Carlton Lofts	2007	26 years	33,603
278	Highland Pointe Lofts	2007	26 years	17,851
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	178,184
302	Pioneer – Endicott	2012	26 years	31,717
304	Schmidt Brewery	2012	26 years	85,259
305	West Side Flats	2014	26 years	8,589
313	Hamline Station East	2014	26 years	3,662
314	Hamline Station West	2014	26 years	5,667
317	Custom House/Post Office	2014	26 years	2,821
---	East 7 <sup>th</sup> Bates Senior Housing	2014	26 years	2,255
319	2700 University at Gateway Station	2014	26 years	-
Total Outstanding at December 31, 2014				<u>\$ 70,477,640</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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Note 4.C. (Continued)

Total tax capacity amounts and tax increment revenue for these districts in 2014 are as follows.

Current tax capacity (assessed in 2013, payable in 2014)	\$20,796,356
Captured tax capacity retained by the HRA	\$17,443,699
Total Tax increment revenue in 2014 (includes developer shortfall if any)	\$20,937,706
Total delinquent tax increment receivable at December 31, 2014	\$237,335

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 \$1.4 billion at December 31, 2014. 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 143 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 \$31,972,604 but is reporting an overall positive net position of \$6,331,654. 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.

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Note 5.A. (Continued)

(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.

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.

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, 2014 consist of the City cash and investment pool in an amount of \$63,398,241, the parking ramp, Lofts, and Penfield checking accounts in the amount of \$2,740,616, and the Penfield escrow account in the amount of \$2,296,948. The City cash and investment pool is entirely insured or collateralized in the City's name at third party institutions. The parking ramps and Lofts checking accounts are collateralized in the City's name at third-party institutions.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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Note 5.A. (Continued)

(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;
- (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.

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Note 5.A.(2) (Continued)

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. The City's investment policy is that credit risk will be minimized by:

- Limiting investments to issues of (or backed by) the U.S. Government, its agencies or instrumentalities, States and Municipalities.
- Using only those financial institutions, broker/dealers, intermediaries and advisers approved by the City.
- Diversifying investments so that potential losses on individual securities of a single issuer will be minimized.

Concentration of Credit Risk

The concentration of credit risk is the risk of loss that may be caused by the City's investment in a single issuer. It is the City's policy to diversify investments so that potential losses on individual securities of a single issuer will be minimized.

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
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Note 5.A.(2) (Continued)

The following table represents the HRA's investment balances at December 31, 2014, and information relating to potential investment risks:

	Credit Risk		Concentration	Interest Rate	Carrying (Fair) Value
	Credit Rating	Rating Agency	Over 5% of Portfolio	Risk Maturity Date	
Federal Home Loan Bank Bonds	AA+	S&P	7.21%	11/17/17	\$ 532,896
Federal Home Loan Bank Bonds	AA+	S&P	14.76%	01/25/28	1,446,738
Trustee Cash	N/A	N/R	< 5%	N/A	644
Certificate of Deposit – Highland Bank	N/A	N/R	7.36%	03/30/19	606,292
Mutual Funds					
First American Government Treas. Obligations Fund Class D	N/A	N/R	10.39%	N/A	769,752
First American Government Treas. Obligations Fund Class Y	N/A	N/R	8.94%	N/A	698,063
US Bank Money Market Account 5-Ct	N/A	N/R	9.87%	N/A	799,597
Wells Fargo Advantage 100% Treasuries Fund	N/A	N/R	41.47%	N/A	2,269,619
Total Investments					<u>\$ 7,123,601</u>
Deposits:					
Parking Ramp Checking Accounts at Saint Paul Banks					\$ 1,041,927
Lofts at Farmers Market Checking Accounts					178,367
Penfield Apartments, LLC Accounts					1,520,322
Penfield Apartments, LLC Escrow Accounts					2,296,948
City Cash and Investment Pool					63,398,241
Total Deposits					<u>\$ 68,435,805</u>
Total Deposits and Investments					<u>\$ 75,559,406</u>

N/A - Not applicable

N/R - Not rated

< 5% - Concentration is less than 5% of investments

Deposits - City of Saint Paul Cash and Investment Pool - Additional disclosures required by GASB Statement No. 40, "Deposit and Investment Risk Disclosures," are disclosed on an entity-wide basis in the City of Saint Paul Comprehensive Annual Financial Report for the year ended December 31, 2014.

(3) Reconciliation

The above amounts of deposits and investments reconcile to the Government-Wide Statement of Net Position as follows:

Cash and Investments with Treasurer	\$ 57,531,543
Cash with Fiscal Agents	5,037,564
Cash and Investments with Trustees	6,778,908
Restricted Cash for General Obligation Bond Debt Service	2,377,846
Restricted Cash for Revenue Bond Debt Service	2,646,304
Restricted Cash for Limited Tax Bond Debt Service	364,871
Restricted Cash for Limited Tax Bond Operations and Maintenance	370,885
Restricted Cash for Note Debt Service	250,300
Restricted Cash for Revenue Bond Operations and Maintenance	201,185
Total	<u>\$ 75,559,406</u>

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Note 5.A. (Continued)

(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 increase in the fair value of investments during 2014 was \$795,840. This amount takes into account all changes in fair value (including purchases and sales) that occurred during the year. The unrealized gain on investments held at December 31, 2014, was \$244,803.

B. Loans Receivable

Loans receivable are reported as assets in the following funds at December 31, 2014 (net of allowances):

HRA Tax Increment Capital Projects Fund	\$ 756,250
HRA Development Capital Projects Fund	109,519
HRA Parking Enterprise Fund	236,250
HRA Loan Enterprise Fund	<u>4,227,804</u>
Total All Funds	<u>\$ 5,329,823</u>

Allowances for uncollectible loans have been established for loans for which collection is doubtful or questionable in the total amount of \$44,971,014 at December 31, 2014. During 2014, loans determined to be uncollectible or forgiven were written off the books in the amount of \$2,124,568.

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

Changes in total gross loans receivable, allowances for uncollectible loans, and accrued interest receivable on loans for 2014 are shown below.

Total gross loans receivable - January 1, 2014	\$ 77,569,750
New fund structure adjustment - January 1, 2014	(28,022,491)
Loans issued	3,345,464
Principal payments received	(467,318)
Loans forgiven and written off	<u>(2,124,568)</u>
 Total Gross Loans Receivable - December 31, 2014	 <u>\$ 50,300,837</u>
 Less: allowance for uncollectible loans - January 1, 2014	 \$ 71,476,382
New fund structure adjustment - January 1, 2014	(27,952,919)
Loans issued allowance	3,315,178
Loans forgiven and written off	<u>(1,867,627)</u>
 Total Allowance for Uncollectible Loans - December 31, 2014	 <u>\$ 44,971,014</u>
 Net Loans Receivable - December 31, 2014	 <u>\$ 5,329,823</u>
 Accrued Interest Receivable on Loans - December 31, 2014 (Net of Allowance)	 <u>\$ 775,512</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.

At December 31, 2014, future minimum principal and interest payments to be received under the loan agreements for the next ten years are as follows:

2015	\$ 889,580
2016	3,080,515
2017	2,603,829
2018	2,121,078
2019	1,383,625
2020 - 2024	<u>6,671,490</u>
 Total	 <u>\$ 16,750,117</u>



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

C. Land Held for Resale

Land held for resale is reported in the following funds as an asset at December 31, 2014.

	Balance January 1, 2014	Additions	Deductions	Balance December 31, 2014
HRA General Fund	\$ 492,834	\$ -	\$ 4,489	\$ 488,345
HRA Tax Increment Capital Projects Fund	1,352,328	-	-	1,352,328
HRA Development Capital Projects Fund	1,775,411	50,000	176,733	1,648,678
HRA Loan Enterprise Fund	7,337,433	634,288	749,700	7,222,021
Total All Funds	<u>\$ 10,958,006</u>	<u>\$ 684,288</u>	<u>\$ 930,922</u>	<u>\$ 10,711,372</u>

On December 31, 2006, the HRA acquired property (the former Public Safety Building and real estate located in downtown Saint Paul) from the City for \$3,560,000. This property was developed by Penfield Apartments, LLC (Penfield) per the resolution by the HRA Board on September 8, 2010. The HRA paid \$1,400,000 to the City on December 31, 2006. The balance of \$2,160,000 was paid to the City in 2011. Title to this property was conveyed to Penfield Apartments, LLC at the closing of the mortgage required to develop the property. Land Held for Resale for this property in the amount of \$3,560,000 was transferred to Capital Assets – Land, as Penfield Apartments, LLC is a blended component of the HRA.

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, 2008, and 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 City is obligated under the Jimmy Lee Recreational Facility Lease to make lease payments through 2032, which are to be used by the HRA to finance debt service payments on its Recreational Facility Lease Revenue Bonds, Series 2008. The City has approved a debt capital management plan which includes the amounts needed to make the lease payments through 2032.

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

The following is a summary of the leases receivable for the year ended December 31, 2014.

	RiverCentre Parking Facility Improvement Lease	Jimmy Lee Recreational Facility Lease	Total City Leases
Balance of leases receivable - January 1, 2014	\$ 5,267,500	\$ 6,590,000	\$ 11,857,500
Principal portion of lease payments - 2014	(382,500)	(225,000)	(607,500)
Balance of Leases Receivable - December 31, 2014	\$ 4,885,000	\$ 6,365,000	\$ 11,250,000

The interest portion of these lease bonds in 2014 was \$506,313. On the Governmental Fund Balance Sheet, the HRA Debt Service Fund reports deferred inflows of resources in an amount to offset the entire amount of the lease receivable, since the lease payments are not available to finance current period expenditures. Revenues for the principal amount of the lease payments will be reported in the HRA Debt Service Fund in future years when the payments are received. On the Government-Wide Statement of Net Position, the leases receivable are not offset with deferred inflows of resources.

The future lease payments (including principal and interest) to be received under the RiverCentre Parking Facility Improvement Lease and the Jimmy Lee Recreational Facility Lease are the following:

Year Ending December 31	Jimmy Lee Recreational Facility Lease	RiverCentre Parking Facility Improvement Lease	Total City Leases
2015	\$ 537,187	\$ 606,500	\$ 1,143,687
2016	537,788	605,713	1,143,501
2017	537,681	606,494	1,144,175
2018	536,844	607,575	1,144,419
2019	540,250	608,798	1,149,048
2020 - 2024	2,696,274	2,732,629	5,428,903
2025 - 2029	2,691,662	-	2,691,662
2030 - 2034	1,619,500	-	1,619,500
Total	\$ 9,697,186	\$ 5,767,709	\$ 15,464,895

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Note 5. (Continued)

E. Capital Assets

Capital asset activity for the year ended December 31, 2014, was as follows:

Governmental Activities	Balance January 1, 2014	Increase	Decrease	Balance December 31, 2014
Land (not depreciated)	\$ 3,042,169	\$ -	\$ -	\$ 3,042,169
Buildings	14,386,848	-	-	14,386,848
Pedestrian skyway bridges	13,016,925	-	-	13,016,925
Totals at historical cost	\$ 30,445,942	\$ -	\$ -	\$ 30,445,942
Less: accumulated depreciation				
Buildings	\$ (2,666,453)	\$ (359,716)	\$ -	\$ (3,026,169)
Pedestrian skyway bridges	(9,174,203)	(315,606)	-	(9,489,809)
Total accumulated depreciation	\$ (11,840,656)	\$ (675,322)	\$ -	\$ (12,515,978)
Total Governmental Activities Capital Assets – Net	\$ 18,605,286	\$ (675,322)	\$ -	\$ 17,929,964

Business-type Activities	Balance January 1, 2014 Restated	Increase	Decrease	Balance December 31, 2014
Land (not depreciated)	\$ 31,754,831	\$ -	\$ -	\$ 31,754,831
Buildings	9,757,920	53,842,484	(8,788)	63,591,616
Parking Ramps	107,410,008	584,861	(355,253)	107,639,616
Construction in progress (not depreciated)	53,049,471	-	(53,049,471)	-
Equipment	2,307,134	82,385	(6,498)	2,383,021
Totals at historical cost	\$ 204,279,364	\$ 54,509,730	\$ (53,420,010)	\$ 205,369,084
Less: accumulated depreciation				
Buildings	\$ (442,720)	\$ (1,578,731)	\$ 2,564	\$ (2,018,887)
Parking Ramps	(45,893,667)	(2,763,189)	186,064	(48,470,792)
Equipment	(749,755)	(244,634)	3,248	(991,141)
Total accumulated depreciation	\$ (47,086,142)	\$ (4,586,554)	\$ 191,876	\$ (51,480,820)
Total Business-type Activities Capital Assets – Net	\$ 157,193,222	\$ 49,923,176	\$ (53,228,134)	\$ 153,888,264

The January 1, 2014 balance of Business-type Activities capital assets was restated for the reclassification of \$1,663,957 of historical cost from Buildings to Parking Ramps. The related accumulated depreciation of \$637,513 was also reclassified from Buildings to Parking Ramps.

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

Depreciation expense for 2014 was charged to functions/programs as follows:

Governmental Activities	
Housing and economic development	\$ 675,322
Business-type Activities	
Parking operations	3,052,752
Apartment operations	1,533,802
Total Business-type Activities	\$ 4,586,554

F. Long-Term Debt

Long-term debt consists of bonds payable and notes payable. 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 and to finance the construction of market rate rental property.

(1) Changes in Long-Term Debt

Long-term debt activity for the year ended December 31, 2014, was as follows:

Governmental Activities	Balance January 1, 2014 Restated	Increase	Decrease	Balance December 31, 2014	Due Within One Year
Bonds payable					
Tax increment bonds	\$ 47,185,000	\$ 1,995,000	\$ 4,860,000	\$ 44,320,000	\$ 3,161,000
Sales tax revenue bonds	31,430,000	-	31,430,000	-	-
Lease revenue bonds	11,880,000	-	630,000	11,250,000	650,000
Add: unamortized premium on Lease revenue bonds	148,339	-	14,241	134,098	-
Add: unamortized premium on tax increment bonds	1,043,892	11,611	86,551	968,952	-
Totals bonds payable	\$ 91,687,231	\$ 2,006,611	\$ 37,020,792	\$ 56,673,050	\$ 3,811,000
Notes payable	14,491,104	-	560,589	13,930,515	435,830
Total Governmental Activities Long-Term Debt	\$ 106,178,335	\$ 2,006,611	\$ 37,581,381	\$ 70,603,565	\$ 4,246,830

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
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Note 5.F.(1) (Continued)

<u>Business-type Activities</u>	Balance January 1, 2014	Increase	Decrease	Balance December 31, 2014	Due Within One Year
Bonds payable					
Limited tax bonds	\$ 7,855,000	\$ -	\$ 100,000	\$ 7,755,000	\$ 110,000
Parking revenue bonds	37,815,000	-	1,830,000	35,985,000	1,915,000
Tax increment – parking bonds	23,235,000	-	1,710,000	21,525,000	1,650,000
Add: unamortized premium on tax increment bonds	629,931	-	75,438	554,493	-
Add: unamortized premium on parking revenue bonds	188,103	-	8,715	179,388	-
Add: unamortized discount on parking revenue bonds	(92,523)	-	(4,287)	(88,236)	-
Total bonds payable	<u>\$ 69,630,511</u>	<u>\$ -</u>	<u>\$ 3,719,866</u>	<u>\$ 65,910,645</u>	<u>\$ 3,675,000</u>
Notes and mortgage payable					
LAAND Initiative Loans	\$ 1,580,000	\$ -	\$ -	\$ 1,580,000	\$ -
Penfield Apartments Mortgage	33,372,108	7,570,692	477,880	40,464,920	654,796
Total notes and mortgage payable	<u>\$ 34,952,108</u>	<u>\$ 7,570,692</u>	<u>\$ 477,880</u>	<u>\$ 42,044,920</u>	<u>\$ 654,796</u>
Total Business-type Activities Long-Term Debt	<u>\$ 104,582,619</u>	<u>\$ 7,570,692</u>	<u>\$ 4,197,746</u>	<u>\$ 107,955,565</u>	<u>\$ 4,329,796</u>

All 2014 scheduled principal and interest payments were made in accordance with the terms of the bonds and notes. The January 1, 2014 balance of the Governmental Activities for notes payable was restated by (\$3,819,387) for reclassification of a note payable to a pay-as-you-go tax increment note. This note was removed from the beginning balance and is now included with Note 5.J.

A description of the new 2014 issued long-term debt follows:

Penfield Apartments, LLC, a wholly owned entity of the HRA, began construction in 2012, and received an initial mortgage of \$25,000 in 2012. This mortgage is privately held, but insured by the U.S. Department of Housing and Urban Development under Section 221 (d)(4) of the National Housing Act. Construction continued in 2014, and an additional \$7,570,692 of the mortgage was issued. The maximum mortgage amount is \$40,942,800 and the total mortgage reached that amount during the 2014 construction.

In 2014, the Snelling-University Tax Increment Refunding Bonds, Series 2005C were refunded with the Snelling-University General Obligation Refunding Bonds, Series 2014D. The December 31, 2013 outstanding principal balance of \$2,010,000 for the Snelling-University Tax Increment Refunding Bonds, Series 2005C was paid and new principal of \$1,995,000 was added for the Snelling-University General Obligation Refunding Bonds, Series 2014D.

**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 and Notes and Sources for Retirement

Governmental Activities

The governmental activity long-term debt, represented by the Tax Increment Bonds, the Sales Tax Revenue Bonds, the Lease Revenue Bonds, and the long-term notes 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, sales taxes, and lease payments are pledged under the respective bond covenants. Debt service payments have been made on the bonds and notes 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. A listing of the governmental activity bonds and notes at December 31, 2014, follows:

Debt Issue	Sources for Retirement	Interest Rate (%)	Original Debt Issue Amount	Amount Payable December 31, 2014
North Quadrant Tax Increment Refunding Bonds, Series 2002	North Quadrant District Tax Increments	7.500	\$ 1,089,000	\$ 858,000
North Quadrant Phase II Tax Increment Bonds, Series 2002	North Quadrant District Tax Increments	7.000	1,140,000	1,021,000
Drake Marble Tax Increment Bonds, Series 2002	Riverfront Renaissance District Tax Increments	6.750	1,800,000	1,183,000
9th Street Lofts Tax Increment Bonds, Series 2004	9th Street Lofts District Tax Increments	6.375	1,335,000	1,081,000
J.J. Hill Tax Increment Bonds, Series 2004	J.J. Hill District Tax Increments	6.250	3,660,000	3,072,000
Neighborhood Scattered Site Tax Increment Bonds, Series 2005	Neighborhood Scattered Site District Tax Increments	4.240 - 5.450	7,515,000	2,460,000
Jimmy Lee Recreational Facility Lease Revenue Bonds, Series 2008	City of Saint Paul	3.000 - 5.000	7,685,000	6,365,000

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Note 5.F.(2) (Continued)

Debt Issue	Sources for Retirement	Interest Rate (%)	Original Debt Issue Amount	Amount Payable December 31, 2014
RiverCentre Parking Facility Lease Revenue Bonds, Series 2009	City of Saint Paul	3.000 - 4.500	6,790,000	4,885,000
Koch Mobil Tax Increment Refunding Bonds, Series 2010A *	Koch Mobil District Tax Increments	2.000 - 4.000	2,670,000	2,225,000
Emerald Gardens Tax-Exempt Tax Increment Revenue Bonds, Series 2010	Emerald Gardens District Tax Increments	5.000 - 6.500	6,595,000	5,800,000
US Bank Tax Increment Refunding Bonds, Series 2011F *	Riverfront Renaissance District Tax Increments	2.000	3,060,000	790,000
US Bank Tax Increment Refunding Bonds, Series 2011G	Riverfront Renaissance District Tax Increments	2.000 - 4.000	8,870,000	8,870,000
Upper Landing Tax Increment Refunding Bonds, Series 2012	Riverfront Renaissance District Tax Increments	5.000	15,790,000	14,965,000
Snelling-University General Obligation Taxable Refunding Bonds, Series 2014D	Snelling-University District Tax Increments	1.000 - 1.250	1,995,000	1,995,000
HUD Section 108 Note, Series 2003-A	EDI Grants, Port Authority	5.200	3,300,000	2,165,000
Upper Landing Tax Increment Revenue Note, Series 2008	Upper Landing District Tax Increments	5.750	2,019,087	1,165,663
Catholic Charities Midway Residence POPSHP Loan	Forgiven after 20 years of compliance	0.000	10,599,852	10,599,852
Total Governmental Activities Long-Term Debt			\$ 85,912,939	\$ 69,500,515

