

Agenda
Edina Housing and Redevelopment Authority
City of Edina, Minnesota
City Hall, Council Chambers
Thursday, November 18, 2021
7:30 AM

**Watch the meeting on cable TV or at EdinaMN.gov/LiveMeetings or
[Facebook.com/EdinaMN](https://www.facebook.com/EdinaMN).**

To participate in Community Comment:

Call 800-374-0221.

Enter Conference ID 7055949.

Give the operator your name, street address and telephone number.

Press *1 on your telephone keypad when you would like to get in the queue to speak.

A City staff member will introduce you when it is your turn.

**Or attend the meeting to provide testimony, City Hall Council Chambers, 4801 W.
50th St.**

- I. Call to Order
- II. Roll Call
- III. Pledge of Allegiance
- 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. October 28, 2021 Regular Meeting Minutes

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

A. 5146 Eden Avenue - Redevelopment Planning

B. Project Management Agreement with Frauenshuh Inc. - 5146 Eden Avenue

VIII. HRA Commissioners' Comments

IX. Executive Director's Comments

A. Award from American Planning Association - Minnesota

B. Request for TIF Assistance - 7001 France Avenue

X. 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.



Edina Housing and Redevelopment
Authority
Established 1974

CITY OF EDINA
HOUSING & REDEVELOPMENT
AUTHORITY
4801 West 50th Street
Edina, MN 55424
www.edinamn.gov

Date: November 18, 2021

Agenda Item #: VI.A.

To: Chair & Commissioners of the Edina HRA

Item Type:
Minutes

From: Liz Olson, Administrative Support Specialist

Item Activity:
Action

Subject: October 28, 2021 Regular Meeting Minutes

ACTION REQUESTED:

Approve the regular minutes of October 28, 2021.

INTRODUCTION:

See attached meeting minutes of October 28, 2021.

ATTACHMENTS:

Draft Minutes October 28, 2021

**MINUTES
OF THE REGULAR MEETING OF THE
EDINA HOUSING AND REDEVELOPMENT AUTHORITY
OCTOBER 28, 2021
7:30 A.M.**

I. CALL TO ORDER

Chair Hovland called the meeting to order at 7:30 a.m. then explained the processes created for public comment.

II. ROLL CALL

Answering rollcall were Commissioners Jackson, Pierce, Staunton, and Chair Hovland.

Absent: Commissioner Anderson.

III. PLEDGE OF ALLEGIANCE

IV. MEETING AGENDA APPROVED - AS PRESENTED

Motion by Commissioner Jackson, seconded by Commissioner Pierce, approving the meeting agenda as presented.

Roll call:

Ayes: Commissioners Anderson, Jackson, Pierce, Staunton, and Chair Hovland

Motion carried.

V. COMMUNITY COMMENT

No one appeared.

VI. CONSENT AGENDA ADOPTED - AS PRESENTED

Member Pierce made a motion, seconded by Member Jackson, approving the consent agenda as presented:

VI.A. Approve minutes of the Regular Meeting October 14, 2021

VI.B. Approve payment of claims, HRA check register dated September 2021, totaling \$685,746.11

Rollcall:

Ayes: Commissioners Anderson, Jackson, Pierce, Staunton, and Chair Hovland

Motion carried.

The agenda was reordered to consider Item VII.B. prior to Item VII.A.

VII. REPORTS/RECOMMENDATIONS

VII.B. RESOLUTION NO. 2021-13; ADOPTING SPENDING PLAN FOR UNALLOCATED TAX INCREMENT FINANCING FUNDS - ADOPTED

Mr. Neuendorf said this item pertained to a spending plan for unallocated monies collected in the Pentagon Park, 70th & Cahill and Southdale 2 Tax Increment Financing (TIF) Districts. Recent changes in Minnesota statute allowed cities greater flexibility in spending unallocated monies to support redevelopment and housing efforts. A Spending Plan and related Policy had been prepared for future consideration by the City Council, after input has been obtained via a Public Hearing. He outlined the City's three TIF accounts and their amounts totaling \$9,625,200 and recommended the City adopt a new spending plan for these funds to be invested in new project such as office, housing, renovations, or restaurants for example. He noted the funding could only be for private investment, nothing public, then added that funds would sunset by 2025. He shared how funds could be shared for projects such as the Edina Theater and identified other projects included in the proposed spending plan.

Nick Anhut, Ehlers and Associates, provided further background on the proposed TIF district.

The Board asked questions and provided feedback.

Member Staunton moved to adopt Resolution No. 2021-13 Adopting A Spending Plan for The Southdale 2, Pentagon Park, And Wooddale/Valley View Tax Increment Financing Districts. Member Jackson seconded the motion.

Roll call:

Ayes: Commissioners Jackson, Pierce, Staunton, and Chair Hovland

Motion carried.

VII.A. 4917 EDEN AVENUE – REDEVELOPMENT AGREEMENT FOR TAX INCREMENT FINANCING – APPROVED

Economic Development Manager Neuendorf said this item pertained to the use of public financing to partially fund private redevelopment at 4917 Eden Avenue. Special counsel at Dorsey and Whitney had prepared a complete Redevelopment Agreement based on the Term Sheet presented to the Edina HRA in August 2021. This Agreement would also be presented to the City Council for consideration on November 3, 2021 and staff recommended this Redevelopment Agreement be approved. Reuter Walton Development had requested that Tax Increment Financing (TIF) be provided for the proposed redevelopment of commercial property at 4917 Eden Avenue. The redevelopment proposal would transform the aging commercial site into a modern mixed-use site that included both market-rate and affordable apartments as well as new commercial space. The developer secured preliminary rezoning approvals for the site and scheduled for final zoning approvals on November 3, 2021. Mr. Neuendorf spoke about the importance of providing enough funding as well as potential public roadway improvements not otherwise in our budget. The total development cost for the 2.08-acre site had risen to \$85.0 million and Ehlers had scrutinized the financial pro forma and determined that the financial gap was approximately \$5.1 million. Hennepin County and Edina Public Schools had been notified that the City and HRA were considering the use of TIF in this area and a public hearing was conducted on the potential TIF District on October 19. He spoke about public benefits such as public sidewalks and plaza, public art, future easements for mass transit, permanent easements for the 29 parking stalls, and 10,500 square feet of land for the future offramp and spoke about the included City's proposed diversity and equity goals.

The Board asked questions and provided feedback.

Member Jackson made a motion, seconded by Member Staunton, approving the Redevelopment Agreement as presented.

Roll call:

Ayes: Commissioners Anderson, Jackson, Pierce, Staunton, and Chair Hovland

Motion carried.

VII.B. RESOLUTION NO. 2021-13; ADOPTING SPENDING PLAN FOR UNALLOCATED TAX INCREMENT FINANCING FUNDS

This item was considered prior to Item VII.A.

VII.C. 5146 EDEN AVENUE – REDEVELOPMENT PLANNING FOR RESTAURANT FACILITY – REVIEWED

Mr. Neuendorf shared this item pertained to redevelopment of vacant property at 5146 Eden Avenue. The HRA had contracted with Frauenshuh to solicit experienced operators capable of delivering a dining and hospitality amenity. He said representatives from Frauenshuh Company had contacted potential operators of a new restaurant facility that could potentially be located on a portion of the HRA's property at 5146 Eden Avenue. Frauenshuh's outreach had been targeted to

experienced hospitality groups who have successfully opened and operated unique restaurants that deliver an elevated dining experience in an environment that is welcoming to families and groups of friends and colleagues, and Jester Concepts had expressed interest in this site and were capable of pursuing a new business opportunity to satisfy the HRA's timeframe to redevelop this site in conjunction with new housing and new outdoor public space.

Dave Anderson, Frauenshuh, provided further information on the proposed project that would include a multi-faceted restaurant dining product.

Brent Frederick, Jester Concepts, 5108 Blake Road South, Edina, said he was excited to provide a restaurant concept in Edina that would include an elevated pizza concept, restaurant bar, event center and outdoor event space. He shared their goal of providing a local, elevated experience, with focused hospitality and lawn events year-round. He shared their proposed modern industrial design with shared parking with United Properties as well as on site with a nearby ramp, complimentary valet, and spoke about their multi-faceted vision that included family-focus, brunch, date night, etc., with future green space, pathways, and outdoor space for the public.

The Board asked questions and provided feedback and was supportive of creating next steps for creation of a restaurant facility at 5146 Eden Avenue.

VIII. HRA COMMISSIONERS' COMMENTS – Received

IX. EXECUTIVE DIRECTOR'S COMMENTS – Received

IX.A. DRAFT 2022 HRA MEETING SCHEDULE

XI. ADJOURNMENT

Motion made by Commissioner Staunton, seconded by Commissioner Jackson, to adjourn the meeting at 9:00 a.m.

Roll call:

Ayes: Commissioners Jackson, Pierce, Staunton, and Chair Hovland

Motion carried.

Respectfully submitted,

Scott Neal, Executive Director



Edina Housing and Redevelopment
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HOUSING & REDEVELOPMENT
AUTHORITY
4801 West 50th Street
Edina, MN 55424
www.edinamn.gov

Date: November 18, 2021

Agenda Item #: VII.A.

To: Chair & Commissioners of the Edina HRA

Item Type:
Report / Recommendation

From: Bill Neuendorf, Economic Development Manager

Item Activity:
Discussion

Subject: 5146 Eden Avenue - Redevelopment Planning

ACTION REQUESTED:

No action required; for discussion only.

INTRODUCTION:

This discussion item pertains to redevelopment planning for the vacant site at 5146 Eden Avenue. Staff continues to dialogue with United Properties and Jester Concepts to prepare concepts to redevelop the site.

Staff will present an update on the initial concept for the northern portion of the site for discussion among the HRA Board.

