



# EDINA MINNESOTA

## Housing & Redevelopment Authority Meeting Agenda

March 5, 2026, 7:30 AM

Edina City Hall, Council Chambers, 4801 W. 50th St.



### **Participate in the meeting:**

Watch the meeting on cable TV or [YouTube.com/EdinaTV](https://www.youtube.com/EdinaTV).

Provide feedback during Community Comment by calling 312-535-8110. Enter access code 2630 090 3438. Password is 5454. Press \*3 on your telephone keypad when you would like to get in the queue to speak. A staff member will unmute you when it is your turn to speak.

### **Accessibility Support:**

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#### **1. Call to Order**

#### **2. Roll Call**

#### **3. Pledge of Allegiance**

#### **4. Approval of Meeting Agenda**

#### **5. Community Comment**

During "Community Comment," the Chair will invite residents to share issues or concerns that are not scheduled for a future public hearing. Items that are on tonight's agenda may not be addressed during Community Comment. 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. Individuals should not expect the Chair or Commissioners to respond to their comments tonight. The Chair will respond to questions raised during Community Comments at the next meeting.

#### **6. Adoption of Consent Agenda**

All agenda items listed on the Consent Agenda will be approved by one motion. There will be no separate discussion of items unless requested to be removed by a Commissioner. If removed the item will be considered immediately following the adoption of the Consent Agenda. (Favorable roll call vote of majority of Commissioners present to approve, unless otherwise noted in consent item.)

6.1. Approve Minutes from Feb. 19, 2026

6.2. Edina Housing Foundation Appointments

**7. Reports/Recommendations**

7.1. Amend VEAP Grant Agreement for Emergency Rental Assistance

7.2. Policy for New Multifamily Affordable Housing Discussion

**8. Executive Director Comments**

**9. HRA Member Comments**

**10. Adjournment**



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**Item Number:** 6.1

**Department:** Community Development

**Item Activity:** Action

**Prepared By:** Stephanie Hawkinson, Affordable Housing Development Manager

**Item Title:** Approve Minutes from Feb. 19, 2026

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**Action Requested:**

Approve Minutes from Feb. 19, 2026

**Information/Background:**

Not Applicable

**Resources/Financial Impacts:**

Not Applicable

**Relationship to City Policies/Plans/Budget Pillars:**

Not Applicable

**Values Impact:**

Not Applicable

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

1. HRA Minutes Feb. 19, 2026

**MINUTES  
OF THE REGULAR MEETING OF THE  
EDINA HOUSING AND REDEVELOPMENT AUTHORITY  
FEBRUARY 19, 2026  
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 Chair Hovland, Commissioners Agnew, Jackson, Pierce, and Risser.

Absent: None.

***III. PLEDGE OF ALLEGIANCE***

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

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

Ayes: Agnew, Jackson, Pierce, Risser, and Hovland

Motion carried.

***V. COMMUNITY COMMENT***

No one appeared.

***V.A. EXECUTIVE DIRECTOR'S RESPONSE TO COMMUNITY COMMENTS***

Executive Director Neal responded that there were no past Community Comments.

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

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

***VI.A. DRAFT MINUTES OF REGULAR MEETING OF FEBRUARY 5, 2026***

Ayes: Agnew, Jackson, Pierce, Risser, and Hovland

Motion carried.

***VII. REPORTS AND RECOMMENDATIONS***

***VII.A. 7001 FRANCE AVENUE - PROJECT UPDATE AND DISCUSSION – PRESENTED***

Economic Development Manager Neuendorf said this item pertained to the project at 70th and France Avenue.

Mr. Neuendorf gave a presentation that summarized previous concepts proposed for the area, approved site plan, site B renderings of Sites B and C from various perspectives, and relation to the objectives of the Greater Southdale District Plan. He also summarized the immense tax base growth and numerous fiscal and community benefits of the proposed redevelopment project. He noted that

a Renewal TIF District has been established but that the project encountered numerous financial challenges in the national and regional economy that resulted in delays to the project. Finally, he summarized six possible strategies to consider. He identified that a long-term lease arrangement is the option that the developer believes has the greatest potential with minimal risks.

Ted Carlson, Orion Investments, and Dan Lessor, Mortenson Development, gave a presentation on their proposed office development on Site B. They described the positive leasing momentum for Class A professional office space in Edina and provided an overview of the office market in the Twin Cities. With this background, they described a potential business arrangement where the developer could work in partnership with the HRA to secure financing for the project. Under this arrangement, the developer would finance the office building and the HRA and developer would create a partnership to finance the parking garage. They shared an organizational chart of the possible business structure and proposed strategies to overcome difficulties.

The Board asked questions regarding whether this arrangement might impact the HRA/City bond rating. They inquired about the variety of risks this strategy might present to the HRA. And they asked about the opportunity costs associated with continued pursuit of this proposed project.

Mr. Lessor stated that this lease structure is not viewed the same as a bond issuance. Mr. Lessor also noted that the Special Purpose Entity (SPE) formed to deliver the parking garage would be a tax-exempt entity independent of Mortenson and Orion.

Mr. Neuendorf stated that this type of lease structure is much less risky compared to issuing debt directly on behalf of the HRA.

The Board noted concern with application of aspects of the Greater Southdale Area design guidelines. They questioned whether these guidelines might be pushing developers to pursue more costly projects.

The Board gave feedback regarding the need to more fully present the fiscal and other risks associated with each phase of the project. They noted the need to better understand the rent and tax growth to mitigate risk.

The Board asked additional questions regarding the entity that would own the parking structure, the revenue created from the parking structure, and the current and future status of the TIF district.

