

**MINUTES  
OF THE REGULAR MEETING OF THE  
EDINA HOUSING AND REDEVELOPMENT AUTHORITY  
JUNE 30, 2022  
7:30 A.M.**

**I. CALL TO ORDER**

Chair Hovland called the meeting to order at 7:34 a.m. then explained the processes created for public comment.

**II. ROLL CALL**

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

Absent: Commissioner Staunton.

**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: Anderson, Jackson, Pierce, and Hovland

Motion carried.

**V. COMMUNITY COMMENT**

No one appeared.

**VA. EXECUTIVE DIRECTOR'S RESPONSE TO COMMUNITY COMMENT**

None.

**VI. CONSENT AGENDA ADOPTED - AS AMENDED**

**Member Jackson made a motion, seconded by Member Anderson, approving the consent agenda as amended, removing Item VI.D.:**

**VI.A. Approve Minutes of the Regular Meeting June 2, 2022**

**VI.B. Approve Payment of Claims for Check Register Pre-List Dated May 2022, totaling \$893,140.83**

**VI.C. Request for Purchase, Grandview Yard Landscape Architectural Services at 5146 Eden Avenue, awarding the bid to the recommended low bidder, Confluence, \$58,500**

**~~VI.D. Resolution No. 2022-08; Finding that Parcels are Occupied by Structurally Substandard Buildings~~**

**VI.E. Approve Additional Funding for the Home Rehabilitation Program**

Rollcall:

Ayes: Anderson, Jackson, Pierce, and Hovland

Motion carried.

**ITEMS REMOVED FROM CONSENT AGENDA**

**VI.D. RESOLUTION NO. 2022-08; FINDING THAT PARCELS ARE OCCUPIED BY STRUCTURALLY SUBSTANDARD BUILDINGS - ADOPTED**

Economic Development Manager Neuendorf shared about the 7200 and 7250 France Avenue parcels and challenges of the site as it was low lying and collected water from surrounding properties. He said the properties were vacant and boarded up and that the condition of two parcels were potentially eligible for future application of Tax Increment Financing (TIF). He said in February 2019, Stantec submitted a report that documented the substandard condition of the parcels when the

Minnesota Statutes for Tax Increment Financing were applied. The HRA approved Resolution 2019-05 confirming the substandard nature of the parcels and noting the eligibility for creation of a TIF District. Certification of the substandard conditions would have allowed the property owner to demolish the privately-owned building(s) up to three years prior to execution of a TIF District and TIF Redevelopment Agreements. Unfortunately, the vacant buildings have not been redeveloped and continue to deteriorate. Previous efforts to redevelop the site with three mixed-use buildings did not obtain financing, despite zoning approvals and a pledge to use Tax Increment Financing to support public benefits. Mr. Neuendorf said the property had changed ownership since 2019 and the new owners intend to submit a new site plan and pursue a new strategy to redevelop the property. While the merits of TIF have not yet been considered on the future proposal, the substandard nature of the existing buildings may warrant some degree of public financing. He said the HRA's legal counsel had prepared a resolution to confirm the ongoing substandard condition of these two parcels which could be helpful to bring meaningful redevelopment of the site in the future. He said staff expected a new proposal soon with the new ownership but the buildings were currently poor condition and should be confirmed to be substandard which would create an option for TIF for up to three years in the future while ensuring the property was safe.

The Commission inquired about the condition and the need to remove the buildings now and requested the item be included on an upcoming Council meeting to quickly address the condition, especially in light of increasing interest rates and supply chain issues.

**Member Anderson moved to adopt Resolution 2022-08 finding that parcels are occupied by structurally substandard buildings.** Member Jackson seconded the motion.

Rollcall:

Ayes: Anderson, Jackson, Pierce, and Hovland.

Motion carried.

