

Preliminary Review of Proposed Tax Increment Project

Applicant: Dream Design International, Inc.

Proposed Project Title: East Minnesota Street Project

Purpose of Tax Increment District: The purpose of this proposed Tax Increment District is to assist in the future development of property adjacent to Elks Country Estates by extending Minnesota Street along the southern boundary of Elks Country Estates. The Tax Increment Funds would be utilized for the extension of Minnesota Street, a drainage facility and an irrigation pipe.

The anticipated residential/commercial development in the area would generate revenues to repay the costs of the identified improvements. This will be an economic development Tax Increment District.

Proposed Boundaries: The proposed boundaries would be located south of Elks Country Estates extending to north and south of Creek Drive, including Marlin Drive.

Estimated Base Valuation: \$8,493,700

2012 Tax Rate: .017531 Owner Occupied Tax Levy

Anticipated Increment:

2017	\$ 26,000,000
2018	\$ 32,000,000
2019	\$ 38,000,000
2020	\$ 64,000,000
2021	\$ 70,000,000
2022	\$ 76,000,000
2023	\$ 82,000,000
2024	\$ 88,000,000
2025	\$ 94,000,000
2026	
2027	
2028	

Anticipated Increment Revenue:

2019	\$ 460,954
2020	\$ 567,328
2021	\$ 673,702
2022	\$ 1,134,656
2023	\$ 1,241,030
2024	\$ 1,347,404
2025	\$ 1,453,778
2026	\$ 1,453,778
2027	\$ 1,453,778
2028	\$ 1,453,778
2029	\$ 1,453,778
2030	\$ 1,453,778

Increment based on information provided by the applicant.

Proposed TID Project Costs:

Minnesota Street Extension	\$ 2,200,000.00
Regional Drainage Facility	\$ 450,000.00
Irrigation Pipe	\$ 220,000.00
Power line	\$ 55,000.00
Professional Services	<u>\$ 190,000.00</u>
TOTAL	\$ 3,115,000.00

Identified Funding Sources:

Financed by the developer

Anticipated Time Frame: Nine years

Comments: Anticipated interest rate is 9%