ATTACHMENTS:

Staff Report

Staff Presentation

Grandview Yard concept sketch



Housing and Redevelopment Authority
Established 1974

Date: November 18, 2021

To: Chair and Commissioners of Edina Housing & Redevelopment Authority

From: Bill Neuendorf, Economic Development Manager

Subject: 5146 Eden Avenue – Redevelopment Planning

Information / Background:

Based on the guidance provided, staff continues to discuss conceptual site layouts for this vacant parcel. As previously discussed, the site is anticipated to be replatted to establish three separate parcels. Each parcel will be designed and constructed separately but will be coordinated to flow seamlessly together.

United Properties has retained Pope Architects to prepare concept designs for senior cooperative housing. Jester Concepts has retained Shea Architects to prepare concepts for a new restaurant/event space with indoor and outdoor dining. The HRA has engaged Confluence Design to prepare concepts for the future public green space. Staff also recommends that the HRA engage Frauenshuh to provide project management services to guide the parties and inform the HRA of a recommended strategy to effectively develop the vacant land.

Both United Properties and Jester Concepts have agreed to work together with the Edina HRA to prepare a conceptual layout that will be submitted for the City's Sketch Plan review process. After comments are received from the neighbors, Planning Commission and City Council, the parties intend to reconvene to discuss whether there is a potential path forward.

If a potential path is identified, the business terms of the real estate transactions will need to be considered by the HRA.

Tentative Schedule of Next Steps

- Pre-Design/Schematic Site Concepts – Nov-Dec 2021
- Submit Site Concept for City Sketch Plan review – late Dec 2021
- Advisory input from neighbors, Planning Commission and City Council – Jan 2022
- Prepare terms of potential real estate transactions – Dec 2021 - Jan 2022
- HRA to consider terms of transactions Feb- 2022

- Prepare preliminary design documents for City re-zoning consideration – Q2 2022
- Prepare financing for all three parcels. Including pre-sale marketing – Q3 2022 to 2023
- Prepare Final rezoning documents – TBD
- Prepare construction documents for bidding and award - TBD
- Full financing and Real Estate Closing – TBD
- Groundbreaking – TBD
- Ribbon Cutting and Occupancy – TBD

There are several points along this path where each party has an opportunity to “check in” to confirm that there remains a mutually desirable path to successful completion.

Preparing the Site

Since much of the site will be developed to achieve goals of the HRA that may not be fully market-driven, the HRA should be prepared to use some of the sales proceeds to fund site improvements that create buildable pads for new construction. At a minimum, the following site elements should be expected to be partially funded by the HRA:

- New curb line and wider roadway along Arcadia Ave
- Soil fill to raise the existing elevation to match the slope of Arcadia Ave.
- Retaining walls to support the new soil along the rail road right of way

The site prep work on the north side of the site (public green space) is likely to be the sole responsibility of the HRA while similar site prep on the south side (cooperative housing) will be the responsibility of United Properties. It is not yet clear how the responsibility will be divided for the middle (restaurant) portion of the site.

Public Green Space

The City hired Confluence Design to prepare concept renderings that illustrate how the northern portion of the vacant site could be terraced and graded to create a welcoming and comfortable public space and restaurant site while accommodating the existing elevation change. Key features include:

- Permanent public space that can be used by residents, employees and customers of nearby properties as well as the general public
- ADA access throughout – east to west and north to south
- Portions dedicated for “public” use, “private (restaurant)” use and areas that could be “public/private”
- Flat open portion to allow for special events and group activities
- Shared access drive with limited surface parking for co-op and restaurant

- Space for future park structures (gazebo, toilets, etc) could be included
- Space for future park amenities (water feature, hammocking, etc) could be included
- No playground equipment anticipated
- No ball fields or similar sporting events anticipated
- Space for future public art could be included

This is concept-level only and will change as the layouts of the housing and restaurant elements are better understood.

It should be noted that neither the City or the HRA has budgeted monies for the construction, programming or maintenance of a new public park or public green space in this area. In order to deliver a complete site, the HRA should be prepared to use some of the sales proceeds to fund the basic topography, hardscape and landscaping of the new public green space. Construction of public park structures and amenities could be installed in the future.

Requested Action:

No action is required at this time. This information is provided for discussion only.

Input is requested on the general layout of the park and restaurant pads. Input is also requested on the types of park structures or amenities that might be considered for the site.

END



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5146 Eden Avenue Redevelopment Planning

For HRA Board Discussion
November 18, 2021

Tentative Schedule

Conceptual Design and Deal Structure



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- Pre-Design/Schematic Site Concepts – Nov-Dec 2021
- Submit Site Concept for City Sketch Plan review – late Dec 2021
- Advisory input from neighbors, Planning Commission and City Council – Jan 2022
- Prepare terms of potential real estate transactions – Dec 2021 - Jan 2022
- HRA to consider terms of transactions Feb- 2022

Tentative Schedule

Zoning Entitlements and Financing

- Prepare preliminary design documents for City re-zoning consideration – Q2 2022
- Prepare financing for all three parcels. Including pre-sale marketing – Q3 2022 to 2023
- Prepare Final rezoning documents – TBD



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Future Work

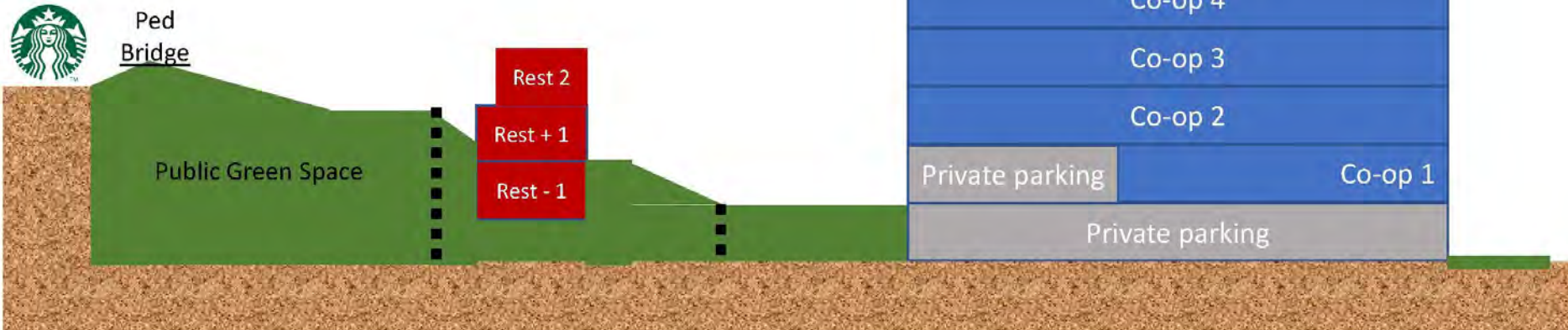
- Prepare construction documents for bidding and award - TBD
- Full financing and Real Estate Closing – TBD
- Groundbreaking – TBD
- Ribbon Cutting and Occupancy – TBD



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Land Development Needs

- Prepare buildable pads
- Prepare for infrastructure
- Prepare for Arcadia Ave widening

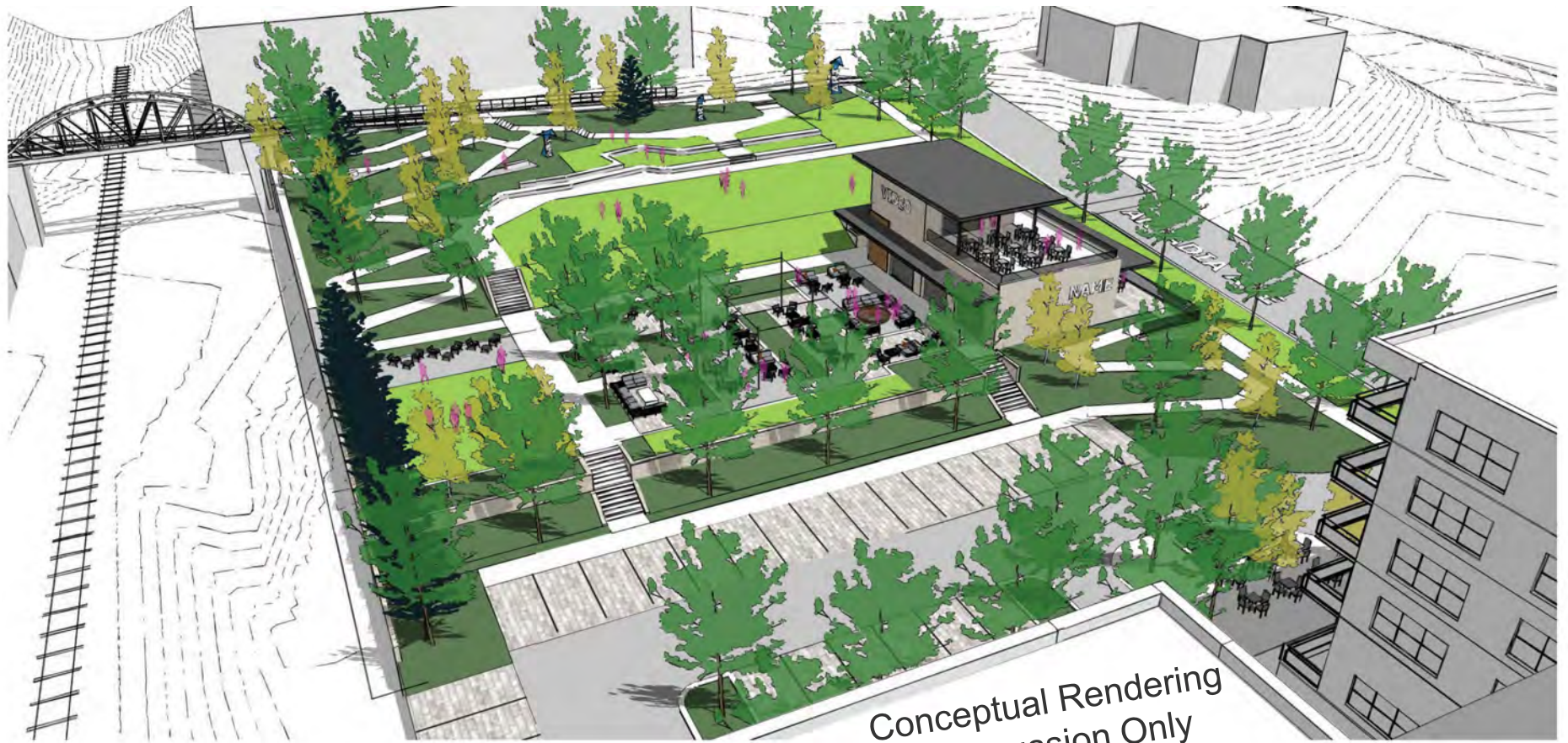


Public Green Space – key features



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- Permanent public space for residents, employees, customers and general public
- “public” use, “private (restaurant)” use and areas that could be “public/private”
- Accommodate elevation change
- ADA access throughout
- Flat open yard to allow for special events
- Shared access drive with limited surface parking for co-op and restaurant
- Space for future park structures (gazebo, toilets, etc)
- Space for future park amenities (water feature, hammocking, etc)
- No playground equipment anticipated
- No ball fields or similar sporting events anticipated
- Space for future public art