**VII. PUBLIC HEARINGS** - Affidavits of Notice presented and ordered placed on file.  
None.

**VIII. REPORTS AND RECOMMENDATIONS**

**VIII.A. PILOT PROGRAM: LISC PARTNERSHIP FOR SINGLE FAMILY PRESERVATION PROGRAM - APPROVED**

Affordable Housing Development Manager Hawkinson stated this item pertained to approval for a \$1.2 million forgivable loan and authorization to draft a partnership agreement with Local Initiative Support Corporation Minnesota (LISC) to work with developers of single-family houses to buy and rehabilitate modest homes in Edina where the sellers were motivated to keep the homes affordable and have approached staff after received the "Not for a Teardown" postcard. Once rehabilitated, the homes would be transferred to the West Hennepin Affordable Housing Land Trust ("WHAHLT") and placed into a Land Trust held by to assure affordability for 99-years. In the first phase, roughly \$1.2 million would be forgiven as gap financing to cover the cost of the land held in trust and the rehabilitation work that exceeds the cost needed to maintain affordability. She spoke about homeownership rates and the differences in socioeconomic factors and the trend for teardowns and housing affordability and how affordable housing developers of color were underrepresented and possibly lack access to capital and business relationships with the industry. She spoke about societal context, local context, and role of local government and the average home price in Edina \$750,000 and the need to retain affordable housing options and diversity. Ms. Hawkinson spoke about the current program and how government could better work to provide more affordable housing then outlined the proposed program in detail that would serve households within 60-80% median income with two program partners LISC Twin Cities and Homes Within Reach. She reviewed potential policy considerations included affordability period and proposed guiding documents that should be considered.

The Board asked questions and provided feedback.

Gretchen Nicholls, LICs, spoke about their work to increase the scope of programs for developers by providing opportunities for capital, equity, consultants, support, and connections to help developers excel and how this program would help address the cost of building new and ensure close work with inspectors and other necessary steps to provide a knowledge base for renovation work. She said they were working to provide more opportunity for more developers and be more available and that learning together during this pilot program would help improve the City.

**Member Jackson, seconded by Member Pierce, to approve \$1.2 Million in a forgivable loan for an Emerging Developer Housing Preservation Pilot Program in partnership with LISC.**

Rollcall:

Ayes: Anderson, Jackson, Pierce, and Hovland

Motion carried.

**VIII.B. TAX INCREMENT FINANCING REDEVELOPMENT AGREEMENTS FOR 7001 FRANCE AVENUE - APPROVED**

Mr. Neuendorf stated this item pertained to the Tax Increment Financing to be provided to support redevelopment and deliver public benefits at 7001 France Avenue. He said staff had engaged legal and financial advisors to prepare two full redevelopment agreements based on the Term Sheet approved in February 2022. Separate agreements were prepared for Site A and Site B/C and the agreements were also considered and approved by the City Council on June 21, 2022. This was the same meeting that the final zoning/site plan approvals were approved for Site A and Site B/C. He said staff recommended that both Redevelopment Agreements be approved by the HRA then summarized the request for TIF that confirmed the \$22 million gap that hindered private redevelopment and that staff negotiated terms by which TIF could be used, which was outlined in the proposed agreements. He spoke about the goals in the Southdale district that would result in the 6-acre parcel being developed into four pads with interior roads for better access, better feel, and relieve traffic from France Avenue. He spoke about the public benefits as part of this project such as structured parking and first new multi-tenant Class A office building in 20 years.

The Board asked questions and provided feedback.

**Member Jackson moved, seconded by Member Pierce, to approve the Tax Increment Financing Redevelopment Agreements for Site A and Site B/C located at 7001 France Avenue.**

Rollcall:

Ayes: Jackson, Pierce, and Hovland

Nay: Anderson

Motion carried.

**IX. HRA COMMISSIONERS' COMMENTS** – Received

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

**XI. ADJOURNMENT**

**Motion made by Commissioner Anderson, seconded by Commissioner Pierce, to adjourn the meeting at 9:00 a.m.**

Roll call:

Ayes: Anderson, Jackson, Pierce, and Hovland

Motion carried.

Respectfully submitted,



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Scott Neal, Executive Director