

**Agenda**  
**Edina Housing and Redevelopment Authority**  
**City of Edina, Minnesota**  
**City Hall, Council Chambers**  
**Thursday, November 30, 2023**  
**7:30 AM**

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

**To Participate in Community Comment**  
**Call 786-496-5601**  
**Enter Conference PIN 7010697#**

**Press \*1 on your telephone keypad when you would like to get in the queue to speak.**  
**An operator will introduce you when it is your turn.**

- 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.

A. Executive Director's Response to Community Comments

- 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. Draft Minutes of Regular Meeting on November 16, 2023

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

A. Amendment to 7001 France Avenue Redevelopment Agreements with MDI France Avenue, LLC

VIII. Executive Director's Comments

IX. HRA Commissioners' Comments

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](http://www.edinamn.gov)

**Date:** November 30, 2023

**Agenda Item #:** V.A.

**To:** Chair & Commissioners of the Edina HRA

**Item Type:**  
Other

**From:** Liz Olson, Planning Administrative Support Specialist

**Item Activity:**  
Information

**Subject:** Executive Director's Response to Community  
Comments

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**ACTION REQUESTED:**

None.

**INTRODUCTION:**

Executive Director Neal will respond to questions asked at the previous Council meeting.





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**Date:** November 30, 2023

**Agenda Item #:** VI.A.

**To:** Chair & Commissioners of the Edina HRA

**Item Type:**  
Minutes

**From:** Liz Olson, Planning Administrative Support Specialist

**Item Activity:**  
Action

**Subject:** Draft Minutes of Regular Meeting on November 16,  
2023

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**ACTION REQUESTED:**

Approve minutes from November 16, 2023 meeting.

**INTRODUCTION:**

**ATTACHMENTS:**

Draft Minutes of Regular Meeting on November 16, 2023



**MINUTES  
OF THE REGULAR MEETING OF THE  
EDINA HOUSING AND REDEVELOPMENT AUTHORITY  
NOVEMBER 16, 2023  
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 Chair Hovland, Commissioners Agnew, Jackson, and Risser.

Absent: Commissioner Pierce.

**III. PLEDGE OF ALLEGIANCE**

**IV. MEETING AGENDA APPROVED - AS PRESENTED**

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

Roll call:

Ayes: Agnew, Jackson, Risser, and Hovland

Motion carried.

**V. COMMUNITY COMMENT**

David Frenkel, 4510 Lakeview Drive, spoke about sending elected officials and staff to National League of Cities (NLC) meetings but not using the knowledge presented and encouraged using data offered by the NLC to help make decisions surrounding ADA-related topics.

Susan Lee, 6708 Point Drive, encouraged the Commission to set infrastructure priorities then spoke about the Grandview pedestrian bridge problems without prioritization of the project. She said the current project dead ended in a dated, non-ADA compliant parking ramp and created a bridge to nowhere. She said no thought was done on how to connect to the existing network and encouraged the Board to establish guidelines and publish their workplan so this didn't happen again as well as being transparent with the public.

**VI. ADOPTION OF CONSENT AGENDA AS PRESENTED**

**Motion by Commissioner Jackson, seconded by Commissioner Agnew, approving the consent agenda as presented:**

**VI.A. MINUTES FROM REGULAR MEETING ON OCTOBER 6, 2023**

**VI.B. REQUEST FOR PURCHASE; PROFESSIONAL SERVICES FOR 50<sup>TH</sup> AND GRANGE IMPROVEMENTS, AWARDING THE BID TO THE RECOMMENDED LOW BIDDER, SHORT ELLIOT HENDRICKSON INC., \$246,000**

Roll call:

Ayes: Agnew, Jackson, Risser, and Hovland

Motion carried.

**VII. REPORTS AND RECOMMENDATIONS**

**VII.A. 2022 AFFORDABLE HOUSING COMPLIANCE REPORT – RECEIVED**

Affordable Housing Development Manager Hawkinson shared the City had a contract with Affordable Housing Connections (AHC) to confirm and verify the affordable units in market rate developments were being rented at affordable rates to income qualified tenants per the new Multifamily Affordable Housing Policy. She said AHC had completed their audit of the 2022 files and submitted a summary with the primary purpose of the policy to provide housing in Edina that was



affordable to low-and moderate-income households. The audit began in early 2023 but due to multiple compliance issues that took time to resolve the report was just being made available now. She said there were currently eight market rate apartment buildings that included affordable units and of those two were still under construction so files were reviewed for the six occupied buildings and showed five buildings were in compliance. She said one building had historically not been in compliance with current standards but was in compliance with how the agreement was originally drafted. She shared about hiring AHC as a third-party consultant to undertake the compliance reviews then spoke about their role and the two areas for compliance work that included income eligible tenants and affordable rents. Ms. Hawkinson said the report concluded that all owners and property managers had every intention of complying but with turnover it had been a challenge. She said early agreements were not prescriptive and outlined how agreements had become increasingly defined and prescribed over time. She spoke about the policy guide that required how to verify income and what to include in rent and said although the guide was provided to everyone four developments were approved prior to the guide.