GRANDVIEW YARD CONCEPT

EDINA, MN

CONFLUENCE

OCTOBER 27, 2021



GRANDVIEW YARD CONCEPT

EDINA, MN

Conceptual Rendering
For Discussion Only



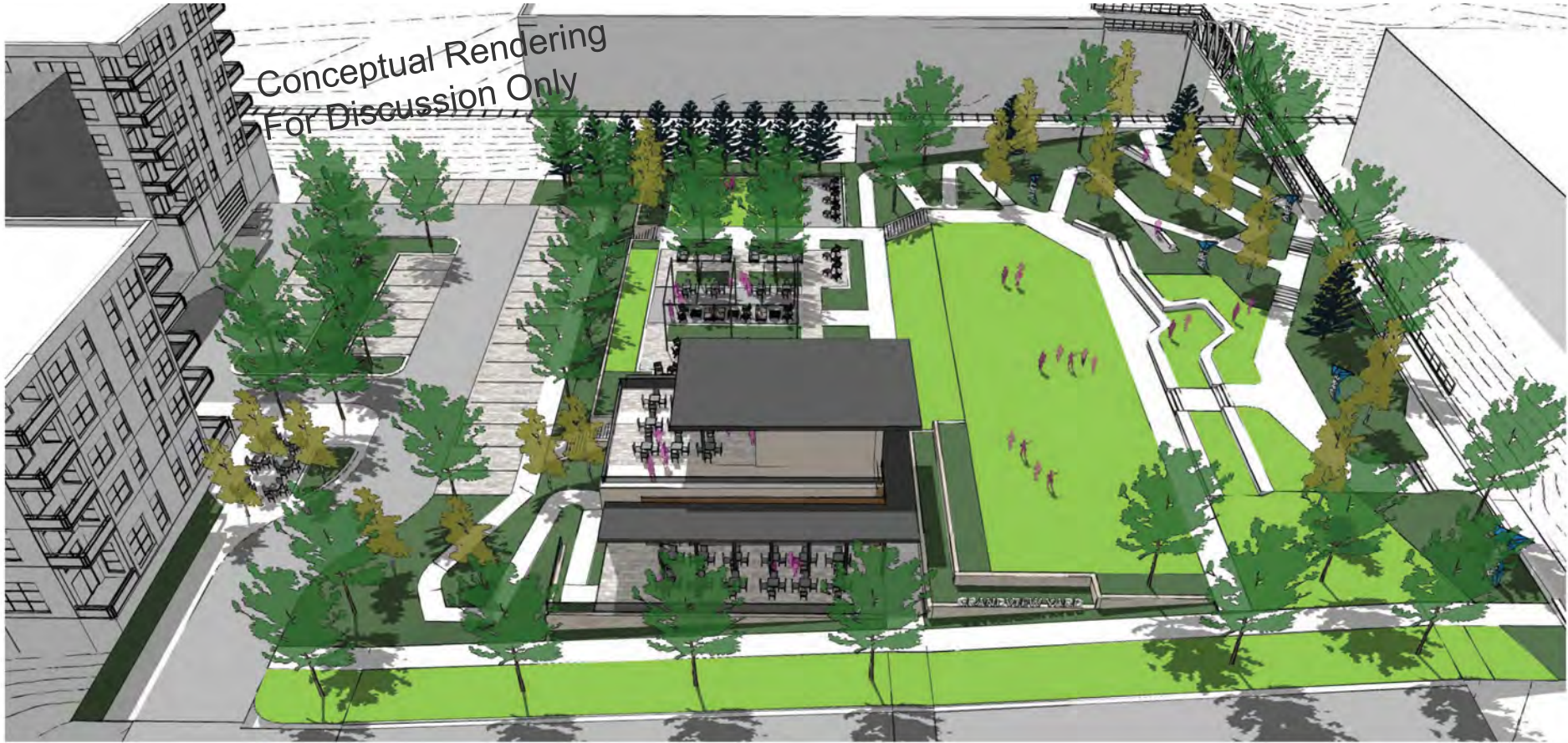
GRANDVIEW YARD CONCEPT

EDINA, MN

CONFLUENCE

OCTOBER 27, 2021

Conceptual Rendering
For Discussion Only



Conceptual Rendering
For Discussion Only



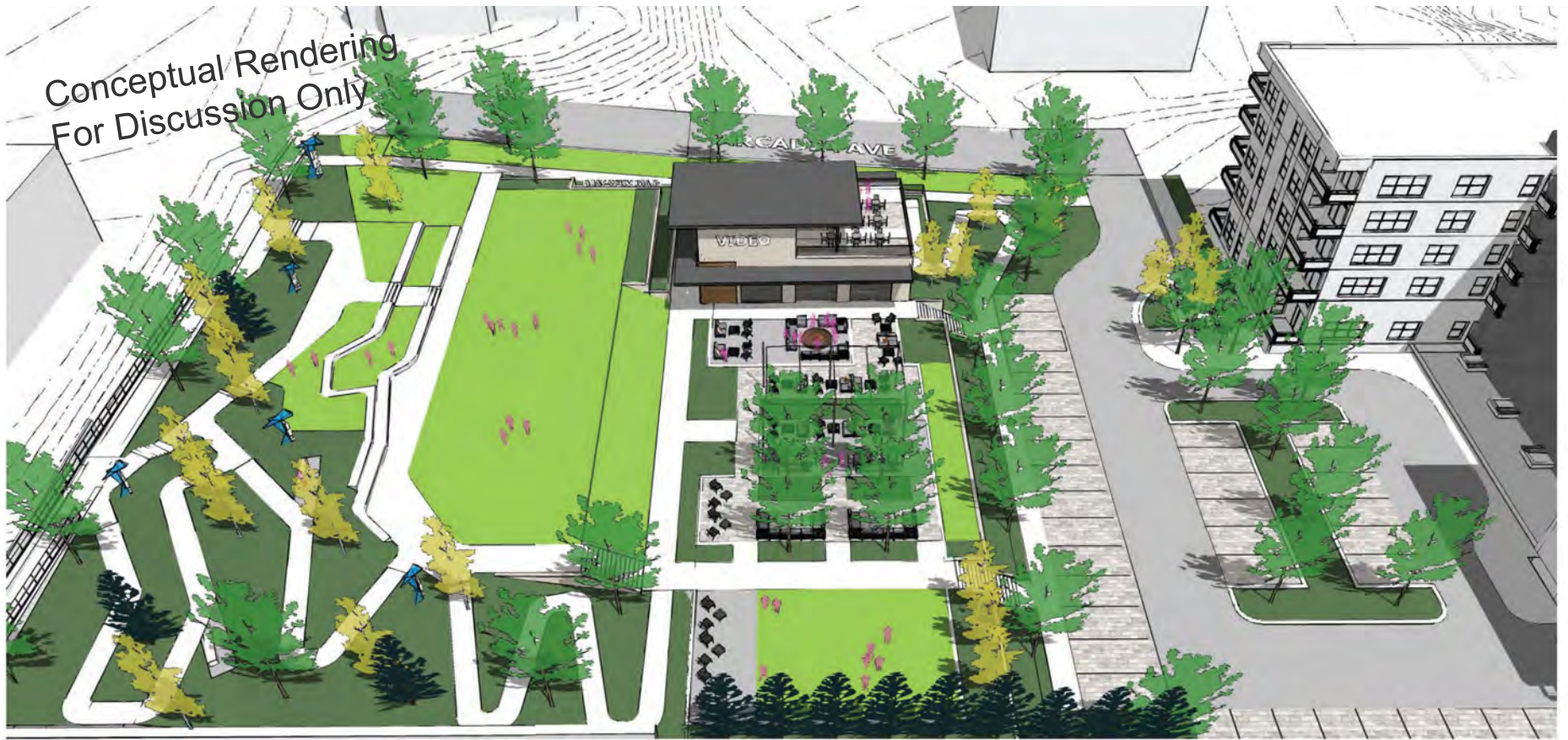
GRANDVIEW YARD CONCEPT

EDINA, MN

CONFLUENCE

OCTOBER 27, 2021

Conceptual Rendering
For Discussion Only



GRANDVIEW YARD CONCEPT

EDINA, MN

CONFLUENCE

