

# Northfield EDA, Minnesota

\$18,260,000 Lease Revenue Bonds, Series 2025

## Sources & Uses

Dated 02/01/2025 | Delivered 02/01/2025

### Sources Of Funds

Par Amount of Bonds	\$18,260,000.00
Land Sale Proceeds	1,025,000.00
Cash Contribution - Donations	2,000,000.00
<b>Total Sources</b>	<b>\$21,285,000.00</b>

### Uses Of Funds

Total Underwriter's Discount (1.200%)	219,120.00
Costs of Issuance	162,000.00
Deposit to Project Construction Fund	20,900,000.00
Rounding	3,880.00
<b>Total Uses</b>	<b>\$21,285,000.00</b>

## New Ice Arena Financing - \$20.9 million project estimate

<u>Estimated Repayment Components</u>	<u>Bond Amount</u>	<u>Levy Need</u>	<u>Estimated Tax Impact - \$350,000 Res Hmstead</u>
<u>EDA Lease Revenue Bonds</u>			
New Arena: 100% City	18,260,000	1,453,783	\$208
New Arena: Partner with School and Dundas	18,260,000		
School District Lease Levy		200,000	\$15
City of Dundas		151,963	\$158
City of Northfield		1,101,820	\$158
Total:		1,453,783	
<i>Combined Resident Impact (School + City):</i>			\$172
<u>G.O. Abatement Bonds</u>			
New Arena: 100% City	18,135,000	1,362,213	\$195
New Arena: Partner with School and Dundas	18,135,000		
School District Lease Levy		200,000	\$15
City of Dundas		\$140,864	\$146
City of Northfield		\$1,021,349	\$146
Total:		1,362,213	
<i>Combined Resident Impact (School + City):</i>			\$161

**City of Northfield, Minnesota**  
**Project Financing - Estimated Tax Impacts**  
June 11, 2024

**EDA Lease Revenue Bonds for \$20.9 MM Ice Arena Capital Investment (Public Ownership)**

BOND ISSUANCE INFORMATION	
Bond Issue Amount	\$18,260,000
Number of Years	20
Average Interest Rate	4.38%
Estimated Bond Rating	S&P AA-
PROPERTY TAX INFORMATION	
Actual Net Tax Capacity - Payable 2024	\$23,427,842
Estimated Debt Levy @ 105% - Stabilized	1,453,783
City Net Tax Capacity Rate:	
Payable - 2024	65.356%
Payable - 2024 With New Debt Levy	71.561%
Estimated City Tax Rate Increase	6.205%

*Total Issuance amount net of estimated donations and land sale proceeds*

*20 year level repayment; no ISD 659 and Dundas lease payments*

**9.49% Overall Levy Increase**

TAX IMPACT ANALYSIS							
Sample Types of Property	Estimated Market Value	Market Value Exclusion	Taxable Market Value	Net Tax Capacity	Current City Tax	Debt Levy Tax Increase*	Total City Tax
Residential Homestead	\$ 200,000	\$ 28,550	\$ 171,450	\$ 1,715	\$ 1,120.53	\$ 106.39	\$ 1,226.92
	250,000	24,050	225,950	2,260	1,476.72	140.21	1,616.93
	300,000	19,550	280,450	2,805	1,832.91	174.03	2,006.94
	317,300	17,993	299,307	2,993	1,956.15	185.73	2,141.88
	350,000	15,050	334,950	3,350	2,189.10	207.85	2,396.95
	382,100	12,161	369,939	3,699	2,417.77	229.56	2,647.33
	400,000	10,550	389,450	3,895	2,545.29	241.67	2,786.96
	450,000	6,050	443,950	4,440	2,901.48	275.49	3,176.97
Commercial/Industrial	\$ 300,000	\$ -	\$ 300,000	\$ 5,250	\$ 3,431.19	\$ 325.78	\$ 3,756.97
	500,000	-	500,000	9,250	6,045.43	574.00	6,619.43
	1,000,000	-	1,000,000	19,250	12,581.03	1,194.53	13,775.56
	2,500,000	-	2,500,000	49,250	32,187.83	3,056.14	35,243.97
	5,000,000	-	5,000,000	99,250	64,865.83	6,158.82	71,024.65
	10,000,000	-	10,000,000	199,250	130,221.83	12,364.19	142,586.02
Market Apartments (4 or more units)	\$ 500,000	\$ -	\$ 500,000	\$ 6,250	\$ 4,084.75	\$ 387.84	\$ 4,472.59
	2,500,000	-	2,500,000	31,250	20,423.75	1,939.18	22,362.93
	10,000,000	-	10,000,000	125,000	81,695.00	7,756.71	89,451.71

\* The figures in the table are based on taxes for new bonded debt only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax effect of the bond issue for many property owners.