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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, the HRA Loan Enterprise Fund, the HRA Lofts Enterprise Fund, and the HRA Penfield 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 and 2009H. A listing of the business-type bonds and notes at December 31, 2014, follows:

Debt Issue	Sources for Retirement	Interest Rate (%)	Original Debt Issue Amount	Amount Payable December 31, 2014
Parking Revenue Bonds, Series 1997A	7th Street Ramp Parking Revenues	6.75	\$ 11,305,000	\$ 2,825,000
Block 39 Tax Increment Refunding Bonds, Series 2009G	Block 39 District Tax Increments, Block 39 Parking Revenues	3.00 - 4.00	20,695,000	20,695,000
Block 39 Tax Increment Refunding Bonds, Series 2009H	Block 39 District Tax Increments, Block 39 Parking Revenues	3.10	8,655,000	830,000
Parking Revenue Refunding Bonds, Series 2010A	HRA Parking Revenue	3.00 - 5.00	24,135,000	21,665,000
Parking Revenue Refunding Bonds, Series 2010B	HRA Parking Revenue	3.00 - 5.00	12,820,000	11,495,000
Lofts at Farmers Market Limited Tax Bonds, Series 2010A (BABs)	HRA Tax Levy	4.35 - 7.50	7,170,000	7,170,000
Lofts at Farmers Market Limited Tax Bonds, Series 2010B	HRA Tax Levy	4.35	685,000	585,000
LAAND Initiative Loan – Metropolitan Council	Land Sales Proceeds	-	1,000,000	1,000,000
LAAND Initiative Loan – Family Housing Fund	Land Sales Proceeds	-	580,000	580,000
Penfield Apartments, LLC Mortgage A	District Tax Increment	3.12	8,295,500	8,129,171
Penfield Apartments, LLC Mortgage B	Apartment Operations	3.12	<u>32,647,300</u>	<u>32,335,749</u>
Total Business-type Activities Long-Term Debt			<u>\$ 127,987,800</u>	<u>\$ 107,309,920</u>



**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA**  
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**For the Fiscal Year Ended December 31, 2014**

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
2015	\$ 3,161,000	\$ 2,082,796	\$ 650,000	\$ 485,013
2016	3,034,000	1,967,239	670,000	462,481
2017	3,528,000	1,832,944	695,000	438,319
2018	1,833,000	1,720,719	720,000	411,231
2019	1,918,000	1,638,621	755,000	381,038
2020 - 2024	11,700,000	6,718,507	4,275,000	1,390,280
2025 - 2029	18,811,000	3,086,826	2,015,000	676,662
2030 - 2034	335,000	13,510	1,470,000	149,500
2035 - 2039	-	-	-	-
2040 - 2044	-	-	-	-
2045 - 2049	-	-	-	-
Total	\$ 44,320,000	\$ 19,061,162	\$ 11,250,000	\$ 4,394,524

Year Ending December 31	Development Notes		Total Governmental Activity	
	Principal	Interest	Principal	Interest
2015	\$ 435,830	\$ 181,098	\$ 4,246,830	\$ 2,748,907
2016	446,669	157,584	4,150,669	2,587,304
2017	508,140	133,138	4,731,140	2,404,401
2018	520,280	105,128	3,073,280	2,237,078
2019	533,128	76,140	3,206,128	2,095,799
2020 - 2024	886,616	81,545	16,861,616	8,190,332
2025 - 2029	10,599,852	-	31,425,852	3,763,488
2030 - 2034	-	-	1,805,000	163,010
2035 - 2039	-	-	-	-
2040 - 2044	-	-	-	-
2045 - 2049	-	-	-	-
Total	\$ 13,930,515	\$ 734,633	\$ 69,500,515	\$ 24,190,319

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		Limited Tax Bonds HRA Lofts Enterprise Fund	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 1,915,000	\$ 1,678,924	\$ 1,650,000	\$ 727,846	\$ 110,000	\$ 507,350
2016	2,010,000	1,588,476	1,725,000	664,081	120,000	502,347
2017	2,105,000	1,492,925	1,800,000	593,581	135,000	496,801
2018	1,140,000	1,384,456	1,850,000	520,581	145,000	490,711
2019	1,175,000	1,346,419	1,855,000	455,756	160,000	484,077
2020 - 2024	6,630,000	5,989,349	10,310,000	1,322,236	940,000	2,297,370
2025 - 2029	8,200,000	4,416,450	2,335,000	40,863	1,360,000	1,975,500
2030 - 2034	10,405,000	2,210,312	-	-	1,730,000	1,446,224
2035 - 2039	2,405,000	120,250	-	-	2,090,000	836,669
2040 - 2044	-	-	-	-	965,000	36,188
2045 - 2049	-	-	-	-	-	-
2050 - 2054	-	-	-	-	-	-
Total	\$ 35,985,000	\$ 20,227,561	\$ 21,525,000	\$ 4,324,944	\$ 7,755,000	\$ 9,073,237

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Note 5.F.(3) (Continued)

Year Ending December 31	Penfield Apartments, LLC Mortgage HRA Penfield Enterprise Fund		LAAND Initiative Loans HRA Loan Enterprise Fund		Total Business-type Activity	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 654,796	\$ 1,253,194	\$ -	\$ 17,400	\$ 4,329,796	\$ 4,184,714
2016	675,521	1,232,470	-	17,400	4,530,521	4,004,774
2017	696,901	1,211,090	-	17,400	4,736,901	3,811,797
2018	718,957	1,189,033	1,580,000	17,400	5,433,957	3,602,181
2019	741,712	1,166,278	-	-	3,931,712	3,452,530
2020 - 2024	4,075,910	5,464,045	-	-	21,955,910	15,073,000
2025 - 2029	4,763,065	4,776,887	-	-	16,658,065	11,209,700
2030 - 2034	5,566,068	3,973,886	-	-	17,701,068	7,630,422
2035 - 2039	6,141,976	3,039,257	-	-	10,636,976	3,996,176
2040 - 2044	4,955,450	2,193,028	-	-	5,920,450	2,229,216
2045 - 2049	5,790,888	1,357,591	-	-	5,790,888	1,357,591
2050 - 2054	5,683,676	398,097	-	-	5,683,676	398,097
Total	\$ 40,464,920	\$ 27,254,856	\$ 1,580,000	\$ 69,600	\$ 107,309,920	\$ 60,950,198

(4) Prior Year Defeasance of Debt

In 2014, the Sales Tax Revenue Refunding Bonds, Series 1996 bonds were defeased by placing the proceeds of new taxable revenue refunding notes in a City indenture of trust to provide for all future debt service payments on the old bonds. The new taxable revenue refunding notes were issued by the City and will not be reported by the HRA.

On December 31, 2014, \$31,430,000 of the following outstanding bonds are considered defeased:

	Amount Outstanding December 31, 2014
Sales Tax Revenue Bonds, Series 1996	<u>\$ 31,430,000</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. Revolving Loan Agreement - The Saint Paul Foundation

In December 2003, 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

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Note 5.H. (Continued)

projects. 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 one percent on the outstanding Foundation advances is payable on each December 31 starting with 2004. December 1, 2015, is the final maturity date under the loan agreement.

The HRA Loan Enterprise Fund accounts for the line of credit transactions. Changes in the balance due under the revolving line of credit under the loan agreement for the year ended December 31, 2014, are as follows:

Balance Due January 1, 2014	Increase 2014	Decrease 2014	Balance Due December 31, 2014
\$ -	\$ -	\$ -	\$ -

Under the revolving loan agreement, there is \$2,500,000 available in loan funds from the Foundation at December 31, 2014.

I. 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, 2013, liability for claims and judgments; nor were there any fiscal year 2013 or 2014 claims or claims payments, which resulted in any end of fiscal year 2013 or 2014 claims liabilities. The HRA acquired in 2009 a site with existing pollution which will require 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.

The City has purchased all risk property insurance coverage of \$1.3 billion 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

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

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 and Employee Benefit 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.).

**J. Pay-As-You-Go Tax Increment Notes**

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, 2014.

No.	Tax Increment Financing District – Project	Date Issued	Note Amount	Note Principal Balance Restated 12/31/2013	Note Principal Balance 12/31/2014	Total Amount Expended (Principal & Interest) Under Notes for the Year Ended 12/31/2014
215	Superior Street Cottages	7/16/1998	\$ 311,341	\$ 219,689	\$ 197,239	\$ 39,647
194	1919 University	11/7/1997	1,357,000	1,357,000	1,357,000	140,250
193	Hubbard Site	7/31/1999	1,259,924	-	-	-
212	Block 4-TIR Note, Series 2004	5/6/2004	17,800,000	17,146,685	16,340,505	1,780,690
212	Block 4-Taxable TIR Note, Series 2004	5/6/2004	2,975,838	-	-	-
260	North Quadrant Rental Phase I	2/1/2001	2,140,000	2,140,000	2,140,000	128,937
268	North Quadrant Rental Phase II	2/28/2002	1,500,000	1,500,000	1,500,000	126,740
268	North Quadrant Shortfall TIR Note II	6/20/2002	179,781	179,781	179,781	-
228	Emerald Park Owner Occupied Phase I	2/26/2003	3,067,000	-	-	-
267	Emerald Park Owner Occupied Phase II	4/12/2005	2,074,000	-	-	-
267	Emerald Park Rental	10/16/2002	3,110,000	3,110,000	3,039,523	341,396
266	Emerald Park Commercial/Metro Project	6/21/2005	1,225,000	-	-	-
237	Osceola Park, Series 2002	11/4/2002	950,000	950,000	950,000	70,726
269	Phalen Village Ames Lake	8/1/2003	418,000	418,000	418,000	15,763
234	Phalen Village CUB Foods Proj.	3/1/2008	3,100,000	2,974,097	2,886,559	318,965
232	Straus Building	12/26/2002	600,000	596,964	596,964	30,123
240	Bridgescreek Senior Place Project	6/30/2004	2,398,952	2,398,952	2,398,952	137,977
241	Lyons Court Rental Project	4/14/2004	682,000	682,000	682,000	37,795
243	Shepard-Davern Ownership Housing	11/1/2006	3,257,067	2,741,452	2,737,122	182,442
244	Shepard Davern Rental Housing	3/28/2006	4,820,000	3,819,389	3,607,137	403,953
271	Carlton Lofts	10/1/2005	2,358,660	2,358,660	2,358,660	97,218
245	Shepard-Davern Gateway Senior	12/2/2003	1,353,286	1,353,286	1,353,286	90,295
257	Phalen Senior Lofts Project (Payne Phalen TIF)	2/10/2005	925,000	908,750	908,750	31,849
278	River Pointe Lofts Project	12/27/2007	1,829,000	1,653,532	1,601,699	137,981
279	Minnesota Building	6/9/2010	936,000	936,000	936,000	62,853
291	Carondelet Village	2/24/2011	3,104,000	-	3,104,000	191,271
299	Cosseta	11/4/2011	388,000	388,000	388,000	39,301
301	Penfield	6/22/2012	8,295,000	-	8,295,500	-
302	Pioneer-Endicott	12/31/2012	2,500,000	-	2,500,000	-
304	Schmidt Brewery	6/14/2012	2,650,000	-	2,650,000	-
305	West Side Flats	11/19/2012	3,800,000	-	3,800,000	-
	<b>Total</b>		<b>\$ 81,364,849</b>	<b>\$ 47,832,237</b>	<b>\$ 66,926,677</b>	<b>\$ 4,406,172</b>

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Note 5.J. (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, 2014, 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. The January 1, 2014 balance pay-as-you-go tax increment notes payable was restated by \$3,819,387 for reclassification of a note payable to a pay-as-you-go tax increment note. This note was removed from the beginning balance of notes payable in Note 5.F.(1) and is now included with the Shepard Davern Rental Housing tax increment financing district pay-as-you-go tax increment notes.

**K. 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, 2014.

**L. Construction and Other Significant Commitments**

At December 31, 2014, the HRA had no significant commitments. The wholly owned entity, Penfield Apartments, LLC, a blended component unit of the HRA, began construction in 2012 and completed construction in 2014.

**M. Deferred Inflows of Resources**

The amount 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 \$579,059, \$11,386,889, \$2,264,655, and \$1,862,393, respectively, which 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
Property Tax Increments	\$ -	\$ 80,185	\$ 90,492	\$ -	\$ 170,677
Property Tax Levy	71,177	-	-	-	71,177
Investment Interest	19,537	56,704	65,585	4,196	146,022
Leases Receivable	-	11,250,000	-	-	11,250,000
Land Held for Resale	488,345	-	1,352,328	1,648,678	3,489,351
Notes and Loans Receivable	-	-	756,250	209,519	965,769
Total Deferred Inflows of Resources	<u>\$ 579,059</u>	<u>\$ 11,386,889</u>	<u>\$ 2,264,655</u>	<u>\$ 1,862,393</u>	<u>\$ 16,092,996</u>

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Note 5. (Continued)

N. 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, 2014, individual fund interfund receivable and payable balances were as follows:

Fund	Interfund Receivable	Interfund Payable
HRA General Fund	\$ 692,050	\$ -
HRA Tax Increment Capital Projects Fund	-	3,423,364
HRA Development Capital Projects Fund	684,887	-
HRA Parking Enterprise Fund	564,744	-
HRA Loan Enterprise Fund	2,296,427	814,744
	<hr/>	<hr/>
Total Interfund Receivables and Payables - All Funds	\$ 4,238,108	\$ 4,238,108

The interfund receivables in the HRA General Fund, the HRA Development Capital Projects Fund, and the HRA Loan Enterprise Fund include \$692,050, \$434,887, and \$2,296,427, 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 Development Capital Projects Fund and the HRA Tax Parking Enterprise Fund include \$250,000 and \$564,744, respectively, which were advanced to the HRA Enterprise Fund for the purchase of land held for resale, and to hold a loan to a ballpark project.

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Note 5.N. (Continued)

(2) Interfund Transfers

Individual fund interfund transfers during the fiscal year ended December 31, 2014, were as follows:

Transfers	Transfers In From Other Funds	Transfers Out To Other Funds
HRA General Fund	\$ 749,887	\$ -
HRA Debt Service Fund	545,585	4,933,726
HRA Tax Increment Capital Projects Fund	4,933,726	545,585
HRA Development Capital Projects Fund	940,000	-
HRA Parking Enterprise Fund	-	641,767
HRA Loan Enterprise Fund	1,903,282	940,000
HRA Lofts Enterprise Fund	-	749,887
HRA Penfield Enterprise Fund	-	1,261,515
Total Interfund Transfers - All Funds	\$ 9,072,480	\$ 9,072,480

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the HRA Debt Service Fund, (3) use unrestricted revenues collected in the HRA Parking Enterprise Fund to the finance the purchase of property in the HRA Loan Enterprise Fund, and (4) use unrestricted revenues in the HRA Loan Enterprise Fund to fund projects in the HRA Development Capital Projects Fund.

O. 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, 2014, is determined as follows:

Capital assets	\$ 30,445,942
Less: accumulated depreciation	(12,515,978)
Less: outstanding principal of related debt	(10,599,852)
Net Investment in Capital Assets	\$ 7,330,112

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 \$10,259,124 at December 31, 2014.

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Note 5.O. (Continued)

(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 HRA Parking Enterprise Fund, HRA Lofts Enterprise Fund, and the HRA Penfield Enterprise Fund as of December 31, 2014, is determined as follows:

Capital assets	\$ 205,369,084
Less: accumulated depreciation	(51,480,820)
Less: outstanding principal of HRA Parking Enterprise Fund debt	(58,155,645)
Less: outstanding principal of HRA Lofts Enterprise Fund debt	(7,755,000)
Less: outstanding principal of HRA Penfield Enterprise Fund debt	<u>(40,464,920)</u>
Net Investment in Capital Assets	<u>\$ 47,512,699</u>

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, 2014, as follows:

	<u>HRA Lofts Enterprise Fund</u>	<u>HRA Parking Enterprise Fund</u>	<u>Total Proprietary Funds</u>
Restricted Assets			
Cash for revenue bond debt service	\$ -	\$ 2,646,304	\$ 2,646,304
Cash for general obligation bond debt service	-	2,377,846	2,377,846
Cash for limited tax bond debt service	364,871	-	364,871
Less: liabilities payable from restricted assets			
accrued interest on bonds	<u>(212,393)</u>	<u>(951,453)</u>	<u>(1,163,846)</u>
Restricted for Debt Service	<u>\$ 152,478</u>	<u>\$ 4,072,697</u>	<u>\$ 4,225,175</u>

The amount reported as “Restricted for Debt Service” is based on required balances per bond indentures.

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, 2014, as follows:

Restricted assets - cash for revenue bond operations and maintenance	\$ 201,185
Restricted assets - cash for limited tax bond operations and maintenance	<u>370,885</u>
Restricted for Operations and Maintenance	<u>\$ 572,070</u>



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Note 5.O.(2) (Continued)

The amount reported as “Grantors” is based on restrictions from granting agencies. The amount reported as “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, 2014, as follows:

Restricted assets – program income cash balance for grants	<u>\$ 773,865</u>
Restricted for Grantors	<u><u>\$ 773,865</u></u>

(3) **Fund Balances – Governmental Funds**

Portions of the Authority’s fund balance are nonspendable, restricted due to legal restrictions, committed by Authority action, assigned by Authority management, or unassigned. At December 31, 2014, fund balance classifications were reported in the following governmental funds:

	<u>HRA General Fund</u>	<u>HRA Grants Fund</u>	<u>HRA Debt Service Fund</u>	<u>HRA Tax Increment Capital Projects Fund</u>	<u>HRA Development Capital Projects Fund</u>	<u>HRA Total Governmental Funds</u>
<b>Non-spendable</b>						
Advances to Other Funds	\$ 692,050	\$ -	\$ -	\$ -	\$ 684,887	\$ 1,376,937
Advances to Other Governments	-	-	-	-	2,362,191	2,362,191
	<u>\$ 692,050</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,047,078</u>	<u>\$ 3,739,128</u>
<b>Restricted</b>						
Debt Service	\$ -	\$ -	\$ 10,259,124	\$ -	\$ -	\$ 10,259,124
Tax Increment Financing	-	-	-	11,142,196	-	11,142,196
Grants	-	178,625	-	-	-	178,625
Bond Proceeds	-	-	-	-	5,213,367	5,213,367
Pollution Remediation	-	-	-	-	1,916,181	1,916,181
Total Restricted	<u>\$ -</u>	<u>\$ 178,625</u>	<u>\$ 10,259,124</u>	<u>\$ 11,142,196</u>	<u>\$ 7,129,548</u>	<u>\$ 28,709,493</u>
<b>Committed</b>						
Economic Development	<u>\$ 6,370,768</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,370,768</u>
<b>Assigned</b>						
Economic Development	<u>\$ 4,959,422</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,959,422</u>
Total Fund Balance	<u><u>\$ 12,022,240</u></u>	<u><u>\$ 178,625</u></u>	<u><u>\$ 10,259,124</u></u>	<u><u>\$ 11,142,196</u></u>	<u><u>\$ 10,176,626</u></u>	<u><u>\$ 43,778,811</u></u>

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

City of Saint Paul Taxable Variable Rate Demand Sales Tax Revenue Refunding Bonds, (RiverCentre Arena Project), Series 2009A

In May 2009, the City issued its Sales Tax Revenue Bonds in the amount of \$65,455,000 to refinance the Series 1999A Taxable Sales Tax Revenue Bonds originally issued in the amount of \$72,570,000 to finance the construction of a new multi-purpose sports and entertainment arena in the RiverCentre Complex. The City, the HRA, the RiverCentre Authority, and the Bond Trustee have entered into a Joint Pledge Agreement whereby the following sources are pledged as security for the payment of the principal and interest on the Series 2009A bonds: (1) one-half percent City sales tax; (2) Arena net revenues resulting from the Arena lease between the City and the Minnesota Wild National Hockey League Team; and (3) tax increments received by the HRA in the years 2016 and after derived from the Block 39/Arena Tax Increment Financing District. The use of the City sales tax for the retirement of the Series 2009A bonds is subject to a parity pledge of such sales tax to the payment of debt service on the HRA Sales and Tax Revenue Bonds, Series 1996.

In August 2014, the City issued its Taxable Revenue Refunding Notes (State of MN Continuing Grant Appropriation), Series 2014 in the amount of \$33,720,000 to finance the defeasance of the outstanding HRA Series 1996 Sales Tax Revenue Bonds to the first call date of November 1, 2015, ending the Joint Pledge Agreement and removing this obligation from the Sales Tax revenue stream. In December 2014, the City issued two additional series of Sales Tax Revenue Bonds, 2014F & 2014G to be on parity with the Series 2009A Bonds to finance the establishment of an economic development fund to finance projects city-wide. A third series, the City Subordinate Sales Tax Revenue Bonds, Series 2007 has a subordinate pledge of sales tax, after the debt service is satisfied on the senior, parity Series 2009A, 2014F & 2014G Bonds.