OCTOBER 27, 2021

Conceptual Rendering
For Discussion Only



Conceptual Rendering
For Discussion Only



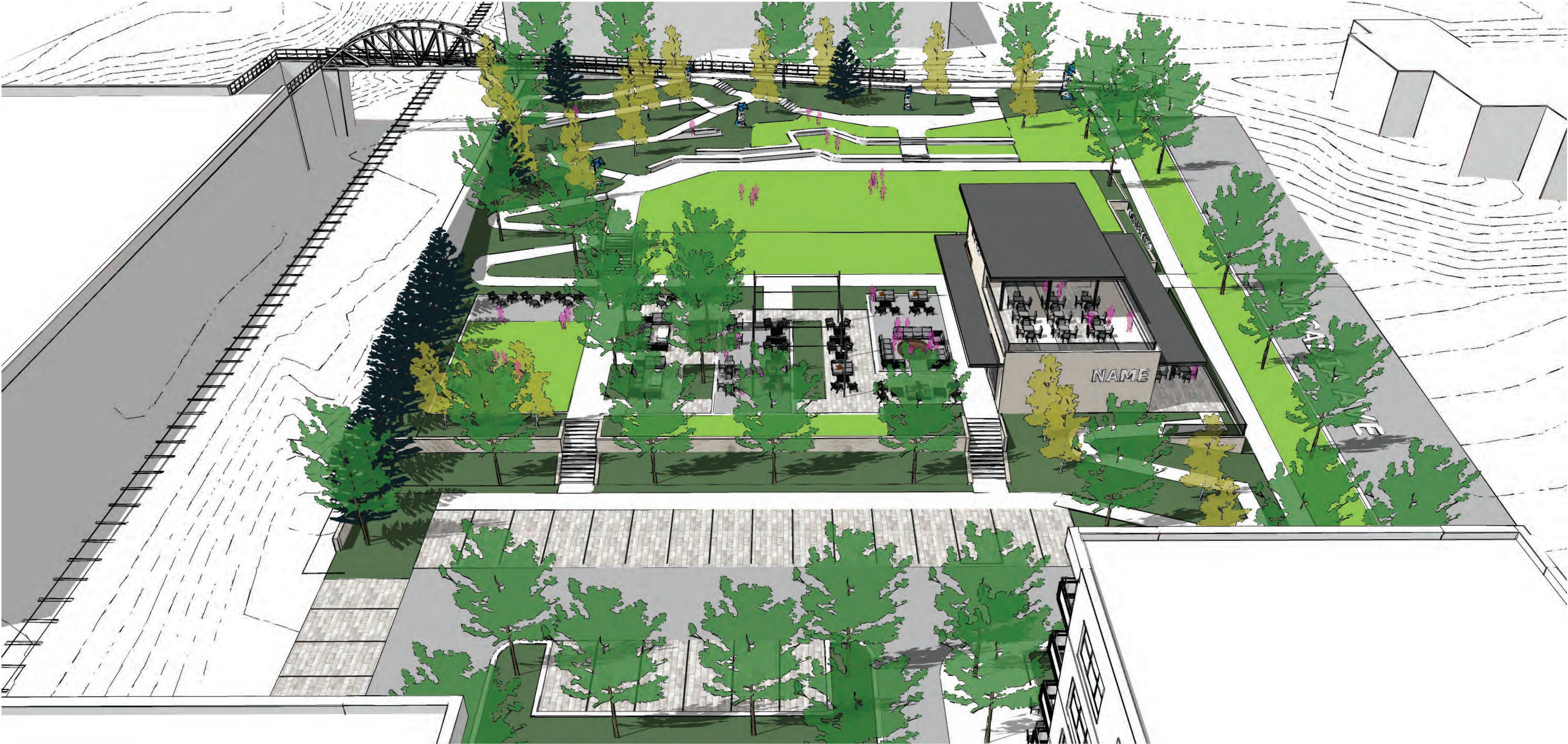


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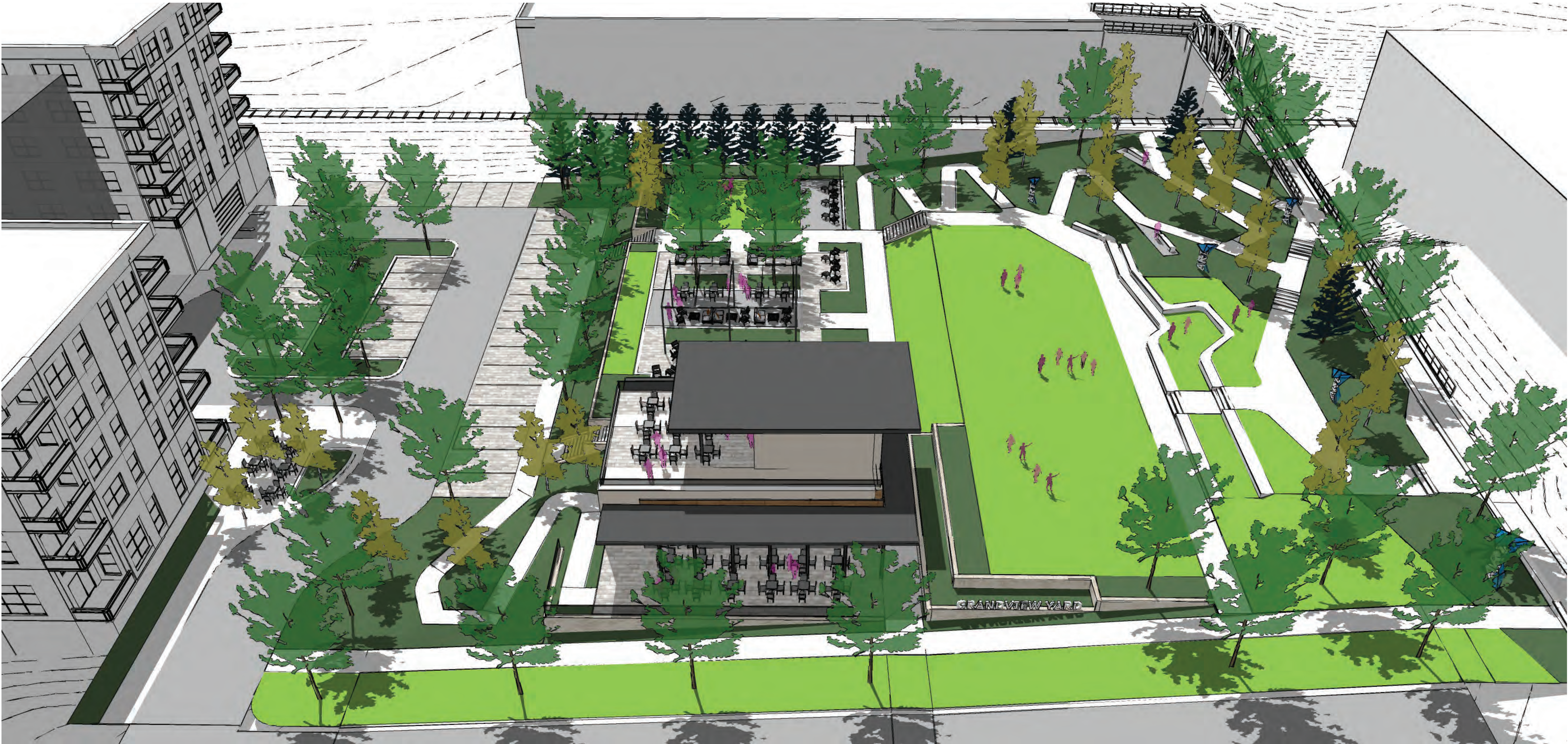
Thank you

Appreciate input, concerns and discussion regarding general direction and future amenities and future programming to be explored

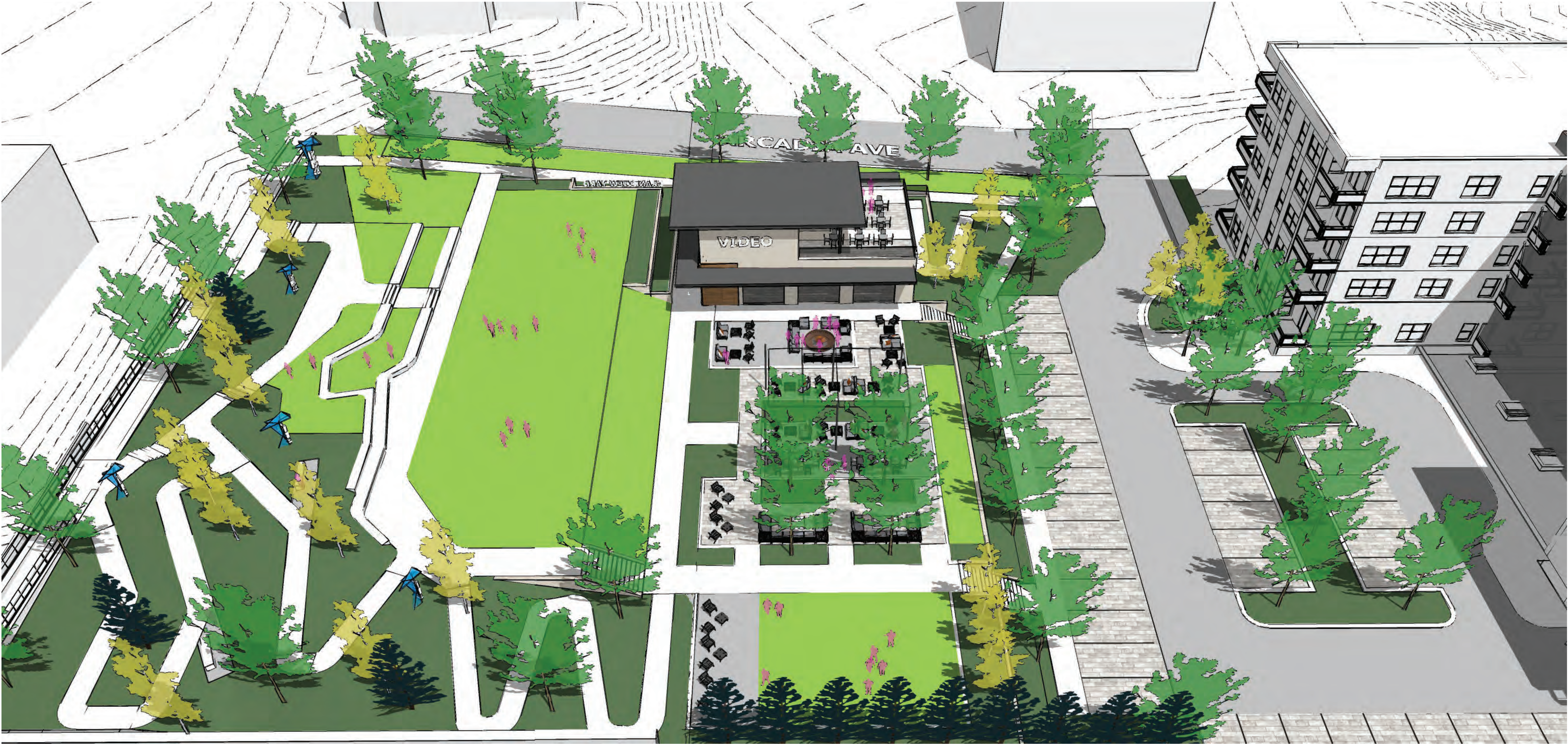


















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Date: November 18, 2021

Agenda Item #: VII.B.