Mr. Lessor noted that the special purpose entity that owns the parking structure would be set up as a non-profit that is governed by a board.

Mr. Neuendorf noted for Site C, the developer would transfer ownership of the land to the HRA initially. The SPE and debt holder would own the parking garage until the debt is retired. After the building is paid for, the HRA would own the land and the building.

Mr. Neuendorf noted that the boundaries and the eligible expenses of the existing 70<sup>th</sup> & France TIF district will not change, but the duration might change. Any changes of this type would be subject to additional analysis and formal modification of the TIF Plan using the public hearing method mandated by Minnesota statute.

Mr. Carlson stated that the rough timeline of construction for an office building this size is 24 months, and a parking structure of this size is 6 months. He noted that the parking garage would not be built until after construction of the office had begun.

Finally, the Board asked questions regarding the public purpose of the tax-exempt entity and the phase I construction of the parking ramp. They also expressed concerns about how people would get from the parking garage to surrounding businesses on nearby properties.

Mr. Neuendorf stated that as currently envisioned, the parking garage will be available for the office workers during the workday and would be available for the general public on evenings, weekends, and holidays.

Mr. Carlson reminded the Board that the first floor of the office project is retail and that new sidewalks would be installed on the property.

The Board gave general feedback on being supportive of the new Class A professional office building but expressed the need to more fully understand the risks associated with a partnership before they could consider a formal commitment. Based on the limited information available, the degree of support and level of concern varied among the Commissioners.

***VII.B. POLICY FOR NEW MULTIFAMILY AFFORDABLE HOUSING DISCUSSION  
- TABLED***

The Board decided to table this topic until the next HRA meeting.

***VIII. EXECUTIVE DIRECTOR COMMENTS*** – None

***IX. HRA MEMBER COMMENTS*** - None

***X. ADJOURNMENT***

**Motion made by Commissioner Pierce, seconded by Commissioner Jackson, to adjourn the meeting at 9:02 a.m.**

Ayes: Agnew, Jackson, Pierce, Risser, and Hovland

Motion carried.

Respectfully submitted,

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Scott Neal, Executive Director



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**Item Number:** 6.2

**Department:** Community Development

**Item Activity:** Action

**Prepared By:** Stephanie Hawkinson, Affordable Housing  
Development Manager

**Item Title:** Edina Housing Foundation Appointments

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**Action Requested:**

Appoint Bernadette Hornig, Mary Kay McNee, and Ann Swenson to the Edina Housing Foundation with a term ending 3/1/27

**Information/Background:**

The Edina Housing Foundation consists of five members. Per the Foundation's by-laws, members shall be appointed each year. Two members are appointed by the City Council and three members are appointed by the HRA. The HRA is being asked to appoint Bernadette Hornig, Mary Kay McNee, and Ann Swenson.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

None



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**Item Number:** 7.1

**Department:** Community Development

**Item Activity:** Action

**Prepared By:** Stephanie Hawkinson, Affordable Housing Development Manager

**Item Title:** Amend VEAP Grant Agreement for Emergency Rental Assistance

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**Action Requested:**

Amend the VEAP grant agreement to increase funding by \$300,000 for emergency rental assistance and approve all necessary agreements and related documents to implement and administer the program.

**Information/Background:**

**Situation:**

The federal immigration activity in Minnesota, known as "Operation Metro Surge" has caused many people to shelter-in-place for fear of being detained. Operation Metro Surge has created widespread fear and uncertainty among many Minnesota residents. Hospitals, schools and the construction and service industries have reported that hard-working individuals are sheltering at home rather than risk unwarranted arrest or detention. As a result, many vulnerable households face an impossible choice: risk detention by going to work or risk eviction by staying home without wages.

**Background:**

The City established an Immigration Response Task Force made up of eleven cross-departmental staff to evaluate community requests and identify actions within the City's authority in response to federal immigration enforcement activity affecting the Edina community. Among the ideas considered was an eviction moratorium. However, the Task Force did not recommend this option and instead encouraged Council to focus on emergency rental assistance as a legally sound and more sustainable approach to housing stability.

At the February 4 City Council work session and regular meeting, Council discussed potential responses and chose to endorse emergency rental assistance rather than advocate for an eviction moratorium. Council approved a resolution directing a letter to the Governor of Minnesota requesting that immediate emergency rental funding be provided to established organizations equipped to administer such programs. While this action signals strong support, there is no guarantee the State will take action.

Council also approved a legislative platform that includes support for emergency rental assistance financing. As with any legislative effort, policy changes and funding approvals may take time. The legislative platform notes that due to federal immigration enforcement activity in Minnesota, many residents are sheltering in place out of fear of detention, placing their ability to pay rent at risk.

**Assessment:**

There is an immediate and demonstrated need for rental assistance, and the City has consistently supported VEAP in administering emergency rental assistance funds during periods of economic disruption.

During the COVID-19 pandemic, approximately \$1 million in CARES and ARPA funding enabled the City of Edina to support Volunteers Enlisted to Assist People (VEAP) in providing emergency rental assistance while residents sheltered in place. As residents returned to work and stabilized financially, the City’s level of support decreased accordingly.

More recently, due to significant reductions in funding from the Federal Government and Hennepin County, the HRA awarded \$200,000 on August 28, 2025, from the City’s 2025 Local Affordable Housing Aid (LAHA) allocation to VEAP for emergency rental assistance. This award was double the 2024 amount, reflecting persistent community need and continued federal funding cuts.