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:

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Note 6. (Continued)

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

In 2009, the Exxon-Mobil property site was purchased which is polluted and will require 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 remediation and possible park features. This donation is identified as unearned revenue in the Governmental Balance Sheet, in the HRA Development Capital Projects Fund. Because the land has no fair market value before remediation, it is valued at its purchase price in the Governmental Activities Capital Assets. In recognition of the existing pollution, the probability-weighted average of minimum to maximum remediation cost of \$3,900,000 less \$279,117 paid out in 2010, \$581,274 paid out in 2011, \$533,515 paid out in 2012, \$375,950 paid out in 2013, and \$213,963 paid out in 2014 and thus far (remaining \$1,916,181), is identified in the Statement of Net Position – Long Term Liabilities as a Pollution Remediation Obligation. 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.

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**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**HRA DEBT SERVICE FUND**For the Fiscal Year Ended December 31, 2014  
(Amounts in dollars)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 10,265,892	\$ 10,265,892	\$ 9,695,870	\$ (570,022)
Intergovernmental	20,511,188	51,746,903	44,156,750	(7,590,153)
Fees, Sales and Services	580,125	580,125	586,204	6,079
Investment Income	171,400	165,200	374,602	209,402
Miscellaneous	380,445	515,445	521,645	6,200
Total Revenues	<u>\$ 31,909,050</u>	<u>\$ 63,273,565</u>	<u>\$ 55,335,071</u>	<u>\$ (7,938,494)</u>
<b>EXPENDITURES</b>				
Intergovernmental - City	\$ 15,503,470	\$ 15,503,470	\$ 8,688,930	\$ 6,814,540
Debt Service				
Principal Payment on Bonds	6,128,000	36,987,000	36,920,000	67,000
Interest on Bonds	5,010,211	7,104,562	7,054,576	49,986
Principal Payment on Notes	250,000	490,934	597,252	(106,318)
Interest on Notes	341,475	435,973	328,346	107,627
Prepayment Penalty	-	-	757,271	(757,271)
Bond Issuance Costs	-	54,223	56,887	(2,664)
Total Expenditures	<u>\$ 27,233,156</u>	<u>\$ 60,576,162</u>	<u>\$ 54,403,262</u>	<u>\$ 6,172,900</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 4,675,894	\$ 2,697,403	\$ 931,809	\$ (1,765,594)
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds Issued	-	\$ 2,000,000	\$ 1,995,000	\$ (5,000)
Premium on Bonds Issued	-	316	11,611	11,295
Transfers In	115,181	115,181	545,585	430,404
Transfers Out	(6,213,819)	(6,531,673)	(4,933,726)	1,597,947
Total Other Financing Sources (Uses)	<u>\$ (6,098,638)</u>	<u>\$ (4,416,176)</u>	<u>\$ (2,381,530)</u>	<u>\$ 2,034,646</u>
Net Changes in Fund Balances	<u>\$ (1,422,744)</u>	<u>\$ (1,718,773)</u>	<u>\$ (1,449,721)</u>	<u>\$ 269,052</u>
FUND BALANCE, January 1	<u>\$ 11,708,845</u>	<u>\$ 11,708,845</u>	<u>\$ 11,708,845</u>	<u>\$ -</u>
FUND BALANCE, December 31	<u>\$ 10,286,101</u>	<u>\$ 9,990,072</u>	<u>\$ 10,259,124</u>	<u>\$ 269,052</u>

**SCHEDULE OF DEPOSITS AND INVESTMENTS**  
**ALL FUNDS**

At December 31, 2014

(Amounts in dollars at cost)

Investment Description	Maturity Date	Interest Rate	Amount
Parking Ramp Checking and Money Market Accounts at St. Paul Banks			\$1,041,927
Lofts at Farmers Market Checking and Reserve Accounts at St. Paul Banks			178,367
Penfield Apartments, LLC Checking and Reserve Accounts at St. Paul Banks			1,520,322
Penfield Apartments, LLC Escrow Accounts at Title Company		0.01%	2,296,948
First American Government Obligations Fund Class D		0.02%	769,752
First American Treasury Obligations Fund Class Y		0.00%	698,063
US Bank Money Market 5 - Ct Accounts		0.04%	799,597
Wells Fargo Advantage Money Market Fund Accounts		0.01%	2,269,619
Federal Home Loan Bank Bonds	1/25/2028	2.375%	1,446,738
Highland Bank Certificate of Deposit	3/30/2019	3.75%	606,292
Federal Home Loan Bank Bonds	11/17/2017	5.00%	532,896
Trustee Cash		0.00%	644
City Cash and Investments Pool			63,398,241
<b>TOTAL DEPOSITS AND INVESTMENTS</b>			<b>\$75,559,406</b>
<u>Summary by Statement of Net Position Account</u>			
Cash and Investments with Treasurer			\$57,531,543
Cash with Fiscal Agents			5,037,564
Cash and Investments with Trustees			6,778,908
Restricted Cash for General Obligation Bond Debt Service			2,377,846
Restricted Cash for Revenue Bond Debt Service			2,646,304
Restricted Cash for Limited Tax Bond Debt Service			364,871
Restricted Cash for Revenue Bond Operations and Maintenance			201,185
Restricted Cash for Limited Tax Bond Operations and Maintenance			370,885
Restricted Cash for Note Debt Service			250,300
<b>TOTAL DEPOSITS AND INVESTMENTS</b>			<b>\$75,559,406</b>

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

At December 31, 2014

(Amounts in dollars)

<u>Fund - Program</u>	<u>Number of Loans Outstanding</u>	<u>Principal Balance 12/31/2014</u>	<u>Allowance for Uncollectible Loans 12/31/2014</u>	<u>Net Reported Loans Receivable 12/31/2014</u>
HRA GRANTS SPECIAL REVENUE FUND				
Ready for Rail Program	235	\$ 2,399,966	\$ 2,399,966	\$ -
Total HRA Grants Special Revenue Fund	235	\$ 2,399,966	\$ 2,399,966	\$ -
HRA DEVELOPMENT CAPITAL PROJECTS FUND				
HRA Funded	1	\$ 1,389,063	\$ 1,389,063	\$ -
Inspiring Communities	42	\$ 3,038,423	\$ 3,038,423	\$ -
ISP Programs	19	\$ 580,426	\$ 470,907	\$ 109,519
Total HRA Development Capital Projects Fund	62	\$ 5,007,912	\$ 4,898,393	\$ 109,519
HRA TAX INCREMENT CAPITAL PROJECTS FUND				
Jobs Bill Loan Program	48	\$ 8,026,869	\$ 7,270,619	\$ 756,250
Scattered Site TIF Bonds	8	\$ 217,932	\$ 217,932	\$ -
Total HRA Tax Increment Capital Projects Fund	56	\$ 8,244,801	\$ 7,488,551	\$ 756,250
HRA PARKING FUND				
Land Purchase	1	\$ 315,000	\$ 78,750	\$ 236,250
Total HRA Parking Fund	1	\$ 315,000	\$ 78,750	\$ 236,250
HRA LOAN ENTERPRISE FUND				
MHFA Home Improvement	7	\$ 11,999	\$ -	\$ 11,999
Section 108 Loan Repayments	1	\$ 2,165,000	\$ 108,250	\$ 2,056,750
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	\$ -
Enterprise Leverage	8	\$ 532,419	\$ 474,145	\$ 58,274
Commercial Real Estate	7	\$ 1,768,071	\$ 1,749,321	\$ 18,750
Home Purchase and Rehab	48	\$ 477,841	\$ 366,840	\$ 111,001
Home Ownership Opportunities	39	\$ 411,165	\$ 411,165	\$ -
Housing Real Estate	24	\$ 6,857,238	\$ 6,316,144	\$ 541,094
Mixed Income Housing	13	\$ 1,520,207	\$ 1,180,998	\$ 339,209
Strategic Investment Program	6	\$ 354,207	\$ 247,649	\$ 106,558
Business - UDAG	3	\$ 86,617	\$ 52,808	\$ 33,809
Housing - UDAG	5	\$ 289,251	\$ 262,482	\$ 26,769
Downtown Tax Increment	1	\$ 427,073	\$ 320,305	\$ 106,768
Neighborhood Development Tax Increment	6	\$ 522,000	\$ 228,600	\$ 293,400
HUD Rental Rehab	12	\$ 2,119,103	\$ 2,034,660	\$ 84,443
Home Mortgage Loan Origination Program	215	\$ 1,834,711	\$ 1,619,266	\$ 215,445
Mortgage Foreclosure Prevention	15	\$ 58,229	\$ 43,672	\$ 14,557
New Housing and Blighted Land Tax Increment	1	\$ 360,000	\$ 180,000	\$ 180,000
Affordable Housing	1	\$ 39,038	\$ 39,038	\$ -
Mortgage Housing - Phase II	1	\$ 30,503	\$ 1,525	\$ 28,978
Total HRA Loan Enterprise Fund	418	\$ 34,333,157	\$ 30,105,353	\$ 4,227,804
TOTAL ALL FUNDS	772	\$ 50,300,836	\$ 44,971,013	\$ 5,329,823

**SCHEDULE OF BONDS, NOTES, AND MORTGAGES PAYABLE**

At December 31, 2014

(Amounts in dollars)

Bonds and Notes	Lender	Source for Retirement	Interest Rate	Issue Date	Final Maturity Date	Issued	Retired	Outstanding
<b>GOVERNMENTAL ACTIVITIES</b>								
<b>BONDS:</b>								
Sales Tax Revenue Refunding Bonds (RiverCentre Project), Series 1996	Public Sale	City 1/2% Sales Tax, RiverCentre Revenues	7.10%	1996	2023	\$ 55,865,000	\$ 55,865,000	\$ -
North Quadrant Tax Increment Refunding Bonds, Series 2002	Public Sale	North Quadrant District Tl's	7.50%	2002	2028	1,089,000	231,000	858,000
North Quadrant Phase II Tax Increment Bonds, Series 2002	Public Sale	North Quadrant District Tl's	7.00%	2002	2028	1,140,000	119,000	1,021,000
Drake Marble Tax Increment Bonds, Series 2002	Public Sale	Riverfront Renaissance District Tl's	6.75%	2002	2028	1,800,000	617,000	1,183,000
9th Street Lofts Tax Increment Bonds, Series 2004	Private Placement	9th Street Lofts District Tl's	6.375%	2004	2028	1,335,000	254,000	1,081,000
JJ Hill Tax Increment Bonds, Series 2004	Private Placement	JJ Hill District Tl's	6.25%	2004	2029	3,660,000	588,000	3,072,000
Neighborhood Scattered Site Tax Increment Bonds, Series 2005	Public Sale	Neighborhood Scattered Site District Tl's	4.24% - 5.45%	2005	2017	7,515,000	5,055,000	2,460,000
Snelling-University Tax Increment Bonds, Series 2005C	Public Sale	Snelling-University Site District Tl's	3.60% - 5.12%	2005	2017	5,130,000	5,130,000	-
Jimmy Lee Recreational Facility Lease Revenue Bonds, Series 2008	Public Sale	City of St. Paul 25-Year Lease	3.00% - 5.00%	2008	2032	7,685,000	1,320,000	6,365,000
RiverCentre Parking Facility Lease Revenue Bonds, Series 2009	Public Sale	Lease Payments from the City of Saint Paul	3.00% - 4.50%	2009	2024	6,790,000	1,905,000	4,885,000
Koch Mobil Tax Increment Refunding Bonds, Series 2010A*	Public Sale	Koch Mobil District Tl's	2.00% - 4.00%	2010	2031	2,670,000	445,000	2,225,000
Emerald Gardens Tax-Exempt Tax Increment Revenue Bonds, Series 2010	Public Sale	Emerald Gardens District Tl's	5.00% - 6.50%	2010	2029	6,595,000	795,000	5,800,000
US Bank Tax Increment Refunding Bonds, Series 2011F*	Public Sale	Riverfront Renaissance District Tl's	2.00%	2011	2015	3,060,000	2,270,000	790,000
US Bank Tax Increment Refunding Bonds, Series 2011G*	Public Sale	Riverfront Renaissance District Tl's	2.00% - 4.00%	2011	2028	8,870,000	-	8,870,000
Upper Landing Tax Increment Refunding Bonds, Series 2012	Public Sale	Riverfront Renaissance District Tl's	5.00%	2012	2029	15,790,000	825,000	14,965,000
Snelling-University Taxable Tax Increment Refunding Bonds, Series 2014D*	Public Sale	Snelling-University Site District Tl's	1.00%-1.25%	2014	2017	1,995,000	-	1,995,000
<b>TOTAL BONDS - GOVERNMENTAL ACTIVITIES</b>						<b>\$ 130,989,000</b>	<b>\$ 75,419,000</b>	<b>\$ 55,570,000</b>

Continued



HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL  
**SCHEDULE OF BONDS, NOTES, AND MORTGAGES PAYABLE**  
 At December 31, 2014  
 (Amounts in dollars)

Bonds and Notes	Lender	Source for Retirement	Interest Rate	Issue Date	Final Maturity Date	Issued	Retired	Outstanding
NOTES:								
HUD Section 108 Note, Series 2003-A	Public Sale	EDI Grant, Port Authority	5.20%	2003	2022	\$ 3,300,000	\$ 1,135,000	\$ 2,165,000
Catholic Charities Midway Residence POPSHP Loan	Public Sale	Forgiven after 20 years of compliance	Zero Interest	2006	2026	10,599,852	-	10,599,852
Upper Landing Tax Increment Revenue Note, Series 2008	City of Saint Paul	Upper Landing District TI's	5.75%	2008	2020	2,019,087	853,424	1,165,663
<b>TOTAL NOTES - GOVERNMENTAL ACTIVITIES</b>						<u>\$ 15,918,939</u>	<u>\$ 1,988,424</u>	<u>\$ 13,930,515</u>
<b>TOTAL BONDS AND NOTES - GOVERNMENTAL ACTIVITIES</b>						<u>\$ 146,907,939</u>	<u>\$ 77,407,424</u>	<u>\$ 69,500,515</u>

Continued

**SCHEDULE OF BONDS, NOTES, AND MORTGAGES PAYABLE**  
At December 31, 2014  
(Amounts in dollars)

Bonds and Notes	Lender	Source for Retirement	Interest Rate	Issue Date	Final Maturity Date	Issued	Retired	Outstanding
<b>BUSINESS-TYPE ACTIVITIES</b>								
<b>NOTES AND MORTGAGES</b>								
LAAND Initiative Loan	Met Council	Land Sales Proceeds	Zero Interest	2009	2014	\$ 1,000,000	\$ -	\$ 1,000,000
LAAND Initiative Loan	FamilyHsingFnd	Land Sales Proceeds	Zero Interest	2009	2014	580,000	-	580,000
Penfield Apartments, LLC Mortgage A	Dougherty Mtge	Penfield Apartments District TI's	3.12%	2012	2039	8,295,500	166,329	8,129,171
Penfield Apartments, LLC Mortgage B	Dougherty Mtge	Penfield Apartments Rental Revenues	3.12%	2012	2054	32,647,300	311,551	32,335,749
<b>TOTAL NOTES AND MORTGAGES - BUSINESS -TYPE ACTIVITIES</b>								
<b>BONDS:</b>								
Parking Revenue Bonds, Series 1997A, (7th Street Ramp)	Public Sale	7th Street Ramp Parking Revenues	6.75%	1997	2017	\$ 11,305,000	\$ 8,480,000	\$ 2,825,000
Block 39 Tax Increment Refunding Bonds, Series 2009G *	Public Sale	Block 39 District TI's, Block 39 Parking Revenues	3.00% - 4.00%	2009	2025	20,695,000	-	20,695,000
Block 39 Tax Increment Refunding Bonds, Series 2009H *	Public Sale	Block 39 District TI's, Block 39 Parking Revenues	3.10%	2009	2015	8,655,000	7,825,000	830,000
Parking Revenue Refunding Bonds, Series 2010A	Public Sale	HRA Parking Revenues	3.00% - 5.00%	2010	2035	24,135,000	2,470,000	21,665,000
Parking Revenue Refunding Bonds, Series 2010B	Public Sale	HRA Parking Revenues	3.00% - 5.00%	2010	2035	12,820,000	1,325,000	11,495,000
Lofts at Farmers Market Limited Tax Bonds, Series 2010A (BABs)	Public Sale	HRA Tax Levy	4.35% - 7.50%	2010	2040	7,170,000	-	7,170,000
Lofts at Farmers Market Limited Tax Bonds, Series 2010B	Public Sale	HRA Tax Levy	4.35%	2010	2019	685,000	100,000	585,000
<b>TOTAL BONDS - BUSINESS-TYPE ACTIVITIES</b>								
						\$ 85,465,000	\$ 20,200,000	\$ 65,265,000
						\$ 127,987,800	\$ 20,677,880	\$ 107,309,920

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

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

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

December 31, 2014  
(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		9th Street Lofts Tax Increment Bonds, Series 2004	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	-	64,125	-	71,120	-	78,300	-	68,691
2016	-	63,900	-	70,770	-	76,748	-	68,468
2017	-	63,900	-	70,770	-	76,748	-	68,468
2018	-	63,900	-	70,770	-	76,748	-	68,468
2019	-	63,900	-	70,770	-	76,748	-	68,468
2020	-	63,900	-	70,770	-	76,748	-	68,468
2021	-	63,900	-	70,770	-	76,748	-	68,468
2022	-	63,900	-	70,770	-	76,748	-	68,468
2023	-	63,900	-	70,770	-	76,748	-	68,468
2024	-	63,900	-	70,770	-	76,748	-	68,468
2025	-	63,900	-	70,770	-	76,748	-	68,468
2026	-	63,900	-	70,770	-	76,748	-	68,468
2027	-	63,900	-	70,770	-	76,748	-	68,468
2028	858,000	31,950	1,021,000	35,385	1,183,000	38,374	1,081,000	34,234
2029	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-
2041-2054	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>858,000</b>	<b>862,875</b>	<b>1,021,000</b>	<b>955,745</b>	<b>1,183,000</b>	<b>1,037,650</b>	<b>1,081,000</b>	<b>924,541</b>

Continued

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

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

December 31, 2014  
(Amounts in dollars)

Year	JJ Hill Tax Increment Bonds, Series 2004		Neighborhood Scattered Site Tax Increment Bonds, Series 2005		Jimmy Lee Recreational Facility Lease Revenue Bonds, Series 2008		RiverCentre Parking Facility Lease Revenue Bonds, Series 2009	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	136,000	189,906	660,000	124,468	235,000	302,188	415,000	182,825
2016	144,000	181,281	690,000	88,835	245,000	292,787	425,000	169,694
2017	153,000	172,156	1,110,000	30,247	255,000	282,681	440,000	155,638
2018	163,000	162,438	-	-	265,000	271,844	455,000	139,387
2019	173,000	152,094	-	-	280,000	260,250	475,000	120,788
2020	184,000	141,094	-	-	290,000	247,650	495,000	101,387
2021	195,000	129,438	-	-	305,000	234,600	510,000	81,288
2022	209,000	117,031	-	-	320,000	220,112	535,000	60,387
2023	221,000	103,782	-	-	335,000	204,912	555,000	37,894
2024	236,000	89,751	-	-	350,000	189,000	580,000	13,050
2025	250,000	74,782	-	-	365,000	172,375	-	-
2026	266,000	58,906	-	-	385,000	155,037	-	-
2027	283,000	42,032	-	-	400,000	136,750	-	-
2028	301,000	24,063	-	-	420,000	116,750	-	-
2029	158,000	4,938	-	-	445,000	95,750	-	-
2030	-	-	-	-	465,000	73,500	-	-
2031	-	-	-	-	490,000	50,250	-	-
2032	-	-	-	-	515,000	25,750	-	-
2033	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-
2041-2054	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>3,072,000</b>	<b>1,643,692</b>	<b>2,460,000</b>	<b>243,550</b>	<b>6,365,000</b>	<b>3,332,186</b>	<b>4,885,000</b>	<b>1,062,338</b>

