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TO: Goodhue County Board of Commissioners
FROM: Lucas Dahling, Finance Director
SUBJECT: City of Kenyon TIF District No. 2-1
DATE: May 19, 2026

Background

The Finance Department received notice of the proposed Tax Increment Financing (TIF) District No. 2-1 from the City of Kenyon on May 8, 2026. As required by law, staff distributed the information to the County Board on May 11, 2026, via email and placed it on the May 19th County Board Agenda should the Board wish to submit written comments. The Board is not being asked to approve the project as that is solely at the discretion of the Kenyon City Council.

Discussion

As outlined in the notification, the City of Kenyon is proposing a 26-year redevelopment TIF district that encompasses the old "Sunset Home" portion of the former senior living facility. The building is located on parcels 66.100.0030 and 66.280.0400, which are currently being replatted. The purpose of the TIF district is to assist with the redevelopment of the parcels and will consist of remediating asbestos, demolishing the building, and constructing a new 43,043 gross square foot, ground up 36-unit apartment development.

Scope of the Project

The old "Sunset Home" property has been determined to be substandard. The city has indicated in writing that the development would not reasonably be expected to occur solely through private investment within the foreseeable future. The city intends to issue a pay-go tax increment financing revenue bonds, notes, or interfund loans to reimburse the developer for public development costs. Tax increment will only be used to reimburse the developer for eligible costs.

Estimated Fiscal and Economic Implications

The County taxes collected from these parcels for pay 2026 is \$1,546.98, which the County will continue to collect under TIF law. The proposed TIF is expected to generate a total of \$104,481 annually from the three major taxing jurisdictions or \$29,775 from Goodhue County alone. More detailed information can be found in the attached analysis that has been completed by Northland Securities, Inc.

Find your Good here.

Again, the City of Kenyon is not seeking approval of the proposed TIF project as the Board is limited to the actions outlined below:

Upon notification of a proposed TIF District:

1. **County Auditor** must provide copies of the authority's proposed TIF plan and estimate of fiscal and economic implications of the proposed TIF district to County Board members upon receipt from the authority. Minn. Stat. § 469.175, subd. 2(a).
2. **County Board** may adopt standard questions on information requested for fiscal and economic implications in a written policy. Minn. Stat. § 469.175, subd. 2(b)(5).
3. **County Board** may, absent standard questions, request additional information within 15 days after receipt of the proposed TIF plan. Minn. Stat. § 469.175, subd. 2(b)(5).
4. **County Board** may submit written comments within 30 days of receipt of authority's proposed TIF plan and estimate of fiscal and economic implications. Minn. Stat. § 469.175, subd. 2(a).
5. **County Commissioner** who represents the area of a proposed housing or redevelopment district may submit written comments on the proposal within 30 days of receiving written notice of the proposed district. Minn. Stat. § 469.175, subd. 2(a).
6. **County Board** may notify the authority and municipality of its intent to use tax increments to finance county road improvements within 45 days after receipt of the proposed TIF plan. Minn. Stat. § 469.175, subd. 1a(b).

Please find attached a copy of 1) Notification Letter, and 2) TIF Plan & Analysis 3) Photo of Property, and 4) Pay 2026 Tax Statements. The city has scheduled a **public hearing for Tuesday, June 9th, 2026, at approximately 7:00 pm** to receive public comment on the establishment of the proposed TIF District. If the County wishes, they can submit written comments by no later than 30 days of receiving written notice of the proposed district.

Recommendation

Staff does not see any issues with the proposed TIF, however, the Board should inform staff if they have any significant comments you would like relayed to the City of Kenyon regarding the use of their proposed TIF.



SENT VIA EMAIL

TO: **Goodhue County**
Auditor / Treasurer
Government Center
509 W. 5th. S. Second Floor
Red Wing, MN 55066
Attention: Lucas Dahling, lucas.dahling@co.goodhue.mn.us

Kenyon-Wanamingo Schools
Office of Superintendent
District Office
400 6th Street
Kenyon, MN 55946
Attention: Pat Heiderscheit, pheiderscheit@kw.k12.mn.us

FROM: **City of Kenyon**
City Administrator
709 2nd Street
Kenyon, MN 55946
Attention: Scott Lehner, slehner@cityofkenyon.gov

Northland Public Finance
Managing Director, Public Finance
Northland Securities, Inc.
150 South Fifth Street, Suite 3300
Minneapolis, MN 55402
Attention: Tammy Omdal, tomdal@northlandsecurities.com

DATE: May 8, 2026

RE: Notice for City of Kenyon Tax Increment Financing (Redevelopment) District No. 2-1

The City of Kenyon (the “City”) is considering the establishment of Tax Increment Financing (Redevelopment) District No. 2-1 (the “TIF District”) and the adoption of a Tax Increment Financing Plan relating thereto, among other things, to provide tax increment assistance in connection with a proposed housing development by Kenyon Real Estate 2 LLC (the “Developer”).

The Developer owns the old “Sunset Home” portion of the former senior living facility and the east parking lot across State Street. The Developer owns parcels: 66100030, 662800400, and 661800240. Kenyon Real Estate 2 LLC was formed to hold ownership of these parcels.

It is the intent of the Developer to remediate asbestos and demolish the old Sunset Home building, located on parcels 661000030 and 662800400 and construct a new approximate 41,043 gross square foot, ground-up 36-unit apartment development on the site (the "Development").

Residential rental housing units will range from 1-bed/1-bath, 2-bed/1-bath, and 2-bed-2 bath units. Demolition and remediation work is projected to begin immediately following the approval of public financial assistance for the project in May 2026.

Notice is hereby given that the City Council of the City shall meet on June 9, 2026, at approximately 7:00 P.M., or on such other date and time as determined by the City Administrator, to hold a public hearing on the proposed establishment of the Development Program for the Municipal Development District No. 2 (the "Development Program"), the proposed establishment of the TIF District, and the proposed adoption of a Tax Increment Financing Plan (the "TIF Plan") therefor (referred to collectively herein as the "Development Program and TIF Plan"), all pursuant to and in accordance with Minnesota Statutes, Sections 469.124 to 469.133, and Sections 469.174 to 469.1794 (the "TIF Act"), inclusive, as amended, in an effort to encourage the development of certain designated areas within the City.

We are enclosing for your review a draft of the TIF Plan pursuant to Minnesota Statutes, Section 469.175, Subdivision 2. Subdivision 2 requires that the County Auditor and the Clerk of the School Board be provided with a 30-day period during which to review and comment on the fiscal and economic implications of a modified or proposed tax increment financing district. Exhibit III of the TIF Plan illustrates the estimated fiscal and economic impacts on the affected local taxing jurisdictions from the TIF District. If you require further information, we request that you please let us know no later than 15 days after receipt of the TIF Plan.

Please note that the TIF Plan is a draft. The City plans to refine the TIF Plan prior to the public hearing. We will provide you with a revised TIF Plan if the City proposes any substantial revisions to the draft.

The City offers this notice in accordance with Minnesota Statutes, Section 469.175, Subd. 1a, which addresses an election by Goodhue County to use tax increments generated by the TIF District to finance county road improvements deemed necessary because of increased use due to the redevelopment. Upon receipt of this notice the County has a 45-day period in which to notify the City of its intent to utilize tax increments and to provide an estimate of the costs.

Please direct any comments or questions to Scott Lehner, City Administrator, by email at slehner@cityofkenyon.gov, or by phone at 507-789-6415.