The Board asked questions and provided feedback.

**VII.B. FORGIVABLE LOAN AGREEMENT WITH BUHL 3906, LLC – APPROVED**

Economic Development Manager Neuendorf said this item pertained to public financial participation for the building owner to renovate a vacant commercial space at 3916 West 50th Street (lower level). A substantial investment was necessary to provide an accessible elevator or lift so the general public could access the lower level of the building. The attorneys at Dorsey & Whitney prepared a Loan Agreement to allow Edina's SPARC fund to reimburse the property owner for up to \$225,000 in qualified costs and if the terms of the agreement were satisfied the loan would be forgiven. He shared the experienced local developer was planning a \$1.1 million investment in Edina through a project that would create new jobs, enable new business, and increase tax base then outlined the financial gap and how Edina's SPARC program could provide funds to address the gap. He added the lack of an elevator had constrained use of the site in the past then outlined the site's existing conditions and proposed use that would include a kitchen, bar seating, and table/live music stage area. He said staff recommended approval of this agreement and sought authorization to implement the terms of the agreement.

Pete Deanovic, Buhl Investors, answered questions regarding the number of restrooms and access that the Caroline building had for appropriate access which would not be within a store.

The Board asked questions and provided feedback.

**Motion by Commissioner Jackson, seconded by Commissioner Agnew, to approve forgivable loan agreement with 3906 Buhl, LLC and authorize staff to implement the terms of the agreement.**

Rollcall:

Ayes: Agnew, Jackson, Risser, and Hovland

Motion carried.

**VII.C. FRANCE AVENUE PEDESTRIAN CROSSING – PROJECT UPDATE – APPROVED**

Mr. Neuendorf said this item pertained to the potential use of HRA funds (most likely incremental property taxes) to design and construct an extension of the Promenade trail system to extend the existing Promenade trail to two commercial redevelopment sites located at 7235, 7200 and 7250 France Avenue for better access to the park safely. This work would include either a broad underpass below France Avenue or a signature bridge above France Avenue. Both options would be designed in accordance with the MN Accessibility Code or ADA, as applicable. After review of multiple ideas and examples, staff recommended that a wide underpass be studied as the first option. If this option was determined to be infeasible, the second option is a signature bridge. He shared



several examples and said direction was requested from the HRA Board so that the developers could incorporate this type of design approach into their conceptual site plans. He outlined the criteria to consider that included a ped/bike route separated from vehicle traffic, continued example at Centennial Lakes and Promenade, accessible to people of all abilities, and others. Mr. Neuendorf said staff would present proposals to conduct additional design work for consideration and approval at a future HRA meeting.

The Board asked questions and provided feedback.

**Motion by Commissioner Agnew, seconded by Commissioner Jackson, to authorize staff to study the feasibility of using HRA funding resources to design and construct a pedestrian crossing that spans above or below France Avenue to extend the promenade trail system to commercial properties at 7235, 7200 and 7250 France Avenue.**

Rollcall:

Ayes: Agnew, Jackson, and Hovland

Nays: Risser

Motion carried.

**VIII. EXECUTIVE DIRECTOR'S COMMENTS – Received**

**VIII.A. 5146 EDEN AVENUE – PROJECT UPDATE**

**IX. HRA COMMISSIONER COMMENTS – Received**

**X. ADJOURNMENT**

**Motion by Commissioner Jackson, seconded by Commissioner Agnew, to adjourn the meeting at 8:56 a.m.**

Roll call:

Ayes: Agnew, Jackson, Risser, and Hovland

Motion carried.

Respectfully submitted,

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Scott Neal, Executive Director





Edina Housing and Redevelopment  
Authority  
Established 1974

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AUTHORITY  
4801 West 50th Street  
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[www.edinamn.gov](http://www.edinamn.gov)

**Date:** November 30, 2023

**Agenda Item #:** VII.A.

**To:** Chair & Commissioners of the Edina HRA

**Item Type:**  
Report / Recommendation

**From:** Bill Neuendorf, Economic Development Manager

**Item Activity:**  
Action

**Subject:** Amendment to 7001 France Avenue Redevelopment  
Agreements with MDI France Avenue, LLC

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**ACTION REQUESTED:**

Approve First Amendment to the June 30, 2022 TIF Redevelopment Agreements for 7001 France Avenue - Site A and Site B/C - with MDI France Avenue, LLC.

**INTRODUCTION:**

This item pertains to the redevelopment of commercial property located at 7001 France Avenue.

On June 30, 2022, the HRA, City and developer entered into Redevelopment Agreements to pledge the use of incremental property taxes after the projects were completed. The ongoing economic challenges have impacted the project schedule.