Continued

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

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

December 31, 2014

(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 2011F		US Bank Tax Increment Refunding Bonds, Series 2011G		Upper Landing Tax Increment Refunding Bonds, Series 2012	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	100,000	70,713	225,000	350,581	790,000	15,800	-	287,544	590,000	741,000
2016	105,000	68,662	240,000	338,206	-	-	570,000	287,544	620,000	711,125
2017	105,000	66,431	260,000	324,144	-	-	580,000	276,143	650,000	679,750
2018	110,000	63,820	280,000	308,956	-	-	600,000	258,744	680,000	646,875
2019	110,000	60,878	300,000	292,644	-	-	615,000	240,744	720,000	612,375
2020	115,000	57,697	325,000	275,066	-	-	635,000	222,294	810,000	576,000
2021	120,000	54,230	350,000	254,987	-	-	655,000	203,244	915,000	533,500
2022	125,000	50,493	380,000	232,175	-	-	675,000	183,594	960,000	487,125
2023	130,000	46,475	405,000	207,644	-	-	695,000	163,344	1,010,000	438,500
2024	130,000	42,250	440,000	181,238	-	-	715,000	140,756	1,065,000	387,375
2025	135,000	37,810	475,000	152,644	-	-	740,000	116,625	1,115,000	333,500
2026	140,000	33,065	510,000	121,225	-	-	770,000	90,725	1,175,000	277,000
2027	150,000	27,915	550,000	86,775	-	-	795,000	62,812	1,235,000	217,500
2028	155,000	22,347	590,000	49,725	-	-	825,000	33,000	1,295,000	155,000
2029	160,000	16,440	470,000	15,275	-	-	-	-	2,125,000	53,125
2030	165,000	10,100	-	-	-	-	-	-	-	-
2031	170,000	3,400	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-	-
2041-2054	-	-	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>2,225,000</b>	<b>732,726</b>	<b>5,800,000</b>	<b>3,191,285</b>	<b>790,000</b>	<b>15,800</b>	<b>8,870,000</b>	<b>2,567,113</b>	<b>14,965,000</b>	<b>6,849,750</b>

Continued

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

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

December 31, 2014  
(Amounts in dollars)

Year	Snelling-University General Obligation Taxable Refunding Bonds Series 2014D		HUD Section 108 Note, Series 2003-A		Upper Landing Tax Increment Revenue Note, Series 2008		Catholic Charities Midway Residence POPSHP Loan	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	660,000	20,548	250,000	116,706	185,830	64,392	-	-
2016	665,000	11,700	250,000	104,031	196,669	53,553	-	-
2017	670,000	4,187	300,000	91,056	208,140	42,082	-	-
2018	-	-	300,000	75,186	220,280	29,942	-	-
2019	-	-	300,000	59,046	233,128	17,094	-	-
2020	-	-	300,000	42,666	121,616	3,497	-	-
2021	-	-	300,000	26,076	-	-	-	-
2022	-	-	165,000	9,306	-	-	-	-
2023	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	10,599,852	-
2027	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-
2041-2054	-	-	-	-	-	-	-	-
Totals	1,995,000	36,435	2,165,000	524,073	1,165,663	210,560	10,599,852	-

Continued

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

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

December 31, 2014

(Amounts in dollars)

Year	LAAND Initiative Metropolitan Council Loan Saxon Site		LAAND Initiative Family Housing Fund Midway Chev Site		Penfield Apartments, LLC Mortgage A		Penfield Apartments, LLC Mortgage B	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	-	-	-	17,400	227,905	250,389	426,891	1,002,804
2016	-	-	-	17,400	235,119	243,176	440,402	989,294
2017	-	-	-	17,400	242,560	235,735	454,341	975,355
2018	1,000,000	-	580,000	17,400	250,237	228,058	468,720	960,975
2019	-	-	-	-	258,157	220,138	483,555	946,140
2020	-	-	-	-	266,328	211,967	498,860	930,836
2021	-	-	-	-	274,757	203,538	514,649	915,047
2022	-	-	-	-	283,453	194,842	530,938	898,758
2023	-	-	-	-	292,425	185,870	547,742	881,954
2024	-	-	-	-	301,680	176,615	565,078	864,619
2025	-	-	-	-	311,228	167,067	582,963	846,733
2026	-	-	-	-	321,079	157,216	601,413	828,282
2027	-	-	-	-	331,241	147,054	620,448	809,248
2028	-	-	-	-	341,724	136,570	640,085	789,610
2029	-	-	-	-	352,540	125,755	660,344	769,351
2030	-	-	-	-	363,698	114,597	681,244	748,452
2031	-	-	-	-	375,209	103,086	702,805	726,890
2032	-	-	-	-	387,084	91,211	725,049	704,647
2033	-	-	-	-	399,336	78,959	747,997	681,699
2034	-	-	-	-	411,975	66,320	771,671	658,026
2035	-	-	-	-	425,014	53,281	796,095	633,601
2036	-	-	-	-	438,465	39,830	821,291	608,405
2037	-	-	-	-	452,343	25,952	847,285	582,411
2038	-	-	-	-	466,659	11,635	874,102	555,594
2039	-	-	-	-	118,955	619	901,767	527,929
2040	-	-	-	-	-	-	930,308	499,388
2041-2054	-	-	-	-	-	-	15,499,706	3,449,328
<b>Totals</b>	<b>1,000,000</b>	<b>-</b>	<b>580,000</b>	<b>69,600</b>	<b>8,129,171</b>	<b>3,469,480</b>	<b>32,335,749</b>	<b>23,785,376</b>

Continued

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

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

December 31, 2014

(Amounts in dollars)

Year	Parking Revenue Bonds, Series 1997A		Block 39 Tax Increment Refunding Bonds, Series 2009G		Block 39 Tax Increment Refunding Bonds, Series 2009H		Parking Revenue Refunding Bonds, Series 2010A		Parking Revenue Refunding Bonds, Series 2010B	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	880,000	190,687	820,000	714,981	830,000	12,865	675,000	980,906	360,000	507,331
2016	940,000	131,288	1,725,000	664,081	-	-	695,000	960,657	375,000	496,531
2017	1,005,000	67,837	1,800,000	593,581	-	-	715,000	939,806	385,000	485,282
2018	-	-	1,850,000	520,581	-	-	745,000	911,206	395,000	473,250
2019	-	-	1,855,000	455,756	-	-	765,000	886,994	410,000	459,425
2020	-	-	1,920,000	397,931	-	-	800,000	856,393	425,000	444,050
2021	-	-	1,985,000	336,916	-	-	830,000	824,394	440,000	427,050
2022	-	-	2,055,000	269,938	-	-	865,000	791,193	460,000	409,450
2023	-	-	2,125,000	196,788	-	-	895,000	756,594	480,000	390,475
2024	-	-	2,225,000	120,663	-	-	935,000	719,675	500,000	370,075
2025	-	-	2,335,000	40,863	-	-	975,000	679,938	520,000	348,825
2026	-	-	-	-	-	-	1,015,000	638,500	545,000	326,075
2027	-	-	-	-	-	-	1,065,000	587,750	570,000	300,869
2028	-	-	-	-	-	-	1,120,000	534,500	595,000	274,506
2029	-	-	-	-	-	-	1,175,000	478,500	620,000	246,987
2030	-	-	-	-	-	-	1,235,000	419,750	650,000	218,312
2031	-	-	-	-	-	-	1,295,000	358,000	680,000	188,250
2032	-	-	-	-	-	-	1,360,000	293,250	715,000	154,250
2033	-	-	-	-	-	-	1,430,000	225,250	750,000	118,500
2034	-	-	-	-	-	-	1,500,000	153,750	790,000	81,000
2035	-	-	-	-	-	-	1,575,000	78,750	830,000	41,500
2036	-	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-	-
2041-2054	-	-	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>2,825,000</b>	<b>389,812</b>	<b>20,695,000</b>	<b>4,312,079</b>	<b>830,000</b>	<b>12,865</b>	<b>21,665,000</b>	<b>13,075,756</b>	<b>11,495,000</b>	<b>6,761,993</b>

Continued



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

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

December 31, 2014  
(Amounts in dollars)

Year	Lofts at Farmers Market Limited Tax Bonds, Series 2010A (BABs)		Lofts at Farmers Market Limited Tax Bonds, Series 2010B		TOTAL BONDS, NOTES, AND MORTGAGES	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	-	484,295	110,000	23,055	8,576,626	6,933,620
2016	-	484,295	120,000	18,052	8,681,190	6,592,078
2017	-	484,295	135,000	12,506	9,468,041	6,216,198
2018	-	484,295	145,000	6,416	8,507,237	5,839,259
2019	85,000	482,446	75,000	1,631	7,137,840	5,548,329
2020	165,000	476,803	-	-	7,350,804	5,265,217
2021	170,000	468,970	-	-	7,564,406	4,973,164
2022	180,000	460,522	-	-	7,743,391	4,664,812
2023	205,000	450,988	-	-	7,896,167	4,345,106
2024	220,000	440,087	-	-	8,262,758	4,015,040
2025	235,000	427,262	-	-	8,039,191	3,678,310
2026	255,000	412,563	-	-	16,583,344	3,378,480
2027	270,000	396,475	-	-	6,269,689	3,095,066
2028	290,000	378,975	-	-	10,715,809	2,654,989
2029	310,000	360,225	-	-	6,475,884	2,166,346
2030	335,000	340,069	-	-	3,894,942	1,924,780
2031	355,000	316,731	-	-	4,068,014	1,746,607
2032	380,000	290,087	-	-	4,082,133	1,559,195
2033	405,000	261,631	-	-	3,732,333	1,366,039
2034	255,000	237,706	-	-	3,728,646	1,196,802
2035	265,000	218,856	-	-	3,891,109	1,025,988
2036	275,000	198,938	-	-	1,534,756	847,173
2037	290,000	177,750	-	-	1,589,628	786,113
2038	605,000	144,187	-	-	1,945,761	711,416
2039	655,000	96,938	-	-	1,675,722	625,486
2040	965,000	36,188	-	-	1,895,308	535,576
2041-2054	-	-	-	-	15,499,706	3,449,328
<b>Totals</b>	<b>7,170,000</b>	<b>9,011,577</b>	<b>585,000</b>	<b>61,660</b>	<b>176,810,435</b>	<b>85,140,517</b>

**SCHEDULE OF INTERGOVERNMENTAL REVENUE, OPERATING GRANTS, AND CAPITAL GRANTS  
ALL FUNDS**For the Fiscal Year Ended December 31, 2014  
(Amounts in dollars)

	Federal	State	City	Other	Total
<b><u>HRA GRANTS FUND</u></b>					
Metropolitan Council	\$ -	\$ -	\$ -	\$ 153,432	\$ 153,432
Total HRA Grants Fund	\$ -	\$ -	\$ -	\$ 153,432	\$ 153,432
<b><u>HRA DEBT SERVICE FUND</u></b>					
Financing for Sales Tax Revenue Bonds	\$ -	\$ -	\$ 43,644,919	\$ -	\$ 43,644,919
Financing for Jimmy Lee Recreation Facility Lease Revenue Bonds	-	-	511,831	-	511,831
Total HRA Debt Service Fund	\$ -	\$ -	\$ 44,156,750	\$ -	\$ 44,156,750
<b><u>HRA GENERAL FUND</u></b>					
Financing from STAR Grant	\$ -	\$ -	\$ 9,196	\$ -	\$ 9,196
Total HRA General Fund	\$ -	\$ -	\$ 9,196	\$ -	\$ 9,196
<b><u>HRA DEVELOPMENT CAPITAL PROJECTS FUND</u></b>					
Minnesota Housing Agency Economic Development and Housing Challenge	\$ -	\$ 279,999	\$ -	\$ -	\$ 279,999
Total HRA Development Capital Projects Fund	\$ -	\$ 279,999	\$ -	\$ -	\$ 279,999
<b><u>HRA PARKING ENTERPRISE FUND</u></b>					
Interest on Advance	\$ -	\$ -	\$ 31,721	\$ -	\$ 31,721
Metropolitan Council	-	-	-	51,224	51,224
Total HRA Parking Enterprise Fund	\$ -	\$ -	\$ 31,721	\$ 51,224	\$ 82,945
<b><u>HRA LOAN ENTERPRISE FUND</u></b>					
Interest on Advance	\$ -	\$ -	\$ 9,293	\$ -	\$ 9,293
Housing Counseling Grant - HUD	18,785	-	-	-	18,785
Neighborhood National Foreclosure	11,221	-	-	-	11,221
Making Home Affordable	1,350	-	-	-	1,350
Mortgage Foreclosure Prevention Assistance Program - State Administered	-	676,395	-	-	676,395
Mortgage Foreclosure Assistance - Minnesota Home Ownership Center	-	-	-	4,881	4,881
Total HRA Loan Enterprise Fund	\$ 31,356	\$ 676,395	\$ 9,293	\$ 4,881	\$ 721,925
<b><u>HRA LOFTS ENTERPRISE FUND</u></b>					
Build America Bonds Interest Subsidy	\$ -	\$ -	\$ -	\$ 157,299	\$ 157,299
Total HRA Lofts Enterprise Fund	\$ -	\$ -	\$ -	\$ 157,299	\$ 157,299
<b><u>HRA PENFIELD ENTERPRISE FUND</u></b>					
DEED Contamination Cleanup	\$ -	\$ 636,518	\$ -	\$ -	\$ 636,518
Metropolitan Council	-	-	-	610,000	610,000
Ramsey County Contamination Cleanup	-	-	14,997	-	14,997
Total HRA Penfield Enterprise Fund	\$ -	\$ 636,518	\$ 14,997	\$ 610,000	\$ 1,261,515
TOTAL INTERGOVERNMENTAL REVENUE, OPERATING GRANTS, AND CAPITAL GRANTS	\$ 31,356	\$ 1,592,912	\$ 44,221,957	\$ 976,836	\$ 46,823,061

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

For the Fiscal Year Ended December 31, 2014  
(Amounts in dollars)

	<u>City</u>
<b><u>HRA GENERAL FUND</u></b>	
Financing for HRA Board Salaries and Expenses	\$ 183,233
Financing for Policy Analyst	84,322
Financing for Citizen Participation Program	<u>18,486</u>
Total HRA General Fund	<u>286,041</u>
<b><u>HRA DEBT SERVICE FUND</u></b>	
Financing for RiverCentre	452,565
Financing for City Sales Tax Revenue Bonds	<u>8,236,365</u>
Total HRA Debt Service Fund	<u>8,688,930</u>
<b><u>HRA TAX INCREMENT CAPITAL PROJECTS FUND</u></b>	
Financing for RiverCentre Arena Revenue Bonds	<u>757,780</u>
Total HRA Tax Increment Capital Projects Fund	<u>757,780</u>
<b><u>HRA LOAN ENTERPRISE FUND</u></b>	
Financing for Minority Business Development	<u>742,120</u>
Total HRA Loan Enterprise Fund	<u>742,120</u>
<b><u>HRA PARKING ENTERPRISE FUND</u></b>	
Financing for Farmers Market Parking Operations	<u>28,312</u>
Total HRA Parking Enterprise Fund	<u>28,312</u>
<b>TOTAL INTERGOVERNMENTAL EXPENDITURES AND EXPENSES</b>	<b><u><u>\$ 10,503,183</u></u></b>

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## 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.	114-121
<b>Revenue Capacity</b>	
These schedules contain trend information to help the reader assess the HRA's most significant local revenue sources.	122-127
<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.	128-135
<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.	136-137
<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.	138-139

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

**NET POSITION BY COMPONENT**

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 8,965,271	\$ 7,540,194	\$ 7,193,628	\$ 8,784,001	\$ 10,540,586	\$ 9,888,295	\$ 9,356,032	\$ 8,680,756	\$ 8,005,434	\$ 7,330,112
Restricted	10,105,742	6,861,982	5,644,230	5,187,806	5,266,362	5,548,931	14,346,114	12,230,743	12,372,431	30,974,146
Unrestricted	(98,153,673)	(99,846,152)	(57,581,243)	(50,473,041)	(45,504,293)	(43,143,612)	(54,824,532)	(57,967,763)	(54,404,315)	(31,972,604)
Total Governmental Activities Net Position (a)	(79,082,660)	(85,443,976)	(44,743,385)	(36,501,234)	(29,697,345)	(27,706,386)	(31,122,386)	(37,056,264)	(34,026,450)	6,331,654
<b>Business-type Activities</b>										
Net Investment in Capital Assets	5,544,000	10,868,843	22,141,220	21,467,557	23,496,206	26,573,501	30,569,951	42,227,870	54,190,603	47,512,699
Restricted	16,388,168	15,121,632	14,386,423	6,722,704	8,763,988	13,786,889	4,726,217	4,610,890	4,430,646	5,571,110
Unrestricted	59,894,720	50,759,011	26,967,821	36,762,770	33,349,092	27,002,634	33,102,047	33,211,597	26,801,902	34,574,716
Total Business-type Activities Net Position	81,826,888	76,749,486	63,495,464	64,953,031	65,609,286	67,363,024	68,398,215	80,050,357	85,423,151	87,658,525
<b>TOTAL SAINT PAUL HRA</b>										
Net Investment in Capital Assets	14,509,271	18,409,037	29,334,848	30,251,558	34,036,792	36,461,796	39,925,983	50,908,626	62,196,037	54,842,811
Restricted	26,493,910	21,983,614	20,030,653	11,910,510	14,030,350	19,335,820	19,072,331	16,841,633	16,803,077	36,545,256
Unrestricted	(38,258,953)	(49,087,141)	(30,613,422)	(13,710,271)	(12,155,201)	(16,140,978)	(21,722,485)	(24,756,166)	(27,602,413)	2,602,112
Total Housing & Redevelopment Authority Net Position	\$ 2,744,228	\$ (8,694,490)	\$ 18,752,079	\$ 28,451,797	\$ 35,911,941	\$ 39,656,638	\$ 37,275,829	\$ 42,994,093	\$ 51,396,701	\$ 93,990,179

(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

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>EXPENSES</b>										
Governmental Activities:							(1)			
Housing and Economic Development	\$ 31,189,699	\$ 37,524,430	\$ 22,227,153	\$ 24,163,156	\$ 30,430,746	\$ 53,868,777	\$ 41,241,422	\$ 38,347,251	\$ 35,650,269	\$ 25,470,071
Interest on Long-Term Debt	10,949,282	12,024,646	11,141,352	10,945,951	10,264,402	10,132,800	11,037,746	9,027,333	8,442,342	10,166,094
Total Governmental Activities Expenses	42,138,981	49,549,076	33,368,505	35,109,107	40,695,148	64,001,577	52,279,168	47,374,584	44,092,611	35,636,165
Business-type Activities:										
Development Loan Programs	8,450,161	18,506,591	14,768,515	6,444,810	5,194,227	1,462,546	4,515,981	3,090,554	2,826,743	1,802,462
Parking Operations	10,739,279	11,564,825	12,990,561	12,628,706	11,864,859	11,610,535	11,584,599	11,105,306	11,779,363	11,938,124
Lofts	-	-	-	-	-	-	-	-	-	1,122,190
Penfield	-	-	-	-	-	-	-	-	-	3,777,489
Total Business-type Activities Expenses	19,189,440	30,071,416	27,759,076	19,073,516	17,059,086	13,073,081	16,100,580	14,195,860	14,606,106	18,640,265
Total Saint Paul HRA Expenses	61,328,421	79,620,492	61,127,581	54,182,623	57,754,234	77,074,658	68,379,748	61,570,444	58,698,717	54,276,430
<b>PROGRAM REVENUES</b>										
Governmental Activities:										
Charges for Services:										
Housing and Economic Development	4,180,247	2,776,370	4,410,071	2,811,075	1,715,578	5,104,319	1,465,054	3,651,135	1,659,753	3,586,141
Operating Grants and Contributions	20,067,244	19,229,867	37,517,617	21,744,714	20,874,019	37,531,003	23,644,851	24,344,903	24,700,142	46,968,517
Capital Grants and Contributions	-	-	-	1,861,975	271,305	27,711	148,459	-	-	-
Total Governmental Activities Program Revenues	24,247,491	22,006,237	41,927,688	26,417,764	22,860,902	42,663,033	25,258,364	27,996,038	26,359,895	50,554,658
Business-type Activities:										
Charges for Services:										
Development Loan Programs	5,477,876	7,046,559	429,076	1,164,671	1,748,389	504,286	2,478,443	919,137	968,535	606,581
Parking Operations	10,266,046	10,799,883	10,691,896	11,779,690	11,204,743	11,394,497	12,140,085	12,186,953	13,525,771	13,669,640
Lofts	-	-	-	-	-	-	-	-	-	1,013,404
Penfield	-	-	-	-	-	-	-	-	-	2,745,170
Operating Grants and Contributions	10,025,408	1,480,019	938,546	3,765,808	1,352,810	317,340	647,787	983,084	2,673,781	2,223,684
Capital Grants and Contributions	900,000	6,235,374	11,412,775	-	-	534,591	1,592,480	15,713	17,971	-
Total Business-type Activities Program Revenues	26,669,330	25,561,835	23,472,293	16,710,169	14,305,942	12,750,714	16,858,795	14,104,887	17,186,058	20,258,479
Total Saint Paul HRA Program Revenues	50,916,821	47,568,072	65,399,981	43,127,933	37,166,844	55,413,747	42,117,159	42,100,925	43,545,953	70,813,137
<b>NET (EXPENSE) REVENUE</b>										
Governmental Activities	(17,891,490)	(27,542,839)	8,559,183	(8,691,343)	(17,834,246)	(21,338,544)	(27,020,804)	(19,378,546)	(17,732,716)	14,918,493
Business-type Activities	7,479,890	(4,509,581)	(4,286,783)	(2,363,347)	(2,753,144)	(322,367)	758,215	(90,973)	2,579,952	1,618,214
Total Saint Paul HRA Net Expense	(10,411,600)	(32,052,420)	4,272,400	(11,054,690)	(20,587,390)	(21,660,911)	(26,262,589)	(19,469,519)	(15,152,764)	16,536,707