Cc: Scott Lehner, City of Kenyon, slehner@cityofkenyon.gov
Scott Riggs, Kennedy-Graven Law Firm, sriggs@kennedy-graven.com

**DRAFT FOR DISTRIBUTION
CITY OF KENYON, MINNESOTA
TAX INCREMENT FINANCING PLAN FOR
TAX INCREMENT FINANCING (REDEVELOPMENT)
DISTRICT NO. 2-1 (APARTMENT BUILDING)
WITHIN MUNICIPAL DEVELOPMENT DISTRICT NO. 2**

PROPOSED TO BE ADOPTED BY CITY COUNCIL OF KENYON, MN

PUBLIC HEARING DATE: _____, 2026
ESTABLISHMENT DATE: _____, 2026
REQUEST CERTIFICATION DATE: _____, 2026
CERTIFICATION DATE: _____, 2026



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Member NASD and SIPC
Registered with SEC and MSRB

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ARTICLE I – INTRODUCTION AND DEFINITIONS

SECTION 1.01 INTRODUCTION

The City of Kenyon proposes to provide tax increment financing assistance through the establishment of Tax Increment Financing (Redevelopment) District No. 2-1 (Apartment Building) (the “TIF District”) within the proposed Municipal Development District No. 2.

This document contains the plan for the TIF District which is consistent with the proposed objectives of the Development Program for Municipal Development District No. 2.

The proposed redevelopment within the TIF District includes the construction of an approximate 41,043 square foot apartment building with approximately 36 residential housing units.

SECTION 1.02 DEFINITIONS

For the purposes of this document, the terms below have the meanings given in this section, unless the context in which they are used indicates a different meaning:

1. “City” means the City of Kenyon, Minnesota.
2. “City Council” means the City Council of the City.
3. “County” means Goodhue County, Minnesota.
4. “County Auditor” means the County Auditor/Treasurer of the County.
5. “Developer” means the private party, Kenyon Real Estate 2 LLC, undertaking construction of the Development in the TIF District and the owner of the Development, their successors or assigns.
6. “Development” means the redevelopment of the property within the TIF District to include the construction of an approximate 41,043 square foot apartment building with approximately 36 residential housing units.
7. “Development District” means Municipal Development District No. 2 within the City, which is established pursuant to the Development District Act.
8. “Development District Act” means Minnesota Statutes, Sections 469.124 through 469.134, as amended and supplemented from time to time.
9. “Development Program” means the Development Program for the Development District, as amended and supplemented from time to time.
10. “Property” means the approximate 0.40 acre area land area of parcels within the TIF District as described in Section 2.03.2 of the TIF Plan.
11. “Project Area” means the geographic area of the Development District.
12. “Public Development Costs” means the cost of the development activities that will or are expected to occur within the Project Area or TIF District.
13. “School District” means Kenyon-Wanamingo Independent School District No. 2172.
14. “State” means the State of Minnesota.
15. “Tax Increment Bonds” means any tax increment bonds as defined in Section 469.174, Subd. 3 of the TIF Act, issued by the City to finance Public Development Costs, and any obligations issued to refund such bonds, pursuant to Section 469.178 of the TIF Act.
16. “TIF Act” means Minnesota Statutes, Sections 469.174 through 469.1794 as amended, both inclusive.

17. "TIF District" means Tax Increment Financing (Redevelopment) District No. 2-1 (Apartment Building).
18. "TIF Plan" means the tax increment financing plan for the TIF District (this document).

SECTION 1.03 PLAN PREPARATION

This document was prepared for the City by Northland Securities, Inc.

ARTICLE II - DEVELOPMENT PROGRAM

SECTION 2.01 OVERVIEW

The City hereby establishes Development District No. 2 and the related Development Program as a tool to achieve the objectives described in Section 2.02. The Development District serves as the “Project Area” for the tax increment financing districts established within its boundaries. The Development Program describes the City’s objectives for the development of this area and the use of tax increment financing.

SECTION 2.02 STATEMENT OF OBJECTIVES

The establishment of the Development District pursuant to the Development District Act is necessary and in the best interests of the City and its residents and is necessary to give the City the ability to meet certain public purpose objectives that would not be obtainable in the foreseeable future without intervention by the City in the normal development process.

The City intends, to the extent permitted by law, to accomplish the following objectives through the implementation of the Development Program:

1. Provide for the acquisition of land and construction and financing of the private development in the Development District which are necessary for the orderly and beneficial development of the Development District and adjacent areas of the City.
2. Encourage the redevelopment of blighted and under-utilized areas of the City.
3. Facilitate the removal of deteriorated structures and encourage redevelopment in commercial areas providing high levels of property maintenance and private investment.
4. Provide parking needed to support development and encourage use of shared parking to promote additional private development.
5. Build, maintain improve, and reconstruct public improvements and utilities needed to support development.
6. Promote and secure the prompt and unified development of certain property in the Development District, which property is not now in productive use or in its highest and best use, with a minimum adverse impact on the environment, and thereby promote and secure the desirable development of other land in the City.
7. Promote and secure additional employment opportunities within the Development District and the City for residents of the City and the surrounding area, thereby improving living standards and reducing unemployment and the loss of skilled and unskilled labor and other human resources in the City.
8. Secure the increase in values of property subject to taxation by the City, the School District, the County, and other taxing jurisdictions in order to better enable such entities to pay for governmental services and programs that they are required to provide.
9. Promote the concentration of new unified development consisting of desirable industrial and other appropriate development in the Development District so as to maintain these areas in a manner compatible with its accessibility and prominence in the City.
10. Encourage the expansion and improvement of local business, economic activity and development, whenever possible.
11. Create a desirable and unique character within the Development District through quality land use alternatives and design quality in new buildings.

SECTION 2.03 BOUNDARIES OF DEVELOPMENT DISTRICT

The boundaries of the Development District are conterminous with the boundaries of Tax increment Financing District No. 2-1 as established by the City and as shown in Exhibit V.

SECTION 2.04 DEVELOPMENT ACTIVITIES

The City will perform or cause to be performed, to the extent permitted by law, all project activities pursuant to the Development District Act, the TIF Act, and other applicable state laws, and in doing so anticipates that the following may, but are not required, to be undertaken by the City:

1. The making of studies, planning, and other formal and informal activities relating to the Development Program.
2. The implementation and administration of the Development Program.
3. The rezoning of land within the Development District.
4. The acquisition of property, or interests in property, by purchase or condemnation, which acquisition is consistent with the objectives of the Development Program.
5. The preparation of property for use and development in accordance with applicable Land Use Regulations and the Development Agreement, including demolition of structures, clearance of sites, placement of fill and grading.
6. The resale of property to private parties.
7. The construction or reconstruction of site improvements to property within a tax increment financing district.
8. The construction, improvement and maintenance of parking facilities.
9. The construction, improvement and maintenance of streets, sidewalks, alleys, and public utilities.
10. The issuance of Tax Increment Bonds to finance the Public Development Costs of the Development Program, and the use of tax increment revenue available to the City to pay or finance the Public Development Costs of a tax increment financing district, as provided in a tax increment financing plan, incurred or to be incurred by it pursuant to the Development Program.
11. The use of tax increment revenue to pay debt service on the Tax Increment Bonds or otherwise pay or reimburse with interest the Public Development Costs of a tax increment financing district, as provided in a tax increment financing plan.

SECTION 2.05 PAYMENT OF PUBLIC DEVELOPMENT COSTS

Public Development Costs and the plan for their payment will be described in the tax increment financing plans for a tax increment financing district. It is anticipated that the Public Development Costs of the Development Program will be paid primarily from tax increment revenues from tax increment financing districts within the Development District. The City reserves the right to utilize other available sources of revenue, including but not limited to special assessments, user charges and financial assistance from other units of government, which the City may apply to pay a portion of the Public Development Costs.

SECTION 2.06 ENVIRONMENTAL CONTROLS; LAND USE REGULATIONS

All municipal actions, public improvements and private development shall be carried out in a manner consistent with existing environmental controls and all applicable land use regulations.