**City of Northfield, Minnesota**  
**Project Financing - Estimated Tax Impacts**  
June 11, 2024

**EDA Lease Revenue Bonds for \$20.9 MM Ice Arena Capital Investment (Public Ownership)**

BOND ISSUANCE INFORMATION	
Bond Issue Amount	\$18,260,000
Number of Years	20
Average Interest Rate	4.38%
Estimated Bond Rating	S&P AA-
PROPERTY TAX INFORMATION	
Actual Net Tax Capacity - Payable 2024	\$23,427,842
Estimated Debt Levy @ 105% - Stabilized	1,101,820
City Net Tax Capacity Rate:	
Payable - 2024	65.356%
Payable - 2024 With New Debt Levy	70.059%
Estimated City Tax Rate Increase	4.703%

*Total Issuance amount net of estimated donations and land sale proceeds*

*20 year level repayment; net of ISD 659 and Dundas lease payments*

*7.20% Overall Levy Increase*

TAX IMPACT ANALYSIS							
Sample Types of Property	Estimated Market Value	Market Value Exclusion	Taxable Market Value	Net Tax Capacity	Current City Tax	Debt Levy Tax Increase*	Total City Tax
Residential Homestead	\$ 200,000	\$ 28,550	\$ 171,450	\$ 1,715	\$ 1,120.53	\$ 80.63	\$ 1,201.16
	250,000	24,050	225,950	2,260	1,476.72	106.27	1,582.98
	300,000	19,550	280,450	2,805	1,832.91	131.90	1,964.81
	317,300	17,993	299,307	2,993	1,956.15	140.77	2,096.92
	350,000	15,050	334,950	3,350	2,189.10	157.53	2,346.63
	382,100	12,161	369,939	3,699	2,417.77	173.98	2,591.76
	400,000	10,550	389,450	3,895	2,545.29	183.16	2,728.45
Commercial/Industrial	450,000	6,050	443,950	4,440	2,901.48	208.79	3,110.27
	\$ 300,000	\$ -	\$ 300,000	\$ 5,250	\$ 3,431.19	\$ 246.91	\$ 3,678.10
	500,000	-	500,000	9,250	6,045.43	435.03	6,480.46
	1,000,000	-	1,000,000	19,250	12,581.03	905.33	13,486.36
	2,500,000	-	2,500,000	49,250	32,187.83	2,316.25	34,504.08
Market Apartments (4 or more units)	5,000,000	-	5,000,000	99,250	64,865.83	4,667.76	69,533.59
	10,000,000	-	10,000,000	199,250	130,221.83	9,370.80	139,592.63
Market Apartments (4 or more units)	\$ 500,000	\$ -	\$ 500,000	\$ 6,250	\$ 4,084.75	\$ 293.94	\$ 4,378.69
	2,500,000	-	2,500,000	31,250	20,423.75	1,469.70	21,893.45
	10,000,000	-	10,000,000	125,000	81,695.00	5,878.80	87,573.80

\* The figures in the table are based on taxes for new bonded debt only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax effect of the bond issue for many property owners.

**City of Northfield, Minnesota**  
**Project Financing - Estimated Tax Impacts (ISD 659)**  
June 11, 2024

**Bonds for \$20.9 MM Ice Arena Capital Investment (Public Ownership)**

PROPERTY TAX INFORMATION	
Proposed Net Tax Capacity - Payable 2024	\$45,000,418
Estimated Lease Levy - Stabilized	200,000
ISD Net Tax Capacity Rate:	
Payable - 2024	20.294%
Payable - 2024 With New Lease Levy	20.738%
Estimated Tax Rate Increase	0.444%