Amendments are proposed to the Site A and Site B/C Agreements to extend the starting and completion dates of the project. The amendments were prepared by the HRA's legal counsel at Dorsey & Whitney.

Staff recommends approval of these Amendments.

**ATTACHMENTS:**

Staff Report

MDI Force Majeure Letter 10-31-2023

Redevelopment Agreement- 7001 France Avenue – Site A

Redevelopment Agreement- 7001 France Avenue – Sites B and C



# **Amendment to Redevelopment Agreements**

**700 I France Avenue – Site A & Site B/C**

**with MDI France Avenue, LLC**



The CITY of  
**EDINA**

HOUSING & REDEVELOPMENT AUTHORITY

Presentation to:  
Edina HRA Board  
November 30, 2023



# Overview

- City, HRA & Developer entered into TIF Redevelopment Agreements on June 30, 2022
- Developer acquired the property and removed the two substandard buildings
- The national economy has changed substantially since 2022
- Groundbreaking for Site A and Sites B/C delayed
- City/HRA attorney prepared Amendments to modify the schedule so that Developer can obtain financing
- Staff recommends that the Amendments be approved



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# The Site

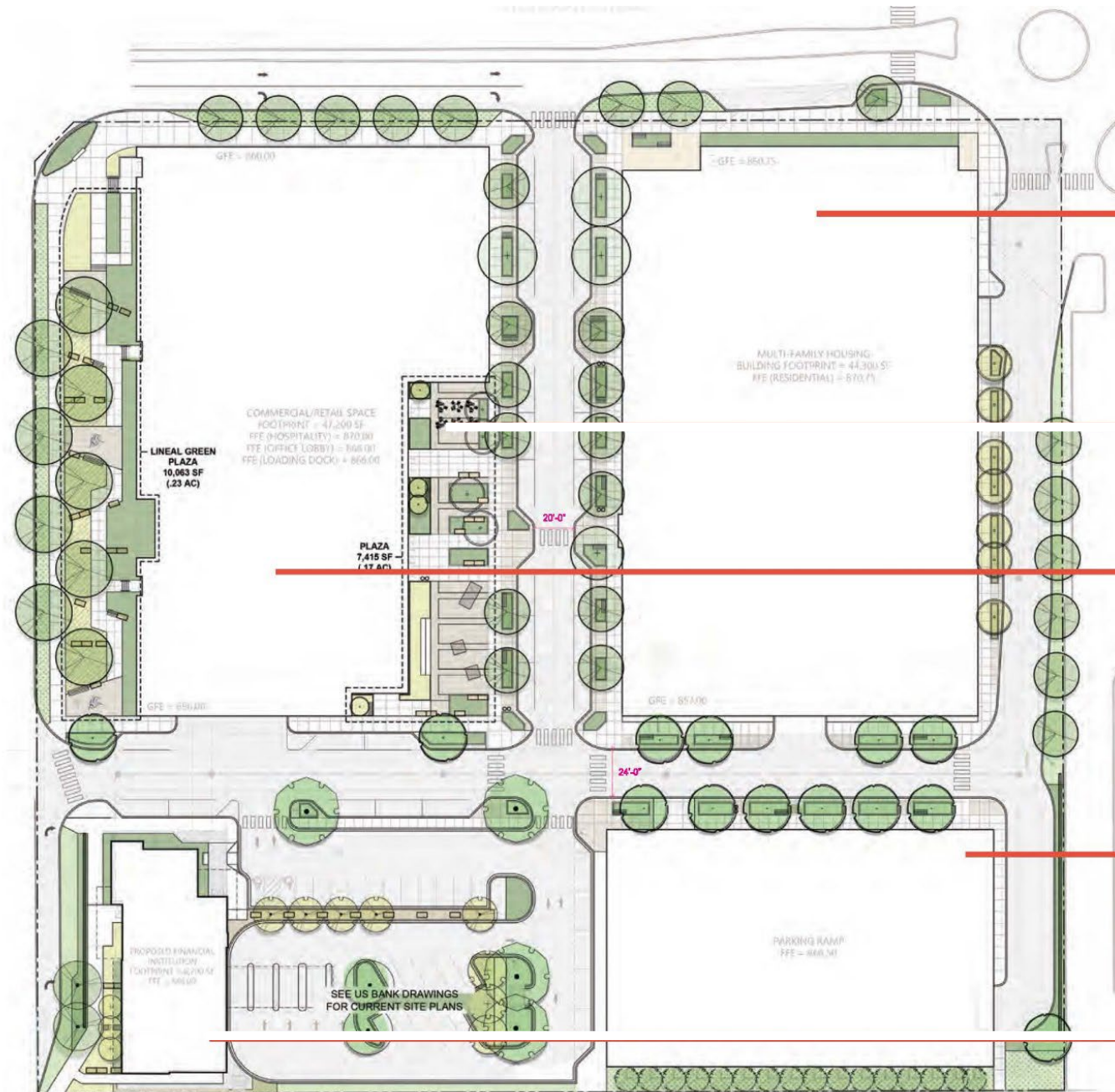


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# The Projects



Site A  
Multi-Family

Site B  
Office/Retail

Site C  
Shared Parking



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# The Projects



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# Financial Terms

Developer leads project and incurs all risk

Project Cost \$254 million

- includes soft costs
- includes hard costs
- includes \$52+ million of “eligible costs”