To: Chair & Commissioners of the Edina HRA

Item Type:
Report / Recommendation

From: Bill Neuendorf, Economic Development Manager

Item Activity:
Action

Subject: Project Management Agreement with Frauenshuh Inc.
- 5146 Eden Avenue

ACTION REQUESTED:

Approve the Project Management Agreement for 5146 Eden Avenue with Frauenshuh Inc.

INTRODUCTION:

The redevelopment of the vacant site at 5146 Eden Avenue includes the need for skilled expertise to navigate the various options to maximize the value and use of the space.

As the conversations with United Properties and Jester Concepts advance, a project manager skilled in land development is needed. The professionals at Frauenshuh Inc. have this expertise. Due to the knowledge of the site, staff recommends that Frauenshuh be engaged to provide project management services in the pre-design and preliminary zoning phases that will culminate in a sketch plan submittal for input from the neighbors, Planning Commission and City Council and follow up submittal to secure preliminary rezoning of the site. The cost of this service is estimated to be \$41,100 plus expenses.

If the development concept advances past the pre-design phase, this service could be continued as needed.

Staff recommends approval of the Project Management Agreement for 5146 Eden Avenue with Frauenshuh Inc.

ATTACHMENTS:

Project Management Contract with Frauenshuh

PROJECT MANAGEMENT AGREEMENT
5146 EDEN AVENUE

THIS PROJECT MANAGEMENT AGREEMENT (“Agreement”) is entered into on November 18, 2021 (the “Effective Date”) by and between the EDINA HOUSING AND REDEVELOPMENT AUTHORITY, a public body corporate and politic of the State of Minnesota (“Client”), and FRAUENSHUH, INC., a Minnesota corporation (“Project Manager”).

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, Client and Project Manager agree as follows:

1. Basic Agreement. Project Manager agrees to provide sufficient organization, personnel and management to perform the professional services (the “Services”) described in the Proposal attached hereto as **Exhibit A** and incorporated herein by reference (the “Proposal”) in connection with the Client’s project described therein (the “Project”).

2. Client’s Responsibilities. Client, at its expense, shall do the following in a timely manner so as not to delay the Services:

2.1. Furnish Project Manager with all reports, studies, site characterizations, regulatory orders, plans, contract documents and similar information in its possession relating to the Project. Project Manager may rely upon Client-furnished information without independent verification in performing the Service.

2.2. Designate a representative for the project who shall have the authority to transmit instructions, receive information, interpret and define Client’s policies, and make decisions with respect to the Services.

2.3. Give prompt written notice to Project Manager whenever Client observes or otherwise becomes aware of any defect in the Project or other event which may substantially affect performance of Services under this Agreement.

2.4. Provide Project Manager safe access to any premises necessary for Project Manager to provide the Services.

3. Compensation and Payment. Project Manager’s compensation for the Services is set forth in the Proposal. Client will also reimburse Project Manager for reimbursable expenses as set forth in the Proposal. Project Manager will prepare a monthly invoice in accordance with Project Manager’s standard invoicing practices and submit the invoice to Client. Invoices are due and payable within thirty (30) days of receipt. If Client fails to make any payment due Project Manager for Services and expenses within thirty (30) days after date of Project Manager’s invoice, the amounts due and outstanding will accrue interest until paid at the rate of the lesser of 1.25% per month after the thirtieth (30th) day, or the highest, non-usurious rate permitted by law. Project Manager may, after giving ten (10) days written notice to Client, suspend services under this agreement until paid in full all amounts due under this agreement. Client shall pay Project Manager’s attorney’s fees and costs of collection in the event of its default hereunder.

4. Excluded Services. Project Manager will not execute any design, construction or other contract. Any advice given by Project Manager with respect to forms of agreements, terms and conditions will not constitute or be in lieu of legal advice. Client will be responsible to review or have its legal counsel review the terms of all such contracts before execution. The general contractor, trade contractors, architects, engineers, and other licensed professionals selected for the Project are solely responsible for the design and construction of the Project in accordance with their respective contracts. Project Manager will bear no responsibility for their errors, omissions or acts of negligence. Project Manager shall serve as Client's professional representative for the Project and may make recommendations to Client concerning action relating to Client's architects, engineers, contractors or trade contractors; however, Project Manager specifically disclaims any authority to direct or supervise the means, methods, techniques, sequences or procedures of construction selected by Client's contractors. In addition, Project Manager specifically disclaims any authority or responsibility for general job site safety and safety of persons.

5. Standard of Care. Services shall be performed in accordance with the professional standards relating to the management of the design, development and construction of projects similar to the Project in the Minneapolis / St. Paul metropolitan area. Professional services are not subject to, and Project Manager cannot provide, any warranty or guarantee, either express or implied.

6. Project Document Sharing and Access. Project Manager will have and maintain access to all Project documents, plans, drawings, reports and contract documents via the appropriate file sharing portals and/or platform(s) established by Project Manager and Client. All information, files, records, memoranda and other data of Client which Client provides to Project Manager ("Client Information") shall be deemed by the parties to be the property of Client. Client may authorize the Project Manager to disclose the Client information to third parties in connection with the performance of its duties hereunder if the data is classified as public, or is otherwise authorized, under the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13 (the "Act"). Client and Project Manager must comply with the Act as it applies to (1) all data provided by and to Client or Project Manager pursuant to this Agreement, and (2) all data, created, collected, received, stored, used, maintained, or disseminated by Client or Project Manager pursuant to this Agreement. Project Manager acknowledges it is subject to the civil remedies of Minnesota Statutes Section 13.08, as if it were a government entity, in the event it fails to comply with the foregoing sentence. In the event Developer or Authority receives a request to release data, each party must immediately notify the other. Upon Project Manager's request, Client will give Project Manager instructions concerning the classification and use of data and Client will give Project Manager instructions concerning the release of data to a requesting party before the data is released. Client will reimburse Project Manager for the costs of responding to a requesting party's request for release of data subject to the Act to the extent Client is entitled to reimbursement of costs under the Act. Client agrees to defend, indemnify, and hold Project Manager, its officers, agents, and employees harmless from any claims resulting from (y) Client's officers', agents', partners', employees', volunteers', assignees' or subcontractors' unlawful disclosure and/or use of data protected by the Act and (z) the classification, use and/or release of data subject to the Act by Project Manager, its officers, agents, and employees, in compliance with Client's instructions regarding such classification, use and/or release. Subject to the foregoing, Project Manager agrees to defend, indemnify, and hold the Client, its officials, officers, agents, employees, and volunteers harmless from any claims resulting from unlawful disclosure and/or use of protected data by Project Manager, its officers, agents, and employees. The terms of this Section shall survive the cancellation or termination of this Agreement.

7.

8. Termination. Either party may terminate this Agreement upon thirty (30) days written notice to the other party. Subject to the provisions of this Section 8, Client will pay Project Manager any unpaid expenses reimbursable under this Agreement and any fees due under this Agreement due and owing as of the date of termination. If Project Manager's compensation is based on phases of the Project or Services completed, Project Manager's compensation will be prorated based on the percentage of the applicable phase completed as of the date of termination. If Project Manager's compensation is a flat monthly fee, then Project Manager's compensation will be prorated on a calendar day basis. Upon termination under this provision, to the extent there is no fault of the Project Manager, the Project Manager shall be paid for services rendered and reimbursable expenses until the effective date of termination. If, however, the City terminates the Agreement because the Project Manager has failed to perform in accordance with this Agreement, no further payment shall be made to the Project Manager, and the Client may retain another Project Manager to undertake or complete the work identified in this Agreement. Upon notice of the termination, the Project Manager shall provide all documents, records, reports, forms, photos, logs, drawings, correspondence, schedules, etc. related to the Project to the Client within thirty (30) days in standard file formats (e.g. .docx, .xls, .JPG, .PDF, etc.).

9. Evaluations of Probable Construction Cost and Project Schedule. Any Project schedule and evaluations of the Project budget or Project costs prepared by Project Manager, if any, are not representations or warranties of the actual time for completion or cost of the Project, but only represent Project Manager's judgment as a professional providing project management services familiar with the construction industry.

10. Insurance. Project Manager agrees that , it will at all times during the term of this Agreement keep in force the following insurance coverages and minimum policy limits:

- 1) Commercial general liability: \$1 million each occurrence; \$3,000,000 annual aggregate
- 2) Automobile liability: \$1 million combined single limit
- 3) Professional liability: \$1 million; \$5,000,000 annual aggregate
- 4) Workers' compensation as required by Minnesota Statute. The Project Manager shall also carry Employers' Liability Coverage with minimum limits as follows:
 - \$500,000 – Bodily Injury by Disease per employee
 - \$500,000 – Bodily Injury by Disease aggregate
 - \$500,000 – Bodily Injury by Accident

The required coverage may be met by use of umbrella/excess insurance. The Client shall be named as an additional insured on the general liability and any umbrella policies on a primary and noncontributory basis.

The Project Manager will provide the Client with certificates for the above policies within sixty (60) days of execution of this Agreement and on or before January 1 each year, or the date upon which the policies expire each year, for any policies that have changed during the previous calendar year. The City shall receive timely notification if any insurance policies required under the provisions of this Agreement are no longer maintained.