The LAHA allocation approved in August did not anticipate the impact of Operation Metro Surge. The \$200,000 in emergency rental assistance funding is now largely expended, further underscoring the urgency of additional support.

**Recommendation:**

In recent years, Local Affordable Housing Aid (LAHA) was the only City source of funding for emergency rental assistance. However, the full 2025 LAHA allocation was committed in August 2025, and the 2026 LAHA funds will not be available until July 2026.

To address the immediate need for rental assistance, staff recommends a forward commitment of up to \$300,000 from the anticipated 2026 LAHA allocation. Previously 25% of the LAHA funding award could be allocated for navigation and servicing of the emergency rental assistance. This amendment reflects the percentage decreasing to 15%.

To ensure assistance can begin immediately, VEAP would temporarily draw from awarded but currently unspent 2025 LAHA funds designated for the Affordable Ownership Preservation Program. Once the 2026 LAHA funds are received in July 2026, those funds would replenish (make whole) the Ownership Preservation allocation.

If demand for emergency rental assistance decreases, VEAP has up to three years to fully disburse the funds, providing flexibility and minimizing financial risk.

**Funding Strategy:**

- 2024 LAHA Allocation (7-month collection period): \$339,342.32
- 2025 LAHA Allocation: \$875,381.99
- Projected 2026 Allocation (estimated similar to 2025): ~\$875,000

If the HRA approves a forward commitment of \$300,000 for emergency rental assistance in 2026, more than \$500,000 would remain available from the projected 2026 allocation for other affordable housing initiatives to be determined once funds are received.

| Proposed Funding          |  |           |  |                                    |
|---------------------------|--|-----------|--|------------------------------------|
| Timing                    | Source of Funds                                    | Amount    | Purpose                                  | Notes                              |
| Early 2026<br>(Immediate) | Unspent 2025 LAHA (Ownership Preservation Program) | \$300,000 | Emergency Rental Assistance (VEAP)       | Temporary draw to meet urgent need |
| July 2026                 | 2026 LAHA Allocation (Projected ~\$875,000)        | \$300,000 | Replenish Ownership Preservation Program | Makes 2025 program whole           |
| July 2026 and beyond      | Remaining 2026 LAHA Funds (~\$575,000+)            | Balance   | Other Affordable Housing Initiatives     | To be determined                   |

**VEAP Rental Assistance:**

VEAP is a basic needs organization whose programs include access to healthy foods, social services, housing stability and supportive services. VEAP is one of the only social service agencies that assists Edina residents with housing advocacy and financial assistance. VEAP supports low-income renters to maintain safe and stable housing by communicating with property management and negotiating payment arrangements, a need which could increase as job hours are cut or job loss occurs. VEAP also provides limited emergency rent assistance to help maintain housing stability and prevent homelessness during periods of financial crisis. Typically, rental assistance is available for 3 months within a 12-month period. However, with case management review of the applicants' situation and need, and ability to overcome the financing crisis, assistance may be allowed for up to 6 months.

VEAP delivers homelessness prevention services through a structured yet flexible process designed to respond quickly when households face an imminent housing crisis. Beneficiaries are identified through multiple entry points, including direct referrals from the City, Hennepin County, local schools, landlords, partner nonprofit organizations, and through self-referral by households seeking assistance. Once a household contacts VEAP, staff conduct an initial screening to determine eligibility based on income, residency, and the nature of the housing instability.

Eligible households are then connected with a Case Manager who completes a comprehensive intake and assesses the immediate risk of eviction. Documentation is collected to verify income, housing status, and the amount of assistance needed. When a household is approved for assistance, VEAP staff work directly with landlords to obtain invoices and confirm amounts owed. Emergency financial assistance is issued directly to third-party vendors to resolve the immediate housing threat as quickly as possible.

Throughout this process, VEAP staff provide housing advocacy to support participants in stabilizing their housing situation. This includes communicating with landlords or property managers, negotiating payment arrangements, clarifying tenant rights and responsibilities, and helping prevent

escalation to eviction filings. These services are especially critical for households facing language barriers, unfamiliarity with housing systems, or limited ability to self-advocate during a crisis.

**Resources/Financial Impacts:**

- Budget –Today's request is to forward commit \$300,000 of the anticipated 2026 LAHA funding allocation. It is a Metropolitan Sales Tax that was authorized by State Legislation and is restricted in how it may be used. Until the 2026 LAHA funds are disbursed to the City, VEAP will draw on LAHA funds that were awarded in 2025 but are currently unspent.
- Implementation – Staff will implement with HRA authorization.
- Operation – This funding source will need to be tracked with reports due to the state. A unique budget code has been assigned. Funding to third parties will be secured by funding agreements.

**Relationship to City Policies/Plans/Budget Pillars:**

Aligns with the Comprehensive Plan.



Reliable Service



Livable City



Better Together

**Values Impact:**



Engagement

The programs foster inclusivity by supporting lower-income Edina residents as valued members of this community.



Equity

Supporting emergency rental assistance serves historically underrepresented groups in Edina.



Health

Emergency rental assistance provides housing stability, which is a social determinate of health. Stable, affordable housing reduces stress.



Stewardship

Emergency rental assistance is aligned with the intended use of the funding. It is directed to assist current residents. Providing emergency rental assistance to Edina renters who need it helps these residents remain in their homes.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

1. First Amendment to Grant Agreement (VEAP, Inc.)

## FIRST AMENDMENT TO GRANT AGREEMENT

**THIS FIRST AMENDMENT TO GRANT AGREEMENT** (this “First Amendment”) is entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 2026, by and between the **HOUSING AND REDEVELOPMENT AUTHORITY OF EDINA, MINNESOTA**, a body politic and corporate under the laws of the State of Minnesota (the “HRA”), and **VEAP, INC.**, a Minnesota nonprofit corporation (“Grantee”).