Privately Financed

Up to \$22 M in TIF Notes pledged upon successful completion

- 15 year term
- demolition
- site improvements aligned with Greater Southdale Plan
- public plaza(s)
- public parking



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# Current Economic Conditions

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# Federal Reserve Raises Interest Rates to 22-Year High

Officials have slowed the pace of increases this year but aren't sure they have fully tackled inflation

By [Nick Timiraos](#)

Updated July 26, 2023 5:57 pm ET

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“... unexpected and not predicted changes to the capital markets materially negatively impacting the ability to secure financing.”

Excerpt from 10-31-2023 letter from MDI France Ave, LLC



The CITY of  
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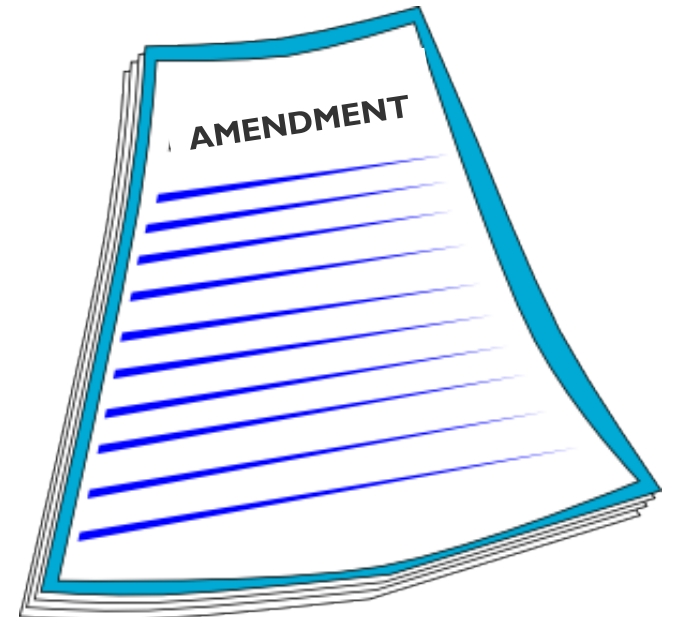
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# The Amendment

- Change construction “start” deadline from 12/23/2023 to 9/26/2025
- Change “completion” deadline from 12/1/2025 to 7/27/2027
- No other significant changes at this time\*

\* Additional changes might be considered in future based on future economic conditions





Staff recommends that the  
HRA Board approve the  
Amendments to the Site A  
& Site B/C Redevelopment  
Agreement.

**Questions?**



The CITY of  
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M. A. Mortenson Company  
700 Meadow Lane North  
Minneapolis, MN 55422

main 763.522.2100  
fax 763.287.5430  
www.mortenson.com

October 31, 2023

**VIA UPS OVERNIGHT DELIVERY**

City of Edina  
Attention: City Manager  
4801 West 50<sup>th</sup> Street  
Edina, MN 55424

Housing and Redevelopment Authority of Edina, Minnesota  
Attention: Executive Director  
4801 West 50<sup>th</sup> Street  
Edina, MN 55424

**Force Majeure Notice**

Dear Sirs and Madam:

Reference is made to the Redevelopment Agreement (7001 France Avenue – Site A) dated as of June 30, 2022, (the “**Agreement**”) between MDI France Avenue, LLC, a Minnesota limited liability company (“**Developer**”) and City of Edina, Minnesota, a Minnesota statutory city (the “**City**”) and the Housing and Redevelopment Authority of Edina, Minnesota, a public body corporate and politic organized and existing under the laws of the State of Minnesota (the “**Authority**”), for the redevelopment of that certain Project Area as described in the Agreement (the “**Project**”).

I am writing on behalf of the Developer to provide notice that the Developer has encountered an Unavoidable Delay as defined in the Agreement. More specifically, Developer has experienced actual delays in the Commencement and Completion of the Minimum Improvements, outside the reasonable control of the Developer, which is the result of: “(viii) other events beyond Developer’s reasonable control which Developer could not reasonably foresee would occur and which Developer would have been reasonably expected to take measures to avoid or minimize.” The articulatable “other events” are unexpected and not predicted changes to the capital markets materially negatively impacting the ability to secure financing. Developer attests that it is working toward a solution to allow the Project to move forward.