Continued

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>										
Governmental Activities:										
HRA Property Tax	\$ 828,287	\$ 924,042	\$ 992,320	\$ 1,123,627	\$ 2,172,763	\$ 2,990,745	\$ 3,174,596	\$ 2,678,548	\$ 2,462,066	\$ 2,515,651
Property Tax Increments	12,227,167	13,680,244	16,148,760	14,177,905	21,153,837	20,984,261	19,794,753	20,437,440	19,277,414	19,828,634
Hotel-Motel Tax	220,000	220,000	220,000	-	-	-	-	-	-	-
State Market Value Homestead Credit	331,212	221,207	232,816	246,796	305,835	354,395	347,852	-	-	-
Investment Income	1,381,833	1,627,343	2,201,832	1,881,031	1,340,151	1,062,612	1,900,121	370,954	(681,645)	1,405,439
Transfers	445,327	4,508,687	12,345,680	(495,865)	(2,131,339)	(2,062,510)	(188,087)	(10,042,274)	(994,613)	1,689,887
Total Governmental Activities	15,433,826	21,181,523	32,141,408	16,933,494	22,841,247	23,329,503	25,029,235	13,444,668	20,063,222	25,439,611
Business-type Activities										
HRA Property Tax	-	-	-	-	-	-	-	257,046	618,035	650,730
Property Tax Increments	1,372,349	1,397,216	1,276,002	1,193,871	1,178,925	1,258,761	1,242,838	1,181,563	1,120,132	1,102,365
Investment Income	1,627,274	2,543,650	2,102,439	794,694	99,135	305,311	733,407	259,732	(221,893)	553,952
Gain on Sale of Capital Assets	-	-	-	1,336,484	-	-	-	2,500	31,681	-
Transfers	(445,327)	(4,508,687)	(12,345,680)	495,865	2,131,339	2,062,510	188,087	10,042,274	994,613	(1,689,887)
Total Business-type Activities	2,554,296	(567,821)	(8,967,239)	3,820,914	3,409,399	3,626,582	2,164,332	11,743,115	2,542,568	617,160
Total Saint Paul HRA General Revenues and Other Changes in Net Position	17,988,122	20,613,702	23,174,169	20,754,408	26,250,646	26,956,085	27,193,567	25,187,783	22,605,790	26,056,771
<b>CHANGES IN NET POSITION</b>										
Governmental Activities	(2,457,664)	(6,361,316)	40,700,591	8,242,151	5,007,001	1,990,959	(1,991,569)	(5,933,878)	2,330,506	40,358,104
Business-type Activities	10,034,186	(5,077,402)	(13,254,022)	1,457,567	656,255	3,304,215	2,922,547	11,652,142	5,122,520	2,235,374
Total Saint Paul HRA Changes in Net Position	\$ 7,576,522	\$ (11,438,718)	\$ 27,446,569	\$ 9,699,718	\$ 5,663,256	\$ 5,295,174	\$ 930,978	\$ 5,718,264	\$ 7,453,026	\$ 42,593,478

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



**PROGRAM REVENUES BY FUNCTIONS / PROGRAMS****Last Ten Fiscal Years***(Accrual Basis of Accounting)*

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>GOVERNMENTAL ACTIVITIES</b>							(1)			
Housing and Economic Development										
Charges for Services	\$ 4,180,247	\$ 2,776,370	\$ 4,410,071	\$ 2,811,075	\$ 1,715,578	\$ 5,104,319	\$ 1,465,054	\$ 3,651,135	\$ 1,659,753	\$ 3,586,141
Operating Grants and Contributions	20,067,244	19,229,867	37,517,617	21,744,714	20,874,019	37,531,003	23,644,851	24,344,903	24,700,142	46,968,517
Capital Grants and Contributions	-	-	-	1,861,975	271,305	27,711	148,459	-	-	-
Total Housing and Economic Development	24,247,491	22,006,237	41,927,688	26,417,764	22,860,902	42,663,033	25,258,364	27,996,038	26,359,895	50,554,658
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	24,247,491	22,006,237	41,927,688	26,417,764	22,860,902	42,663,033	25,258,364	27,996,038	26,359,895	50,554,658
<b>BUSINESS-TYPE ACTIVITIES</b>										
Development Loan Programs										
Charges for Services	5,477,876	7,046,559	429,076	1,164,671	1,748,389	504,286	2,478,443	919,137	968,535	606,581
Operating Grants and Contributions	9,400,408	1,480,019	938,546	3,765,808	1,352,810	317,340	647,787	983,084	1,673,781	721,925
Capital Grants and Contributions	-	-	-	-	-	534,591	1,592,480	15,713	-	-
Total Development Loan Programs	14,878,284	8,526,578	1,367,622	4,930,479	3,101,199	1,356,217	4,718,710	1,917,934	2,642,316	1,328,506
Parking Operations										
Charges for Services	10,266,046	10,799,883	10,691,896	11,779,690	11,204,743	11,394,497	12,140,085	12,186,953	13,525,771	13,669,640
Operating Grants and Contributions	625,000	-	-	-	-	-	-	-	1,000,000	82,945
Capital Grants and Contributions	900,000	6,235,374	11,412,775	-	-	-	-	-	17,971	-
Total Parking Operations	11,791,046	17,035,257	22,104,671	11,779,690	11,204,743	11,394,497	12,140,085	12,186,953	14,543,742	13,752,585
Lofts										
Charges for Services	-	-	-	-	-	-	-	-	-	1,013,404
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	157,299
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Total Lofts	-	-	-	-	-	-	-	-	-	1,170,703
Penfield										
Charges for Services	-	-	-	-	-	-	-	-	-	2,745,170
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	1,261,515
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Total Penfield	-	-	-	-	-	-	-	-	-	4,006,685
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	26,669,330	25,561,835	23,472,293	16,710,169	14,305,942	12,750,714	16,858,795	14,104,887	17,186,058	20,258,479
<b>TOTAL - ALL FUNCTIONS / PROGRAMS</b>	<b>\$ 50,916,821</b>	<b>\$ 47,568,072</b>	<b>\$ 65,399,981</b>	<b>\$ 43,127,933</b>	<b>\$ 37,166,844</b>	<b>\$ 55,413,747</b>	<b>\$ 42,117,159</b>	<b>\$ 42,100,925</b>	<b>\$ 43,545,953</b>	<b>\$ 70,813,137</b>

(1) Restated

**FUND BALANCES - GOVERNMENTAL FUNDS**

Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
HRA General Fund							(1)			
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 717,599	\$ 717,599	\$ 717,599	\$ 692,050
Committed	-	-	-	-	-	-	4,448,812	6,168,246	5,814,724	6,370,768
Assigned	-	-	-	-	-	-	1,414,495	597,945	1,224,283	4,959,422
Unassigned	-	-	-	-	-	-	4,242,795	4,145,023	4,147,129	-
Reserved	940,748	1,112,171	688,545	801,534	742,647	731,031	-	-	-	-
Unreserved	7,180,814	6,898,759	7,992,919	10,881,369	9,614,435	9,133,372	-	-	-	-
Total HRA General Fund	\$ 8,121,562	\$ 8,010,930	\$ 8,681,464	\$ 11,682,903	\$ 10,357,082	\$ 9,864,403	\$ 10,823,701	\$ 11,628,813	\$ 11,903,735	\$ 12,022,240
All Other HRA Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,047,078
Restricted	-	-	-	-	-	-	44,696,696	32,446,803	30,156,288	28,709,493
Assigned	-	-	-	-	-	-	562,349	562,349	241,165	-
Reserved	19,697,725	20,648,713	25,459,895	22,956,178	25,366,854	31,047,251	-	-	-	-
Unreserved	18,540,401	4,463,031	33,663,265	31,037,525	28,496,659	21,230,536	-	-	-	-
Total All Other HRA Funds	\$ 38,238,126	\$ 25,111,744	\$ 59,123,160	\$ 53,993,703	\$ 53,863,513	\$ 52,277,787	\$ 45,259,045	\$ 33,009,152	\$ 30,397,453	\$ 31,756,571
<b>TOTAL - ALL HRA FUNDS</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 717,599	\$ 717,599	\$ 717,599	\$ 3,739,128
Restricted	-	-	-	-	-	-	44,696,696	32,446,803	30,156,288	28,709,493
Committed	-	-	-	-	-	-	4,448,812	6,168,246	5,814,724	6,370,768
Assigned	-	-	-	-	-	-	1,976,844	1,160,294	1,465,448	4,959,422
Unassigned	-	-	-	-	-	-	4,242,795	4,145,023	4,147,129	-
Reserved	20,638,473	21,760,884	26,148,440	23,757,712	26,109,501	31,778,282	-	-	-	-
Unreserved	25,721,215	11,361,790	41,656,184	41,918,894	38,111,094	30,363,908	-	-	-	-
Total All HRA Funds	\$ 46,359,688	\$ 33,122,674	\$ 67,804,624	\$ 65,676,606	\$ 64,220,595	\$ 62,142,190	\$ 56,082,746	\$ 44,637,965	42,301,188	\$ 43,778,811
2013 Restatements (Note 2.R)									(3,120,079)	
Total All HRA Funds, Restated									\$ 39,181,109	

(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.

**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>REVENUES</b>										
Taxes	\$ 13,698,751	\$ 14,936,361	\$ 18,258,162	\$ 17,752,965	\$ 23,145,710	\$ 23,568,364	\$ 23,240,973	\$ 24,402,731	\$ 21,775,071	\$ 22,383,553
Intergovernmental	20,331,044	18,953,030	37,048,241	22,475,134	20,330,468	35,188,892	22,421,293	23,229,228	23,854,124	44,599,377
Fees, Sales and Services	11,044,619	2,993,929	4,748,864	3,396,565	2,676,402	5,566,017	2,008,781	4,248,416	2,154,654	2,922,779
Investment Income	1,525,187	1,653,875	2,233,360	1,892,081	1,322,681	1,074,507	1,904,956	413,264	(705,720)	1,238,909
Miscellaneous	117,412	598,044	802,192	902,476	543,551	2,448,040	1,223,558	1,115,675	846,018	2,910,215
<b>Total Revenues</b>	<b>46,717,013</b>	<b>39,135,239</b>	<b>63,090,819</b>	<b>46,419,221</b>	<b>48,018,812</b>	<b>67,835,820</b>	<b>50,799,561</b>	<b>53,409,314</b>	<b>47,924,147</b>	<b>74,054,833</b>
<b>EXPENDITURES</b>										
Housing and Economic Development	16,010,586	20,182,150	7,760,374	10,655,374	15,705,363	37,390,286	23,993,249	31,220,168	18,857,958	14,445,892
Intergovernmental	16,242,742	17,133,171	13,755,067	25,488,058	17,133,134	16,142,704	16,896,257	16,209,356	16,197,775	9,732,751
Capital Outlay	1,078,511	648,337	-	1,186,100	-	-	-	-	-	-
Debt Service:										
Interest	11,029,802	12,033,425	11,353,161	11,098,149	10,353,912	10,089,143	11,311,119	9,493,948	8,286,020	10,468,007
Principal	13,031,162	6,883,857	7,924,001	8,911,675	5,671,147	9,227,737	6,580,944	7,588,309	5,924,558	37,692,841
Issuance Costs	326,867	-	6,777	274,195	141,085	384,506	139,665	297,016	-	56,887
Debt Prepayment Penalty	-	-	-	-	-	-	-	-	-	757,271
<b>Total Expenditures</b>	<b>57,719,670</b>	<b>56,880,940</b>	<b>40,799,380</b>	<b>57,613,551</b>	<b>49,004,641</b>	<b>73,234,376</b>	<b>58,921,234</b>	<b>64,808,797</b>	<b>49,266,311</b>	<b>73,153,649</b>
Excess of Revenues over (under) Expenditures	(11,002,657)	(17,745,701)	22,291,439	(11,194,330)	(985,829)	(5,398,556)	(8,121,673)	(11,399,483)	(1,342,164)	901,184
<b>OTHER FINANCING SOURCES (USES)</b>										
Proceeds from Borrowing	7,515,000	-	-	9,635,761	-	6,595,000	-	-	-	-
Proceeds from Refunding	5,125,399	4,820,000	3,939,831	-	7,003,608	2,682,662	12,085,316	16,785,330	-	2,006,611
Redemption of Refunded Bonds	(5,005,000)	(4,820,000)	(3,895,000)	-	(4,970,000)	(3,895,000)	(9,835,000)	(17,141,000)	-	-
Transfers In	5,409,072	5,737,337	16,281,547	1,092,065	2,154,432	7,462,416	20,745,170	9,712,248	7,659,365	7,169,198
Transfers Out	(4,963,745)	(1,228,650)	(3,935,867)	(1,661,514)	(4,658,222)	(9,524,926)	(20,933,258)	(9,401,876)	(8,653,978)	(5,479,311)
<b>Total Other Financing Sources (Uses)</b>	<b>8,080,726</b>	<b>4,508,687</b>	<b>12,390,511</b>	<b>9,066,312</b>	<b>(470,182)</b>	<b>3,320,152</b>	<b>2,062,228</b>	<b>(45,298)</b>	<b>(994,613)</b>	<b>3,696,498</b>
<b>Net Change in Fund Balance</b>	<b>\$ (2,921,931)</b>	<b>\$ (13,237,014)</b>	<b>\$ 34,681,950</b>	<b>\$ (2,128,018)</b>	<b>\$ (1,456,011)</b>	<b>\$ (2,078,404)</b>	<b>\$ (6,059,445)</b>	<b>\$ (1,444,781)</b>	<b>\$ (2,336,777)</b>	<b>\$ 4,597,682</b>
Debt Service as a Percentage of Noncapital Expenditures	42.5%	33.6%	47.2%	35.5%	32.7%	26.4%	30.4%	26.4%	28.8%	66.9%
	(a)			(b)						

(a) In 2005, a balloon payment of \$5,750,000 was made on the Biotech Note - 1000 Westgate Drive.

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

**NET POSITION - PROPRIETARY FUNDS****Last Ten Fiscal Years***(Accrual Basis of Accounting)*

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>HRA Loan Enterprise Fund</b>										
Net Investment in Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (21,292)	\$ 1,530,300	\$ 14,015,074	\$ 25,145,183	\$ -
Restricted	11,289,819	7,049,537	6,823,402	1,148,967	1,072,523	7,250,562	393,566	256,756	414,569	773,865
Unrestricted	48,515,462	40,291,549	16,159,536	21,385,035	21,645,396	17,267,290	23,048,381	22,371,117	13,396,478	16,496,404
<b>Total HRA Loan Enterprise Fund</b>	<b>59,805,281</b>	<b>47,341,086</b>	<b>22,982,938</b>	<b>22,534,002</b>	<b>22,717,919</b>	<b>24,496,560</b>	<b>24,972,247</b>	<b>36,642,947</b>	<b>38,956,230</b>	<b>17,270,269</b>
<b>HRA Parking Enterprise Fund</b>										
Net Investment in Capital Assets	5,544,000	10,868,843	22,141,220	21,467,557	23,496,206	26,594,793	27,152,295	28,212,796	29,045,420	30,153,360
Restricted	5,098,349	8,072,095	7,563,021	5,573,737	7,691,465	6,536,327	4,332,651	4,354,134	4,016,077	4,273,882
Unrestricted	11,379,258	10,467,462	10,808,285	15,377,735	11,703,696	9,735,344	11,941,022	10,840,480	13,155,150	14,245,591
<b>Total HRA Parking Enterprise Fund</b>	<b>22,021,607</b>	<b>29,408,400</b>	<b>40,512,526</b>	<b>42,419,029</b>	<b>42,891,367</b>	<b>42,866,464</b>	<b>43,425,968</b>	<b>43,407,410</b>	<b>46,216,647</b>	<b>48,672,833</b>
<b>HRA Lofts Enterprise Fund</b>										
Net Investment in Capital Assets	-	-	-	-	-	-	-	-	-	1,774,510
Restricted	-	-	-	-	-	-	-	-	-	523,363
Unrestricted	-	-	-	-	-	-	-	-	-	174,812
<b>Total HRA Lofts Enterprise Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,472,685</b>
<b>HRA Penfield Enterprise Fund</b>										
Net Investment in Capital Assets	-	-	-	-	-	-	-	-	-	15,584,829
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-	-	3,657,909
<b>Total HRA Penfield Enterprise Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,242,738</b>
<b>TOTAL - ALL PROPRIETARY FUNDS</b>										
Net Investment in Capital Assets	5,544,000	10,868,843	22,141,220	21,467,557	23,496,206	26,573,501	28,682,595	42,227,870	54,190,603	47,512,699
Restricted	16,388,168	15,121,632	14,386,423	6,722,704	8,763,988	13,786,889	4,726,217	4,610,890	4,430,646	5,571,110
Unrestricted	59,894,720	50,759,011	26,967,821	36,762,770	33,349,092	27,002,634	34,989,403	33,211,597	26,551,628	34,574,716
<b>Total Net Position - All Proprietary Funds</b>	<b>\$ 81,826,888</b>	<b>\$ 76,749,486</b>	<b>\$ 63,495,464</b>	<b>\$ 64,953,031</b>	<b>\$ 65,609,286</b>	<b>\$ 67,363,024</b>	<b>\$ 68,398,215</b>	<b>\$ 80,050,357</b>	<b>\$ 85,172,877</b>	<b>\$ 87,668,525</b>
2013 Restatements (Note 2.R)									250,274	
<b>Total Net Position - All Proprietary Funds, Restated</b>									<b>\$ 85,423,151</b>	

