



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

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Provide feedback during Community Comment by calling 312-535-8110. Enter access code 2862 096 8337. 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:**

The City of Edina wants all residents 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 at least 72 hours in advance of the meeting.

#### **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. Minutes from April 16, 2026

6.2. First Amendment to the Edina Home Preservation Line of Credit Program Agreement

**7. Reports/Recommendations**

7.1. SPARC funding proposal for 4925 Eden Avenue

7.2. Centennial Lakes TIF Fund - Project Update

**8. Executive Director Comments**

**9. HRA Member Comments**

**10. Adjournment**



**Item Number:** 6.1

**Department:** Community Development

**Item Activity:** Action

**Prepared By:** Miriam Laredo-Fuentes, Administrative Support Specialist

**Item Title:** Minutes from April 16, 2026

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**Action Requested:**

Approve Minutes from April 16, 2026

**Information/Background:**

**Supporting Documentation:**

1. HRA Minutes: April 16, 2026

**MINUTES  
OF THE REGULAR MEETING OF THE  
EDINA HOUSING AND REDEVELOPMENT AUTHORITY  
APRIL 16, 2026  
7:30 A.M.**

***I. CALL TO ORDER***

Chair Hovland called the meeting to order at 7:31 a.m. then explained the processes created for public comment.

***II. ROLL CALL***

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

Absent: Commissioner Agnew.

***III. PLEDGE OF ALLEGIANCE***

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

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

Ayes: 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 Community Comments at the previous meeting.

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

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

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

Ayes: Jackson, Pierce, Risser, and Hovland

Motion carried.

***VII. REPORTS AND RECOMMENDATIONS***

***VII.A. PROFESSIONAL SERVICES AGREEMENT FOR REVENUE ANALYSIS AND DEVELOPMENT SCENARIO PROJECTIONS – APPROVED***

Affordable Housing Development Manager Hawkinson noted that on October 16, 2025, staff proposed drafting an RFP for a residential development based on the guided land use in the Comprehensive Plan, HRA work sessions on affordable housing, and the budget pillars and values.

Manager Hawkinson stated that staff have worked with Urban3 to develop a proposal that would provide the City with an analysis of five development scenarios for the Fire Station 2 outlot, including the land sale price and ongoing property tax revenue.

The Board asked why the documents are only available on the Board portal and not publicly available.

Manager Hawkinson noted that, because of the ADA requirements they have to follow, Appendix A could not be included on the website.

Commissioner Risser asked questions regarding acreage and access and if the Planning Commission had been consulted.

She also expressed concerns regarding how this may impact Fire Station #2 and the contract being generated through the HRA.

Manager Hawkinson stated that the Planning Commission does not dictate how the HRA spend their money.

The Board expressed appreciation for the staff putting in effort to get more data so they can make an informed decision.

**Motion by Commissioner Jackson, seconded by Commissioner Pierce, approving the Professional Service Agreement for Revenue Analysis and Development Scenario Projections with Urban3.**

Ayes: Jackson, Pierce, and Hovland

Abstain: Risser

Motion carried.

***VII.B. PROPOSED PROMENADE EXTENSION / FRANCE AVENUE PEDESTRIAN CROSSING - PROJECT UPDATE - PRESENTED***

Economic Development Manager Neuendorf said this item pertained to the proposed extension of the Edina Promenade and the proposed France Avenue Pedestrian Crossing. Mr. Neuendorf presented information on the discussion needed, background/existing conditions, the 2007 URS study, approved site plans, alternatives considered, concept layout, estimated project cost, anticipated project financing, community outreach, a summary of community input, and options for discussion.

The Board asked questions regarding an estimate of the number of people who may use this pedestrian route, the impact on nearby businesses, the costs of maintenance, the length of the TIF District, and the impact on property taxes.

Mr. Neuendorf stated that two TIF Districts have been established and as long as there is incremental property taxes generated from the adjacent commercial properties, which would pay the bonds, there would be no impact on the property levy.

City Engineer Millner noted the Three Rivers Park District conducted a study over a week in September 2024 along the trail near Macy's and found that it averaged 300 users a day. Mr. Millner noted that this proposal is considered a bridge by the engineers because it would be constructed in a manner that incorporates beams to support the traffic above.

The Board expressed concerns regarding not seeing what the tunnel will look like during different seasons/times of day and raised questions whether this is the best use of the funds for the City. The Board also gave feedback on needing more analysis and what would be the best thing for the community in the future.

Communications Director Bennerotte clarified the specific wording included in the 2025 Quality of Life survey pertaining to this topic.

Mr. Neuendorf stated that the construction costs and anticipated financing is based on early estimates. If final costs are higher than expected, TIF monies could be considered as one of several ways to satisfy the funding gap. He noted that the HRA could consider extending the duration of one of the TIF districts by an additional 5 years, if necessary.

The Board asked questions regarding how much time they have to make a decision, and the costs associated with getting more detail. The also inquired about the County changing the configuration of France Avenue.

Mr. Neuendorf noted that staff spoke with the County multiple times in 2023 when various concepts were originally being discussed. He noted that the County was not supportive of reducing or changing the vehicle lanes on this portion of France Avenue at that time.

The Board gave feedback on how this proposal could better connect and transform the surrounding neighborhoods.