### Recitals

**WHEREAS**, Grantee is a nonprofit, community-based program provider which supports housing stability for low-to-moderate income households within the City of Edina;

**WHEREAS**, Grantee provides emergency rental assistance to help maintain housing stability and prevent homeless;

**WHEREAS**, the HRA has received and expects to continue to receive Local Affordable Housing Aid pursuant to Minnesota Statutes section 477A.35, which the HRA is authorized to allocate for qualifying projects as further identified in the statute;

**WHEREAS**, the HRA and Grantee entered into that certain Grant Agreement, dated October 30, 2025 (the “Agreement”) pursuant to which the HRA provided Grant Funds to Grantee; and

**WHEREAS**, the HRA desires to provide additional assistance to Grantee for emergency rental assistance to low-to-moderate income households within the City of Edina as provided under Minnesota Statutes section 477A.35, subdivision 4(a)(1).

**NOW, THEREFORE**, in consideration of the mutual promises and covenants herein, parties do hereby agree as follows:

1. **ADDITIONAL GRANT.** The HRA agrees to grant to Grantee an additional Three Hundred Thousand and No/100 Dollars (\$300,000.00) (“Additional Grant Funds”). Fifteen percent of the Additional Grant Funds (up to \$45,000) may be used for the navigation and servicing of the Program.

2. **GRANTEE RESPONSIBILITIES AND OBLIGATIONS.** Grantee shall be responsible for all costs in excess of \$45,000 associated with the navigation and servicing of the Program. The Additional Grant Funds are subject to all other terms and conditions of the Agreement.

3. **MISCELLANEOUS.**

a. All capitalized terms used, but not defined herein shall have the meaning ascribed to such terms in the Agreement.

- b. Except as specifically modified by this First Amendment, the Agreement shall remain in full force and effect.

**IN WITNESS WHEREOF**, the parties hereto have entered into this First Amendment on the day and year first above written.

**HOUSING AND REDEVELOPMENT  
AUTHORITY OF EDINA, MINNESOTA**

By: \_\_\_\_\_  
James Hovland, Its Chair

And \_\_\_\_\_  
Scott Neal, Its Executive Director

**VEAP, INC.**

By: \_\_\_\_\_  
Its President and CEO



**Item Number:** 7.2

**Department:** Community Development

**Item Activity:** Discussion

**Prepared By:** Stephanie Hawkinson, Affordable Housing Development Manager

**Item Title:** Policy for New Multifamily Affordable Housing Discussion

**Action Requested:**

Discussion only.

**Information/Background:**

In 2015, the Edina Housing Foundation proposed an Affordable Housing Policy (“Policy”) that requires new residential development with greater than 20 units to include affordable housing units equaling 10% of the combined units’ square footage. In subsequent actions, the Policy was amended to include a Buy-In option, change the percentage based on the number of units versus square feet, a proportionality provision, and a requirement for non-discrimination of source of rental payment (such as Housing Choice Vouchers), among other things. The Policy is periodically reviewed to determine if there are gaps in coverage, confusing elements, for ease in understanding, and to make sure the goal of creating affordable housing opportunities is met.

The most recent Policy update occurred in December 2022 to increase the buy-in amount and to require the inclusion of the affordable units when maximum densities are reached, rather than allowing for a payment in lieu. Nonetheless, as it’s been almost 11 years since the Policy was initially approved, and even longer since it was initially discussed, it may be time to review the rationale for a Policy to determine if the rationale still stands, or if the Policy needs a more thorough revision to address current objectives.

The Policy was created to address themes that are familiar today. As stated in a 2015 report:

"Based upon a review of housing trends in Edina, it is apparent that the diversity of the city's housing stock has declined as a result of increasing property values and a reduction in the availability of more modest cost dwellings. Redevelopment has, in many cases, contributed to property value increases that further the difficulty of providing affordable housing in the city. Privately developed new residential housing that is being built in the city generally is not affordable. Many developers are interested in investing in Edina, but few are willing or able to provide affordable housing without encouragement and assistance from the City.

The City recognizes the need to provide affordable housing in order to maintain a diverse population and to provide housing for those who live or work in the city. Since the remaining land appropriate for new residential development is limited, it is essential that a reasonable proportion of such land be developed into affordable housing units."

The Policy addresses three main goals:

- To have the private sector develop affordable housing.
- To integrate affordability into market rate developments throughout the city rather than concentrated.
- To address the need for affordable housing outside the 100% affordability model.

Staff is working on amending the policy to clarify the following elements:

- Create separate sections for rental housing and ownership housing to address their unique characteristics;
- Review the percentage of units required at 60% Area Median Income ("AMI") and explore the option of recognizing a small percentage of 30% AMI units;
- Determine additional triggers if fewer Planned Unit Developments are approved;
- Create different buy-in calculations for rental and ownership developments; and
- Clarify a process in the event a deviation from the Policy is appropriate and desired.

Prior to proceeding with proposed changes, Staff would like input on the overall goals for the Policy and HRA Commissioners' input of elements to include.

**Resources/Financial Impacts:**

No fiscal or capacity impact.

**Relationship to City Policies/Plans/Budget Pillars:**

The Policy on New Multifamily Affordable Housing aligned with the Comprehensive Plan and the Housing Strategy Task Force Implementation Plan. Since its passage, the City has made great strides in creating more housing opportunities. The passages below are sections of the 2040 Comprehensive Plan that support the proposed changes to the Policy.

