I. Call to Order
II. Pledge of Allegiance
III. Roll Call
IV. Approval of Meeting Agenda
V. Community Comment

During "Community Comment," the Edina Housing and Redevelopment Authority (HRA) will invite residents to share new issues or concerns that haven't been considered in the past 30 days by the HRA or which aren't slated for future consideration. Individuals must limit their comments to three minutes. The Chair may limit the number of speakers on the same issue in the interest of time and topic. Generally speaking, items that are elsewhere on today's agenda may not be addressed during Community Comment. Individuals should not expect the Chair or Commissioners to respond to their comments today. Instead the Commissioners might refer the matter to staff for consideration at a future meeting.

VI. Adoption of Consent Agenda

All agenda items listed on the consent agenda are considered routine and will be enacted by one motion. There will be no separate discussion of such items unless requested to be removed from the Consent Agenda by a Commissioner of the HRA. In such cases the item will be removed from the Consent Agenda and considered immediately following the adoption of the Consent Agenda. (Favorable rollcall vote of majority of Commissioners present to approve.)

A. Minutes: Draft Minutes of Regular Meeting Aug. 29, 2019
B. Approve Payment of Claims

VII. Reports/Recommendations: (Favorable vote of majority of Commissioners present to approve except where noted)

A. Resolution No. 2019-08 Adopting the Proposed Budget and Establishing the Proposed Tax Levy Payable in 2020

VIII. Correspondence
A. Correspondence

IX. HRA Commissioners' Comments

X. Executive Director's Comments

XI. Adjournment

The Edina Housing and Redevelopment Authority wants all participants to be comfortable being part of the public process. If you need assistance in the way of hearing amplification, an interpreter, large-print documents or something else, please call 952-927-8861 72 hours in advance of the meeting.
ACTION REQUESTED:
Approve the regular meeting minutes of Aug. 29, 2019

INTRODUCTION:
See attached meeting minutes of Aug. 29, 2019.

ATTACHMENTS:

Housing & Redevelopment Authority Regular Meeting Minutes, Aug. 29, 2019
I. CALL TO ORDER
Chair Hovland called the HRA meeting to order at 7:30 a.m.

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL
Answering rollcall were Commissioners Anderson, Fischer, Staunton and Chair Hovland.

Absent: Commissioner Brindle.

IV. APPROVAL OF MEETING AGENDA – AS PRESENTED
Motion made by Commissioner Staunton seconded by Commissioner Fischer approving the meeting agenda as presented.

Ayes: Anderson, Fischer, Staunton and Hovland

Motion carried.

V. COMMUNITY COMMENT
No one appeared.

VI. CONSENT AGENDA – AS PRESENTED
Motion made by Commissioner Fischer seconded by Commissioner Anderson approving the consent agenda.

V.A. Minutes: Draft Minutes of Regular Meeting of July 25, 2019

V.B. Approve Payment of Claims for HRA Check Register dated 06.21.19-08.22.19 TOTAL $680,533.61.

V.C. Approve Request for Purchase, awarding the bid to the recommended low bidder, North Ramp Directional Signs, Sign Pro for $30,167.91.

Ayes: Anderson, Fischer, Staunton and Hovland

Motion carried.