Section 4.1 of the Agreement sets out the Commencement and Completion timeline for the Minimum Improvements for the Project. Developer has diligently prosecuted the Project, and timely completed the Demolition (South Bldg); Demolition (North Bldg); Site Remediation; and Specified Site Preparation. Due to the above-described Unavoidable Delay, further progress on the Project is stalled pending financing. Accordingly, Developer is requesting that the Commencement and Completion timeline for the remaining Minimum Improvements for the Project be amended as follows:

Description of Work	Commencement Date		Completion Date	
	Anticipated	Default Date	Anticipated	Default Date
Site A Foundation	6/23/2025	12/23/2025	8/18/2025	2/18/2026
Residential Construction (including Site A Public Parking)	8/21/2025	2/21/2026	4/1/2027	10/1/2027
Certificate of Occupancy	N/A	N/A	4/1/2027	12/1/2027

If there are any questions and or concerns regarding this issue, please do not hesitate to contact me directly.

Sincerely,

MDI France Avenue, LLC



Robert J. Solfelt  
Authorized Signatory

cc: Dorsey & Whitney LLP  
Attention: Jay R. Lindgren  
50 South Sixth Street, Suite 1500  
Minneapolis, MN 55402



**First Amendment to**  
**Redevelopment Agreement**  
**(7001 France Avenue – Site A)**

by and among

**City of Edina, Minnesota,**  
**Housing and Redevelopment Authority of Edina, Minnesota,**  
**and**  
**MDI France Avenue, LLC**

**Dated as of**  
**November 30, 2023**

THIS DOCUMENT WAS DRAFTED BY:  
Dorsey & Whitney LLP  
50 South Sixth Street, Suite 1500  
Minneapolis, MN 55402-1498



**FIRST AMENDMENT  
TO  
REDEVELOPMENT AGREEMENT**  
(7001 France Avenue – Site A)

THIS FIRST AMENDMENT TO REDEVELOPMENT AGREEMENT (this “Amendment”) is made and entered into November 30, 2023 (“Effective Date”), by and among the **City of Edina, Minnesota**, a Minnesota statutory city (the “City”), the **Housing and Redevelopment Authority of Edina, Minnesota**, a public body corporate and politic organized and existing under the laws of the State of Minnesota (the “Authority”), and **MDI France Avenue, LLC**, a Minnesota limited liability company (“Developer”).

**RECITALS**

A. Pursuant to and in accordance with Minnesota Statutes, Sections 469.174 to 469.1794, as amended (the “TIF Act”), the Authority is authorized to finance certain eligible redevelopment costs of redevelopment projects with tax increment revenues derived from a tax increment financing district established in accordance with the TIF Act.

B. The City and the Authority previously established the “Southeast Edina Redevelopment Project Area” pursuant to Sections 469.001 through 469.047, inclusive, of the TIF Act, in an effort to encourage the development and redevelopment of such designated area within the City (the “Redevelopment Area”).

C. The City, the Authority, and the Developer entered to that certain Redevelopment Agreement dated June 30, 2022 (the “Original Agreement,” and together with this Amendment the “Agreement”) in which the Authority agreed to provide Developer (or its permitted assignee) certain TIF Assistance in connection with Developer’s development and construction of certain Minimum Improvements (as such terms are defined in the Original Agreement).

D. On October 31, 2023, the Developer provided to the City and the Authority a “Force Majeure Notice” indicating the occurrence of Unavoidable Delays (as defined in the Original Agreement).

E. The City and Authority acknowledge the Unavoidable Delays and the parties desire to amend the Original Agreement to adjust certain Default Dates within the Commencement and Completion timeline and make certain other amendments and clarifications.

NOW, THEREFORE, in consideration of foregoing Recitals, which are incorporated into the provisions of this Amendment by this reference, and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the others as follows:

**Article I**

*Recitals; Text, Definitions*

1.1 *Recitals.* The foregoing Recitals are incorporated into this Amendment by this reference, including the definitions set forth therein.

1.2 *Text.* To indicate amendments to the Original Agreement, ~~strikethrough (strikethrough)~~ and underline (underline) text shall be used. Added language shall be indicated with underline text and deleted language shall be indicated with ~~strikethrough~~ text.



1.3 *Definitions.* Unless the context otherwise specifies or requires, the terms used in this Amendment have the definitions given them in the Original Agreement. All defined terms may be used in the singular or the plural, as the context requires.

## **Article II** *Representations and Warranties*

2.1 *Original Agreement Representations and Warranties Reaffirmed.* The City, the Authority, and the Developer hereby reaffirm their respective representations and warranties provided in Article II of the Original Agreement.

2.2 *Additional Representations and Warranties.* In addition to those representations and warranties provided in the Original Agreement, Developer hereby represents and warrants that:

(a) Developer shall keep Site A, including any fencing surrounding Site A and the public sidewalks along 70<sup>th</sup> Street and France Avenue, in good, useable, and reasonable condition (and free from any litter, dumping, etc.) from the Effective Date of this Amendment until the Certificate of Completion is issued.