(1) Restated

**CHANGES IN NET POSITION - PROPRIETARY FUNDS**

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>OPERATING REVENUES</b>										
Fees, Sales and Services:										
Loan Programs	\$ 4,022,486	\$ 5,356,857	\$ 291,776	\$ 388,149	\$ 1,329,083	\$ 139,364	\$ 1,466,278	\$ 726,949	\$ 1,081,783	\$ 524,197
Apartment Facilities	-	-	-	-	-	-	(2)	-	-	3,758,574
Parking Facilities	10,266,046	10,799,883	10,691,896	11,779,690	11,204,743	11,394,497	12,140,085	12,101,480	13,485,208	13,669,640
Interest Earned on Loans	1,455,390	1,689,702	137,300	776,522	419,306	364,922	1,012,165	277,661	(72,685)	82,384
Total Operating Revenues	15,743,922	17,846,442	11,120,972	12,944,361	12,953,132	11,898,783	14,618,528	13,106,090	14,494,306	18,034,795
<b>OPERATING EXPENSES</b>										
Development Loan Programs	3,588,607	5,241,210	4,892,487	3,581,561	2,970,167	710,321	2,929,465	639,686	949,697	1,040,210
Costs of Parking and Apartment										
Facility Operation	3,585,103	4,554,017	4,264,292	5,497,193	5,043,784	5,425,658	5,229,275	5,652,432	6,370,512	7,661,228
Depreciation	2,340,511	2,315,180	2,455,650	2,758,238	2,766,036	2,846,729	2,937,220	3,187,169	3,246,852	4,586,554
Bad Debt Expense on Loans	618,681	6,137,550	5,996,934	365,486	187,588	309,257	5,994	-	-	-
Forgivable Loan Expense	1,839,768	4,986,221	944,676	1,920,551	1,708,022	191,365	609,833	-	-	-
Total Operating Expenses	11,972,670	23,234,178	18,554,039	14,123,029	12,675,597	9,453,330	11,711,787	9,479,287	10,567,061	13,287,992
<b>OPERATING INCOME (LOSS)</b>	3,771,252	(5,387,736)	(7,433,067)	(1,178,668)	277,535	2,445,453	2,906,741	3,626,803	3,927,245	4,746,803
<b>NONOPERATING REVENUES (EXPENSES)</b>										
Property Tax Increments	1,372,349	1,397,216	1,276,002	1,193,871	1,178,925	1,258,761	1,242,838	1,438,609	1,738,167	1,753,095
Operating Grants	9,088,500	429,793	134,746	84,539	427,828	294,329	519,025	681,284	1,172,384	869,931
Gain on Sale of Capital Assets	-	-	-	1,336,484	-	-	-	2,500	31,681	-
Noncapital Contributions	936,908	1,050,226	803,800	3,681,269	924,982	23,011	128,762	301,800	501,397	-
Investment Income	1,627,274	2,543,650	2,102,439	794,694	99,134	305,311	733,407	259,732	(221,893)	553,952
Miscellaneous Revenue	-	21,743	-	-	-	-	-	-	-	-
Revaluation of Land Held for Resale	-	-	(1,867,546)	(270,345)	-	-	-	-	-	-
Interest on Long-Term Debt	(5,332,455)	(5,275,361)	(4,968,483)	(4,493,159)	(3,909,476)	(3,162,276)	(3,313,774)	(3,201,470)	(3,079,041)	(4,151,237)
Intergovernmental Expenses	(1,476,438)	(1,157,624)	(2,256,955)	(76,483)	(357,244)	(312,089)	(467,116)	(402,201)	(822,616)	(770,432)
Non-operating Costs	-	-	-	-	-	-	-	-	-	(254,256)
Intergovernmental Revenues	-	-	-	-	-	-	-	-	1,000,000	1,353,753
Loss on Retirement of Assets	-	-	-	-	-	-	(405,036)	(117,091)	(137,388)	(176,348)
Litigation Mediation - Noncash Advance	-	-	-	-	-	-	-	-	-	-
Amortization of Debt Issuance Costs (1)	(407,877)	(425,996)	(112,053)	(110,500)	(116,768)	(145,386)	(2,090,223)	(995,811)	-	-
Total Non-operating Revenues (Expenses)	5,808,261	(1,416,353)	(4,888,050)	2,140,370	(1,752,619)	(2,151,092)	(3,652,117)	(2,032,648)	182,691	(621,542)
Capital Contributions	900,000	6,235,374	11,412,775	-	-	947,344	1,592,480	10,368,359	17,971	-
Transfers In	2,500,000	1,053,084	1,416,433	600,316	2,528,208	2,078,822	195,190	2,377,524	2,709,828	1,903,282
Transfers Out	(2,845,327)	(5,561,771)	(13,762,113)	(104,451)	(396,869)	(16,312)	(7,103)	(2,687,896)	(1,715,215)	(3,593,169)
<b>CHANGE IN NET POSITION (NOTE 2 R)</b>	\$ 10,034,186	\$ (5,077,402)	\$ (13,254,022)	\$ 1,457,567	\$ 656,255	\$ 3,304,215	\$ 1,035,191	\$ 11,652,142	\$ 5,122,520	\$ 2,235,374
<b>2013 RESTATEMENTS (NOTE 2 R)</b>									250,274	
<b>CHANGE IN NET POSITION, RESTATED</b>									<u>\$ 5,372,794</u>	

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

(2) Restated

**TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

<u>Fiscal Year</u>	<u>HRA Property Tax Levy</u>	<u>Property Tax Increments</u>	<u>Hotel - Motel</u>	<u>Total Tax Revenue</u>
2005	\$824,978	\$12,653,773	\$220,000	\$13,698,751
2006	920,206	13,796,155	220,000	14,936,361
2007	997,821	17,040,341	220,000	18,258,162
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
Change 2005-2014	208.9%	56.8%	-100.0%	63.4%

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

LEVY - PAYABLE	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Tax Capacity*										
Real Property*					247,182,526	234,400,482	217,930,655	197,620,962	186,461,109	187,239,027
Personal Property*					6,885,304	5,850,737	7,032,252	6,062,185	6,816,827	6,953,340
Fiscal Disparities*					25,238,471	26,101,435	26,457,028	25,556,968	23,150,886	24,580,157
Total Net Tax Capacity*	202,575,538	225,186,571	253,000,058	275,575,863	279,306,301	266,352,654	251,419,935	229,240,115	216,428,822	218,772,524
Taxable Market Value*	16,403,703,100	18,550,595,100	21,103,230,000	23,071,399,600	22,776,772,200	21,551,886,800	20,065,253,800	18,163,450,800	18,187,359,400	18,388,992,700
Tax Capacity Rate	0.4400%	0.4340%	0.4140%	0.4470%	0.8980%	1.2720%	1.2620%	1.4180%	1.4824%	1.4445%
State Law Maximum Levy Rate (% of Taxable Market Value)	0.0144%	0.0144%	0.0144%	0.0144%	0.0185%	0.0185%	0.0185%	0.0185%	0.0185%	0.0185%
Maximum Tax Levy per State Law	\$ 2,362,133	\$ 2,671,286	\$ 3,038,865	\$ 3,322,282	\$ 4,213,703	\$ 3,987,099	\$ 3,712,072	\$ 3,360,238	\$ 3,364,661	\$ 3,401,964
Actual Tax Levy Certified	\$ 898,986	\$ 979,895	\$ 1,057,307	\$ 1,215,903	\$ 2,278,148	\$ 3,178,148	\$ 3,178,148	\$ 3,178,148	\$ 3,178,148	\$ 3,178,148
Actual Levy under Maximum	\$ 1,463,147	\$ 1,691,391	\$ 1,981,558	\$ 2,106,379	\$ 1,935,555	\$ 808,951	\$ 533,924	\$ 182,090	\$ 186,513	\$ 223,816
% of Actual Levy to Maximum	38.06%	36.68%	34.79%	36.60%	54.07%	79.71%	85.62%	94.58%	94.46%	93.42%

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.

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total Taxes Levied for Current Fiscal Year	\$ 898,986	\$ 979,895	\$1,057,307	\$1,215,903	\$2,278,148	\$3,178,148	\$3,178,148	\$3,178,148	\$3,178,148	\$3,178,148
Collection of Current Year Tax Levy										
From Taxpayers	\$ 661,061	\$ 750,062	\$ 819,668	\$ 953,678	\$1,874,829	\$2,259,765	\$2,470,269	\$2,476,585	\$2,464,092	\$2,432,640
Fiscal Disparity Aid	160,358	157,181	169,430	183,574	223,759	493,367	693,746	633,373	662,508	696,821
State Credits and Aids	54,331	49,130	44,056	44,437	87,974	115,779	108,652	-	70	-
Closed TIF District Adj.	-	-	-	-	-	194,065	-	-	-	-
Total Current Year Tax Levy Collection	\$ 875,750	\$ 956,373	\$1,033,154	\$1,181,689	\$2,186,562	\$3,062,976	\$3,272,667	\$3,109,958	\$3,126,670	\$3,129,461
Actual Percent of Current Year Levy	97.42%	97.60%	97.72%	97.19%	95.98%	96.38%	102.97%	97.85%	98.38%	98.47%
Collection of Delinquent Taxes for Subsequent Years										
1st Year Delinquent	\$ 12,866	\$ 9,124	\$ 18,191	\$ 28,026	\$ 41,495	\$ 14,489	\$ 21,851	\$ (40,292)	\$ 75,700	\$ -
2nd Year Delinquent	(1,337)	881	2,101	2,991	9,941	(8,660)	(4,284)	(5,424)	-	-
3rd Year Delinquent	619	588	(157)	(4,334)	(654)	(1,867)	(3,642)	-	-	-
4th Year Delinquent	361	(415)	699	349	276	1,259	-	-	-	-
5th Year Delinquent	74	180	18	353	1,095	-	-	-	-	-
6th Year & Prior Delinquent	622	356	504	492	-	-	-	-	-	-
Total Delinquent Taxes Collection	\$ 13,205	\$ 10,714	\$ 21,356	\$ 27,877	\$ 52,153	\$ 5,221	\$ 13,925	\$ (45,716)	\$ 75,700	\$ -
Total Tax Collections	\$ 888,955	\$ 967,087	\$1,054,510	\$1,209,566	\$2,238,715	\$3,068,197	\$3,286,592	\$3,064,242	\$3,202,370	\$3,129,461
Total Percent of Levy Collected	98.88%	98.69%	99.74%	99.48%	98.27%	96.54%	103.41%	96.42%	100.76%	98.47%

(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.



HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL

**PROPERTY TAX INCREMENT LEVIES AND COLLECTIONS**

Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>TOTAL - ALL TAX INCREMENT DISTRICTS</b>										
Original Tax Capacity Before Development -										
All Tax Increment Districts	\$3,870,673	\$4,014,984	\$4,134,886	\$4,547,218	\$4,332,382	\$4,491,122	\$4,838,654	\$4,977,370	\$4,900,569	\$4,918,344
Current Tax Capacity -										
All Tax Increment Districts	\$21,631,284	\$20,474,630	\$25,130,439	\$29,852,423	\$30,308,177	\$29,809,160	\$27,664,571	\$26,928,860	\$25,718,660	\$25,654,138
Captured Tax Capacity Retained by HRA / Port Authority	\$17,770,799	\$18,233,706	\$22,973,236	\$27,910,718	\$25,975,795	\$25,318,038	\$22,825,917	\$21,961,592	\$20,826,379	\$20,796,390
Tax capacity rate (Watershed district)	110.531%	108.730%	103.573%	102.306%	106.465%	120.820%	133.883%	153.079%	162.369%	163.482%
Tax Increment Spread	\$19,580,530	\$19,733,859	\$23,710,560	\$28,448,140	\$27,268,157	\$28,705,815	\$27,278,203	\$27,580,222	\$25,932,396	\$25,973,141
Tax Increment Collected:										
Current	\$17,571,466	\$19,085,800	\$23,569,649	\$24,466,765	\$26,337,565	\$27,171,525	\$26,021,565	\$26,690,452	\$25,144,638	\$25,817,771
Delinquent	(\$623,121)	(\$56,558)	\$108,908	\$159,896	\$128,882	(\$592,694)	(\$1,359,307)	\$495,150	(\$162,936)	(\$387,772)
Developer Shortfall Payments	\$797,186	\$819,772	\$478,743	\$178,011	\$252,345	-	-	-	-	88,360
Homestead Credit	\$301,109	\$193,706	\$216,482	\$228,422	\$217,861	\$238,616	\$239,200	-	-	-
Total Tax Increment Collected	\$18,046,640	\$20,042,720	\$24,373,782	\$25,033,094	\$26,936,653	\$26,817,447	\$24,901,458	\$27,185,602	\$24,981,702	\$25,518,359
Percentage of Tax Increment Collected to Tax Increment Spread	92.17%	101.57%	102.80%	88.00%	98.78%	93.42%	91.29%	98.57%	96.33%	98.25%
Delinquent Tax Increment Receivable at December 31	\$510,678	\$221,683	\$455,265	\$399,845	\$746,588	\$696,706	\$1,188,906	\$459,660	\$106,365	\$254,843
Percentage of Delinquent Tax Increment Receivable to Tax Increment Spread	2.61%	1.12%	1.92%	1.41%	2.74%	2.43%	4.36%	1.67%	0.41%	0.98%
Percentage of Captured Tax Capacity to Saint Paul Total Tax Capacity	8.06%	7.49%	8.32%	9.22%	8.52%	8.67%	9.23%	8.85%	9.75%	9.74%

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.

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

Taxpayer	2014			2005		
	Taxable Capacity Value	Rank	Percentage of Total City Capacity Value	Taxable Capacity Value	Rank	Percentage of Total City Capacity Value
Xcel Energy	\$5,915,102	1	2.70%	\$4,501,318	1	2.22%
Minnesota Mutual Life Insurance (Corporate Headquarters)	2,008,490	2	0.92%	1,679,904	2	0.83%
St. Paul Tower LP (World Trade Center)	1,417,250	3	0.65%	749,374	8	0.37%
Traveler's Insurance (Corporate Headquarters)	1,259,926	4	0.58%	-	-	-
U.S. Bank Corp. Property & U.S. Bancorp	1,154,250	5	0.53%	1,384,533	3	0.68%
BNSF Railway Co.	1,149,876	6	0.53%	-	-	-
Behringer Harvard L C LLC (Lawson Software)	905,034	7	0.41%	830,500	7	0.41%
CSM Investors, Inc.	904,326	8	0.41%	-	-	-
Ford Motor Company <sup>1)</sup>	774,386	9	0.35%	641,100	10	0.32%
Court International LLC	685,194	10	0.31%	-	-	-
St. Paul Companies	-	-	-	1,006,866	4	0.50%
3M	-	-	-	938,216	5	0.46%
Stuart Companies	-	-	-	920,902	6	0.45%
Health East	-	-	-	649,798	9	0.32%
	<u>\$16,173,834</u>		<u>7.39%</u>	<u>\$13,302,511</u>		<u>6.56%</u>

1) Ford Motor Company closed its Highland Park plant in December 2011. Ford Motor Company has begun the decommissioning process for the plant and the environmental cleanup of this plant site began in 2013 for possible future redevelopment.

Source: Ramsey County Department of Property Records and Revenue.

(Unaudited)

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Block 7A Ramp</b>										
Operating Revenues	\$ 879,184	\$ 889,550	\$ 942,753	\$ 1,015,628	\$ 993,836	\$ 1,008,924	\$ 1,033,804	\$ 1,059,400	\$ 1,049,940	\$ 1,044,868
Operating Expenses	493,758	456,309	494,551	480,518	508,861	491,015	521,086	516,900	546,847	762,043
Operating Income (Loss)	\$ 385,426	\$ 433,241	\$ 448,202	\$ 535,110	\$ 484,975	\$ 517,909	\$ 512,718	\$ 542,500	\$ 503,093	\$ 282,825
<b>Seventh Street Ramp</b>										
Operating Revenues	\$ 1,204,748	\$ 1,170,240	\$ 1,228,513	\$ 1,227,842	\$ 1,225,262	\$ 1,225,291	\$ 1,248,375	\$ 1,226,439	\$ 1,227,220	\$ 1,219,279
Operating Expenses	341,538	495,950	346,293	421,835	379,331	384,743	430,719	456,382	467,827	471,983
Operating Income (Loss)	\$ 863,210	\$ 674,290	\$ 882,220	\$ 806,007	\$ 845,931	\$ 840,548	\$ 817,656	\$ 770,057	\$ 759,393	\$ 747,296
<b>Robert Street Ramp</b>										
Operating Revenues	\$ 1,194,462	\$ 1,072,025	\$ 1,130,831	\$ 1,142,381	\$ 1,141,031	\$ 1,163,213	\$ 1,164,102	\$ 1,319,575	\$ 1,475,567	\$ 1,520,183
Operating Expenses	509,752	544,774	518,435	559,901	590,226	622,956	596,312	598,890	696,759	676,882
Operating Income (Loss)	\$ 684,710	\$ 527,251	\$ 612,396	\$ 582,480	\$ 550,805	\$ 540,257	\$ 567,790	\$ 720,745	\$ 778,808	\$ 843,301
<b>Kellogg Street Ramp</b>										
Operating Revenues	\$ 938,007	\$ 979,675	\$ 980,206	\$ 924,210	\$ 996,824	\$ 970,621	\$ 1,043,662	\$ 961,304	\$ 1,163,536	\$ 1,194,375
Operating Expenses	617,826	628,937	547,161	747,589	763,337	815,042	856,609	893,418	1,038,693	996,053
Operating Income (Loss)	\$ 320,181	\$ 350,738	\$ 433,045	\$ 176,621	\$ 233,487	\$ 155,579	\$ 187,053	\$ 67,886	\$ 124,843	\$ 198,322
<b>Lowertown Ramp</b>										
Operating Revenues	\$ 932,953	\$ 1,160,210	\$ 1,204,184	\$ 1,275,598	\$ 1,316,502	\$ 1,287,034	\$ 1,432,031	\$ 1,345,168	\$ 1,401,241	\$ 1,469,667
Operating Expenses	681,949	771,846	804,191	904,894	863,920	944,781	982,832	915,991	937,227	1,039,248
Operating Income (Loss)	\$ 251,004	\$ 388,364	\$ 399,993	\$ 370,704	\$ 452,582	\$ 342,253	\$ 449,199	\$ 429,177	\$ 464,014	\$ 430,419
<b>Block 19 Ramp</b>										
Operating Revenues	\$ 886,918	\$ 779,947	\$ 688,451	\$ 963,400	\$ 865,927	\$ 932,988	\$ 1,096,533	\$ 1,306,133	\$ 1,437,421	\$ 1,530,096
Operating Expenses	751,451	693,548	724,049	802,959	814,198	813,000	820,691	811,633	816,552	849,658
Operating Income (Loss)	\$ 135,467	\$ 86,399	\$ (35,598)	\$ 160,441	\$ 51,729	\$ 119,988	\$ 275,842	\$ 494,500	\$ 620,869	\$ 680,438
<b>Block 39 - Lawson Ramp</b>										
Operating Revenues	\$ 2,772,537	\$ 3,300,934	\$ 2,841,018	\$ 3,088,511	\$ 2,753,776	\$ 2,813,317	\$ 2,889,249	\$ 3,029,724	\$ 3,165,835	\$ 3,290,496
Operating Expenses	1,376,249	1,474,826	1,443,988	1,745,391	1,675,320	1,450,502	1,519,414	1,512,407	1,587,752	2,446,046
Operating Income (Loss)	\$ 1,396,288	\$ 1,826,108	\$ 1,397,030	\$ 1,343,120	\$ 1,078,456	\$ 1,362,815	\$ 1,369,835	\$ 1,517,317	\$ 1,578,083	\$ 844,450
<b>Spruce Tree Ramp</b>										
Operating Revenues	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,025	\$ 30,038	\$ 30,000
Operating Expenses	53,887	108,559	62,276	86,720	69,191	81,139	86,405	94,876	89,326	87,822
Operating Income (Loss)	\$ (23,887)	\$ (78,559)	\$ (32,276)	\$ (56,720)	\$ (39,191)	\$ (51,139)	\$ (56,405)	\$ (64,851)	\$ (59,288)	\$ (57,822)
<b>Smith Avenue Transit Hub</b>										
Operating Revenues	\$ -	\$ -	\$ 291,410	\$ 824,582	\$ 774,855	\$ 844,516	\$ 831,464	\$ 660,969	\$ 1,007,458	\$ 943,745
Operating Expenses	-	-	355,323	1,112,112	1,029,106	1,013,551	971,022	977,159	1,026,926	1,031,141
Operating Income (Loss)	\$ -	\$ -	\$ (63,913)	\$ (287,530)	\$ (254,251)	\$ (169,035)	\$ (139,558)	\$ (316,190)	\$ (19,468)	\$ (87,396)
<b>HRA Parking Lots / Miscellaneous</b>										
Operating Revenues	\$ 1,427,237	\$ 1,417,302	\$ 1,354,530	\$ 1,287,538	\$ 1,106,731	\$ 1,118,591	\$ 1,370,866	\$ 1,162,743	\$ 1,526,953	\$ 1,426,929
Operating Expenses	1,099,204	1,694,448	1,423,675	1,393,512	1,116,330	1,655,659	1,381,405	1,483,691	1,761,185	1,702,331
Operating Income (Loss)	\$ 328,033	\$ (277,146)	\$ (63,145)	\$ (105,974)	\$ (9,599)	\$ (537,068)	\$ (10,539)	\$ (320,948)	\$ (234,232)	\$ (275,402)
<b>TOTAL PARKING FACILITIES</b>										
Operating Revenues	\$ 10,266,046	\$ 10,799,883	\$ 10,691,896	\$ 11,779,690	\$ 11,204,744	\$ 11,394,495	\$ 12,140,086	\$ 12,101,481	\$ 13,485,209	\$ 13,669,638
Operating Expenses	5,925,614	6,869,197	6,719,942	8,255,431	7,809,820	8,272,387	8,166,495	8,261,287	8,969,094	10,063,207
Operating Income (Loss)	\$ 4,340,432	\$ 3,930,686	\$ 3,971,954	\$ 3,524,259	\$ 3,394,924	\$ 3,122,108	\$ 3,973,591	\$ 3,840,194	\$ 4,516,115	\$ 3,606,431

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

Fiscal Year	Governmental Activities				Business-type Activities				Total Saint Paul HRA	Per Capita (1)	Percent of Household Personal Income (2)		
	Tax Increment Bonds	Sales Tax Bonds	Lease Revenue Bonds	Development Notes	Parking Revenue Bonds	Tax Increment Parking Bonds	Housing 5000 Land Assembly Bonds	Limited Tax Bonds				Revenue Notes	Mortgages
2005	\$78,964,773	\$44,895,000	\$6,870,000	\$14,437,441	\$55,540,346	\$36,005,000	\$21,830,000	\$ -	\$3,090,000	\$ -	\$261,632,560	910.31	4.49%
2006	69,420,923	43,585,000	6,570,000	17,649,619	53,895,288	34,705,000	12,455,000	-	1,225,190	-	239,506,020	833.40	3.89%
2007	64,606,118	42,185,000	6,145,000	15,460,472	52,060,230	33,260,000	9,135,000	-	1,155,190	-	224,007,010	781.55	3.47%
2008	57,978,994	40,685,000	13,230,000	23,987,626	49,770,172	31,690,000	6,440,000	-	1,085,190	-	224,866,982	781.69	3.39%
2009	55,112,460	39,080,000	14,210,000	23,818,370	47,372,393	30,281,683	2,510,000	-	2,585,190	-	214,970,096	746.28	2.95%
2010	57,038,439	37,360,000	13,846,060	20,113,997	42,918,567	28,911,245	-	7,855,000	1,775,190	-	209,818,498	729.70	3.02%
2011	55,695,011	35,520,000	13,256,820	19,532,701	41,344,761	27,260,807	-	7,855,000	1,580,000	-	202,045,100	708.76	2.86%
2012	50,892,817	33,545,000	12,652,579	18,931,187	39,664,327	25,580,369	-	7,855,000	1,580,000	25,000	190,726,279	666.02	2.68%
2013	48,228,892	31,430,000	12,028,339	18,310,491	37,910,580	23,864,931	-	7,855,000	1,580,000	33,372,108	214,580,341	741.80	3.00%
2014	45,288,952	-	11,384,098	13,930,515	36,076,152	22,079,493	-	7,755,000	1,580,000	40,464,920	178,559,130	605.55	2.34%
Change 2005-2014	-42.65%	-100.00%	65.71%	-3.51%	-35.05%	-38.68%	-100.00%	100.00%	-48.87%	100.00%	-31.75%		

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. The 2014 ratio is calculated using population for the prior calendar year.