11. Allocation of Risks.

11.1. To the fullest extent permitted by law, Project Manager shall indemnify and hold harmless, Client, Client's officers, directors, partners, and employees from and against any and all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused solely by the negligent acts or omissions of Project Manager or Project Manager's officers, directors, partners, employees, and Project Manager's consultants in the performance and furnishing of Project Manager's services under this Agreement. To the fullest extent permitted by law, Client shall indemnify and hold harmless Project Manager, Project Manager's officers, directors, partners, employees, and Project Manager's consultants from and against any and all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused solely by the negligent acts or omissions of Client or Client's officers, directors, partners, employees, and Client's consultants with respect to this Agreement or the Project. To the fullest extent permitted by law, Project Manager's total liability to Client and anyone claiming by, through, or under Client for any cost, loss, or damages caused in part by the negligence of Project Manager and in part by the negligence of Client or any other negligent entity or individual, shall not exceed the percentage share that Project Manager's negligence bears to the total negligence of Client, Project Manager, and all other negligent entities and individuals. Project Manager shall not be liable for any incidental, consequential, indirect, or punitive damages arising out of this Agreement or Project Manager's provision of the Services, even if Project Manager has been advised of the possibilities of such damages. In no event shall Project Manager's total liability in connection with this Agreement exceed the greater of: (i) amounts paid by Client to Project Manager under this Agreement; and (ii) insurance proceeds payable under the insurance policies to be maintained by Project Manager under this Agreement.

11.2. To the extent damages are covered by property insurance, Client and Project Manager waive all rights against each other and the contractors, consultants, agents and employees of the other for damages, except such rights as they may have to the proceeds of such insurance. Client or Project Manager, as appropriate, shall require of contractors, consultants, agents and employees of any of them similar waivers in favor of the other parties enumerated herein.

12. Independent Contractor. Project Manager is an independent contractor. Nothing in this Agreement is intended to create any agency, partnership, joint venture, employee-employer, or master-servant relationship between project manager and client or any employee of client. Neither Project Manager nor any agent or employee of Project Manager shall be or shall be deemed to be an agent or employee of client. Project Manager shall pay when due all required employment taxes and income tax withholding for its employees all federal and state income tax on any monies paid to Project Manager pursuant to this Agreement. Project Manager acknowledges that Project Manager and its employees are not entitled to tax withholding, worker's compensation, unemployment compensation, or any employee benefits, statutory or otherwise by Client.

13. Hazardous Materials. Project Manager shall have no responsibility for the discovery, presence, handling, removal or disposal of or exposure of persons to hazardous materials or toxic substances in any form at the Project site.

14. Disputes. Client and Project Manager shall commence all claims and causes of action, whether in contract, tort, or otherwise, against the other arising out of or related to this Agreement within the time period specified by applicable law. Client and Project Manager shall endeavor to resolve claims, disputes and other matters in question (“Dispute”) between them by negotiation in good faith. If negotiation fails to resolve a Dispute within thirty (30) days after receipt of notice of the Dispute, then the parties agree that any Dispute arising out of or related to this Agreement shall be subject to mediation as a condition precedent to litigation. Client and Project Manager shall endeavor to resolve Disputes between them by mediation which, unless the parties mutually agree otherwise, shall be conducted in accordance with the American Arbitration Association Construction Industry Mediation Procedures in effect on the Effective Date. A request for mediation shall be made in writing, delivered to the other party to the Agreement, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of a complaint but, in such event, mediation shall proceed in advance of litigation proceedings, which shall be stayed pending mediation for a period of sixty (60) days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. The parties shall share the mediator’s fee and any filing fees equally. The mediation shall be held in Hennepin County, Minnesota. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof. If the parties do not resolve a Dispute through mediation pursuant to this Section, the method of binding dispute resolution shall be litigation. In the event of a claim or dispute arising out of this Agreement, the prevailing party shall be awarded reasonable attorney’s fees, including court costs and filing fees.

CLIENT AND PROJECT MANAGER HEREBY WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR OTHER CLAIM BROUGHT AGAINST THE OTHER PARTY ARISING UNDER OR OTHERWISE CONNECTED WITH THIS AGREEMENT OR ANY ACTIONS OR OMISSIONS OF THE OTHER PARTY IN CONNECTION THEREWITH.

15. Choice of Law, Forum Selection, Entire Agreement, and Amendment. This Agreement shall be construed under Minnesota law (without regard for choice of law considerations). Any action arising out of this Agreement shall be heard by a federal or state court in Hennepin County, Minnesota. For this purpose, Client specifically consents to jurisdiction in Hennepin County, Minnesota. This Agreement constitutes the entire agreement and understanding of the parties and replaces any prior or contemporaneous agreement, whether written or oral. This Agreement, upon execution by both parties hereto, can be amended only by a written amendment, addendum or other instrument signed by both parties.

16. Representations for Promotional Use. Project Manager shall have the right to include photographic or artistic representations of the design of the Project among Project Manager’s promotional and professional materials. Project Manager shall be given reasonable access to the completed Project to obtain such representations.

17. Assignment. Neither Client nor Project Manager shall assign this Agreement without the written consent of the other, except that the Client may assign this Agreement to an institutional lender providing financing for the Project. If Client requests Project Manager to execute consents reasonably required to facilitate assignment to a lender, Project Manager shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to Project Manager for review at least ten (10) days prior to execution.

18. No Waiver. No waiver by either party of any default by the other party in the performance of any particular section of this Agreement shall invalidate any other section of this Agreement or operate as a waiver of any future default, whether like or different in character.

19. No Third-Party Beneficiary. Nothing contained in this Agreement, nor the performance of the parties hereunder, is intended to benefit, nor shall inure to the benefit of, any third party.

20. Severability. The various terms, provisions and covenants contained in this Agreement or any addenda shall be deemed to be separate and severable, and the invalidity or unenforceability of any of them shall not affect or impair the validity or enforceability of the remainder.

21. Authority. The persons signing this Agreement warrant that they have the authority to sign as, or on behalf of, the party for whom they are signing.

22. Audit Disclosure/Confidentiality/Records Access. Pursuant to Minn. Stat. § 16C.05, subd. 5, the Project Manager agrees that the Client, the State Auditor or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt and transcribe any records which are pertinent to the Project and involve transactions relating to this Agreement for the term of this Agreement and for a period of three (3) years after the final payment and all other pending matters related to this Agreement are closed. For purposes of this Agreement Project Manager's "records" means any and all information, materials, drawings, reports, data of every kind and character, whether hard copy or in electronic form, which may, in Client's judgment, have any bearing on or pertain to this Agreement including without limitation, books, subscriptions, recordings, agreements, purchase orders, leases, contracts, commitments, arrangements, notes, logs, daily diaries, written policies and procedures, time sheets, payroll registers and records, cancelled payroll checks, sub-contractor files (including proposals, bid recaps), original estimates, estimating worksheets, correspondence, change order files, invoices and supporting documentation of invoices and related payment documentation, general ledgers, records, detailing cash and trade discounts earned, insurance rebates and dividends, superintendent reports, drawings, receipts, vouchers and memoranda. If an audit discloses overpricing and overcharges, Project Manager shall promptly refund the overpayment. Any reports, drawings, information, data, etc. given to, or prepared or assembled by, the Project Manager shall not be made available to any individual or organization without Client's prior written approval. All finished or unfinished documents, data, drawings, and reports prepared and/or retained by Project Manager in relation to services rendered to Client shall become the property of Client upon termination of this Agreement, but the Project Manager may retain copies of such documents as records of the services provided.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, effective as of the Effective Date.

CLIENT:
Edina Housing and Redevelopment Authority

PROJECT MANAGER:
Frauenshuh, Inc.

By: _____

James Hovland, Chair

By: _____

Name: _____
(PRINT/TYPE)

Title: _____

By: _____

James Pierce, Secretary

Exhibit A

PROJECT MANAGEMENT SERVICES PROPOSAL

CLIENT NAME	Edina Housing and Redevelopment Authority
PROJECT NAME	Grandview Land Development
PROJECT TYPE	Land development of area depicted and described on attached <u>Land Development Planning Scope</u> attached hereto.
PROJECT LOCATION	5146 Eden Avenue, Edina, MN
PROJECT DESCRIPTION	Land development of separate to-be-created development parcels: Parcel 1 – Grandview Yard – a public green space Parcel 2 – Development Parcel for restaurant/dining/hospitality use Parcel 3 – Development Parcel for Senior Cooperative Housing
PROJECT SCHEDULE	Planning/Predevelopment: November, 2021 - April, 2022
PROJECT DELIVERABLES	1) Assist HRA staff in preparation and submission of concept plan for Sketch Plan review by neighbors, Planning Commission and City Council 2) Assist HRA staff in preparation and submission of recommendations to Edina HRA based on private sector interest and comments received via Sketch Plan 3) Assist HRA staff in management of preliminary rezoning application in coordination with prospective private sector operators/developers
PROJECT BUDGET	To be established

SUMMARY OF SERVICES

A. Pre-Development Coordination & Schedule.

1. Needs Assessment and Pre-Program Determination: Project Manager will work with Client's representatives to define Client's land development needs for the Project. This will flow through to the recommendations for selection of Architect, Civil Engineer, General Contractor, Development Schedule, Budget and the recommended path for Zoning and Land Use Approvals.

2. Land Development Schedule Creation: Project Manager will work with Client to create an overall development schedule detailing Client's goals and critical path schedule requirements ("Development Schedule").
3. Schedule Updates: Upon completion of the initial Development Schedule, Project Manager will maintain and update the Development Schedule on a regular basis.
4. Project Meetings: Project Manager will be the project manager to coordinate, plan, and arrange for regular, periodic Project meetings with other necessary parties to maintain or obtain required approvals, entitlements and potential incentives within the Project. This scope will involve meetings that shall serve as a forum for the exchange of information concerning the Project and the review of planning, design and construction progress. Project Manager will keep Client informed concerning matters addressed at the Project meetings.

