



CITY OF BLOOMINGTON

SOUTH LOOP DEVELOPMENT

Spending Plan Request

The City of Bloomington is requesting the ability to amend its spending plan to extend the spending deadline to December 31, 2027. The extension will allow time to finalize construction financing agreements and start construction on an entertainment project in the Bloomington South Loop District.

Background

In 2021, the Legislature enacted expanded, temporary authority to transfer unobligated tax increments for the purposes of assisting private development consisting of the construction or substantial rehabilitation of buildings and ancillary facilities, if doing so will create or retain jobs in the state. Under current legislation, all transferred increment must be spent by December 31, 2025.

City of Bloomington Spending Plan and Transfer

At the December 7, 2022, concurrent City Council/Port Authority meeting, the City of Bloomington identified \$95,200,000 of unobligated tax increments and approved an amended and restated spending plan via Resolution by the City Council. Such funds were subsequently transferred as required by the legislation. The adopted spending plan authorizes spending for a waterpark, sports complex, and/or event or entertainment facility in the South Loop district.

These types of projects were identified as the best opportunities for bringing new and returning visitors to the area. This will help Mall of America (MOA) – which is responsible for 12% of the City's tax base - diversify its offerings beyond brick-and-mortar retail in an era of online shopping, and maintain a thriving hospitality industry in Bloomington and the region.

The City and the owners of Mall of America, Triple Five Group, worked closely together from 2022 to 2025 to finalize the terms under which a waterpark could be developed attached to Mall of America in the South Loop district using Spending Plan TIF. Since the 2022 Spending Plan approval, real estate development has slowed substantially due to increases in financing and construction costs as well as market uncertainty. Bloomington seeks additional time to make use of its spending plan increment to support its economic development goals in the South Loop District.

Mixed Use Development in the South Loop

Mall of America, which attracts over 32 million visitors annually, has significant economic impact on Bloomington, the region, and the state. The surrounding South Loop area is growing into a distinct urban neighborhood, with 1,943 housing units added since 2015 and public transit connections to Minneapolis and St. Paul. Several large employers are located or expanding there, including Health Partners, Polar Semiconductor, Skywater, and SICK, among others. Continued growth in this area is a key part of Bloomington's vision for future economic development in the City.

More information

For more information, contact Port Authority Administrator Holly Masek at hmasek@BloomingtonMN.gov or 952-563-8879.