(b) Developer acknowledges that the TIF Act may be amended, and such amendment may permit adjustment to the Commencement and Completion timeline being amended herein. Any adjustment to the Commencement and Completion timeline resulting from any TIF Act amendments may be addressed by the parties via amendments to the Agreement.

(c) The timeline for the improvements for Site A, Site B, and Site C may be altered, however such alterations to the timelines provided in the Agreement shall be documented via amendments to the Agreement.

## **Article III** *Amendments and Additions*

3.1 *Amendment to Commencement and Completion timeline.* The Commencement and Completion timeline under Section 4.1 of the Original Agreement is hereby amended as shown in the table below. Developer acknowledges that the changes below coincide with the latest date upon which the Authority can issue the Site A TIF Note (July 21, 2027) under the TIF Act:

Description of Work	Commencement Date		Completion Date	
	Anticipated	Default Date	Anticipated	Default Date
Final City Approvals	Not applicable	Not applicable	6/13/2022	<del>3/31/2023</del> <u>1/10/2025</u>
Real Estate Land Closing	Not applicable	Not applicable	Complete	Complete
Demolition (South Bldg)	3/16/2022	9/16/2022	<del>5/31/2022</del> <u>Complete</u>	<del>10/30/2022</del> <u>Complete</u>
Demolition (North Bldg)	4/13/2023	10/13/2023	<del>5/17/2023</del> <u>Complete</u>	<del>11/17/2023</del> <u>Complete</u>



Description of Work	Commencement Date		Completion Date	
	Anticipated	Default Date	Anticipated	Default Date
Site Remediation	<del>5/18/2023</del> <u>2/14/2025</u>	<del>11/18/2023</del> <u>8/15/2025</u>	<del>7/28/2023</del> <u>5/02/2025</u>	<del>1/28/2024</del> <u>10/31/2025</u>
Specified Site Preparation	<del>5/18/2023</del> <u>2/14/2025</u>	<del>11/18/2023</del> <u>8/15/2025</u>	<del>7/28/2023</del> <u>5/02/2025</u>	<del>1/28/2024</del> <u>10/31/2025</u>
Site A Foundation	<del>6/23/2023</del> <u>3/28/2025</u>	<del>12/23/2023</del> <u>9/26/2025</u>	<del>8/18/2023</del> <u>5/23/2025</u>	<del>2/18/2024</del> <u>11/21/2025</u>
Residential Construction (including Site A Public Parking)*	<del>8/21/2023</del> <u>6/30/2025</u>	<del>2/21/2024</del> <u>12/31/2025</u>	<del>4/1/2025</del> <u>1/22/2027</u>	<del>10/1/2025</del> <u>7/20/2027</u>
Certificate of Occupancy*	Not applicable	Not applicable	<del>4/1/2025</del> <u>1/22/2027</u>	<del>12/1/2025</del> <u>7/20/2027</u>

3.2 *Addition of Public Works Use Permission.* The following provision is hereby added to the Original Agreement as Section 4.13:

4.13 *Public Works Use of Site A.* The Developer shall permit the Public Works Department of the City to use the vacant portion of Site A for winter-time snow storage use, if necessary, provided the City or the Authority provides Developer seven-day advance notice of such intended use.

#### **Article IV** *Additional Provisions*

4.1 *Titles of Articles and Sections.* Any titles of the several parts, Articles and Sections of the Amendment are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

4.2 *Severability.* If any term or provision of this Amendment is determined to be invalid or unenforceable under applicable Law, the remainder of this Amendment shall not be affected thereby, and each remaining term or provision of this Amendment shall be valid and enforceable to the fullest extent permitted by applicable Law.

4.3 *Ratification.* Except as specifically modified by this Amendment, the terms and provisions of the Original Agreement shall remain in full force and effect.

[SIGNATURES APPEAR ON FOLLOWING PAGES]



IN WITNESS WHEREOF, the City, the Authority and Developer have caused this Agreement to be duly executed in their names and on their behalf, all on or as of the date first above written.

**City of Edina, Minnesota**

By: \_\_\_\_\_  
James B. Hovland, Mayor

By: \_\_\_\_\_  
Scott H. Neal, City Manager

STATE OF MINNESOTA     )  
  ) ss.  
COUNTY OF HENNEPIN     )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2023, by James B. Hovland and Scott H. Neal, the Mayor and City Manager, respectively, of the City of Edina, Minnesota, on behalf of the City of Edina.

\_\_\_\_\_  
Notary Public



**Housing and Redevelopment Authority of  
Edina, Minnesota**

By: \_\_\_\_\_  
James B. Hovland, Chair

By: \_\_\_\_\_  
James Pierce, Secretary

STATE OF MINNESOTA     )  
  ) ss.  
COUNTY OF HENNEPIN     )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2023, by James B. Hovland and James Pierce, the Chair and Secretary, respectively, of the Housing and Redevelopment Authority of Edina, Minnesota, on behalf of said Authority.