20 year level repayment

2.19% Overall Levy Increase

TAX IMPACT ANALYSIS							
Sample Types of Property	Estimated Market Value	Market Value Exclusion	Taxable Market Value	Net Tax Capacity	Current City Tax	Lease Levy Tax Increase*	Total City Tax
Residential Homestead	\$ 200,000	\$ 28,550	\$ 171,450	\$ 1,715	\$ 347.94	\$ 7.62	\$ 355.56
	250,000	24,050	225,950	2,260	458.54	10.04	468.59
	300,000	19,550	280,450	2,805	569.15	12.46	581.61
	317,300	17,993	299,307	2,993	607.41	13.30	620.72
	350,000	15,050	334,950	3,350	679.75	14.89	694.63
	382,100	12,161	369,939	3,699	750.75	16.44	767.20
	400,000	10,550	389,450	3,895	790.35	17.31	807.66
	450,000	6,050	443,950	4,440	900.95	19.73	920.68
Commercial/Industrial	\$ 300,000	\$ -	\$ 300,000	\$ 5,250	\$ 1,065.44	\$ 23.33	\$ 1,088.77
	500,000	-	500,000	9,250	1,877.20	41.11	1,918.31
	1,000,000	-	1,000,000	19,250	3,906.60	85.55	3,992.15
	2,500,000	-	2,500,000	49,250	9,994.80	218.89	10,213.68
	5,000,000	-	5,000,000	99,250	20,141.80	441.11	20,582.90
	10,000,000	-	10,000,000	199,250	40,435.80	885.55	41,321.34
Market Apartments (4 or more units)	\$ 500,000	\$ -	\$ 500,000	\$ 6,250	\$ 1,268.38	\$ 27.78	\$ 1,296.15
	2,500,000	-	2,500,000	31,250	6,341.88	138.89	6,480.76
	10,000,000	-	10,000,000	125,000	25,367.50	555.55	25,923.05

\* The figures in the table are based on taxes for new bonded debt only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax effect of the bond issue for many property owners.

**City of Northfield, Minnesota**  
**Project Financing - Estimated Tax Impacts (Dundas)**  
June 11, 2024

**EDA Lease Revenue Bonds for \$20.9MM Ice Arena Capital Investment (Public Ownership)**

NORTHFIELD BOND ISSUANCE INFORMATION	
Bond Issue Amount	\$18,260,000
Number of Years	20
Average Interest Rate	4.38%
Estimated Bond Rating	S&P AA-
DUNDAS PROPERTY TAX INFORMATION	
Actual Net Tax Capacity - Payable 2024	\$3,231,161
Estimated Lease Levy @ 105% - Average	151,963
City Net Tax Capacity Rate:	
Payable - 2024	52.754%
Payable - 2024 With New Lease Levy	57.457%
Estimated City Tax Rate Increase	4.703%

*Total Issuance amount net of estimated donations and land sale proceeds*

*20 year level repayment; share of debt service net of ISD 659 lease payments*

**8.92% Overall Levy Increase**

2023 TAX IMPACT ANALYSIS							
Sample Types of Property	Estimated Market Value	Market Value Exclusion	Taxable Market Value	Net Tax Capacity	Current City Tax	Example Lease Tax Increase*	Total City Tax
Residential Homestead	\$ 200,000	\$ 28,550	\$ 171,450	\$ 1,715	\$ 904.47	\$ 80.63	\$ 985.10
	250,000	24,050	225,950	2,260	1,191.98	106.27	1,298.24
	300,000	19,550	280,450	2,805	1,479.49	131.90	1,611.38
	317,300	17,993	299,307	2,993	1,578.96	140.77	1,719.73
	350,000	15,050	334,950	3,350	1,767.00	157.53	1,924.52
	382,100	12,161	369,939	3,699	1,951.58	173.98	2,125.56
	400,000	10,550	389,450	3,895	2,054.50	183.16	2,237.66
Commercial/Industrial	450,000	6,050	443,950	4,440	2,342.01	208.79	2,550.81
	\$ 300,000	\$ -	\$ 300,000	\$ 5,250	\$ 2,769.59	\$ 246.91	\$ 3,016.49
	500,000	-	500,000	9,250	4,879.75	435.03	5,314.78
	1,000,000	-	1,000,000	19,250	10,155.15	905.33	11,060.48
	2,500,000	-	2,500,000	49,250	25,981.35	2,316.25	28,297.59
	5,000,000	-	5,000,000	99,250	52,358.35	4,667.76	57,026.11
Market Apartments (4 or more units)	10,000,000	-	10,000,000	199,250	105,112.35	9,370.80	114,483.15
	\$ 500,000	\$ -	\$ 500,000	\$ 6,250	\$ 3,297.13	\$ 293.94	\$ 3,591.06
	2,500,000	-	2,500,000	31,250	16,485.63	1,469.70	17,955.32
	10,000,000	-	10,000,000	125,000	65,942.50	5,878.80	71,821.30

\* The figures in the table are based on taxes for new lease obligations only, and do not include tax levies for other purposes. Example tax increases shown above are gross increases based on the City's 2023 tax information, not including the impact of recent legislative changes to the Homestead market value exclusion or the state Property Tax Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax effect of the bond issue for many property owners.