



Forest Lake

AS GOOD AS IT SOUNDS

Request for Special TIF Legislation to Facilitate Northland Mall and City Hall Redevelopment

Summary

The Forest Lake Economic Development Authority is seeking special legislation to extend an existing tax increment financing district. Funds from the District will be used to facilitate the public-private redevelopment of the Northland Mall and City Hall sites.

Key Information Points

- **Existing Conditions-** The Northland Mall property is 13.7 acres and is a functionally obsolete mall built in the 1970's. Of the 102,000 square feet only 12% is currently occupied. Both the structure and site improvements suffer from significant deferred maintenance and investment. Several attempts to redevelop the site have been unsuccessful due to market conditions, soils issues, and additional infrastructure expense to bring the site up to contemporary standards. The City Hall site was originally constructed in the 1939 and has had two subsequent additions. The City Council has envisioned a consolidated municipal campus for City Hall, Police, and Fire.
- **Future Vision-** The City of Forest Lake and EDA have been collaborating with the Northland Mall's current owner to redevelop the site as a part of an overall public-private partnership. The redevelopment of the Northland Mall property represents the largest redevelopment opportunity along the Highway 61 corridor. When completed, it will include 38,000 square feet of retail and a municipal complex. Redevelopment of the City Hall site will allow for the construction of multifamily housing that will enhance the vitality of downtown Forest Lake. Both redevelopments offer a substantial opportunity to better manage storm water and enhance the water quality in Clear Lake and Forest Lake.
- **Long Term Expansion of the Tax Base-** In 2011 the City Hall site paid no real estate taxes while the Northland Mall site paid \$93,848. Redevelopment of the City Hall site is estimated to generate \$48,000 in real estate taxes while the Northland Mall site is estimated to generate \$140,720 taxes based on similar developments.
- **Community Feedback-** Recent public engagement initiatives have indicated a strong desire to revitalize the Highway 61 corridor. There was also a strong desire to improve water quality and implement storm water management best practices as sites redevelop.
- **Specific Legislative Request-** Forest Lake TIF District 21 was created in 1990 to redevelop several properties in and around downtown Forest Lake. In 2010 \$721,928 in increment was generated. It is currently projected to decertify in 2015. To help facilitate the redevelopment of the Northland Mall and City Hall sites, we are requesting special legislation extending the district 10 more years. Sample legislation that was approved for the City of Oakdale is on the back of this handout.





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Sample Legislation and Northland Mall Aerial

A bill for an act

relating to the City of Oakdale; extending duration of a tax increment financing district

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. [DURATION OF DISTRICT.] Notwithstanding the provisions of Minnesota Statutes, section 469.176, subdivision 1b, the city of Oakdale may collect tax increments from Tax Increment Financing District No. 6 (Bergen Plaza) through December 31, 2024, subject to the conditions described in section 2.

Sec. 2. [CONDITIONS FOR EXTENSION.] (a) Section 1 applies only if, by November 1, 2011, the city of Oakdale or a private developer commences construction of streets, traffic improvements, water, sewer or related infrastructure that serves one or both of the parcels with the following parcel identification numbers: 2902921330001; and 2902921330005. For the purposes of this section, construction commences upon grading or other visible improvements that are part of the subject infrastructure.

(b) All tax increments received by the city of Oakdale under section 1 after December 31, 2016 must be used only to pay costs that are both (i) related to redevelopment of the parcels specified in section 2, including without limitation any of the infrastructure referenced in section 2; and (ii) otherwise eligible under law to be paid with increments from the specified tax increment financing district.

[EFFECTIVE DATE]. This act is effective upon compliance by the governing body of the city of St. Oakdale with the requirements of Minnesota Statutes, sections 469.1782, subdivision 2 and 645.021, subdivision 3.

Sample Legislation



Northland Mall Site Redevelopment Concept