Goal 2: Encourage the development and maintenance of a range of housing options affordable to residents at all income levels and life stages.

1. Encourage the production of additional affordable housing units and retention of existing affordable housing units to meet the city's housing needs and its Metropolitan Council affordable housing need allocation of 1,804 units.

Goal 4: Support the development of a wide range of housing options to meet the diverse needs and preferences of the existing and future Edina community.

3. Promote affordable and workforce housing that includes a range of housing prices and options, based on the principle that those who contribute to the community should have the opportunity to live here.

7. Support the development of both mixed income and 100% affordable housing throughout Edina where there is access to transit.

**Values Impact:**



Engagement

Affordable housing fosters a sense of belonging by providing stable, inclusive communities where all residents feel valued and connected. In crafting the Comprehensive Plan and the Housing Strategy Task Form implementation plan, extensive public engagement was involved.



Equity

Access to affordable housing in different phases of life creates opportunities to minimize housing disparities that disproportionately impact people of color, seniors, and people with disabilities. Incorporating affordable units within market-rate developments minimizes the stigma associated with living in affordable housing.



Health

Safe and affordable housing is one of the most basic and powerful social determinants of health. Quality housing improves the health of vulnerable populations and is a cornerstone of a strong and healthy community.



Stewardship

Investing in affordable housing ensures responsible management of resources to create sustainable, long-term housing solutions for community stability. Incorporating affordable units into market-rate housing is far more financially feasible for public resources than building the affordable units independently.



Sustainability

Affordable housing and climate action are closely related because the way homes are built and where they are located contributes to community greenhouse gas emissions. Building sustainable, dense housing can reduce the carbon emissions from the built environment while also creating more affordable housing options that are walkable, have lower utility costs and are resilient to climate change. The current policy supports affordable units in higher density developments.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

1. Presentation
2. New Multi-family Affordable Housing Policy

# Policy Discussion for New Multifamily Affordable Housing

February 19, 2026



The CITY of  
**EDINA**



# Background Information

- Policy was adopted in 2015 to respond to rising housing costs with very little affordable housing being developed.
- Prior to Policy, HRA and Staff negotiated with Developers on case-by-case basis.
- The City Council directed the Edina Housing Foundation to draft a Policy.
- Examples were pulled from similar cities around the country and twin cities.



# Initial Policy Goals

- To have the private sector develop affordable housing.
- To integrate affordability into market rate developments across the City so not to isolate affordable housing in specific areas.
- To address the need for affordable housing outside the 100% affordability model.



# Policy Application

If a Development has 20 or more units

AND one or more of the following:

- City or HRA awards financing
- City grants a zoning change/PUD or Comprehensive Plan amendment
- Development built on City/HRA owned land



# Policy Elements (December 2022)

- 10% of units rent restricted to 50% AMI rent levels or 20% of units restricted to 60% AMI rent levels.
- Rental units affordable for 20-years unless there is City financing, then 30-year affordability period.
- Ownership units have a 30-year affordability period.
- Proposed development approaching maximum density must include the affordable units.
- Preference for affordable units on-site, but there is flexibility built in:
  - Buy-in Fee of \$175,000/affordable unit not provided in development.
  - Financial risk of similar level in another affordable housing development within the City.
  - Preservation of 110% of units that would be provided in development that are of equivalent quality.

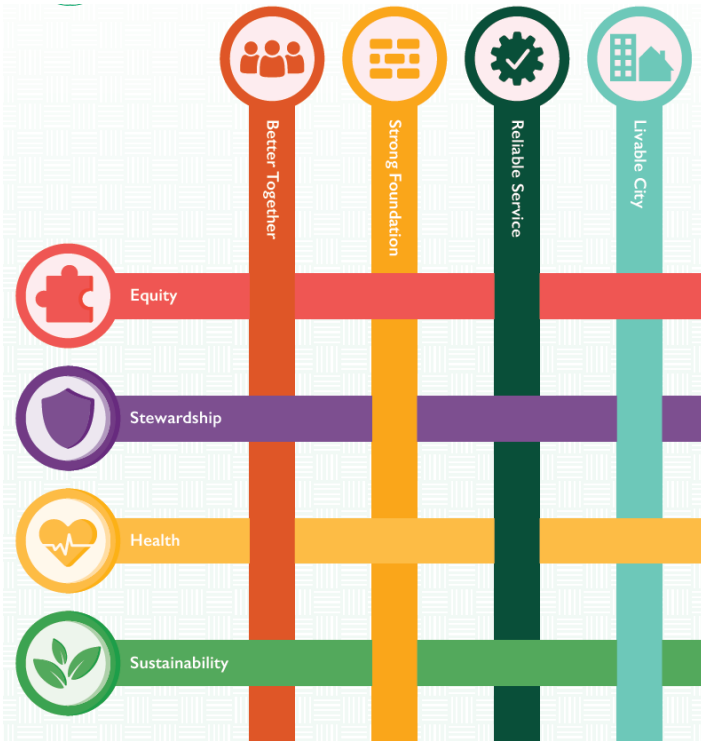


# Contemplated Changes to Policy

- Create separate sections for rental housing and ownership housing to address their unique characteristics;
- Review the percentage of units required at 60% Area Median Income ("AMI") and explore the option of recognizing a small percentage of 30% AMI units;
- As Planned Unit Developments trigger the affordability requirement, explore alternative triggers if fewer PUDs are approved;
- Clarify a process in the event a deviation from the Policy is appropriate and desired; and
- Increase buy-in fee with a different fee for rental vs. ownership.