\_\_\_\_\_  
Notary Public



**MDI France Avenue, LLC,**  
a Minnesota limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2023, by \_\_\_\_\_, the \_\_\_\_\_ of MDI France Avenue, LLC, a Minnesota limited liability company, on behalf of the company.

\_\_\_\_\_  
Notary Public



**First Amendment to**  
**Redevelopment Agreement**  
**(7001 France Avenue – Sites B and C)**

by and among

**City of Edina, Minnesota,**  
**Housing and Redevelopment Authority of Edina, Minnesota,**  
**and**  
**MDI France Avenue, LLC**

**Dated as of**  
**November 30, 2023**

THIS DOCUMENT WAS DRAFTED BY:  
Dorsey & Whitney LLP  
50 South Sixth Street, Suite 1500  
Minneapolis, MN 55402-1498



**FIRST AMENDMENT  
TO  
REDEVELOPMENT AGREEMENT**  
(7001 France Avenue – Sites B and C)

THIS FIRST AMENDMENT TO REDEVELOPMENT AGREEMENT (this “Amendment”) is made and entered into November 30, 2023 (“Effective Date”), by and among the **City of Edina, Minnesota**, a Minnesota statutory city (the “City”), the **Housing and Redevelopment Authority of Edina, Minnesota**, a public body corporate and politic organized and existing under the laws of the State of Minnesota (the “Authority”), and **MDI France Avenue, LLC**, a Minnesota limited liability company (“Developer”).

**RECITALS**

A. Pursuant to and in accordance with Minnesota Statutes, Sections 469.174 to 469.1794, as amended (the “TIF Act”), the Authority is authorized to finance certain eligible redevelopment costs of redevelopment projects with tax increment revenues derived from a tax increment financing district established in accordance with the TIF Act.

B. The City and the Authority previously established the “Southeast Edina Redevelopment Project Area” pursuant to Sections 469.001 through 469.047, inclusive, of the TIF Act, in an effort to encourage the development and redevelopment of such designated area within the City (the “Redevelopment Area”).

C. The City, the Authority, and the Developer entered to that certain Redevelopment Agreement dated June 30, 2022 (the “Original Agreement,” and together with this Amendment the “Agreement”) in which the Authority agreed to provide Developer (or its permitted assignee) certain TIF Assistance in connection with Developer’s development and construction of certain Minimum Improvements (as such terms are defined in the Original Agreement).

D. On October 31, 2023, the Developer provided to the City and the Authority a “Force Majeure Notice” indicating the occurrence of Unavoidable Delays (as defined in the Original Agreement).

E. The City and Authority acknowledge the Unavoidable Delays and the parties desire to amend the Original Agreement to adjust certain Default Dates within the Commencement and Completion timeline and make certain other amendments and clarifications.

NOW, THEREFORE, in consideration of foregoing Recitals, which are incorporated into the provisions of this Amendment by this reference, and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the others as follows:

**Article I**

*Recitals; Text, Definitions*

1.1 *Recitals.* The foregoing Recitals are incorporated into this Amendment by this reference, including the definitions set forth therein.

1.2 *Text.* To indicate amendments to the Original Agreement, ~~strikethrough (strikethrough)~~ and underline (underline) text shall be used. Added language shall be indicated with underline text and deleted language shall be indicated with strikethrough text.



1.3 *Definitions.* Unless the context otherwise specifies or requires, the terms used in this Amendment have the definitions given them in the Original Agreement. All defined terms may be used in the singular or the plural, as the context requires.

## **Article II**

### *Representations and Warranties*

2.1 *Original Agreement Representations and Warranties Reaffirmed.* The City, the Authority, and the Developer hereby reaffirm their respective representations and warranties provided in Article II of the Original Agreement.

2.2 *Additional Representations and Warranties.* In addition to those representations and warranties provided in the Original Agreement, Developer hereby represents and warrants that:

(a) Developer shall keep Sites B and C, including any fencing surrounding Sites B and C and the public sidewalks along 70<sup>th</sup> Street and France Avenue, in good, useable, and reasonable condition (and free from any litter, dumping, etc.) from the Effective Date of this Amendment until the Certificate of Completion is issued.

(b) Developer acknowledges that the TIF Act may be amended, and such amendment may permit adjustment to the Commencement and Completion timeline being amended herein. Any adjustment to the Commencement and Completion timeline resulting from any TIF Act amendments may be addressed by the parties via amendments to the Agreement.

(c) The timeline for the improvements for Site A, Site B, and Site C may be altered, however such alterations to the timelines provided in the Agreement shall be documented via amendments to the Agreement.