SECTION 2.07 PARK AND OPEN SPACE TO BE CREATED

Park and open space within the Development District, if created, will be created in accordance with the City's Comprehensive Plan and zoning and subdivision ordinances.

SECTION 2.08 PROPOSED REUSE OF PROPERTY

The Development Program provides that the City or Authority may acquire property and reconvey the same to another entity. All parcels in the Development District are eligible for acquisition. In acquiring land, the City will require the execution of a binding development agreement with respect thereto and evidence that tax increment revenues or other funds will be available to repay the costs associated with the proposed acquisition of property. It is the intent of the City to negotiate the acquisition of property whenever possible. Appropriate restrictions regarding the reuse and redevelopment of property shall be incorporated into any development agreement to which the City is a party.

SECTION 2.09 ADMINISTRATION AND MAINTENANCE OF DEVELOPMENT DISTRICT

Maintenance and operation of the Development District will be the responsibility of the City Administrator or designee of the City who shall serve as administrator of the Development District for the City. Each year the Administrator will submit to the City the maintenance and operation budget for the following year.

The Administrator will administer the Development District pursuant to the provisions of Section 469.131 of the Development District Act; provided, however, that such powers may only be exercised at the direction of the City Council. No action taken by the Administrator pursuant to the above-mentioned powers shall be effective without authorization by the City Council.

SECTION 2.10 AMENDMENTS

The City reserves the right to alter and amend the Development Program, subject to the provisions of state law regulating such action. The City specifically reserves the right to enlarge or reduce the size of the Development District, the Development Program and the Public Development Costs of the Development Program.

ARTICLE III - TAX INCREMENT FINANCING PLAN

SECTION 3.01 STATUTORY AUTHORITY

The TIF District and this TIF Plan are established under the authority of the TIF Act.

SECTION 3.02 PLANNED DEVELOPMENT

3.02.1 Development Description

The Developer proposes to undertake the redevelopment of the property, inclusive of the sub-standard building [redevelopment findings pending from LHB inspection]. The Developer proposes redevelopment of the property within the TIF District to include the construction of an approximate 41,043 square foot apartment building with approximately 36 residential housing units.

3.02.2 City Plans and Development Program

In addition to achieving the objectives of the Development Program, the Development is consistent with and works to achieve the development objectives of the City. The TIF Plan for

the TIF District conforms to the general plan for development or redevelopment of the City as a whole.

The City has adopted land use controls to guide the use of property. The development plan for the Development in the TIF District has been reviewed by the Planning Commission and the City Council, and conform to current land use controls of the City.

3.02.3 Land Acquisition

The Developer currently owns the land within the parcel to be included within the TIF District. There is no additional land acquisition anticipated related to the Development.

3.02.4 Development Activities

The City anticipates that activities proposed in the TIF Plan will be subject to contracts as of the date of approval of the establishment of the TIF District or a date thereafter. The City has and anticipates it will enter into contracts with the Developer to provide tax increment financing assistance to the Developer to reimburse the Developer for certain Public Development Costs to be incurred by the Developer, among other terms for assistance.

3.02.5 Need for Tax Increment Financing

In the opinion of the City, the Development would not reasonably be expected to occur solely through private investment within the foreseeable future and the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the Development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan. The reasons and facts supporting this finding include the following:

- The Development requires public financial assistance to offset site improvement and preparation costs to allow for the Developer to proceed with construction of the Development.
- A comparative analysis of estimated market values both with and without establishment of the TIF District and the use of tax increments has been performed as described above and is shown in Exhibit I. This analysis indicates that the increase in estimated market value of the Development (less the present value of the projected tax increments for the maximum duration permitted by the TIF Plan) exceeds the estimated market value of the site prior to the establishment of the TIF District.

The TIF Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of the Development District by private enterprise.

SECTION 3.03 TAX INCREMENT FINANCING DISTRICT

3.03.1 Designation

The TIF District is designated as Tax Increment Financing (Redevelopment) District No. 2-1 (Apartment Building).

3.03.2 Boundaries of TIF District

The boundaries of the TIF District are depicted in Exhibit V.

The Developer is in the process of platting the property that will be within the boundaries of the TIF District. Upon completion of the new plat, the City anticipates there will be one parcel within the boundaries of the TIF District.

The TIF District includes the following two existing parcels described below and the immediate adjacent roads and right-of-way to these parcels. The City anticipates the boundaries of the TIF District will be slightly small but not larger than the boundaries of these two existing parcels.

- PID 662800400 (DOC#701073 S A BULLIS 2ND ADD E32FT OF S109FT OF LOT 3 BLK 34 & PT OF LOT 4 & PT OF VAC ALLEY BLK 34 BEG AT SE COR LOT 8, S51FT, WLY AT RT ANG 19FT, NLY AT RT ANG 51FT, ELY AT RT ANG 19FT TO BEG & LOTS 5 & 6 BLK 34 ID# 16-0260-03501, -03502, -03600 DOC#694706)
- PID 661000030 (ORIGINAL PLAT ID# 16-0100-00300 LOT 6 BLK 34 LOT 7 E19FT LOT 8 DOC#701073)

3.03.3 *Type of District*

The TIF District is established as a “redevelopment district” pursuant to Section 469.174, Subd. 10 of the TIF Act. The City has determined that the property in the TIF District meets the statutory criteria for a redevelopment district.

Section 469.174, Subd. 10 (a) (1) of the TIF Act requires two tests for occupied parcels be met to qualify as a “redevelopment district”: a conditions test and coverage test. For a “redevelopment district” more than 50% of the buildings, not including outbuildings, must be found to be structurally substandard to a degree requiring substantial renovation or clearance.

The conditions test for structurally substandard is defined under Section 469.174, Subd. 10(b) of the TIF Act. For purposes of this subdivision, “structurally substandard” means containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance.”

Buildings are not eligible to be considered structurally substandard unless they meet certain additional criteria, as set forth in Section 469.174, Subd. 10(c) of the TIF Act. A building is not structurally substandard if it is in compliance with the building code applicable to new buildings or could be modified to satisfy the building code at a cost of less than 15% of the cost of constructing a new structure of the same square footage and type on the site.

The municipality may find that a building is not disqualified as structurally substandard under the preceding sentence on the basis of reasonably available evidence, such as the size, type, and age of the building, the average cost of plumbing, electrical, or structural repairs, or other similar reliable evidence. Items of evidence that support such a conclusion that the building is not disqualified include recent fire or police inspections, on-site property tax appraisals or housing inspections, exterior evidence of deterioration, or other similar reliable evidence.

Furthermore, parcels consisting of 70% of the area of the district must be occupied by buildings, streets, utilities, or paved or gravel parking lots to meet the required coverage test. The coverage required by the parcel to be considered occupied is defined under Section 469.174, Subd. 10(e) of the TIF Act. For purposes of such subdivision, a parcel is not occupied by buildings, streets, utilities, or paved or gravel parking lots unless 15% of the area of the parcel contains building, streets, utilities, or paved or gravel parking lots.

As summarized in the table below, 100% of the area of the TIF District is occupied by improved parcels, and 100% of the buildings within the TIF District are found to be substandard. The substandard buildings are reasonably distributed.

The result of the building inspection and analysis performed by LHB, Inc. shall be contained in a inspection and findings report prepared LHB, Inc., as contracted by the City.

In summary the findings, as supported by LHB, Inc. Finding, are as follows:

Number of Parcels	2
Site Area Included (square feet without roads).....	To be finalized
Area of Improved Parcels (square feet).....	To be finalized
Percent of Area Improved.....	100%
Number of Parcels with Buildings	2

Number of Buildings found Substandard2
Percent of Buildings found Substandard 100%

SECTION 3.04 PLAN FOR USE OF TAX INCREMENT

3.04.1 Estimated Tax Increment

The original net tax capacity of value of the TIF District will be set by the County upon request for certification. For the purposes of the TIF Plan, the estimated original net tax capacity is \$3,798. This amount is estimated based on the most recent published estimated market value for the parcel within the TIF District of \$303,800 with tax capacity value calculated based on apartment (4 or more units) property classification.