# Guiding Framework: Budget Pillars & Values



## Community Wellbeing and Affordable Housing

- Safety
- Accessible housing options
- Stress reduction
- Engaged community
- Neighborhood Stability
- Social Connectedness



# Affordability Priorities from 2025 Work Sessions

| Housing Type                    | Population Served     | HRA Financial Gap/unit                |
|---------------------------------|-----------------------|---------------------------------------|
| 1. NOAH Family Ownership        | AMI 60-120%           | High                                  |
| 2. New Townhomes Ownership      | AMI 80% - \$120%      | Med-High depending on income reached. |
| 3. New Multifamily Rental       | AMI < 80% AMI         | Low-Med                               |
| 4. New Duplex/Triplex Ownership | AMI 80% - 120%<br>AMI | High                                  |

# Discussion Topics

- Do you want to integrate affordability in with market rate apartment units?
- Do you support the creation of housing for households with incomes at 50-60% of AMI?
  - This income bracket generally requires apartment living rather than ownership housing.
- Do you want to continue the buy-in option or require the inclusion of the affordable units?
- Is a buy-in of \$175k (about half the cost to include in MF rental) sufficient?
- Should this policy continue to apply to multifamily ownership housing?
- Do you support the existing criteria that trigger the policy (# new

# Supporting Documentation

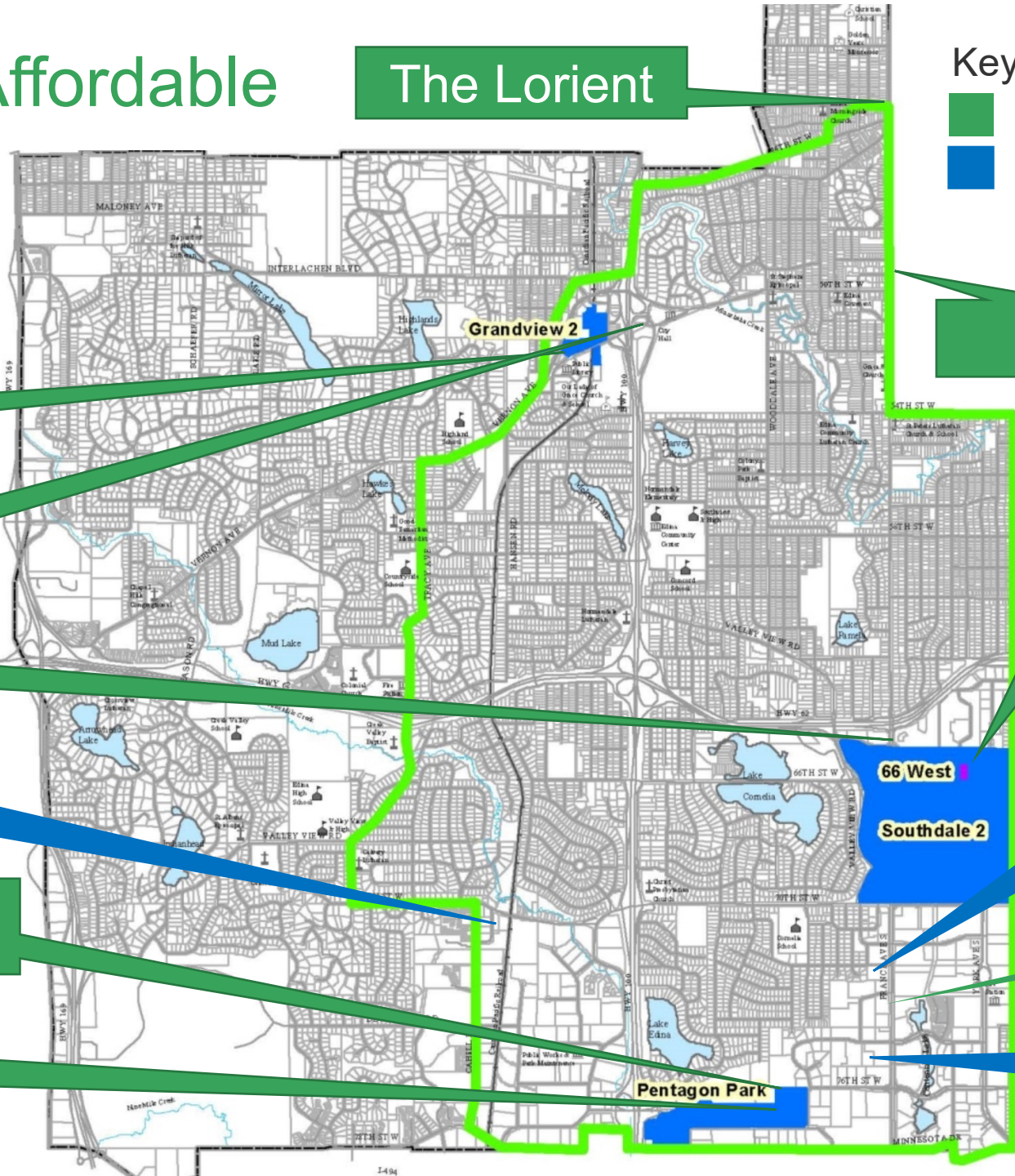


# Multifamily Affordable Housing Production

The Lorient

Key:

- = Market rate with affordable units
- = 100% Affordable



Nolan Mains

Avidor

Maison Green

Aurora

Amundson Flats

The Finch

The Oaks

Millenium

4040 Flats

Yorkshire of Edina

The Setting

The Sound on 76th

# Policy Elements: Buy-In Fee

Current Fee: \$175,000 per affordable unit not includes (10% of total units)

- It is far more cost efficient for a Developer to Buy-in rather than include affordable units.
- Over a 20-year period a developer's revenue on a market rate unit far exceeds the initial Buy-in of \$175,000.
- Based on a high-level analysis using Maison Green as an example, the Buy-in fee would need to be \$330,000/unit to equate with the rent losses on an affordable units over 20-years.
- Fee is deposited in the Affordable Housing Trust Fund and may be used for a variety of affordable housing initiatives.



