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Development Program for

City of Mankato, Minnesota

Development District No. 51

(Quarry View Housing Project)

Coterminous with Tax Increment Financing (Housing) District No. 51-1

PREPARED BY

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Public Hearing Held: [INSERT PUBLIC HEARING DATE]

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Section 1

Development Program for Development District No. 51

Section 1A

Establishment and Overview

The City of Mankato proposes to establish Development District No. 51 and adopt this Development Program in conjunction with the establishment of Tax Increment Financing (Housing) District No. 51-1 (Quarry View Housing Project). The Development District will serve as the “Project Area” for purposes of the TIF Act. The Development District and TIF District are coterminous and consist of Lots 1 through 8, Block 1, as depicted in Exhibit I. The coterminous boundary is limited to the eight project lots shown on the supplied plat / boundary exhibit and does not include the remaining lots shown on that exhibit.

This Development Program describes the City’s public-purpose objectives, authorized development activities, and administrative framework for the Development District. A separate Tax Increment Financing Plan for Tax Increment Financing (Housing) District No. 51-1 is proposed to be adopted in conjunction with this Development Program. The TIF District is proposed to be established within, and coterminous with, Development District No. 51.

Section 1B

Statutory Authority

The City proposes to establish Development District No. 51 and adopt this Development Program pursuant to Minnesota Statutes, Sections 469.124 through 469.134, as amended (the “Development District Act”). [CONFIRM THAT MINNESOTA STATUTES, SECTIONS 469.124 THROUGH 469.134 ARE THE INTENDED DEVELOPMENT-DISTRICT ENABLING AUTHORITY FOR THE CITY.]

The City is also authorized under Minnesota Statutes, Sections 469.174 through 469.1794, as amended (the “TIF Act”), to establish tax increment financing districts within a project area and to use tax increment to finance eligible public costs. The TIF District and the separate TIF Plan proposed to be adopted in conjunction with this Development Program are established under the TIF Act.

Section 1C

Statement of Need and Public Purpose

The City finds that establishment of the Development District and implementation of this Development Program are intended to serve public purposes by facilitating attainable owner-occupied housing, supporting necessary site and infrastructure improvements, encouraging private investment, and increasing taxable market value within the City. The Development Program is intended to provide a coordinated framework for public actions and financing needed to facilitate development that is not reasonably expected to proceed in the same manner within the reasonably foreseeable future without public involvement. [CONFIRM / SUPPLEMENT CITY-SPECIFIC FINDINGS REGARDING HOUSING NEED, UNDERUTILIZED PROPERTY, INFRASTRUCTURE NEEDS, AND PUBLIC PURPOSE.]

Section 1D

Statement of Objectives

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

- Facilitate the orderly development of the Quarry View property for attainable, owner-occupied housing.

- Support land acquisition, entitlement, horizontal development, site preparation, public improvements, utility improvements, and related activities necessary to deliver finished residential lots.
- Encourage private investment and participation by third-party homebuilders by reducing the cost of delivering affordability-restricted residential lots to an economically supportable level.
- Increase the taxable value of property within the Development District and expand the tax base following expiration or decertification of the TIF District.
- Promote development consistent with the City's comprehensive plan, zoning, subdivision regulations, housing policies, and other applicable land-use controls.
- Provide a framework for the use of tax increment financing and other legally available sources to pay or reimburse eligible public development costs.
- [INSERT / CONFIRM ANY ADDITIONAL CITY DEVELOPMENT-DISTRICT OBJECTIVES.]

Section 1E

Boundaries of Development District / Project Area

The boundaries of Development District No. 51 are coterminous with the boundaries of Tax Increment Financing (Housing) District No. 51-1. The Development District / Project Area consists of Lots 1 through 8, Block 1, as shown in Exhibit I. The proposed district area is formed from portions of the three current Blue Earth County parcels identified in Section F. The final recorded plat name and complete legal description for Lots 1 through 8 will be inserted in Exhibit II when available. [INSERT FINAL RECORDED PLAT NAME AND LEGAL DESCRIPTION FOR LOTS 1 THROUGH 8, BLOCK 1.]