The total tax capacity value of the property after Development completion is estimated at \$67,838 for tax payable 2029. This amount is based on a total estimated taxable market value of \$5,427,000 assessed January 2028 for tax payable 2029, with property classified as apartment (4 or more units) property classification. The estimated difference between the total tax capacity value after Development completion and the original net tax capacity value is the captured tax capacity value in the amount of \$64,040 for the creation of tax increment.

The total local tax rate is estimated at 143.03% based on the tax rates for taxes payable in 2026. The TIF Plan uses this rate for purpose of estimating tax increment for the TIF District. At the time of certification of the original net tax capacity for the TIF District, the County Auditor shall certify the original local tax rate that applies to the TIF District, which will vary from the estimate used in the TIF Plan. The original local tax rate is the sum of all the local tax rates, excluding that portion of the school rate attributable to the general education levy under Minnesota Statutes Section 126C.13, that apply to a property in the TIF District. The local tax rate to be certified is the rate in effect for the same taxes payable year applicable to the tax capacity values certified as the TIF District’s original tax capacity. The resulting tax capacity rate is the original local tax rate for the life of the TIF District.

Under these assumptions, the estimated annual tax increment will be \$91,266 after Development completion and after deducting for the State Auditor’s fee (0.36% of the captured tax increments). The actual tax increment will vary according to the certified original tax capacity value and original tax rate, the actual property value produced by the Development and the changes in property value and State tax policy over the life of the TIF District.

The City will retain 100% the full captured net tax capacity for the duration of the TIF district, pursuant to Section 469.177, Subd. 2, (b), (1) of the TIF Act. Exhibit II contains the projected tax increment over the life of the TIF District.

3.04.2 Public Development Costs

The City will use tax increment to pay Public Development Costs. The contracts between the City and the Developer will define the means for verifying Public Development Costs incurred by the Developer that will be eligible for reimbursement and the means of disbursing tax increments collected by the City.

The City will use tax increment to pay financing costs. The interest rate payable on Tax Increment Bonds issued will be set pursuant to approving resolutions. Pay-go tax increment revenue notes and interfund loans are included in the definition of Tax Increment Bonds, among other types of obligations that may be applicable.

3.04.3 *Estimated Sources and Uses of Funds*

The estimated sources of revenue, along with the estimated Public Development Costs of the TIF District, are itemized in Figure 3-1 that follows. Such costs are eligible for reimbursement from tax increments, and other listed sources of revenue from the TIF District. The City reserves the right to administratively adjust the amount of any of the Public Development Cost items listed in Figure 3-1, so long as the total estimated tax increment project costs amount, not including financing costs, is not increased.

Figure 3.1
City of Kenyon
Tax Increment Financing District No. 2-1
Projected Tax Increment
Kenyon Real Estate 2 LLC

	Total
Estimated Tax Increment Revenues (from tax increment generated by the district)	
Tax increment revenues distributed from the county	\$2,536,500
Interest and investment earnings	\$5,000
Total Estimated Tax Increment Revenues	\$2,541,500
 Estimated Project/Financing Costs (to be paid or financed with tax increment)	
Project costs	
Land/building acquisition	\$0
Site improvements/preparation costs	\$1,234,830
Other qualifying improvements	\$0
Administrative costs	\$20,000
Estimated Tax Increment Project Costs	\$1,254,830
 Estimated financing costs	
Interest expense	\$1,286,670
Total Estimated Project/Financing Costs to be Paid from Tax Increment	\$2,541,500
 Estimated Financing	
Total amount of bonds to be issued	\$1,254,830

3.04.4 *Administrative Costs*

The City plans to use tax increment revenues to pay for administrative expenses for the TIF District. The use of tax increment revenues to pay administrative expenses will not exceed a maximum amount of 10% of tax increment revenues pursuant to the TIF Act. The City will use tax increments to pay for and reimburse itself for costs of administering the TIF District as allowed by the TIF Act. The estimated amount of tax increment revenue planned to pay administrative expense is shown in Figure 3-1. Anticipated administrative expenses of the TIF District include annual audit of the fund for the TIF District, preparation of annual reporting, legal publication of annual report, and administration of the development agreement.

3.04.5 *County Road Costs*

The Development will not substantially increase the use of county roads and necessitate the need to use tax increments to pay for county road improvements.

3.04.6 *Bonded Indebtedness*

The total amount of Tax Increment Financing Bonds estimated to be issued is shown in Figure 3-1. The City does not plan to issue any general obligation bonded indebtedness as a result of the TIF Plan.

Pursuant to Section 469.178, Subd. 7 of the TIF Act, the City may advance or loan money to finance expenditures under Section 469.176, Subd. 4 of the TIF Act, from the general fund of the City or any other legally authorized fund under which it has legal authority to do so, subject to the following provisions:

- (a) Not later than 60 days after money is transferred, advanced, or spent, whichever is earliest, the loan or advance must be authorized by resolution of the City.
- (b) The resolution may generally grant to the City the power to make interfund loans under one or more tax increment financing plans or for one or more districts. The resolution may be adopted before or after the adoption of the tax increment financing plan or the creation of the tax increment financing district from which the advance or loan is to be repaid.
- (c) The terms and conditions for repayment of the loan must be provided in writing. The written terms and conditions may be in any form, but must include, at a minimum, the principal amount, the interest rate, and maximum term. Written terms may be modified or amended in writing by the City before the latest decertification of any tax increment financing district from which the interfund loan is to be repaid. The maximum rate of interest permitted to be charged is limited to the greater of the rates specified under Minnesota Statutes, Section 270C.40 or 549.09 as of the date the loan or advance is authorized, unless the written agreement states that the maximum interest rate will fluctuate as the interest rates specified under Minnesota Statutes, Section 270C.40 or 549.09 are from time to time adjusted. Loans or advances may be structured as draw-down or line-of-credit obligations of the lending fund.
- (d) The City shall report in the annual report submitted under Section 469.175, Subd. 6 of the TIF Act:
 - (1) the amount of any interfund loan or advance made in a calendar year; and
 - (2) any amendment of an interfund loan or advance made in a calendar year.

3.04.7 *Election of First Year of Tax Increment and Duration of TIF District*

Pursuant to Section 469.175, Subd. 1 of the TIF Act, the City elects 2029 to be the first year to receive increment. The duration to collect and spend tax increments on eligible purposes is set by this TIF Plan at the duration of 25 years after the date of receipt of the first tax increment collection. The duration shall not to exceed 26 years of tax increment collection. Based on the elected year for first collection of tax increment 2029, the decertification date is estimated to be December 31, 2054. The duration of 26 years is the statutory maximum duration pursuant to the TIF Act.

The estimated decertification date may be superseded by the actual statutory limitations. The TIF District must be decertified when outstanding obligations pursuant to the TIF Plan have been paid, defeased, or had sufficient increment set aside for their payment, all pursuant to Section 469.1763, Subd. 4(b) of the TIF Act.

3.04.8 *Estimated Impact on Other Taxing Jurisdictions*

Exhibits III and IV show the estimated impact on other taxing jurisdictions if the maximum projected retained captured net tax capacity of the TIF District was hypothetically available to the other taxing jurisdictions. The City believes that there will be no adverse impact on other taxing jurisdictions during the life of the TIF District, since the Development would not have occurred without the establishment of the TIF District and the provision of public assistance. A

positive impact on other taxing jurisdictions will occur when the TIF District is decertified and the Development therein becomes part of the general tax base.