**Article III**  
*Amendments and Additions*

3.1 *Amendment to Commencement and Completion timeline.* The Commencement and Completion timeline under Section 4.1 of the Original Agreement is hereby amended as shown in the table below. Developer acknowledges that the changes below coincide with the latest date upon which the Authority can issue the Sites B and C TIF Note (July 21, 2027) under the TIF Act:

<u>Description of Work</u>	<u>Commencement Date</u>		<u>Completion Date</u>	
	<u>Anticipated</u>	<u>Default Date</u>	<u>Anticipated</u>	<u>Default Date</u>
Commercial Element Foundation	<u>5/1/2023</u> <u>7/12/2024</u>	<u>3/23/2025</u> <u>5/29/2026*</u>	<u>6/30/2023</u> <u>8/26/2024</u>	<u>3/20/2025</u> <u>7/17/2026</u>
Commercial Element Shell Construction (including the Public Plaza)	<u>7/3/2023</u> <u>9/13/2024</u>	<u>3/23/2025</u> <u>5/29/2026</u>	<u>10/4/2024</u> <u>12/31/2025</u>	<u>6/24/2026</u> <u>7/20/2027</u>
Tenant Improvements	<u>7/3/2024</u> <u>9/12/2025</u>	Not applicable	<u>10/4/2025</u> <u>11/6/2026</u>	Not applicable
District Parking	<u>7/3/2023</u> <u>9/13/2024</u>	<u>3/23/2025</u> <u>5/8/2026</u>	<u>10/4/2024</u> <u>11/7/2025</u>	<u>6/24/2026</u> <u>7/20/2027</u>
Specific Site Preparation (including Streetscaping) (Sites B and C)	<u>7/3/2023</u> <u>8/9/2024</u>	<u>3/23/2025</u> <u>4/10/2026</u>	<u>10/4/2024</u> <u>11/7/2025</u>	<u>6/24/2026</u> <u>7/20/2027</u>
Certificate of Occupancy for Commercial Element and District Parking Structure**	Not applicable	Not applicable	<u>10/4/2024</u> <u>11/7/2025</u>	<u>6/24/2026</u> <u>7/20/2027</u>

3.2 *Amendment to Commencement Deadline.* Section 4.1(b) of the Original Agreement is hereby amended as shown below.

(b) Site B Commencement Default. Notwithstanding anything herein to the contrary, if Developer has failed to cause Commencement of the Commercial Element by **May 29, 2026** (a “Site B Commencement Default”), then the Authority shall have the right to give Developer notice of the occurrence of such Site B Commencement Default (“Site B Commencement Default Notice”) and if Developer has not cured such Site B Commencement Default by the date this **60 days** after delivery of the Site B Commencement Default Notice, the Authority shall be entitled to immediately exercise its applicable rights under the Commencement Default Site C Purchase Right (as defined in Section 4.13) pursuant to the applicable Site C Purchase Right agreement.

3.3 *Addition of Public Works Use Permission.* The following provision is hereby added to the Original Agreement as Section 4.16:

4.13 Public Works Use of Sites B and C. The Developer shall permit the Public Works Department of the City to use the vacant portions of Sites B and C for winter-time snow storage use, if necessary, provided the City or the Authority provides Developer seven-day advance notice of such intended use.



**Article IV**  
*Additional Provisions*

4.1 *Titles of Articles and Sections.* Any titles of the several parts, Articles and Sections of the Amendment are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

4.2 *Severability.* If any term or provision of this Amendment is determined to be invalid or unenforceable under applicable Law, the remainder of this Amendment shall not be affected thereby, and each remaining term or provision of this Amendment shall be valid and enforceable to the fullest extent permitted by applicable Law.

4.3 *Ratification.* Except as specifically modified by this Amendment, the terms and provisions of the Original Agreement shall remain in full force and effect.

[SIGNATURES APPEAR ON FOLLOWING PAGES]



IN WITNESS WHEREOF, the City, the Authority and Developer have caused this Agreement to be duly executed in their names and on their behalf, all on or as of the date first above written.

**City of Edina, Minnesota**

By: \_\_\_\_\_  
James B. Hovland, Mayor

By: \_\_\_\_\_  
Scott H. Neal, City Manager

STATE OF MINNESOTA     )  
  ) ss.  
COUNTY OF HENNEPIN     )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2023, by James B. Hovland and Scott H. Neal, the Mayor and City Manager, respectively, of the City of Edina, Minnesota, on behalf of the City of Edina.

\_\_\_\_\_  
Notary Public



**Housing and Redevelopment Authority of  
Edina, Minnesota**

By: \_\_\_\_\_  
James B. Hovland, Chair

By: \_\_\_\_\_  
James Pierce, Secretary

STATE OF MINNESOTA     )  
  ) ss.  
COUNTY OF HENNEPIN     )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2023, by James B. Hovland and James Pierce, the Chair and Secretary, respectively, of the Housing and Redevelopment Authority of Edina, Minnesota, on behalf of said Authority.

\_\_\_\_\_  
Notary Public



**MDI France Avenue, LLC,**  
a Minnesota limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2023, by \_\_\_\_\_, the \_\_\_\_\_ of MDI France Avenue, LLC, a Minnesota limited liability company, on behalf of the company.

\_\_\_\_\_  
Notary Public