VII. REPORTS/RECOMMENDATIONS
VI.A. ACQUISITION OF PROPERTY AT 4100 WEST 76TH STREET - APPROVED
Affordable Housing Development Manager Hawkinson explained this acquisition was authorized last November but was on hold during the financial application season due to potential choice-limiting actions that could render an application ineligible. She explained that Twin Cities Land Bank acquired the property on behalf of Aeon on October 30, 2018, as required by the purchase agreement, and that typically, with affordable housing developments the land would not be acquired until all financing and Low Income Housing Tax Credits were in place. Twin Cities Land Bank acquired the parcel on behalf of Aeon for a three-year term at an annual interest rate of 6.5% on a purchase price of $2,900,000, with Aeon’s interest cost of $15,708 per month plus a $5,000 monthly management fee. As the development was not awarded Low Income Housing Tax Credits in 2018, Aeon applied again in July 2019. Ms. Hawkinson explained with the holding period expanded to 22 months, this interest cost would be approximately $459,336 ($6,652 per unit) if the Land Bank maintained ownership of the property until financial closing. She said if the HRA were to acquire the parcel from the Land Bank, it would save the development the interest costs that could be spent on the building. The new building would have 70 units with a combination of one, two and three bedrooms to serve households with incomes ranging from less than 30% of Area Median Income (AMI) to at, or below 60% of AMI. Parking for residents and guests would be provided on site.
Ms. Hawkinson noted creation of affordable housing was supported by the Greater Southdale Small Area Plan then explained the acquisition process and purchase agreement and how Aeon would pay $50,000 in earnest money and $80,000 in escrow for taxes, fees and holding costs and they would continue to pursue financing with final closing by October 29, 2021. She said the action would help create new affordable housing, maintain site control if Aeon withdrew and allow them to identify another developer, and save Aeon $250,605 in interest fees that could be applied towards construction. She compared the Land Bank process vs. an HRA-owned site, then outlined the risks that included use of land for affordable housing, loss of interest currently generated by Southdale 2 TIF funds and the HRA-held property regardless of the success of Aeon, then added closing was scheduled for August 30.

The Commission referred to the funding source, use chart and TIF financing and confirmed City support totaled $3.3 million. The Commission spoke about loss of interest as minimal as it was approximately 2% on the reserve account, then inquired about the timeframe of the $925,000 TIF district. Ms. Hawkinson confirmed in 2018 when the $2.4 million was approved the $925,000 gap was awarded in TIF to this district and that the affordability period would be for 40 years. Economic Development Manager Neuendorf said the special TIF district had a 20-year term.

The Commission asked if Aeon did not receive funding what were the financial risks for HRA then referred to the Land Bank that was created to hold money for affordable housing and their practice of charging 6.5% interest and asked staff to confirm if there was enough margin to reimburse the HRA for the lost interest. The Commission asked if Aeon did not receive funding would funds still be available if we had to wait several years to deploy funds. Mr. Neuendorf said there were minimal risks as the law required the district to be established and money allocated by 2021.

City Manager Neal said this process was examined for Pentagon Park and meant to be allocated by a certain time and noted while there was risk going forward there was more not moving forward. He said the HRA made a strong case at the Legislature that we needed to create more affordable housing units in the community and stressed the importance to demonstrate this action.

The Commission agreed but added we need to know all implications so we could get all funding allocated by 2021 and not discover portions were not eligible. Motion made by Commissioner Fischer seconded by Commissioner Staunton to authorize staff to draft legal documents for the Housing and Redevelopment Authority to acquire 4100 W. 7th St. for $2,900,000 from the Twin Cities Land Bank and entire into a purchase agreement with Aeon to sell the property for $500,000, contingent upon Aeon acquiring appropriate financing.

The Commission said while they believed this was a good mechanism and use of funds, they shared concerns about allocated funds from the Southdale II District compared to other projects as well as exposure and decertification in 2021 and the amount being out of proportion with other districts and instead be spread to other projects. Ms. Hawkinson said the balance was based at the end of 2018 and forecasted to be closer than $15 million and added the amount had already been awarded and approved by resolution in 2018.

The Commission spoke about 40% of the reserve fund dedicated to affordable housing and how it compared to the Amundson project of $10,000/unit. The Commission appreciated the concerns shared but noted this was the first project completed and stated commitments were made based on what was known then and that future projects would be more effective. The Commission stated the importance of deploying these funds and noted the project included amenities not found in other affordable housing projects, which was a great benefit and felt the level of subsidy was good.

Ayes: Fischer, Staunton and Hovland
Nays: Anderson
Motion carried

VIII. CORRESPONDENCE
VII.A. Correspondence – None.
IX. HRA COMMISSIONERS’ COMMENTS
X. EXECUTIVE DIRECTOR’S COMMENTS
XI. ADJOURNMENT
There being no further business on the HRA Agenda, Chair Hovland declared the meeting adjourned at 8:12 a.m.