The City anticipates minimal impact of the Development on City-provided services. There may be minimal borrowing costs to the City for the Development. A manageable increase in water and sewer usage is expected. It is anticipated that there may be a slight but manageable increase in police and fire protection duties due to the Development.

3.04.9 Prior Planned Improvements

No building permits were issued for the parcel within the TIF District during the 18 months preceding the date of establishment of the TIF District.

ARTICLE IV – ADMINISTERING THE TIF DISTRICT

SECTION 4.01 FILING AND CERTIFICATION

The filing and certification of the TIF Plan consists of the following steps:

1. The City shall request that the County Auditor certify the original net tax capacity and net tax capacity rate of the TIF District. To assist the County Auditor in this process, the City shall submit copies of the TIF Plan, the resolution establishing the TIF District and adopting the TIF Plan, and a listing of any prior planned improvements.
2. The City will file a copy of the TIF Plan and any amendments to the TIF Plan with the Commissioner of Revenue of the State and the Office of the State Auditor, along with other required documents pursuant to Section 469.175, Subd. 4a of the TIF Act.
3. The City shall send the County Assessor any assessment agreement establishing the minimum market value of land and improvements within the TIF District and shall request that the County Assessor review and certify the assessment agreement as reasonable. The City does not expect to enter into an assessment agreement in connection with the Development.

SECTION 4.02 MODIFICATIONS OF THE TAX INCREMENT FINANCING PLAN

The City reserves the right to modify the TIF District and the TIF Plan. Under current State law, the following actions can only be approved after satisfying all the necessary requirements for approval of the original TIF Plan (including notifications and public hearing):

- Reduction or enlargement in the geographic area of the Development District or the TIF District.
- Increase in the amount of bonded indebtedness to be incurred.
- Increase in the amount of capitalized interest.
- Increase in that portion of the captured net tax capacity to be retained by the City.
- Increase in the total estimated Public Development Costs, including administrative costs of the City.
- Designation of additional property to be acquired by the City.

Other modifications can be made by resolution of the City. In addition, the original approval process does not apply if (A) (1) the only modification is elimination of parcels from the TIF District and (2) the current net tax capacity of the parcels eliminated equals or exceeds the net tax capacity of those parcels in the TIF District's original net tax capacity, or (B) the City agrees that the TIF District's original net tax capacity will be reduced by no more than the current net tax capacity of the parcels eliminated.

The City must notify the County Auditor of any modification that reduces or enlarges the geographic area of the TIF District. The geographic area of the TIF District may be reduced but not enlarged after five years following the date of certification.

SECTION 4.03 CORRECTING REDEVELOPMENT CONDITIONS

Section 469.176, Subd. 4j of the TIF Act requires that at least 90% of the revenues derived from tax increments from the TIF District be used to finance the cost of correcting conditions that allow designation of the TIF District as a redevelopment district. These costs include, but are not limited to, acquiring properties containing structurally substandard buildings or improvements or hazardous substances, pollution, or contaminants, acquiring adjacent parcels necessary to provide a site of sufficient size to permit development, demolition and rehabilitation of structures, clearing of the land, the removal of hazardous substances or remediation necessary for the development of the land, and installation of utilities, roads, sidewalks, and parking facilities for the site. The allocated administrative expenses of the City, including the cost of preparation of the development action response plan, may be included in the qualifying costs.

SECTION 4.04 FOUR-YEAR KNOCKDOWN RULE

The provision of the TIF Act referred to as the Four-Year Knockdown Rule requires development activity to take place on each parcel within a tax increment financing district within four years from the date of certification of the original net tax capacity of such tax increment financing district. If development activity on a parcel has not begun within the required time frame, no additional tax increment may be collected from that parcel and its value must be excluded from the district's original net tax capacity.

Development activity includes demolition, rehabilitation, renovation or site improvement, including a qualified improvement of an adjacent street, on a parcel located within the TIF District. If no development activity has occurred within four years from the date of certification then that parcel shall be excluded from the TIF District and the original net tax capacity shall be adjusted accordingly. The City must submit to the County Auditor, by February 1 of the fifth year, evidence that the required activity has taken place for each parcel in the TIF District.

If a parcel is excluded from the TIF District and the City or owner of the parcel subsequently commences any of the above activities, the City shall recertify to the County Auditor that such activity has commenced and the parcel shall once again be included in the TIF District. The County Auditor shall certify the net tax capacity of the parcel, as most recently certified by the Commissioner of Revenue, and add such amount to the original net tax capacity of the TIF District.

SECTION 4.05 POOLING AND FIVE-YEAR RULE

Section 469.176 of the TIF Act provides for certain limitations on the use of tax increments. This includes provision that an amount equal to at least 75% of the total revenue derived from tax increments paid by properties in the TIF District must be expended on activities in the TIF District or to pay bonds, to the extent that the proceeds of the bonds were used to finance activities in the TIF District or to pay, or secure payment of, debt service on credit enhanced bonds, among other limitations in the TIF Act.

Not more than 25% of the total revenue derived from tax increments paid by properties in the TIF District may be expended, through a development fund or otherwise, on activities outside of the TIF District but within the defined geographic area of the Project Area except to pay, or secure payment of, debt service on credit enhanced bonds.

Revenue derived from tax increments paid by properties in the TIF District are considered to have been "spent" within the TIF District if such amounts are:

- actually paid to a third party for activities performed within the TIF District within five years after certification of the district;
- used to pay bonds that were issued and sold to a third party, the proceeds of which are reasonably expected on the date of issuance to be spent within the later of the five-year period or a reasonable temporary period or are deposited in a reasonably required reserve or replacement fund.
- used to make payments or reimbursements to a third party under binding contracts for activities performed within the TIF District, which were entered into within five years after certification of the district; or
- used to reimburse a party for payment of eligible costs (including interest) incurred within five years from certification of the district.

It is anticipated that all revenue derived from tax increments paid by properties in the TIF District will be spent or obligated within the first five years after certification of the TIF District and all tax increments will be spent on Public Development Costs within the boundaries of the TIF District.

SECTION 4.06 FINANCIAL REPORTING AND DISCLOSURE REQUIREMENTS

The City will comply with the annual reporting requirements of the TIF Act pursuant to the guidelines of the Office of the State Auditor. Under current law, the City must prepare and submit a report on the TIF District on or before August 1 of each year. The City must also annually publish in a newspaper of general circulation in the City an annual statement for the TIF District, in the format as prescribed by the Office of the State Auditor.

The reporting and disclosure requirements outlined in this section begin with the year a tax increment financing district is certified, and shall end in the year in which both the district has been decertified and all tax increments have been spent or returned to the County for redistribution. Failure to meet these requirements, as determined by the State Auditors Office, may result in suspension of distribution of tax increments.

SECTION 4.07 BUSINESS SUBSIDY COMPLIANCE

The City will comply with the business subsidy requirements specified in Minnesota Statutes, Sections 116J.993 to 116J.995 (the "Business Subsidy Act"), as amended. Assistance to residential property is not subject to the Business Subsidy Act.

Exhibit I
City of Kenyon
Tax Increment Financing District No. 2-1
Present Value Analysis As Required By Statute
Minnesota Statutes 469.175(3)(2)
Kenyon Real Estate 2 LLC

1 Estimated Future Market Value w/ Tax Increment Financing	6,117,096 ¹
2 Payable 2026 Market Value	303,800
3 Market Value Increase (1-2)	5,813,296
4 Present Value of Future Tax Increments	1,254,830
5 Market Value Increase Less PV of Tax Increments	4,558,466
6 Estimated Future Market Value w/o Tax Increment Financing	344,143 ¹
7 Payable 2026 Market Value	303,800
8 Market Value Increase (6-7)	40,343
9 Increase in MV From TIF	4,518,123 ²

¹ Assume 0.50% annual appreciation over 26 year life of district.