Section 1F

Development Activities

The City may perform or cause to be performed, to the extent permitted by law and as necessary to achieve the objectives of the Development Program, development activities within the Development District, including the following:

- Planning, studies, entitlement coordination, and administration of the Development Program.
- Acquisition or disposition of property or interests in property, if authorized and determined necessary by the City.
- Site preparation, grading, pad preparation, public improvements, streets, utilities, and other infrastructure supporting the Project.
- Execution and administration of development agreements, affordability covenants, assessment agreements, or other agreements related to the Project.
- Establishment and administration of tax increment financing districts within the Development District, including the issuance of pay-as-you-go notes, interfund loans, bonds, or other obligations permitted by law.
- Payment or reimbursement of eligible Public Development Costs from tax increment or other legally available revenues.

Section 1G

Payment of Public Development Costs

Public Development Costs associated with the Development District will be described in the applicable tax increment financing plan and related development agreements. The City currently anticipates that eligible costs associated with the Quarry View Project will be financed primarily through tax increment generated by TIF District No. 51-1 on a pay-as-you-go basis, subject to the limitations described in the TIF Plan. The City reserves the right to use other legally available sources, including special assessments, utility revenues, grants, loans, or other funds, where authorized and appropriate.

Section 1H

Environmental Controls and Land Use Regulations

All City actions, public improvements, and private development undertaken pursuant to this Development Program will be carried out in a manner consistent with applicable environmental requirements, zoning and subdivision ordinances, the City's comprehensive plan, and other applicable land-use regulations. [CONFIRM COMPREHENSIVE PLAN / LAND-USE CONSISTENCY AND IDENTIFY ANY APPLICABLE CITY PLAN OR POLICY REFERENCES.]

Section 1I

Property Acquisition and Reuse

The City may acquire, hold, convey, or otherwise assist with property within the Development District to the extent permitted by law and consistent with the objectives of the Development Program. The current Project materials indicate that the Applicant is responsible for land acquisition and holding. The City [DOES / DOES NOT] anticipate acquiring property in connection with the Project. [CONFIRM CITY PROPERTY-ACQUISITION INTENT AND ANY REUSE / CONVEYANCE CONDITIONS.]

Section 1J

Administration of Development District

Administration and maintenance of Development District No. 51 will be the responsibility of [INSERT CITY ADMINISTRATOR / DESIGNATED OFFICIAL OR DEPARTMENT], subject to the direction and authorization of the City Council. The administrator will carry out the Development Program and related agreements in accordance with applicable law and City policy.

Section 1K

Amendments to Development Program

The City reserves the right to amend the Development Program and the boundaries of Development District No. 51 as permitted by applicable law. Any amendment requiring notice, hearing, findings, or other approval procedures will be undertaken in accordance with the Development District Act and other applicable law.

Exhibit I

MAP OF COTERMINOUS DEVELOPMENT DISTRICT NO. 51 / PROJECT AREA (LOTS 1 THROUGH 8, BLOCK 1 - QUARRY VIEW HOUSING PROJECT)



Proposed coterminous Development District / Project Area and TIF District: Lots 1 through 8, Block 1.

Exhibit II

BOUNDARY / LEGAL DESCRIPTION OF COTERMINOUS DEVELOPMENT DISTRICT AND TIF DISTRICT

The Development District / Project Area and Tax Increment Financing (Housing) District No. 51-1 are coterminous and consist of Lots 1 through 8, Block 1, as depicted in Exhibit I. These proposed lots are being created from portions of current Blue Earth County Parcel IDs R01.09.06.180.008, R01.09.06.184.004, and R01.09.06.331.009. [INSERT FINAL RECORDED PLAT NAME AND COMPLETE LEGAL DESCRIPTION FOR LOTS 1 THROUGH 8, BLOCK 1.]