B. Budget Development, Proforma and Maintenance.

1. Budget Creation: Project Manager will work with Client to prepare an initial budget for the Project (the "Project Budget"). The Project Budget will include all hard and soft costs reasonably anticipated to be incurred in the land development process.
2. Proforma Creation: Upon completion of the initial Project Budget, Project Manager will further define the initial Project Proforma with anticipated "all-in" costs, desired Client returns, and market financing for the desired return.
3. Budget and Proforma Updates: Project Manager will regularly update the Project Budget during the Project and provide the same to Client not less frequently than once a month and more often as necessary. This includes Project Manager's market knowledge concerning trends in construction costs, financing terms and conditions, and other budget drivers.
4. Regular Budget Communication: Project Manager will copy Client on all key budget related materials and periodically seek input from Client on cost issues. Primary Project Budget oversight responsibility will rest with Client.

C. Zoning, Land Use, Platting and Subdivision Approvals.

1. Approvals Expertise: Project Manager will diligently work with appropriate governmental bodies including but not limited to the City, County, Watershed District, Met Council, and various State agencies regarding zoning changes, variances, special or conditional use permits or other authorizations that may be required with the development for the Project site and construction of the Project.
2. Creative Alternatives for Conflicting/Overlapping Regulations: Project Manager shall work with appropriate governmental bodies regarding any wetlands, watershed, ponding, road access, park dedication, subdivision, platting, environmental and other federal, state or local approvals, permits, or authorizations which may be required for development and construction of the Project. Project Manager

will work with the appropriate parties to negotiate and examine alternative options to obtain such approvals within the time periods specified in the approved Development Schedule.

3. Utilities Coordination and Negotiations: Project Manager shall work with the appropriate governmental bodies regarding sewer, water and other municipal services and utilities that may be required for development and construction of the Project. Project Manager will work with the appropriate parties to examine proposed fees and surety requirements and negotiate fees if necessary, in the event that they are not in-line with market or past experience in order to obtain all necessary approvals and permits that may be required for such municipal services and utilities for the Project.
4. Meetings and Public Hearings: Project Manager's work under this section shall include attendance at public hearings and meetings as may be appropriate in securing the necessary permits, approvals and authorizations discussed above.

D. Design Process.

1. Design Selection Coordination: Project Manager will use its experience in the industry with various architecture firms to provide recommendations for firms to consider for the Project. If desired, Project Manager will then prepare and send an RFQ to qualified architectural and engineering firms for a response and interview.
2. Design Terms Negotiations: Project Manager will assist with the selection and will coordinate the negotiation of the business terms of the architectural contract for final approval by Client ensuring the appropriate scope and fees are included and do not overlap or have gaps with other vendors. Client will be responsible for its own legal fees in preparing, negotiating and reviewing the contract.
3. Civil Engineering Selection Coordination: Project Manager will use its experience in the industry with various civil engineering firms to provide recommendations for firms to consider for the scope of the Project. If desired, Project Manager will then prepare and send an RFQ to qualified firms for a response and interview.
4. Design Control: Project Manager will advise the architect and engineer of the Project Budget and will consult with the architect and engineer during the design process to maintain a design that is consistent with the Project Budget. Project Manager will coordinate and record all design decisions. This includes working with the architect and engineer and contractor to provide value-engineering services during the design, bid and construction process.
5. Schedule Control: Project Manager will monitor the Project Schedule throughout the design process and will consult with the architect and engineer to maintain compliance with the Project Schedule.
6. Vendor Coordination and Control: Project Manager will consult with the architect and engineer to coordinate the work of the architect, engineer and Client's vendors such as equipment and furniture contractors.

7. Design Consistency: Project Manager will monitor the design team to coordinate consistency and compatibility.
8. Design Problem Prevention and Mitigation: Project Manager will work to identify items before they become issues and also continue to “trouble shoot” the design process with internal resources including construction management, property management and internal building engineers.

ADDITIONAL SERVICES: Project Manager shall only proceed with Tasks E, F and G (individually or collectively) upon authorization from the Client.

E. Project Development and Engagement of Client’s Vendors.

1. Contractor Identification and Preparation for Competitive Bidding: Project Manager will provide recommendations for contractors based on the scope of the Project. If requested, Project Manager will prepare and send an RFQ to qualified contractors for a response and interview. Project Manager will assist Client in its preparation of competitive bidding documents in accordance with applicable Minnesota Statutes for municipal work.
2. Contractor Contract Business Terms: Project Manager will assist Client in its preparation of final contracts for the scope of work for final approval by Client. Client will be responsible, at its cost, for obtaining legal assistance in preparing, negotiating and reviewing the contract.
3. Plan Review: Project Manager will assist the potential Contractors with plan review to ensure bid consistency with Client expectations.
4. Bidding Oversight and Review: Project Manager will oversee the construction bidding process. Project Manager will participate in the selection of the trade contractors, as necessary.
5. Construction Oversight Planning: Project Manager will develop and implement a written plan approved by Client to observe, at appropriate intervals, the quality and timeliness of the construction process. Project Manager will not, however, be responsible for the performance of the Contractor or any trade contractors or subcontractors.
6. Construction Meeting Oversight: Project Manager, as needed, will schedule and coordinate job meetings, with Client, the architect, the engineer, the Contractor and necessary trade contractors, to discuss procedures, progress problems, scheduling and any other subjects which may impact the completion of the Project.
7. Client Consultant Coordination: Project Manager will consult with the Contractor to coordinate the work of the trade contractors and Client’s consultants and vendors.

8. Budget, Schedule and Quality Monitoring: Project Manager will coordinate the work of the Contractor with the activities and responsibilities of Client and the architect with the objective that the Project be completed in accordance with Client's objectives for budget, schedule and quality.
9. Special Inspections and Testing Selection: Project Manager will assist Client in selecting and retaining the professional services of special consultants and testing laboratories and coordinating their services. Project Manager will negotiate the business terms of such contracts on behalf of Client based on Project Manager's experience in the market to ensure Client is not overcharged or does not miss special inspections or testing that result in future unnecessary risks.
10. Special Inspections and Testing Oversight: Project Manager will review the special inspections and testing reports to determine any deficiencies and, if needed, work to mitigate with the Client, Contractor or other vendors.

F. Draw Requests and Change Order Requests.

1. Process Implementation: Project Manager will develop and implement procedures with Client for the review and processing of applications by the Contractor and trade contractors for progress and final payments
2. Oversight and Recommendation for Payment: Project Manager will review the pay applications following Contractor and architect certification for general consistency with work completed and market norms for payment.
3. Draw Request Coordination: Project Manager will prepare and deliver to Client a monthly draw request, which will provide an overview of construction and other activities relevant to the Project, for the month prior to delivery.
4. Vendor Fee Review: Project Manager will review architectural and engineering fee requests and recommend approval or disapproval to Client of all requests for payment by the architect or engineer.
5. Change Request Management: Project Manager will review and evaluate all requests for changes and make recommendations to Client with respect to all change order proposals. No change order shall be independently approved by Project Manager, and Project Manager shall require that any requested change order approved by Client shall be executed by Client. Project Manager's recommendations will enable Client to make choices based on full information with a market expert advising on the norms.
6. Governmental Sureties and Escrow Management: Project Manager will review governmental and sureties' requirements, and timelines for satisfaction.

G. Punch List Process and Project Completion.

Project Manager will coordinate a walk-through of the Project with the architect and contractor to develop a punch list of all work to be completed by the trade contractors, suppliers and vendors. Project Manager will monitor completion of punch list items.

COMPENSATION

For Project Management services, as outlined above:

Sections A – D: Compensation for services shall be a flat monthly fee of \$6,850 per month for the months of November 2021 through April of 2022.

Sections E – G: Compensation for additional services shall be a continued flat monthly fee or a fixed percentage of the cost and duration of the land development work, to be determined and mutually agreed upon by Client and Project Manager.

Any Additional Services requested by Client would require an additional fee to be determined based on duration and scope of the Additional Services.

REIMBURSABLE EXPENSES

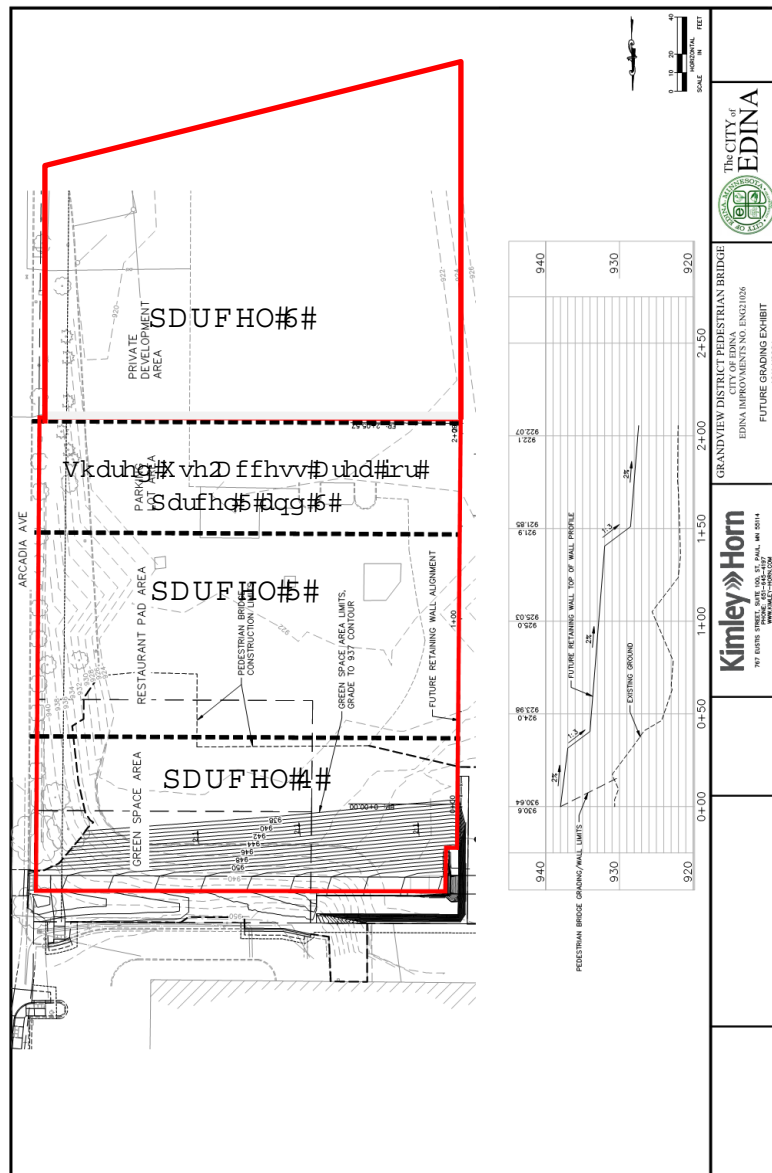
Reimbursable Expenses are in addition to compensation for Basic and Additional Services, and include actual expenses incurred by Project Manager in the interest of the Project including, but not limited to: mileage, airfare, lodging, parking, messengers and deliveries, out-of-office printing or photocopying, photographs, etc.