² Statutory compliance achieved if increase in market value from TIF (Line 9) is greater than or equal to zero.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 2-1

Exhibit II
City of Kenyon
Tax Increment Financing District No. 2-1 (Redevelopment)
Kenyon Real Estate 2 LLC
Projected Tax Increment Financing (TIF) Cash Flow and Real Estate Taxes

TIF District Year	Taxes Payable Year	Taxable Market Value (TMV)	Tax Capacity	Original Base Tax Capacity	Captured Tax Capacity for TIF	Original Tax Rate	Captured TIF	Less State Fee	Available TIF from District	PV Available TIF (5.0%)
1	2029	5,427,000	67,838	3,798	64,040	143.03%	91,596	(330)	91,266	79,355
2	2030	5,454,135	68,177	3,798	64,379	143.03%	92,081	(331)	91,750	155,286
3	2031	5,481,406	68,518	3,798	64,720	143.03%	92,569	(333)	92,236	227,942
4	2032	5,508,813	68,860	3,798	65,063	143.03%	93,059	(335)	92,724	297,462
5	2033	5,536,357	69,204	3,798	65,407	143.03%	93,551	(337)	93,214	363,983
6	2034	5,564,039	69,550	3,798	65,753	143.03%	94,046	(339)	93,707	427,633
7	2035	5,591,859	69,898	3,798	66,101	143.03%	94,544	(340)	94,204	488,537
8	2036	5,619,818	70,248	3,798	66,450	143.03%	95,044	(342)	94,702	546,813
9	2037	5,647,917	70,599	3,798	66,801	143.03%	95,546	(344)	95,202	602,574
10	2038	5,676,157	70,952	3,798	67,154	143.03%	96,051	(346)	95,705	655,928
11	2039	5,704,537	71,307	3,798	67,509	143.03%	96,558	(348)	96,210	706,980
12	2040	5,733,060	71,663	3,798	67,866	143.03%	97,068	(349)	96,719	755,828
13	2041	5,761,725	72,022	3,798	68,224	143.03%	97,581	(351)	97,230	802,568
14	2042	5,790,534	72,382	3,798	68,584	143.03%	98,096	(353)	97,743	847,291
15	2043	5,819,487	72,744	3,798	68,946	143.03%	98,613	(355)	98,258	890,083
16	2044	5,848,584	73,107	3,798	69,310	143.03%	99,134	(357)	98,777	931,029
17	2045	5,877,827	73,473	3,798	69,675	143.03%	99,656	(359)	99,297	970,206
18	2046	5,907,216	73,840	3,798	70,043	143.03%	100,182	(361)	99,821	1,007,693
19	2047	5,936,752	74,209	3,798	70,412	143.03%	100,710	(363)	100,347	1,043,561
20	2048	5,966,436	74,580	3,798	70,783	143.03%	101,241	(364)	100,877	1,077,881
21	2049	5,996,268	74,953	3,798	71,156	143.03%	101,774	(366)	101,408	1,110,720
22	2050	6,026,250	75,328	3,798	71,531	143.03%	102,310	(368)	101,942	1,142,140
23	2051	6,056,381	75,705	3,798	71,907	143.03%	102,849	(370)	102,479	1,172,204
24	2052	6,086,663	76,083	3,798	72,286	143.03%	103,390	(372)	103,018	1,200,970
25	2053	6,117,096	76,464	3,798	72,666	143.03%	103,934	(374)	103,560	1,228,494
26	2054	6,147,682	76,846	3,798	73,049	143.03%	104,481	(376)	104,105	1,254,830
TOTAL =							2,545,664	(9,164)	2,536,500	1,254,830

Key Assumptions:

- 1 Taxable market value (TMV) annual growth assumption = 0.5%.
- 2 Original Tax Capacity Rate for calculation of Available TIF from District is estimated based on Taxes Payable Year 2026 rate of 143.03%.
- 3 Election for captured tax capacity is 100.00%.
- 4 Base Tax Capacity is calculated based on estimated TMV value of the Property within the TIF District. Base value will be established based on final plat of the Property and TMV at time of request for certification of the TIF District.
- 5 Present Value (PV) Net Available TIF calculated on semi-annual payments and stated rates above and dated date.
- 6 TMV is estimated based on an approximately 36-unit apartment building with estimated average value of approximately \$150,000/unit (today's dollars) with no retail-commercial included.
- 7 Available TIF from District is after deduction of State Auditor Fee (0.36%).

Exhibit III
City of Kenyon
Tax Increment Financing District No. 2-1
Impact on Other Taxing Jurisdictions
(Taxes Payable 2026)
Kenyon Real Estate 2 LLC

Annual Tax Increment

Estimated Annual Captured Tax Capacity (Full Development)	\$73,049
Payable 2026 Local Tax Rate	143.03%
Estimated Annual Tax Increment	\$104,481

Percent of Tax Base

	Net Tax Capacity (NTC)	Captured Tax Capacity	Percent of Total NTC
City of Kenyon	1,765,386	73,049	4.14%
Goodhue County	112,653,391	73,049	0.06%
Kenyon-Wanamingo ISD 2172	16,381,661	73,049	0.45%

Dollar Impact of Affected Taxing Jurisdictions

	Net Tax Capacity (NTC)	% of Total	Tax Increment Share	Added Local Tax Rate
City of Kenyon	84.682%	59.206%	61,859	3.504%
Goodhue County	40.761%	28.498%	29,775	0.026%
Kenyon-Wanamingo ISD 2172	17.064%	11.930%	12,465	0.076%
Other	0.523%	0.366%	382	
Totals	143.030%	100.000%	104,481	

NOTE NO. 1: Assuming that ALL of the captured tax capacity would be available to all taxing jurisdictions even if the City does not create the Tax Increment District, the creation of the District will reduce tax capacities and increase the local tax rate as illustrated in the above tables.

NOTE NO. 2: Assuming that NONE of the captured tax capacity would be available to the taxing jurisdiction if the City did not create the Tax Increment District, then the plan has virtually no initial effect on the tax capacities of the taxing jurisdictions. However, once the District is established, allowable costs paid from the increments, and the District is terminated, all taxing jurisdictions will experience an increase in their tax base.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 2-1

Exhibit IV
City of Kenyon
Tax Increment Financing (Redevelopment) District No. 2-1
Kenyon Real Estate 2 LLC
Estimated Tax Increments Over Maximum Life of District