# Inclusion vs. Buy-in Comparison

## Inclusion:

- Maison Green– 20 units
- The Oaks– 20 units
- Lorient – 3 units
- Avidor – 18 units
- Aria – 8 units (4.3%)
- Millenium – 11 units (4.8%)
- Nolan Mains – 10 units
- The Finch – 28 units
- The Setting – 15 units

**TOTAL: 133 units**

## Buy-In:

- The Fred – in lieu of 41 units
- Bower – in lieu of 19 units
- 7001 France\* – In lieu 27 units
- Lorient – In lieu of 2 units
- 4425 Valley View – In lieu of 3 units
- The Loden – in lieu of 25 units
- The Onyx – in lieu of 25 units

**TOTAL: In lieu of 142 units**

\*Approved but did not proceed



# Income Limits (2025)

| Household Size | 50% of AMI | 60% of AMI | 115% of AMI |
|----------------|------------|------------|-------------|
| 1 person       | \$46,350   | \$55,620   | \$106,605   |
| 2 people       | \$53,000   | \$63,600   | \$121,900   |
| 3 people       | \$59,600   | \$71,520   | \$137,080   |
| 4 people       | \$66,200   | \$79,440   | \$152,260   |
| 5 people       | \$71,500   | \$85,800   | \$164,450   |



# Rent Limits (2025)

| Bedrooms   | 30% of AMI | 50% of AMI | 60% of AMI |
|------------|------------|------------|------------|
| Studio     | \$695      | \$1,158    | \$1,390    |
| 1 Bedroom  | \$745      | \$1,241    | \$1,490    |
| 2 Bedrooms | \$894      | \$1,490    | \$1,788    |
| 3 Bedrooms | \$1,032    | \$1,721    | \$2,065    |
| 4 Bedrooms | \$1,152    | \$1,920    | \$2,304    |





- City Council
- City-Wide
- Department

Approved: 11/1/2015  
Revised: 12/8/2022

## **NEW MULTI-FAMILY AFFORDABLE HOUSING**

The City and Housing and Redevelopment Authority recognize the need to provide a range of affordable housing choices for those who live or work in the City. Since the land appropriate for new multi-family residential development is limited, it is essential that a reasonable proportion of such land be developed into affordable housing units. As such, the City of Edina adopts the following New Multi-Family Affordable Housing Policy.

### **FOR THE PURPOSES OF THIS POLICY:**

1. "Unit" means either a for-sale dwelling or a rental dwelling in which a lease is signed prior to occupancy.
2. "Financial Assistance" provided the City includes but is not limited to tax increment financing, land write downs, pass-through funding for purposes other than environmental remediation and other forms of direct subsidy.
3. Any specific projects requesting exemptions to the affordable housing requirements of this policy must seek recommendation from the Edina HRA and approval from the Edina City Council based on alternative public purpose.
4. All new multi-family developments of 20 units or more must adhere to this policy and must be zoned PUD Planned Unit Development.
5. Affordable Rental Housing Income and Rents are defined as both gross incomes (adjusted for family size) and gross rental rates (adjusted for bedroom count and include utility allowance and any fees that are a requirement of occupancy as per Section 42 of the Internal Revenue Service Code.) that are updated annually by the Minnesota Housing Finance Agency (MHFA) and published at [www.mnhousing.gov](http://www.mnhousing.gov). 2020 income and rental limits can be found at the end of this policy.
6. Affordable Ownership Housing Income and Sales Price are affordable to and initially sold to persons whose income is at or below 80% of Area median Income.

### **THIS POLICY APPLIES TO ALL NEW MULTI-FAMILY DEVELOPMENTS THAT:**

1. Include 20 units of more.
2. Require rezoning or a Comprehensive Plan Amendment.
3. Receive financial assistance from the City of Edina and/or the Edina Housing and Redevelopment Authority.
4. Are developed on property purchased from the City of Edina even if no financial assistance is being provided by the City unless the waiver is recommended by the Edina HRA and approved by the Edina City Council.