(2) See the "Demographic and Economic Statistics" Table for personal income data. The 2014 percentage is calculated using personal income for the prior calendar year.

**SCHEDULE OF REVENUE BOND COVERAGE**

Last Ten Fiscal Years

Notes: 2014 revenues available for debt service reflect all sources; does not reflect tax increment and tax levy revenue that may be used from prior years to make debt payments in the current year prior to receipt of current year revenue.

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Totals	
<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	\$ 296,044	\$ 283,041	\$ 290,730	\$ 334,855	\$ 375,697	\$ 441,406	\$ 480,427	\$ 392,445	\$ 484,506	\$ -	\$ 3,379,151	
Developer Shortfall Payments	115,300	112,400	92,229	51,195	15,155	-	-	-	-	-	386,279	
Net Investment Earnings	24,322	52,669	90,639	85,645	58,277	53,062	52,227	(52,150)	(11,161)	-	353,530	
Total Revenues Available for Debt Service	\$ 435,666	\$ 448,110	\$ 473,598	\$ 471,695	\$ 449,129	\$ 494,468	\$ 532,654	\$ 340,295	\$ 473,345	\$ -	\$ 4,118,960	
Debt Service Requirements												
Principal	\$ 149,162	\$ 158,857	\$ 169,183	\$ 180,180	\$ 191,891	\$ 204,364	\$ 217,648	\$ 231,795	\$ 246,862	\$ -	\$ 1,749,942	
Interest	113,746	104,051	93,725	82,728	71,016	58,544	45,260	31,113	16,046	-	616,229	
Total Debt Service Requirements	\$ 262,908	\$ 262,908	\$ 262,908	\$ 262,908	\$ 262,907	\$ 262,908	\$ 262,908	\$ 262,908	\$ 262,908	\$ -	\$ 2,366,171	
Coverage (Revenues / Debt Service)	1.66	1.70	1.80	1.79	1.71	1.88	2.03	1.29	1.80	N/A	1.74	

**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	\$ 1,096,155	\$ 1,835,383	\$ 1,416,074	\$ 1,427,457	\$ 1,563,981	\$ 1,197,542	\$ 1,175,554	\$ 1,888,544	\$ 1,363,792	\$ 1,400,686	\$ 14,365,168	
Net Investment Earnings	178,567	87,266	110,707	151,489	127,478	133,263	121,825	(81,945)	(49,832)	18,586	797,404	
Total Revenues Available for Debt Service	\$ 1,274,722	\$ 1,922,649	\$ 1,526,781	\$ 1,578,946	\$ 1,691,459	\$ 1,330,805	\$ 1,297,379	\$ 1,806,599	\$ 1,313,960	\$ 1,419,272	\$ 15,162,572	
Debt Service Requirements												
Principal	\$ 235,000	\$ 350,000	\$ 355,000	\$ 370,000	\$ 380,000	\$ 395,000	\$ 400,000	\$ 420,000	\$ 450,000	\$ 470,000	\$ 3,825,000	
Interest	392,424	232,142	218,742	203,780	187,463	169,923	151,638	132,568	111,898	83,077	1,883,655	
Total Debt Service Requirements	\$ 627,424	\$ 582,142	\$ 573,742	\$ 573,780	\$ 567,463	\$ 564,923	\$ 551,638	\$ 552,568	\$ 561,898	\$ 553,077	\$ 5,708,655	
Coverage (Revenues / Debt Service)	2.03	3.30	2.66	2.75	2.98	2.36	2.35	3.27	2.34	2.57	2.66	

**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 not longer available for debt service.

Revenues Available for Debt Service												
City Sales Tax Revenues	\$ 14,154,920	\$ 14,798,156	\$ 15,201,412	\$ 15,393,811	\$ 17,153,570	\$ 18,652,765	\$ 20,125,431	\$ 18,811,159	\$ 18,633,271	\$ 11,663,648	\$ 164,588,143	
Net Investment Earnings	61,737	109,608	122,831	47,160	(2,940)	(3,252)	(3,379)	(3,940)	(3,994)	(1)	323,830	
Total Revenues Available for Debt Service	\$ 14,216,657	\$ 14,907,764	\$ 15,324,243	\$ 15,440,971	\$ 17,150,630	\$ 18,649,513	\$ 20,122,052	\$ 18,807,219	\$ 18,629,277	\$ 11,663,647	\$ 164,911,973	
Debt Service Requirements												
Principal	\$ 1,220,000	\$ 1,310,000	\$ 1,400,000	\$ 1,500,000	\$ 1,605,000	\$ 1,720,000	\$ 1,840,000	\$ 1,975,000	\$ 2,115,000	\$ 2,265,000	\$ 16,950,000	
Interest	3,274,165	3,187,545	3,094,535	2,995,135	2,888,635	2,774,680	2,652,560	2,521,920	2,381,695	2,231,530	28,002,400	
Total Debt Service Requirements	\$ 4,494,165	\$ 4,497,545	\$ 4,494,535	\$ 4,495,135	\$ 4,493,635	\$ 4,494,680	\$ 4,492,560	\$ 4,496,920	\$ 4,496,695	\$ 4,496,530	\$ 44,952,400	
Coverage (Revenues / Debt Service)	3.16	3.31	3.41	3.44	3.82	4.15	4.48	4.18	4.14	2.59	3.67	

Continued

Unaudited

**SCHEDULE OF REVENUE BOND COVERAGE**

Last Ten Fiscal Years

Notes: 2014 revenues available for debt service reflect all sources; does not reflect tax increment and tax levy revenue that may be used from prior years to make debt payments in the current year prior to receipt of current year revenue.

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Totals	
<b>DOWNTOWN TAX INCREMENT BONDS, SERIES 1993 AND 1998</b>												
Fund Servicing Debt - HRA Debt Service Fund												
Revenues Available for Debt Service												
Tax Increments	\$ 3,807,158	\$ 4,276,947	\$ 5,309,827	\$ 3,189,751	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,583,683
Hotel-Motel Taxes	220,000	220,000	220,000	-	-	-	-	-	-	-	-	660,000
RiverCentre Revenues	100,000	100,000	100,000	200,000	-	-	-	-	-	-	-	500,000
N.O.C. Sales	-	-	12,871	-	-	-	-	-	-	-	-	12,871
Loan Repayments	273,047	2,026,344	-	-	-	-	-	-	-	-	-	2,299,391
Net Investment Earnings	60,326	105,094	292,631	148,288	-	-	-	-	-	-	-	606,339
Total Revenues Available for Debt Service	\$ 4,460,531	\$ 6,728,385	\$ 5,935,329	\$ 3,538,039	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,662,284
Debt Service Requirements												
Principal	\$ 2,285,000	\$ 2,355,000	\$ 2,400,000	\$ 3,830,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,870,000
Interest	657,314	512,803	363,052	223,775	-	-	-	-	-	-	-	1,756,944
Total Debt Service Requirements	\$ 2,942,314	\$ 2,867,803	\$ 2,763,052	\$ 4,053,775	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,626,944
Coverage (Revenues / Debt Service)	1.52	2.35	2.15	0.87	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.64

**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	\$ 415,000	\$ 657,928	\$ 758,559	\$ 835,943	\$ 1,098,963	\$ 580,367	\$ 586,422	\$ 607,712	\$ 604,005	\$ 586,204	\$ 6,731,103	
Net Investment Earnings	40,630	36,129	11,728	5,022	27,744	19,761	19,596	20,075	20,820	22,536	224,041	
Total Revenues Available for Debt Service	\$ 455,630	\$ 694,057	\$ 770,287	\$ 840,965	\$ 1,126,707	\$ 600,128	\$ 606,018	\$ 627,787	\$ 624,825	\$ 608,740	\$ 6,955,144	
Debt Service Requirements												
Principal	\$ 50,000	\$ 300,000	\$ 425,000	\$ 525,000	\$ 650,000	\$ 360,000	\$ 370,000	\$ 380,000	\$ 390,000	\$ 405,000	\$ 3,855,000	
Interest	406,150	396,363	375,956	348,988	290,673	240,800	229,850	218,600	207,050	195,125	2,909,555	
Total Debt Service Requirements	\$ 456,150	\$ 696,363	\$ 800,956	\$ 873,988	\$ 940,673	\$ 600,800	\$ 599,850	\$ 598,600	\$ 597,050	\$ 600,125	\$ 6,764,555	
Coverage (Revenues / Debt Service)	1.00	1.00	0.96	0.96	1.20	1.00	1.01	1.05	1.05	1.01	1.03	

**RIVERFRONT TAX INCREMENT BONDS, SERIES 1993C, 1993D, 2000D, AND 2002C**

Fund Servicing Debt - HRA Debt Service Fund

Revenues Available for Debt Service												
Tax Increments	\$ 768,344	\$ 775,838	\$ 794,927	\$ 979,997	\$ 1,035,466	\$ 1,067,737	\$ (223,653)	\$ 986,088	\$ 1,041,947	\$ -	\$ 7,226,691	
Tax Increment Pooling from Other Districts	571,150	576,714	520,420	368,455	319,165	214,049	702,798	296,000	-	-	3,568,751	
Transfer from Capital Projects Fund	2,798	1,399	-	-	-	-	-	-	-	-	4,197	
Net Investment Earnings	161	7,096	11,242	1,890	(4,216)	(368)	(14,128)	(19,360)	32,466	-	14,783	
Total Revenues Available for Debt Service	\$ 1,342,453	\$ 1,361,047	\$ 1,326,589	\$ 1,350,342	\$ 1,350,415	\$ 1,281,418	\$ 465,017	\$ 1,262,728	\$ 1,074,413	\$ -	\$ 10,814,422	
Debt Service Requirements												
Principal	\$ 865,000	\$ 925,000	\$ 970,000	\$ 1,035,000	\$ 1,095,000	\$ 1,150,000	\$ 1,215,000	\$ 1,295,000	\$ -	\$ -	\$ 8,550,000	
Interest	395,347	354,335	309,934	262,028	210,591	155,899	97,255	33,366	-	-	1,818,755	
Total Debt Service Requirements	\$ 1,260,347	\$ 1,279,335	\$ 1,279,934	\$ 1,297,028	\$ 1,305,591	\$ 1,305,899	\$ 1,312,255	\$ 1,328,366	\$ -	\$ -	\$ 10,368,755	
Coverage (Revenues / Debt Service)	1.07	1.06	1.04	1.04	1.03	0.98	0.35	0.95	N/A	N/A	1.04	

Continued

Unaudited

**SCHEDULE OF REVENUE BOND COVERAGE**

Last Ten Fiscal Years

Notes: 2014 revenues available for debt service reflect all sources; does not reflect tax increment and tax levy revenue that may be used from prior years to make debt payments in the current year prior to receipt of current year revenue.

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Totals
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**US BANK TAX INCREMENT BONDS, SERIES 2001, 2011F, AND 2011G**

Fund Servicing Debt - HRA Debt Service Fund

Revenues Available for Debt Service											
Tax Increments	\$ 879,169	\$ 1,034,905	\$ 993,054	\$ 1,175,602	\$ 1,223,585	\$ 1,388,596	\$ 1,497,416	\$ 1,511,315	\$ 1,511,314	\$ 1,511,316	\$ 12,726,272
Net Investment Earnings	16,281	44,179	42,039	45,594	10,052	16,670	19,255	(26,204)	(3,845)	13,959	147,360
Total Revenues Available for Debt Service	\$ 895,450	\$ 1,079,084	\$ 1,035,093	\$ 1,191,196	\$ 1,233,637	\$ 1,405,266	\$ 1,516,671	\$ 1,485,111	\$ 1,507,469	\$ 1,524,675	\$ 12,873,652
Debt Service Requirements											
Principal	\$ 125,000	\$ 335,000	\$ 275,000	\$ 285,000	\$ 335,000	\$ 410,000	\$ 400,000	\$ 745,000	\$ 755,000	\$ 770,000	\$ 4,435,000
Interest	754,169	742,877	726,606	712,106	696,789	677,692	677,870	335,182	333,844	318,744	5,975,879
Total Debt Service Requirements	\$ 879,169	\$ 1,077,877	\$ 1,001,606	\$ 997,106	\$ 1,031,789	\$ 1,087,692	\$ 1,077,870	\$ 1,080,182	\$ 1,088,844	\$ 1,088,744	\$ 10,410,879
Coverage (Revenues / Debt Service)	1.02	1.00	1.03	1.19	1.20	1.29	1.41	1.37	1.38	1.40	1.24

**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 *	\$ 213,655	\$ 430,148	\$ 345,683	\$ 314,364	\$ 248,218	\$ 309,134	\$ 316,996	\$ 274,069	\$ 275,240	\$ 260,720	\$ 2,988,227
Bond Proceeds - Capitalized Interest	-	-	-	-	-	-	-	-	-	-	-
Net Investment Earnings	742	1,047	2,679	2,989	143	(956)	1,590	3,049	(2,931)	1,222	9,574
Total Revenues Available for Debt Service	\$ 214,397	\$ 431,195	\$ 348,362	\$ 317,353	\$ 248,361	\$ 308,178	\$ 318,586	\$ 277,118	\$ 272,309	\$ 261,942	\$ 2,997,801
Debt Service Requirements											
Principal	\$ 17,000	\$ 42,000	\$ 84,000	\$ 87,000	\$ 53,000	\$ 38,000	\$ 41,000	\$ 116,000	\$ 61,000	\$ 52,000	\$ 591,000
Interest	234,478	294,779	240,806	224,558	240,079	225,002	222,939	218,594	211,719	207,646	2,320,600
Total Debt Service Requirements	\$ 251,478	\$ 336,779	\$ 324,806	\$ 311,558	\$ 293,079	\$ 263,002	\$ 263,939	\$ 334,594	\$ 272,719	\$ 259,646	\$ 2,911,600
Coverage (Revenues / Debt Service)	0.85	1.28	1.07	1.02	0.85	1.17	1.21	0.83	1.00	1.01	1.03

**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	\$ 201,311	\$ 600,473	\$ 1,049,372	\$ 1,281,447	\$ 1,609,155	\$ 1,769,019	\$ 1,952,421	\$ 1,906,253	\$ 1,915,100	\$ 1,961,196	\$ 14,245,747
Developer Shortfall Payments	-	498,044	696,192	687,476	517,590	261,324	130,176	156,464	-	-	2,947,266
Net Investment Earnings	126,908	200,503	112,409	73,086	38,818	21,728	32,681	4,950	(234,242)	233,211	610,052
Total Revenues Available for Debt Service	\$ 328,219	\$ 1,299,020	\$ 1,857,973	\$ 2,042,009	\$ 2,165,563	\$ 2,052,071	\$ 2,115,278	\$ 2,067,667	\$ 1,680,858	\$ 2,194,407	\$ 17,803,065
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ 267,000	\$ 389,000	\$ 415,000	\$ 444,000	\$ 474,000	\$ -	\$ 825,000	\$ 2,814,000
Interest	1,321,100	1,321,100	1,321,100	1,311,999	1,289,644	1,262,249	1,232,981	1,563,948	550,457	776,000	11,950,578
Total Debt Service Requirements	\$ 1,321,100	\$ 1,321,100	\$ 1,321,100	\$ 1,578,999	\$ 1,678,644	\$ 1,677,249	\$ 1,676,981	\$ 2,037,948	\$ 550,457	\$ 1,601,000	\$ 14,764,578
Coverage (Revenues / Debt Service)	0.25	0.98	1.41	1.29	1.29	1.22	1.26	1.01	3.05	1.37	1.21

Continued

Unaudited

**SCHEDULE OF REVENUE BOND COVERAGE**

Last Ten Fiscal Years

Notes: 2014 revenues available for debt service reflect all sources; does not reflect tax increment and tax levy revenue that may be used from prior years to make debt payments in the current year prior to receipt of current year revenue.

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Totals
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**DRAKE MARBLE TAX INCREMENT BONDS, SERIES 2002**

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	\$ 152,908	\$ 171,187	\$ 180,593	\$ 180,044	\$ 236,731	\$ 177,334	\$ 219,640	\$ 213,154	\$ 181,391	\$ 191,471	\$ 1,904,453
Net Investment Earnings	721	937	1,684	1,737	1,373	183	(739)	(299)	(3,430)	2,254	4,421
Total Revenues Available for Debt Service	\$ 153,629	\$ 172,124	\$ 182,277	\$ 181,781	\$ 238,104	\$ 177,517	\$ 218,901	\$ 212,855	\$ 177,961	\$ 193,725	\$ 1,908,874
Debt Service Requirements											
Principal	\$ 55,000	\$ 33,000	\$ 36,000	\$ 38,000	\$ 74,000	\$ 57,000	\$ 61,000	\$ 96,000	\$ 48,000	\$ 119,000	\$ 617,000
Interest	121,500	117,788	114,953	113,130	109,890	104,186	101,723	96,019	89,505	85,320	1,054,014
Total Debt Service Requirements	\$ 176,500	\$ 150,788	\$ 150,953	\$ 151,130	\$ 183,890	\$ 161,186	\$ 162,723	\$ 192,019	\$ 137,505	\$ 204,320	\$ 1,671,014
Coverage (Revenues / Debt Service)	0.87	1.14	1.21	1.20	1.29	1.10	1.35	1.11	1.29	0.95	1.14

**KOCH MOBIL TAX INCREMENT BONDS, SERIES 2004C, 2007B, AND 2010A**

Fund Servicing Debt - HRA Debt Service Fund

Revenues Available for Debt Service											
Tax Increments	\$ -	\$ 19,822	\$ 160,828	\$ 275,936	\$ 202,986	\$ 299,002	\$ 269,163	\$ 241,305	\$ 241,732	\$ 242,286	\$ 1,953,060
Developer Shortfall Payments	-	-	-	-	237,190	-	-	-	-	-	237,190
Bond Proceeds - Capitalized Interest	-	-	-	-	-	2,649	5,005	8,734	(7,285)	4,000	34,737
Net Investment Earnings	1,601	4,485	2,845	4,589	8,114	2,649	5,005	8,734	(7,285)	4,000	34,737
Total Revenues Available for Debt Service	\$ 1,601	\$ 24,307	\$ 163,673	\$ 280,525	\$ 448,290	\$ 301,651	\$ 274,168	\$ 250,039	\$ 234,447	\$ 246,286	\$ 2,224,987
Debt Service Requirements											
Principal	\$ -	\$ -	\$ 3,950,000	\$ -	\$ -	\$ -	\$ 150,000	\$ 95,000	\$ 100,000	\$ 100,000	\$ 4,395,000
Interest	88,875	88,875	127,207	165,538	165,538	124,419	79,113	76,663	74,713	72,713	1,063,654
Total Debt Service Requirements	\$ 88,875	\$ 88,875	\$ 4,077,207	\$ 165,538	\$ 165,538	\$ 124,419	\$ 229,113	\$ 171,663	\$ 174,713	\$ 172,713	\$ 5,458,654
Coverage (Revenues / Debt Service)	0.02	0.27	0.04	1.69	2.71	2.42	1.20	1.46	1.34	1.43	0.41

**JJ HILL TAX INCREMENT BONDS, SERIES 2004**

Fund Servicing Debt - HRA Debt Service Fund

Revenues Available for Debt Service											
Tax Increments	\$ 259,004	\$ 261,006	\$ 200,351	\$ 281,183	\$ 290,744	\$ 308,946	\$ 303,555	\$ 284,913	\$ 277,029	\$ 284,200	\$ 2,750,931
Trustee Reserve Funds	-	-	-	-	-	-	-	-	-	3,205	3,205
Bond Proceeds - Capitalized Interest	-	-	-	-	-	-	-	-	-	-	-
Net Investment Earnings	1,278	5,375	18,680	(11,069)	1,140	373	403	2,022	(3,308)	3,100	17,994
Total Revenues Available for Debt Service	\$ 260,282	\$ 266,381	\$ 219,031	\$ 270,114	\$ 291,884	\$ 309,319	\$ 303,958	\$ 286,935	\$ 273,721	\$ 290,505	\$ 2,772,130
Debt Service Requirements											
Principal	\$ -	\$ -	\$ 18,000	\$ 40,000	\$ 54,000	\$ 69,000	\$ 81,000	\$ 94,000	\$ 108,000	\$ 124,000	\$ 588,000
Interest	172,198	228,750	228,750	227,063	224,406	220,750	216,250	211,000	204,906	197,906	2,131,979
Total Debt Service Requirements	\$ 172,198	\$ 228,750	\$ 246,750	\$ 267,063	\$ 278,406	\$ 289,750	\$ 297,250	\$ 305,000	\$ 312,906	\$ 321,906	\$ 2,719,979
Coverage (Revenues / Debt Service)	1.51	1.16	0.89	1.01	1.05	1.07	1.02	0.94	0.87	0.90	1.02

Continued

Unaudited



**SCHEDULE OF REVENUE BOND COVERAGE**

Last Ten Fiscal Years

Notes: 2014 revenues available for debt service reflect all sources; does not reflect tax increment and tax levy revenue that may be used from prior years to make debt payments in the current year prior to receipt of current year revenue.