Based on Pay 2026 Tax Rate = 143.030% 84.682% 40.761% 17.064% 0.523%

TIF District	Taxes Payable Year	New Taxable Market Value	New Tax Capacity	Base Tax Capacity	Captured Tax Capacity	Estimated Total Tax Increments	City TIF Related Share	County TIF Related Share	School TIF Related Share	Other TIF Related Share
1	2029	5,427,000	67,838	3,798	64,040	91,596	54,230	26,103	10,928	335
2	2030	5,454,135	68,177	3,798	64,379	92,081	54,518	26,241	10,985	337
3	2031	5,481,406	68,518	3,798	64,720	92,569	54,806	26,380	11,044	339
4	2032	5,508,813	68,860	3,798	65,063	93,059	55,096	26,520	11,102	341
5	2033	5,536,357	69,204	3,798	65,407	93,551	55,388	26,660	11,161	342
6	2034	5,564,039	69,550	3,798	65,753	94,046	55,681	26,801	11,220	344
7	2035	5,591,859	69,898	3,798	66,101	94,544	55,976	26,943	11,279	346
8	2036	5,619,818	70,248	3,798	66,450	95,044	56,272	27,085	11,339	348
9	2037	5,647,917	70,599	3,798	66,801	95,546	56,569	27,229	11,399	349
10	2038	5,676,157	70,952	3,798	67,154	96,051	56,868	27,373	11,459	351
11	2039	5,704,537	71,307	3,798	67,509	96,558	57,168	27,517	11,520	353
12	2040	5,733,060	71,663	3,798	67,866	97,068	57,470	27,662	11,580	356
13	2041	5,761,725	72,022	3,798	68,224	97,581	57,774	27,809	11,641	357
14	2042	5,790,534	72,382	3,798	68,584	98,096	58,079	27,955	11,703	359
15	2043	5,819,487	72,744	3,798	68,946	98,613	58,385	28,103	11,765	360
16	2044	5,848,584	73,107	3,798	69,310	99,134	58,693	28,251	11,827	363
17	2045	5,877,827	73,473	3,798	69,675	99,656	59,003	28,400	11,889	364
18	2046	5,907,216	73,840	3,798	70,043	100,182	59,314	28,550	11,952	366
19	2047	5,936,752	74,209	3,798	70,412	100,710	59,626	28,700	12,015	369
20	2048	5,966,436	74,580	3,798	70,783	101,241	59,941	28,852	12,078	370
21	2049	5,996,268	74,953	3,798	71,156	101,774	60,256	29,004	12,142	372
22	2050	6,026,250	75,328	3,798	71,531	102,310	60,574	29,156	12,206	374
23	2051	6,056,381	75,705	3,798	71,907	102,849	60,893	29,310	12,270	376
24	2052	6,086,663	76,083	3,798	72,286	103,390	61,213	29,464	12,335	378
25	2053	6,117,096	76,464	3,798	72,666	103,934	61,535	29,619	12,399	381
26	2054	6,147,682	76,846	3,798	73,049	104,481	61,859	29,775	12,465	382
Total						<u>2,545,664</u>	<u>1,507,187</u>	<u>725,462</u>	<u>303,703</u>	<u>9,312</u>

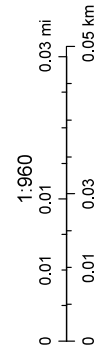
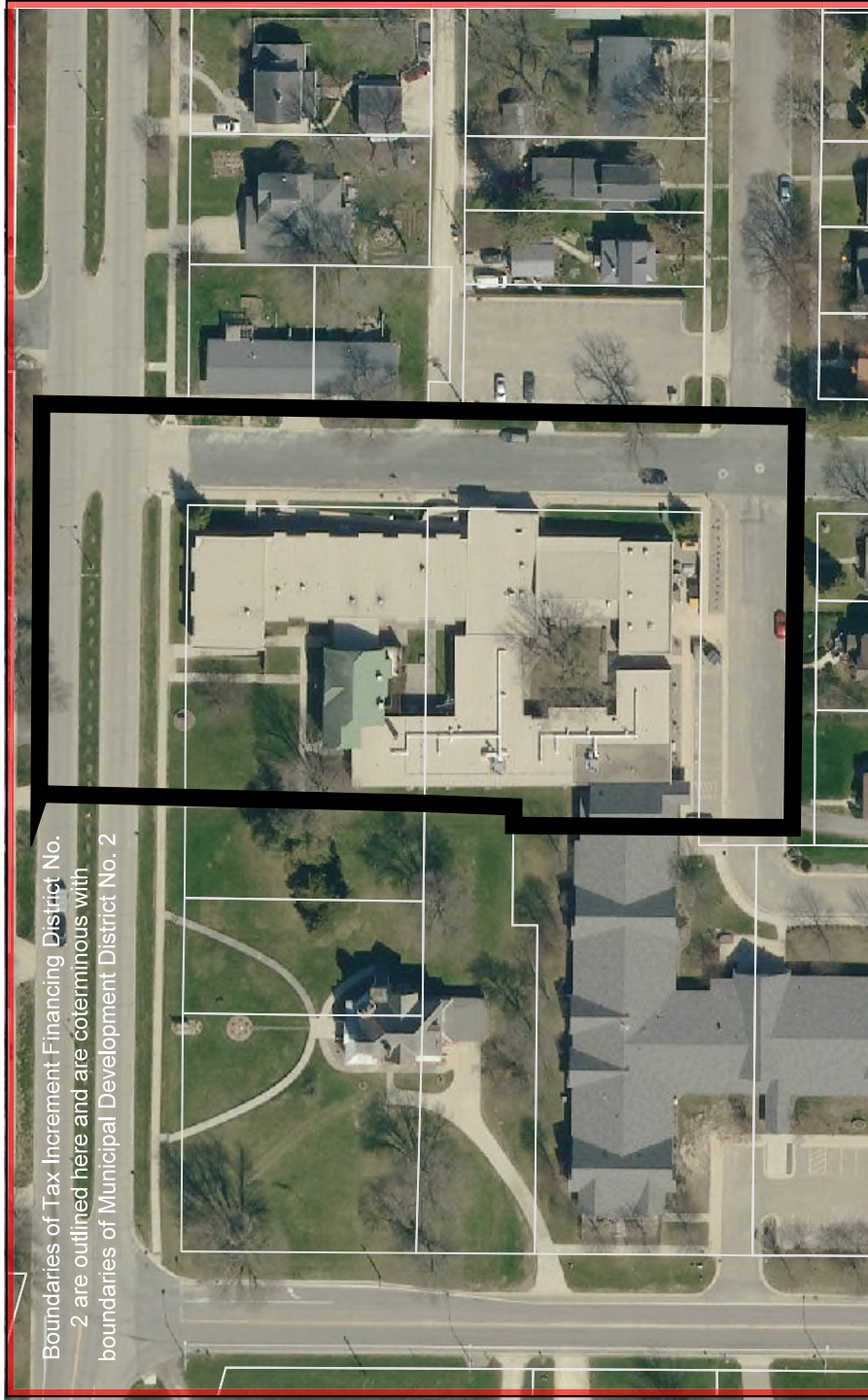
Note: The Estimated Total Tax Increment shown above is before deducting the State Auditor's fee, which is payable at a rate of 0.36% of the Total Tax Increment collected. Exhibit II provides Estimated Total Tax Increment after deducting for the State Auditor's fee.

Exhibit V

**Map of Boundaries of Tax Increment Financing District No. 2-1 and
Municipal Development District No. 2**

Boundaries of Municipal District No. 2 are coterminous with municipal boundaries of the TIF District.

City of Kenyon, MN
Tax Increment Financing District No. 2-1 within Municipal Development District No. 2



April 20, 2026

ParcelsAGOLBasemap

AcGIS WebApp Builder

Exhibit VI
Inspection Report of Property

PLACEHOLDER FOR LHB REPORT TO BE
ADDED TO TIF PLAN

LHB Inspection Report





**GOODHUE COUNTY
FINANCE AND TAXPAYER SERVICES**
509 W. 5TH STREET
RED WING, MN 55066
651-385-3040

TAX STATEMENT
2025 Values for Taxes Payable in

2026

		VALUES & CLASSIFICATIONS		
		Taxes Payable Year:	2025	2026
Step 1	Estimated Market Value:	588,700	138,900	
	Homestead Exclusion:	0	0	
	Taxable Market Value:	588,700	138,900	
	New Improvements:			
	Property Classification:	APARTMENT	APARTMENT	
Sent in March 2025				
Step 2	Proposed Tax:		2,766.00	
Sent in November 2025				
Step 3	PROPERTY TAX STATEMENT			
	First half Taxes:		1,381.00	
	Second half Taxes:		1,381.00	
	Total Taxes Due in 2026 :		2,762.00	

Property ID Number: RP 66.100.0030

Taxpayer(s):
KENYON REAL ESTATE 2 LLC
527 PROFESSIONAL DR SUITE 100
NORTHFIELD MN 55057

Property Description:
ORIGINAL PLAT ID# 16-0100-00300 LOT 6 BLK 34 LOT 7 E19FT LOT
8 DOC#701073