Respectfully submitted,

Scott Neal, Executive Director
Date: September 26, 2019

To: Chair & Commissioners of the Edina HRA

From: Don Uram, Finance Director

Subject: Approve Payment of Claims

Agenda Item #: VI.B.

Item Type: Claims

Item Activity: Action

ACTION REQUESTED:
Motion to approve payment of claims for HRA Check Register dated 08.29.19 - 09.19.19 totaling $42,996.56.

INTRODUCTION:
Payment of claims are attached.

ATTACHMENTS:

HRA Check Register 08.29.19-09.19.19 TOTAL $42,996.56
<table>
<thead>
<tr>
<th>Check #</th>
<th>Date</th>
<th>Amount</th>
<th>Supplier / Explanation</th>
<th>PO#</th>
<th>Doc No</th>
<th>Inv No</th>
<th>BU</th>
<th>Obj</th>
<th>Sub</th>
<th>Subledger</th>
<th>Account Description</th>
<th>BU Description</th>
<th>Co</th>
<th>Dept</th>
<th>Div</th>
</tr>
</thead>
<tbody>
<tr>
<td>8610</td>
<td>9/5/2019</td>
<td>384.00</td>
<td>BRAUN INTERTEC</td>
<td>100664</td>
<td>500468</td>
<td>B182392</td>
<td>9232</td>
<td>6133</td>
<td></td>
<td></td>
<td>PROFESS SERVICES-ENGINEERING</td>
<td>CENTENNIAL TIF DISTRICT</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>INTERLACHEN/VERNON MAT TESTING</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>438737</td>
<td>8/29/2019</td>
<td>429.00</td>
<td>DORSEY &amp; WHITNEY LLP</td>
<td>100730</td>
<td>499958</td>
<td>3516931</td>
<td>9210</td>
<td>2066</td>
<td></td>
<td></td>
<td>ESCROW DEPOSITS</td>
<td>HRA ADMINISTRATION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7200 FRANCE TIF ESCROW</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>AEON ESCROW 4100 W. 76TH</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>PENTAGON VILLAGE TIF ESCROW</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,872.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1,053.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>3,354.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>438741</td>
<td>8/29/2019</td>
<td>20.00</td>
<td>EDINA CHAMBER OF COMMERCE</td>
<td>100744</td>
<td>499957</td>
<td>41154</td>
<td>9210</td>
<td>6104</td>
<td></td>
<td></td>
<td>CONFERENCES &amp; SCHOOLS</td>
<td>HRA ADMINISTRATION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>438744</td>
<td>8/29/2019</td>
<td>2,572.50</td>
<td>EHLERS &amp; ASSOCIATES INC.</td>
<td>100049</td>
<td>499920</td>
<td>81206</td>
<td>9232</td>
<td>6136</td>
<td></td>
<td></td>
<td>PROFESSIONAL SVC - OTHER</td>
<td>CENTENNIAL TIF DISTRICT</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>TIF REPORTING - 2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>SOUTHDALE 2 TIF REVIEW</td>
<td></td>
<td>499956</td>
<td>81115</td>
<td>9238</td>
<td>6136</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>3,277.50</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>438749</td>
<td>8/29/2019</td>
<td>5,850.00</td>
<td>FINANCE &amp; COMMERCE</td>
<td>142098</td>
<td>499922</td>
<td>1197465</td>
<td>9210</td>
<td>6105</td>
<td></td>
<td></td>
<td>DUES &amp; SUBSCRIPTIONS</td>
<td>HRA ADMINISTRATION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>438815</td>
<td>8/29/2019</td>
<td>2,336.00</td>
<td>MILLERBERND</td>
<td>101225</td>
<td>499684</td>
<td>149801</td>
<td>9235</td>
<td>6710</td>
<td></td>
<td></td>
<td>EQUIPMENT REPLACEMENT</td>
<td>VALLEY VIEW/WOODDALE TIF</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>438865</td>
<td>8/29/2019</td>
<td>3,054.24</td>
<td>SEH</td>
<td>100995</td>
<td>498828</td>
<td>372272</td>
<td>9232</td>
<td>6710</td>
<td></td>
<td></td>
<td>EQUIPMENT REPLACEMENT</td>
<td>CENTENNIAL TIF DISTRICT</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>INTERLACHEN/VERNON REBUILD</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>438867</td>
<td>8/29/2019</td>
<td>44.63</td>
<td>SRF CONSULTING GROUP INC</td>
<td>101016</td>
<td>499955</td>
<td>12409.00-6</td>
<td>9235</td>
<td>6710</td>
<td></td>
<td></td>
<td>EQUIPMENT REPLACEMENT</td>
<td>VALLEY VIEW/WOODDALE TIF</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>WVV TRAFFIC SIGNAL DESIGN</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2,876.08</td>
<td>NORTH RAMP EXP - OWNERS REP</td>
<td></td>
<td>499955</td>
<td>10930.00-23</td>
<td>9232</td>
<td>6710</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>438959</td>
<td>9/5/2019</td>
<td>10,652.50</td>
<td>DORSEY &amp; WHITNEY LLP</td>
<td>100730</td>
<td>500046</td>
<td>3516929</td>
<td>9232</td>
<td>6710</td>
<td></td>
<td></td>
<td>EQUIPMENT REPLACEMENT</td>
<td>CENTENNIAL TIF DISTRICT</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>NORTH RAMP-LEGAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2,920.71</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>439334</td>
<td>9/19/2019</td>
<td>13,920.11</td>
<td>AP MIDWEST LLC</td>
<td>141972</td>
<td>501505</td>
<td>08222019.02</td>
<td>9232</td>
<td>6710</td>
<td></td>
<td></td>
<td>EQUIPMENT REPLACEMENT</td>
<td>CENTENNIAL TIF DISTRICT</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>13,920.11</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Report Totals: 42,996.56
ACTION REQUESTED:

INTRODUCTION:
The HRA is a separate taxing authority formed by the City Council in 1974. The purpose of the levy is to pay a portion of the administrative expenses and other economic initiatives that are necessary to operate the HRA. Historically those expenses have been paid using TIF funds. Continuing with the plan to reduce the reliance on TIF funds, the levy proposed for 2020 shows an increase from $160,000 in 2019 to $192,000.

HRA adoption of this resolution is a required step in the process of establishing an HRA levy for 2020. The final levy will be considered by the HRA in December.

ATTACHMENTS:

Resolution No. 2019-08
WHEREAS, The Edina Housing and Redevelopment Authority (the “HRA”) has authorities and powers according to MN Statutes, Sections 469.001 to 469.047. MN Statutes, Section 469.033, subd. 6 grants the HRA the power to levy and collect taxes subject to a resolution of consent from the Edina City Council for a set period.


NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1: That there is proposed to be levied upon all taxable real and personal property in the City of Edina, a tax rate sufficient to produce the amount as follows:

| HRA General Fund | $192,000 |

Section 2: That the preliminary budget is as follows:

| HRA General Fund Tax Levy Revenues | $192,000 |
| HRA General Fund Expenditures      | $192,000 |

Passed and adopted by the Housing and Redevelopment Authority on September 26, 2019.

ATTEST:_________________________________  ___________________________
                      Michael A. Fischer, Secretary                James B. Hovland, Chair

STATE OF MINNESOTA   )
COUNTY OF HENNEPIN   )SS
CITY OF EDINA        )

CERTIFICATE OF EXECUTIVE DIRECTOR

I, the undersigned duly appointed and acting Executive Director for the Edina Housing and Redevelopment Authority do hereby certify that the attached and foregoing Resolution was duly adopted by the Edina Housing and Redevelopment Authority at its Regular Meeting of September 26, 2019, and as recorded in the Minutes of said Regular Meeting.

WITNESS my hand and seal of said City this ____ day of __________________, 20___.

_________________________________
Executive Director
Date: September 26, 2019

To: Chair & Commissioners of the Edina HRA

From: Jennifer Garske, Executive Assistant

Subject: Correspondence

ACTION REQUESTED:
None.

INTRODUCTION:
There has been no correspondence since the last meeting.