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Totals	
<b>NEIGHBORHOOD SCATTERED SITE TAX INCREMENT BONDS, SERIES 2005</b>												
Fund Servicing Debt - HRA Debt Service Fund												
Revenues Available for Debt Service												
Tax Increments	\$ 1,061,105	\$ 1,554,684	\$ 1,869,289	\$ 2,170,482	\$ 2,352,017	\$ 2,252,256	\$ 2,044,411	\$ 1,974,102	\$ 1,811,777	\$ 1,707,814	\$ 18,797,937	
Bond Proceeds - Capitalized Interest	751,500	-	-	-	-	-	-	-	-	-	751,500	
Net Investment Earnings	19,750	33,180	123,020	139,301	166,523	189,872	191,976	(152,884)	(66,738)	21,312	665,312	
Total Revenues Available for Debt Service	\$ 1,832,355	\$ 1,587,864	\$ 1,992,309	\$ 2,309,783	\$ 2,518,540	\$ 2,442,128	\$ 2,236,387	\$ 1,821,218	\$ 1,745,039	\$ 1,729,126	\$ 20,214,749	
Debt Service Requirements												
Principal	\$ 295,000	\$ 495,000	\$ 485,000	\$ 480,000	\$ 485,000	\$ 510,000	\$ 535,000	\$ 565,000	\$ 585,000	\$ 620,000	\$ 5,055,000	
Interest	128,259	357,478	336,702	314,761	292,700	269,762	244,612	217,854	188,556	157,858	2,508,542	
Total Debt Service Requirements	\$ 423,259	\$ 852,478	\$ 821,702	\$ 794,761	\$ 777,700	\$ 779,762	\$ 779,612	\$ 782,854	\$ 773,556	\$ 777,858	\$ 7,563,542	
Coverage (Revenues / Debt Service)	4.33	1.86	2.42	2.91	3.24	3.13	2.87	2.33	2.26	2.22	2.67	

**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	\$ 507,199	\$ 513,972	\$ 534,538	\$ 3,368,403
Net Investment Earnings	-	-	-	72,671	(7,622)	69,224	24,500	23,865	(5,480)	10,572	187,730
Total Revenues Available for Debt Service	\$ -	\$ -	\$ -	\$ 295,651	\$ 530,938	\$ 590,803	\$ 554,075	\$ 531,064	\$ 508,492	\$ 545,110	\$ 3,556,133
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ 75,000	\$ 190,000	\$ 195,000	\$ 205,000	\$ 210,000	\$ 220,000	\$ 225,000	\$ 1,320,000
Interest	-	-	-	146,188	348,600	342,900	336,075	328,388	319,988	311,188	2,133,327
Total Debt Service Requirements	\$ -	\$ -	\$ -	\$ 221,188	\$ 538,600	\$ 537,900	\$ 541,075	\$ 538,388	\$ 539,988	\$ 536,188	\$ 3,453,327
Coverage (Revenues / Debt Service)	N/A	N/A	N/A	1.34	0.99	1.10	1.02	0.99	0.94	1.02	1.03

**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	\$ 713,258	\$ 666,507	\$ 650,750	\$ 2,640,877
Net Investment Earnings	-	-	-	-	-	-	40,194	5,571	31	3,684	49,480
Total Revenues Available for Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 650,556	\$ 718,829	\$ 666,538	\$ 654,434	\$ 2,690,357
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 290,000	\$ 225,000	\$ 240,000	\$ 795,000
Interest	-	-	-	-	-	-	448,342	388,431	374,581	362,469	1,573,823
Total Debt Service Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 488,342	\$ 678,431	\$ 599,581	\$ 602,469	\$ 2,368,823
Coverage (Revenues / Debt Service)	N/A	N/A	N/A	N/A	N/A	N/A	1.33	1.06	1.11	1.09	1.14

Continued

Unaudited

**SCHEDULE OF REVENUE BOND COVERAGE**

Last Ten Fiscal Years

Notes: 2014 revenues available for debt service reflect all sources; does not reflect tax increment and tax levy revenue that may be used from prior years to make debt payments in the current year prior to receipt of current year revenue.

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Totals	
<b>HOUSING 5000 LAND ASSEMBLY BONDS, SERIES 2004</b>												
Fund Servicing Debt - HRA Loan Enterprise Fund												
Revenues Available for Debt Service												
Land Sales	\$ 3,779,663	\$ 2,308,000	\$ 3,483,470	\$ 2,477,716	\$ 2,358,000	\$ 24,642	\$ 1,404,760	\$ -	\$ -	\$ -	\$ 15,811,609	
Net Investment Earnings	641,722	874,360	741,206	314,168	5,594	1,681	2,033	(4,057)	-	-	2,589,668	
Use of Bond Reserve Account	-	3,555,284	-	-	-	-	-	(4,057)	-	-	3,555,284	
Total Revenues Available for Debt Service	\$ 4,421,385	\$ 6,737,644	\$ 4,224,676	\$ 2,791,884	\$ 2,363,594	\$ 24,642	\$ 1,406,793	\$ (4,057)	\$ -	\$ -	\$ 21,966,561	
Debt Service Requirements												
Principal	\$ 3,170,000	\$ 9,375,000	\$ 3,320,000	\$ 2,695,000	\$ 3,930,000	\$ 2,510,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000,000	
Interest	764,656	777,522	569,468	291,500	50,782	1,681	-	-	-	-	2,455,609	
Total Debt Service Requirements	\$ 3,934,656	\$ 10,152,522	\$ 3,889,468	\$ 2,986,500	\$ 3,980,782	\$ 2,511,681	\$ -	\$ -	\$ -	\$ -	\$ 27,455,609	
Coverage (Revenues / Debt Service)	1.12	0.66	1.09	0.93	0.59	0.01	N/A	N/A	N/A	N/A	0.80	

**PARKING REVENUE BONDS, SERIES 1997A**

Fund Servicing Debt - HRA Parking Enterprise Fund

Revenues Available for Debt Service												
Ramp Lease Revenues	\$ 1,080,048	\$ 1,058,040	\$ 1,078,813	\$ 1,078,142	\$ 1,075,562	\$ 1,075,591	\$ 1,077,475	\$ 1,076,739	\$ 1,077,520	\$ 1,038,283	\$ 10,716,213	
Net Investment Earnings	6,474	16,412	13,655	(1,480)	(3,993)	(4,018)	(4,023)	(3,884)	(4,024)	6,457	21,576	
Total Revenues Available for Debt Service	\$ 1,086,522	\$ 1,074,452	\$ 1,092,468	\$ 1,076,662	\$ 1,071,569	\$ 1,071,573	\$ 1,073,452	\$ 1,072,855	\$ 1,073,496	\$ 1,044,740	\$ 10,737,789	
Debt Service Requirements												
Principal	\$ 480,000	\$ 490,000	\$ 525,000	\$ 560,000	\$ 595,000	\$ 635,000	\$ 680,000	\$ 725,000	\$ 775,000	\$ 825,000	\$ 6,270,000	
Interest	606,629	582,863	549,788	514,350	476,550	436,388	393,525	347,625	298,687	246,375	4,452,780	
Total Debt Service Requirements	\$ 1,086,629	\$ 1,072,863	\$ 1,074,788	\$ 1,074,350	\$ 1,071,550	\$ 1,071,388	\$ 1,073,525	\$ 1,072,625	\$ 1,073,687	\$ 1,071,375	\$ 10,722,780	
Coverage (Revenues / Debt Service)	1.02	1.00	1.02	1.00	1.00	1.00	1.00	1.00	1.00	0.98	1.00	

**BLOCK 39 TAX INCREMENT GENERAL OBLIGATION BONDS, SERIES 1998A, 1998B, 2009G AND 2009H**

Fund Servicing Debt - HRA Parking Enterprise Fund

Revenues Available for Debt Service												
Tax Increments	\$ 687,327	\$ 689,844	\$ 889,488	\$ 1,067,054	\$ 1,159,081	\$ 1,236,563	\$ 1,226,734	\$ 1,181,563	\$ 1,120,132	\$ 1,102,365	\$ 10,360,151	
Developer Shortfall Payments	681,886	707,372	386,514	126,816	-	-	-	-	-	-	1,902,588	
Net Parking Revenues	1,957,191	2,387,011	1,958,727	1,929,248	1,640,037	1,924,977	1,946,959	2,121,341	2,165,993	2,236,509	20,267,993	
Net Investment Earnings	112,108	97,039	261,767	136,493	37,016	152,120	184,762	(8,022)	(33,083)	66,618	1,008,817	
Total Revenues Available for Debt Service	\$ 3,438,512	\$ 3,881,266	\$ 3,496,496	\$ 3,261,611	\$ 2,836,134	\$ 3,313,660	\$ 3,358,455	\$ 3,294,882	\$ 3,253,042	\$ 3,405,492	\$ 33,539,550	
Debt Service Requirements												
Principal	\$ 1,135,000	\$ 1,300,000	\$ 1,445,000	\$ 1,570,000	\$ 2,340,000	\$ 1,295,000	\$ 1,575,000	\$ 1,605,000	\$ 1,640,000	\$ 1,710,000	\$ 15,615,000	
Interest	1,931,407	1,886,780	1,804,069	1,712,473	1,954,043	763,015	935,129	885,839	835,542	783,616	13,491,913	
Total Debt Service Requirements	\$ 3,066,407	\$ 3,186,780	\$ 3,249,069	\$ 3,282,473	\$ 4,294,043	\$ 2,058,015	\$ 2,510,129	\$ 2,490,839	\$ 2,475,542	\$ 2,493,616	\$ 29,106,913	
Coverage (Revenues / Debt Service)	1.12	1.22	1.08	0.99	0.66	1.61	1.34	1.32	1.31	1.37	1.15	

Continued

Unaudited

**SCHEDULE OF REVENUE BOND COVERAGE**

Last Ten Fiscal Years

Notes: 2014 revenues available for debt service reflect all sources; does not reflect tax increment and tax levy revenue that may be used from prior years to make debt payments in the current year prior to receipt of current year revenue.

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Totals
<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	\$ 2,931,998	\$ 3,022,153	\$ 3,246,417	\$ 3,124,631	\$ 3,084,230	\$ 3,043,611	\$ 3,492,539	\$ 3,794,576	\$ 3,895,149	\$ 3,326,529	\$ 32,961,833
Parking Meter and Parking Fine Revenues	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	3,000,000	3,000,000	3,000,000	2,491,647	23,491,647
Net Investment Earnings	67,517	-	-	-	-	-	-	-	-	58,694	126,211
Total Revenues Available for Debt Service	\$ 4,999,515	\$ 5,022,153	\$ 5,246,417	\$ 5,124,631	\$ 5,084,230	\$ 5,043,611	\$ 6,492,539	\$ 6,794,576	\$ 6,895,149	\$ 5,876,870	\$ 56,579,691
Debt Service Requirements											
Principal	\$ 1,015,000	\$ 1,135,000	\$ 1,290,000	\$ 1,590,000	\$ 1,655,000	\$ 1,790,000	\$ 565,000	\$ 615,000	\$ 635,000	\$ 655,000	\$ 10,945,000
Interest	1,496,125	1,467,282	1,429,882	1,384,918	1,324,097	1,307,828	1,087,242	1,038,056	1,019,606	1,000,556	12,555,592
Total Debt Service Requirements	\$ 2,511,125	\$ 2,602,282	\$ 2,719,882	\$ 2,974,918	\$ 2,979,097	\$ 3,097,828	\$ 1,652,242	\$ 1,653,056	\$ 1,654,606	\$ 1,655,556	\$ 23,500,592
Coverage (Revenues / Debt Service)	1.99	1.93	1.93	1.72	1.71	1.63	3.93	4.11	4.17	3.55	2.41

**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	\$ -	\$ -	\$ 155,434	\$ 220,990	\$ 226,406	\$ 290,945	\$ 320,922	\$ 145,161	\$ 443,593	\$ 328,667	\$ 2,132,118
Parking Meter and Parking Fine Revenues	-	-	-	-	-	-	-	-	-	508,353	508,353
Net Investment Earnings	230,589	85,455	265,494	125,279	19,463	9,924	49,559	33,800	(14,359)	30,723	835,947
Bond Proceeds - Capitalized Interest	2,425,100	-	-	-	-	-	-	-	-	-	2,425,100
Total Revenues Available for Debt Service	\$ 2,655,689	\$ 85,455	\$ 420,928	\$ 346,269	\$ 245,869	\$ 300,869	\$ 370,481	\$ 178,961	\$ 429,254	\$ 867,743	\$ 5,901,518
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ 120,000	\$ 125,000	\$ 130,000	\$ 305,000	\$ 330,000	\$ 340,000	\$ 350,000	\$ 1,700,000
Interest	349,160	619,200	619,200	619,200	614,525	406,450	563,798	537,931	528,032	517,743	5,375,239
Total Debt Service Requirements	\$ 349,160	\$ 619,200	\$ 619,200	\$ 739,200	\$ 739,525	\$ 536,450	\$ 868,798	\$ 867,931	\$ 868,032	\$ 867,743	\$ 7,075,239
Coverage (Revenues / Debt Service)	7.61	0.14	0.68	0.47	0.33	0.56	0.43	0.21	0.49	1.00	0.83

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

Fund Servicing Debt - HRA Lofts Enterprise Fund

Revenues Available for Debt Service											
HRA Tax Levy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 257,047	\$ 618,035	\$ 650,730	\$ 1,525,812
Bond Proceeds - Capitalized Interest	-	-	-	-	-	569,786	-	-	-	-	569,786
Net Investment Earnings	-	-	-	-	-	-	16,249	5,494	(6,048)	11,864	27,559
Total Revenues Available for Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 569,786	\$ 16,249	\$ 262,541	\$ 611,987	\$ 662,594	\$ 2,123,157
Debt Service Requirements											
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000
Interest	-	-	-	-	-	-	312,740	514,093	514,093	511,918	1,852,844
Total Debt Service Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 312,740	\$ 514,093	\$ 514,093	\$ 611,918	\$ 1,952,844
Coverage (Revenues / Debt Service)	NA	NA	NA	NA	NA	NA	0.05	0.51	1.19	1.08	1.09

Unaudited

City of Saint Paul, Minnesota  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
 Last Ten Fiscal Years

Fiscal Year	Population (1)	Per Capital Personal Income (2)	Personal Income (3)	Annual Average Labor Force (4)	Unemployment Rate (4)
2005	287,385	23,541	6,157,265,700	149,832	4.4%
2006	286,620	23,675	6,444,728,300	146,616	4.1%
2007	287,669	24,934	6,639,009,400	144,446	4.6%
2008	288,055	27,120	7,294,251,800	144,618	5.5%
2009	287,501	24,702	6,947,235,100	145,773	8.1%
2010	285,068	25,066	7,145,514,488	146,389	7.3%
2011	286,367	25,576	7,106,711,800	145,003	7.1%
2012	289,270	25,072	7,165,005,800	147,362	6.2%
2013	294,873	25,695	7,636,250,500	147,039	5.3%
2014	N/A	N/A	N/A	152,277	4.1%

- (1) 2005-2009 and 2011-2012 data based on Metropolitan Council estimates.  
 2010 and 2013 data is based on U.S. Census results at <http://www.census.gov>. 2014 data is not yet available.
- (2) 2005-2013 data provided by U.S. Census Bureau's Annual American Community Survey at <http://www.census.gov>.  
 2014 data is not yet available.
- (3) 2005-2014 data provided by U.S. Census Bureau's Annual American Community Survey at <http://www.census.gov>.  
 2014 data is not yet available.
- (4) Annual average - not seasonally adjusted.  
 Data from Minnesota Department of Employment and Economic Development (DEED) at <http://mn.gov/deed/data/>.

Unaudited

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

<u>Employers</u>	2014			2006		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
University of Minnesota <sup>1)</sup>	18,000	1	10.17%	-	-	-
State of Minnesota <sup>1)</sup>	15,427	2	8.72%	13,671	1	7.54%
3M Company	10,500	3	5.93%	-	-	-
Saint Paul Public Schools	6,101	4	3.45%	6,567	2	3.62%
Ramsey County <sup>1)</sup>	4,378	5	2.47%	3,770	7	2.08%
Health East	4,317	6	2.44%	5,080	3	2.80%
Regions Hospital	3,740	7	2.11%	4,000	6	2.21%
United Hospital	2,924	8	1.65%	3,300	9	1.82%
City of Saint Paul <sup>1)</sup>	2,822	9	1.59%	3,400	8	1.88%
Securian Financial Group	2,532	10	1.43%	-	-	-
U.S. Bancorp	-	-	-	4,700	4	2.59%
Marsden Building Maintenance	-	-	-	4,000	5	2.21%
U.S. Postal Service	-	-	-	3,200	10	1.77%
<b>Total</b>	<b>70,741</b>		<b>39.96%</b>	<b>51,688</b>		<b>28.52%</b>

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

Data from nine years ago is not available. The Government Finance Officers Association (GFOA) recommends presenting data from the earliest year available, 2006.  
 Sources: MN Department of Employment and Economic Development for 2006 data; 2014 data compiled by Springsted Inc. based on telephone survey.

Unaudited

**OPERATING INDICATORS**  
**Last Ten Fiscal Years**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
New and Substantially Rehabilitated Single- and Multi-Family Housing Units	1,130	428	355	10	100	96	100	106	99	774
Number of Pedestrian Skyway Bridges	37	37	37	37	37	37	37	37	37	37

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

Unaudited

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Number of Parking Ramps	8	8	9	9	9	9	9	9	9	9
Number of Parking Lots	11	11	11	8	8	8	8	8	8	9
Number of Parking Spaces	8,439	8,439	9,042	7,958	7,958	7,958	7,958	7,958	7,958	8,008
Depreciated Cost of Parking Ramps, Lots, and Buildings	\$81,977,271	\$79,718,115	\$105,863,097	\$101,652,375	\$99,337,412	\$97,997,999	\$93,596,580	\$92,237,595	\$89,282,341	\$88,309,005
Number of Apartment Houses	-	-	-	-	-	-	-	2	2	2
Depreciated Cost of Apartment Houses and Land	-	-	-	-	-	-	-	\$24,545,604	\$66,353,501	\$65,579,259

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

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