Property Address:
127 GUNDERSON BLVD, KENYON MN 55946

**\$\$\$
REFUNDS?**

**You may be eligible for one or even two
refunds to reduce your property tax.
Read the back of this statement to
find out how to apply.**

Taxes Payable Year:	2025	2026	
1. Use this amount on Form M1PR to see if you are eligible for a homestead credit refund. File by August 15. If this box is checked, you owe delinquent taxes and are not eligible. <input type="checkbox"/>		0.00	
2. Use these amounts on Form M1PR to see if you are eligible for a special refund.	0.00		
Property Tax and Credits			
3. Property Taxes Before Credits	10,904.00	2,762.00	
4. Credits That Reduce Property Taxes			
A. Agricultural and Rural Land Credits	0.00	0.00	
B. Other Credits	0.00	0.00	
5. Property Taxes After Credits	10,904.00	2,762.00	
Property Tax by Jurisdiction			
6. GOODHUE COUNTY	A. COUNTY	2,911.28	707.78
7. KENYON CITY		5,835.90	1,470.08
8. State General Tax		0.00	0.00
9. School District 2172	A. Voter Approved Levies	830.46	274.82
	B. Other Local Levies	1,287.54	300.24
10. Special Taxing Districts	A. Other Special Taxing Districts	38.82	9.08
	B. Tax Increment	0.00	0.00
11. Non-School Voter-Approved Referenda Levies		0.00	0.00
12. Total Property Tax Before Special Assessments		10,904.00	2,762.00
Special Assessments			
		0.00	0.00
14. TOTAL PROPERTY TAX AND SPECIAL ASSESSMENTS		10,904.00	2,762.00

2nd Half Payment Stub - Payable 2026
TO AVOID PENALTY PAY ON OR BEFORE OCTOBER 15, 2026
Property ID Number: RP 66.100.0030

PLEASE READ BACK OF STATEMENT FOR IMPORTANT INFORMATION

If your address has changed please check this box
and show the change on the back of this stub

Taxpayer(s):
KENYON REAL ESTATE 2 LLC
527 PROFESSIONAL DR SUITE 100
NORTHFIELD MN 55057

Total Property Tax for 2026: \$ 2,762.00
Second half Payment Due: \$ 1,381.00
Second half Penalty Due: \$ 0.00
Second half Payment Made: \$ 0.00
Second half Due with Penalty: \$ 1,381.00

Make Checks Payable To:
GOODHUE COUNTY FINANCE AND
TAXPAYER SERVICES
509 W. 5TH STREET
RED WING, MN 55066
651-385-3040

2025001661000030 000001381001

DETACH HERE AND RETURN THIS STUB WITH YOUR SECOND HALF PAYMENT.

1st Half Payment Stub - Payable 2026
TO AVOID PENALTY PAY ON OR BEFORE MAY 15, 2026
Property ID Number: RP 66.100.0030

PLEASE READ BACK OF STATEMENT FOR IMPORTANT INFORMATION

If your address has changed please check this box
and show the change on the back of this stub

Taxpayer(s):
KENYON REAL ESTATE 2 LLC
527 PROFESSIONAL DR SUITE 100
NORTHFIELD MN 55057

Total Property Tax for 2026: \$ 2,762.00
First half Payment Due: \$ 1,381.00
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2025001661000030 000001381001

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**GOODHUE COUNTY
FINANCE AND TAXPAYER SERVICES**
509 W. 5TH STREET
RED WING, MN 55066
651-385-3040

TAX STATEMENT
2025 Values for Taxes Payable in

2026

VALUES & CLASSIFICATIONS			
Taxes Payable Year:	2025	2026	
Step 1	Estimated Market Value:	695,300	164,900
	Homestead Exclusion:	0	0
	Taxable Market Value:	695,300	164,900
	New Improvements:		
	Property Classification:	APARTMENT	APARTMENT
Sent in March 2025			
Step 2	PROPOSED TAX		
	Proposed Tax:		3,284.00
Sent in November 2025			
Step 3	PROPERTY TAX STATEMENT		
	First half Taxes:		1,639.00
	Second half Taxes:		1,639.00
	Total Taxes Due in 2026 :		3,278.00

Property ID Number: RP 66.280.0400

Taxpayer(s):

KENYON REAL ESTATE 2 LLC
527 PROFESSIONAL DR SUITE 100
NORTHFIELD MN 55057

Property Description:

DOC#701073 S A BULLIS 2ND ADD E32FT OF S109FT OF LOT 3
BLK 3
4 & PT OF
LOT 4 & PT OF VAC ALLEY BLK 34 BEG AT SE COR LOT 8, S51FT,

Property Address:

**\$\$\$
REFUNDS?**

**You may be eligible for one or even two
refunds to reduce your property tax.
Read the back of this statement to
find out how to apply.**

Taxes Payable Year:	2025	2026	
1. Use this amount on Form M1PR to see if you are eligible for a homestead credit refund. File by August 15. If this box is checked, you owe delinquent taxes and are not eligible. <input type="checkbox"/>		0.00	
2. Use these amounts on Form M1PR to see if you are eligible for a special refund.	0.00		
Property Tax and Credits			
3. Property Taxes Before Credits	12,878.00	3,278.00	
4. Credits That Reduce Property Taxes			
A. Agricultural and Rural Land Credits	0.00	0.00	
B. Other Credits	0.00	0.00	
5. Property Taxes After Credits	12,878.00	3,278.00	
Property Tax by Jurisdiction			
6. GOODHUE COUNTY	A. COUNTY	3,438.50	839.20
7. KENYON CITY		6,892.22	1,745.30
8. State General Tax		0.00	0.00
9. School District 2172	A. Voter Approved Levies	980.82	326.26
	B. Other Local Levies	1,520.62	356.44
10. Special Taxing Districts	A. Other Special Taxing Districts	45.84	10.80
	B. Tax Increment	0.00	0.00
11. Non-School Voter-Approved Referenda Levies		0.00	0.00
12. Total Property Tax Before Special Assessments		12,878.00	3,278.00
Special Assessments			
14. TOTAL PROPERTY TAX AND SPECIAL ASSESSMENTS		0.00	0.00
		12,878.00	3,278.00

2nd Half Payment Stub - Payable 2026
TO AVOID PENALTY PAY ON OR BEFORE OCTOBER 15, 2026
Property ID Number: RP 66.280.0400

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Taxpayer(s):

KENYON REAL ESTATE 2 LLC
527 PROFESSIONAL DR SUITE 100
NORTHFIELD MN 55057

Total Property Tax for 2026: \$ 3,278.00
Second half Payment Due: \$ 1,639.00
Second half Penalty Due: \$ 0.00
Second half Payment Made: \$ 0.00
Second half Due with Penalty: \$ 1,639.00

Make Checks Payable To:
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TAXPAYER SERVICES
509 W. 5TH STREET
RED WING, MN 55066
651-385-3040

2025001662800400 000001639009

DETACH HERE AND RETURN THIS STUB WITH YOUR SECOND HALF PAYMENT.

1st Half Payment Stub - Payable 2026
TO AVOID PENALTY PAY ON OR BEFORE MAY 15, 2026
Property ID Number: RP 66.280.0400

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Taxpayer(s):

KENYON REAL ESTATE 2 LLC
527 PROFESSIONAL DR SUITE 100
NORTHFIELD MN 55057

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First half Penalty Due: \$ 0.00
First half Payment Made: \$ 0.00
First half Due with Penalty: \$ 1,639.00

Make Checks Payable To:
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2025001662800400 000001639009

DETACH HERE AND RETURN THIS STUB WITH YOUR FIRST HALF PAYMENT.