Actual reimbursable expenses will not exceed \$300.00 per month without prior written approval by the Client.

Land Development Planning Scope

1. Establish rough grading and site retention plan to receive anticipated finished site grades
2. Establish scope of sanitary sewer and water utility service to each individual parcel
3. Establish at grade access points to the parcels from existing street(s)
4. Establish conceptual lot subdivision boundaries
5. Establish conceptual stormwater management plan (shared or independent) for the parcels

Scoping, planning and cost estimating for environmental remediation work associated with the Site, if any, for the future potential use is not included in this Scope.





Edina Housing and Redevelopment
Authority
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HOUSING & REDEVELOPMENT
AUTHORITY

4801 West 50th Street
Edina, MN 55424
www.edinamn.gov

Date: November 18, 2021

Agenda Item #: VIII.A.

To: Chair & Commissioners of the Edina HRA

Item Type:
Report / Recommendation

From: Bill Neuendorf, Economic Development Manager

Item Activity:
Information

Subject: Award from American Planning Association -
Minnesota

ACTION REQUESTED:

No action required; for informational purposes only.

INTRODUCTION:

The Minnesota Chapter of the American Planning Association selected the Market Street Redevelopment project for the 2021 "Partnerships in Planning" Award.

This multi-year and multi-phase project included the expansion of the North Parking Structure, the reconstruction of a new Center Parking Structure and the construction of the new Nolan Mains complex with its many outdoor public spaces.

The developers at Buhl Investors and Saturday Properties worked in partnership with the City and Edina HRA as well as with the 50th and France Business Association and Edina Housing Foundation to ensure that the completed project met the goals of each group.

This award recognized the projects "true dedication to public/private partnerships, while maintaining transparency to the public."

The project was previously selected as a "Top Project of 2019" by Finance and Commerce.

ATTACHMENTS:

APA Award letter

APA Award application 2021



American Planning Association
Minnesota Chapter

Creating Great Communities for All

**2021
Award
Winners**

Dear City of Edina, Edina Housing & Redevelopment Authority, Buhl Investors, Saturday Properties, 50th & France Business Association, & the Edina Housing Foundation:

On behalf of the American Planning Association – Minnesota Chapter, we would like to congratulate you on your Partnerships in Planning Award for the Market Street Redevelopment project.

The APA MN Awards Committee felt that your project showed true dedication to public/private partnerships, while maintaining transparency to the public. We are excited to see the numerous partners working together towards a common goal while maintaining the vision for the project.

You should be very proud of yourself and the work you have completed. You will be receiving an award plaque for your great work in the near future.

Thank you,
APA MN



Application for Minnesota APA – Partnerships in Planning Award – July 30, 2021

Market Street Redevelopment, Edina MN

OVERVIEW: Market Street was the sleepy shortcut behind the popular 50th & France shopping district. With local businesses requesting improved parking and public realm amenities for their local and regional customer base, the Edina Housing and Redevelopment Authority began to assemble property as it became available. Using a formal RFP process, the Edina HRA selected a team of local developers who were committed to creating a great place that would serve the community for generations. The planning began in 2016 and the project was substantially completed in 2020.

PROJECT DESCRIPTION: The overall plan for redevelopment was implemented in two simultaneous but separate steps. Phase 1 was carried out by the Edina HRA and consisted of the expansion of an existing public parking structure while also replacing 10,000 square feet of commercial space on the street level.

Phase 2 was carried out by a partnership of Buhl Investors and Saturday Properties. This team cleared the adjacent site and constructed 100 new apartments (including 10 affordably-priced units), 25,000 square feet of new commercial space, 120 public parking stalls and numerous public realm amenities for shared use by tenants, neighbors and the general public. More information is found here: <https://www.edinamn.gov/DocumentCenter/View/3933/FAQ---Market-Street-Redevelopment-7-16-2017-PDF?bidId=> and <https://www.nolanmains.com/>.

PARTNERS: The Edina HRA directly partnered with local developers Buhl Investors and Saturday Properties on this project. The project included many other informal partners that were instrumental in the visioning, planning and construction. They include: 50th & France Business Association, Edina Housing Foundation, more than 110 local businesses, more than 15 local property owners, and several residential neighbors.

LOCAL CONTEXT: The site is located in Edina's traditional downtown commercial district which includes nearly 500,000 square feet of commercial space served by Metro Transit and a combination of public and private parking facilities. There are more than 110 businesses in the District and more than a dozen different groups own property. The business district is served by the 50th & France Business Association who provides shared marketing and manages events to promote the entire district.

Nearly all neighboring buildings were constructed under zero-lot line conditions. These properties remained open for business throughout the 2-year construction process. Extra-ordinarily complex construction phasing and alternative parking options were employed to allow the new construction to proceed while minimizing the disruption for nearby businesses. These pre-existing conditions presented many challenges during the planning and construction phases of the project. A partnership approach was the only legitimate way to modernize this area.

COMMON OBJECTIVES: Over many years of successful operations, the property owners and businesses had created a spirit of cooperation in order to thrive. Incrementally, systems of shared (public) parking, shared trash removal, shared snow removal, and shared maintenance was created. Over the years, the retailers noticed changes in customer demographics, shopping trends and identified the need for updating and modernization to better compete in the Twin Cities marketplace.

The City of Edina / Edina HRA recognized these concerns and conducted workshops and community symposiums over a period of three years leading up to the formal planning process for the underutilized portion of the district. Nationally recognized experts were brought in to discuss a variety of relevant planning topics such as: mixed-uses, density, transportation options, parking, affordability, and place making.

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These discussions identified four primary objectives: 1) retain the existing walkability and charm of the traditional shopping district, 2) construct larger and modern parking facilities, 3) enhance the public realm experience, and 4) stage the construction in ways that allowed all businesses to remain open during the 24-month construction period.

After the HRA assembled two vacant commercial properties, a Request for Proposal was issued to identify potential partners who could shape the community's general vision into a workable plan.

MEETING OBJECTIVES: Acting in partnership, the developer and staff engaged the Business Association, Housing Foundation, property owners and businesses. By meeting frequently and directly, these stakeholders became partners in the redevelopment effort. Hundreds of meetings and workshops were conducted to clarify the vision and shape the plan. Each property owner offered a unique set of concerns and suggestions. The Business Association approached the project from higher level and more comprehensive perspective. The Housing Foundation steadfastly encouraged affordability. Some surrounding residential homeowners were also included in the meetings to offer their concerns and suggestions.

Ultimately, the design and development team did a masterful job of addressing as many of the concerns and suggestions as practical. While each of these suggestions added cost and complexity, they also created a better outcome!

Examples of some of the unique suggestions implemented to address partner concerns include:

- Compressed construction schedule to minimize impacts to multiple holiday shopping seasons
- Future connection for underground parking between two adjacent properties
- New climate controlled shared trash rooms to eliminate visible dumpsters and odors
- New drop off / pick up area for shared use of all businesses
- Inclusion of three public stairways to provide convenient access to many different properties
- Addition of new low maintenance landscape and vibrant streetscape
- New public plaza with water fountain, gas fireplace and outdoor seating for day-to-day use and special events
- Construction of a true woonerf or shared street that allows vehicles and pedestrians to co-exist safely
- Provision for free valet parking and employee shuttles during the construction process
- Engagement of Construction Coordinator solely dedicated to be a liaison between the businesses and contractors during the construction phases
- Amplified marketing and customer outreach during the construction phase

UNIQUE OUTCOME: Upon completion, the outcome is unparalleled in the metro area. Although not every disruption could be avoided during construction, the business climate (despite the pandemic) is rebounding quickly and the community has embraced the new public realm spaces. Images of the completed project are online.

COORDINATING LEADERSHIP: The developer was the formal leader of the process. One of the reasons they were selected by the Edina HRA was due to their commitment to sincerely and transparently include the stakeholders in the planning process and to address construction problems in a timely manner.

LEVERAGING RESOURCES: Listening - this was one essential ingredient for success. The developer and Edina HRA listened to the long-time property owners, the neighboring businesses and the neighboring residents. By conducting sincere discussions, each of these groups provided insight that proved invaluable to the final plan and the completed building. I have witnessed many conversations where community comments were only given lip service. In this case, the input and suggestions were welcomed and incorporated.

Come to 50th and France to enjoy the new experience on Market Street. We'd love to give you a tour!

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Date: November 18, 2021

Agenda Item #: VIII.B.

To: Chair & Commissioners of the Edina HRA

Item Type:
Report / Recommendation

From: Bill Neuendorf, Economic Development Manager

Item Activity:
Information

Subject: Request for TIF Assistance - 7001 France Avenue

ACTION REQUESTED:

No action required; for informational purposes only.

INTRODUCTION:

Staff received an updated Request for Tax Increment Financing related to the redevelopment of underutilized commercial buildings at 7001 France Avenue.

The request is for a pledge of \$22 to \$25 million payable over 15 years via a TIF Note issued after successful completion of the \$246 million dollar mixed use project.

In the weeks ahead, staff will review and analyze this request and report back with an update.