## THE POLICY

1. New rental multi-family developments subject to this policy shall provide a minimum of 10% residential units at 50% affordable rental rates or 20% residential units at 60% affordable rental rates as defined below. The units shall be occupied by households at or below 60% of the Multi-Family Tax Subsidy Income Limits (MTSP).
2. New for-sale developments shall provide a minimum of 10% of residential units at affordable sales prices as defined below.
3. The affordable unit mix must be approximately proportional to the market rate unit mix.
4. Rental and for-sale/owner occupied affordable units shall provide the following:
  - a. on-site parking (either surface or enclosed) for affordable units and the cost related to parking must be included affordable sales price or affordable rental rate. At least one enclosed parking space shall be included in the purchase price of a for-sale unit in the same manner offered to buyers of market rate units.
  - b. Affordable and market rate residents will have equal access to all entries, lobbies, elevators, parking and amenities. Examples of amenities include storage lockers, balconies, roof decks, outdoor patios, pools, fitness facilities, and similar unit and project features.
  - c. Exterior appearance of affordable units shall be visually comparable with market rate units in the development.
5. New rental housing will remain affordable for a minimum of 20 years if seeking a PUD and zoning amendment without City financing or 30-years if City financing is approved. This requirement will be memorialized by a Land Use Restrictive Covenant.
6. New for-sale or owner-occupied developments will remain affordable for a minimum of 30 years and this requirement will be memorialized by a Land Use Restrictive Covenant. The Land Use Restrictive Covenant will contain a provision providing the Housing and Redevelopment Authority or Edina Housing Foundation the right of first refusal to purchase affordable units.
7. The developers and/or owners of multi-family rental housing projects subject to this Policy by receiving financial assistance shall accept tenant-based rental housing assistance including but not limited to Section 8 Housing Choice Vouchers, HOME tenant-based assistance and Housing Support. Tenants with rental assistance may occupy an affordable dwelling unit with the rent charged not exceeding the maximum allowed by Metro HRA or the assistance provider. Furthermore, the rent charged may not exceed the maximum allowed by the most restrictive funding source. This requirement will be enforced through a contract between the City of the project owner pursuant to which the owner will be required to adopt business practices that promote fair housing and provide documentation of compliance with these requirements to the City. This requirement will be further enforced through the City's monitoring policies and procedures.
8. Owners of City-assisted housing projects shall affirmatively market affordable housing opportunities. All multi-family housing providers subject to this policy must submit an Affirmative Fair Housing Marketing Plan (AFHMP) at least every 5 years and a Survey and Certification regarding AFHMP outcomes annually. Owners must advertise housing opportunities on HousingLink or another medium acceptable to the City concurrent with any other public or private advertising.
9. Recognizing that affordable housing is created through a partnership between the City and developers, the City and/or Housing and Redevelopment Authority will consider the following incentives for developments that provide affordable housing:
  - a. Parking requirement reductions
  - b. Tax increment financing for projects that exceed the minimum requirement

- c. Deferred low interest loans from the Housing and Redevelopment Authority and/or Edina Housing Foundation
  - d. Property Tax Abatement
10. It is the strong preference of the City that each new qualifying development provide its proportionate share of affordable housing on site. However, the City recognizes that it may not be economically feasible or practical in all circumstances to do so. As such, the City reserves the right to waive this policy (only if circumstances so dictate, as determined by the City). In lieu of providing affordable housing in each new qualifying development, the City may consider the following:
- a. Dedication of existing units in Edina to 110% of what would have been provided in a proposed new development. These units would need to be of an equivalent quality within the determination of the City.
  - b. Financial risk and participation in the construction of affordable dwelling units of an equivalent quality by another developer on a different site within the City.
  - c. An alternative proposed by a developer that directly or indirectly provides or enables provision of an equivalent amount of affordable housing within the city. An alternative could be payment of a Total Buy In (TBI) fee, a cash payment to the City in lieu of providing affordable housing units. The TBI shall be equal to \$175,000 per unit rounding up to the next whole unit. The TBI would be due in cash or certified funds in full to the City at the time of issuance of the building permit. A building permit will not be issued unless the TBI is paid in full. The City Council may allow the housing developer to pre-pay the TBI to satisfy a future Affordable Housing Opportunity on a case-by-case basis. TBI will be deposited into the Affordable Housing Trust Fund to be used for the development and preservation of affordable housing.
11. As allowing maximum density was intended to serve as a density bonus for the inclusion of affordable units, for mixed use developments that have densities 50% or greater of the maximum allowed density, affordable units must be included in the development. For residential developments with densities 75% of the maximum allowed density, affordable units must be included in the development. For example:
- a. If zoning allows between 50-100 units per acre, and the residential development is 50-87 units per acre, the developer/owner may elect to include the affordable units into the development, pay the TBI fee, or an approved alternative.
  - b. If the proposed development is 88-100 units per acre, the development must include affordable units within the building.
12. The owners and their agents of multi-family rental and ownership properties subject to this policy must cooperate with the City's compliance officer during the affordability period. Non-compliance may be grounds for suspension of the rental license.
13. Guidelines for implementing this Affordable Housing Policy can be found in the Inclusionary Housing Policy Program Guide.

## 2022 INCOME AND RENTAL LIMITS

Please refer to the income and rent tables published on [www.mnhousing.gov](http://www.mnhousing.gov).

### 2022 OWNERSHIP HOUSING INCOME AND SALES PRICE

|           | GROSS INCOMES |          |           | GROSS RENTS |         |
|-----------|---------------|----------|-----------|-------------|---------|
|           | 60%           | 50%      |           | 60%         | 50%     |
| 1 Person  | \$49,320      | \$41,100 | Studio    | \$1,233     | \$1,027 |
| 2 Persons | \$56,340      | \$46,950 | 1 Bedroom | \$1,320     | \$1,100 |
| 3 Persons | \$63,360      | \$52,800 | 2 Bedroom | \$1,584     | \$1,320 |
| 4 Person  | \$70,380      | \$58,650 | 3 Bedroom | \$1,830     | \$1,525 |
| 5 Persons | \$76,020      | \$63,350 | 4 Bedroom | \$2,041     | \$1,701 |

Acquisition Limit in this policy definition: \$355,000

2022 income limits as published on the Metropolitan Council website are as follows: 80% of AMI (\$89,400)

Income limits and maximum sales prices are updated annually. See [www.mnhousing.gov](http://www.mnhousing.gov) and <https://metrocouncil.org/Communities/Services/Livable-Communities-Grants/Ownership-and-Rent-Affordability-Limits.aspx>

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