**VIII. EXECUTIVE DIRECTOR COMMENTS – Received**

**VIII.A. SPARC PROGRAM - STATUS UPDATE**

**IX. HRA MEMBER COMMENTS - Received**

**X. ADJOURNMENT**

**Motion made by Commissioner Jackson, seconded by Commissioner Pierce, to adjourn the meeting at 9:28 a.m.**

Ayes: Jackson, Pierce, Risser, and Hovland

Motion carried.

Respectfully submitted,

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Scott Neal, Executive Director



**Item Number:** 6.2

**Department:** Community Development

**Item Activity:** Action

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

**Item Title:** First Amendment to the Edina Home Preservation Line of Credit Program Agreement

**Action Requested:**

Approve first amendment to Agreement with Twin Cities Habitat for Humanity and Homes Within Reach

**Information/Background:**

On February 16, 2023 the HRA approved a \$3.0 Million Revolving Line of Credit (“LOC”) and authorization to draft a partnership agreement with Twin Cities Habitat for Humanity (“TCHFH”) to expand the Affordable Ownership Preservation Program. Similar to the HRA’s partnership with Homes Within Reach (“HWR”), TCHFH accesses the LOC to buy a house, renovate it, and sell to an income-eligible home buyer. The land is conveyed to HWR to place into the land trust and a 99-year ground lease is executed with the homeowner to assure long-term affordability. Once the land is secured into the land trust, a portion of the LOC attributed to the land is forgiven. The sale proceeds from the sale of the house, less other debt obligations, are returned to the HRA. It was anticipated that each house would require on average \$500,000, allowing the \$3.0 Million to aid in the acquisition, renovation, and sale of six homes. It was also anticipated that each home would require \$300,000 in permanent gap financing from the City with the remaining \$200,000 from the sales proceeds used to repay a portion of the credit.

**Current Status**

As of today, TCHFH has acquired six homes and has sold four. Of the two remaining homes, one has a pending sale, and the other is in the process of being rehabilitated. TCHFH also has pending purchase agreements to buy two additional homes. TCHFH has drawn \$2,102,463 from the line of credit with \$897,537 remaining. They have returned \$251,264 from sale's proceeds, which is lower than anticipated due to the use of their own financing for the renovation of the homes. The amount of funding for each house has averaged \$350,410 and the amount of permanent gap has averaged \$263,469. TCHFH has supplemented the City resources with other funding sources.

**Request**

The agreement between TCHFH and HWR expired in April. With funds remaining and two pending purchase agreements, staff requests that the contract be extended for another two years and to allow for additional homes to be acquired, renovated, and preserved for long-term affordable ownership opportunities.

As recently as 3 years ago, it was possible to buy a home for under \$400,000. Achieving that price

point is becoming increasingly challenging. The program's goal, however, is to keep the permanent gap financing using the \$3.0 Million LOC at \$300,000 on average.

### **Edina Revolving Line of Credit Program Agreement Highlights:**

#### **1. Loan Deal Points:**

- \$3,000,000 was made available, of which \$897,537 remains.
- 0.0% interest.
- Extend term from 3 to 5-years.
- At least 6 houses to be acquired, rehabilitated, and placed into a Land Trust.

#### **2. Roles and Responsibilities:**

- Habitat will select property, prepare a Sources and Uses of funds and submit a draw request.
- City Staff will review and approve or deny draw requests.
- TCHFH will buy the property and oversee rehabilitation work.
- TCHFH will determine homebuyer eligibility and oversee sale of home.
- HWR will place land into a Land Trust.
- TCHFH will return sales proceeds of the houseless other borrowed proceeds to the HRA.
- TCHFH and HWR will indemnify and hold harmless the HRA.

### **Resources/Financial Impacts:**

When the program was initially conceived, it was anticipated that each house would require \$500,000 in HRA financing, with \$300,000 attributed to the land and forgiven, and \$200,000 in sales proceeds returned to the HRA. Instead, Twin Cities Habitat for Humanity requested on average \$350,410 per house, and returned \$62,816. If this contract amendment is approved, more than the anticipated 6 houses will be preserved for long term affordable ownership, but less money will be returned to the HRA.

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

The program aligns with the 2040 Comprehensive Plan:

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

9. Promote owner-occupied units over rental units when providing affordable housing

Goal 3: Continue to support high quality design of residences and residential neighborhoods in a way that furthers sustainability, character, and livability, and maintains long term investment.

4. Maintain some of Edina's lower square footage housing stock in order to attract new residents

and retain existing residents, including providing affordable options.



### Livable City

#### Values Impact:



Engagement

Creating affordable ownership opportunities addresses concerns expressed in the Quality of Life Survey.



Equity

Creates affordable ownership opportunities in a community with a higher percentage of housing cost burdened households, and housing costs that are outpacing incomes.



Health

The program provides affordable ownership opportunities, which reduces stress created from being housing cost burdened. The homes are renovated to address health and safety issues.



Sustainability

Preserving the existing housing stock saves the materials from entering a landfill. The renovation work includes increasing energy efficiency to reduce utility bills for the buyers.

#### 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 Agreement
2. Edina Home Preservation Line Executed 2023 Agreement (Board Portal)

**FIRST AMENDMENT TO EDINA HOME PRESERVATION LINE OF CREDIT  
PROGRAM AGREEMENT**

**THIS FIRST AMENDMENT TO EDINA HOME PRESERVATION LINE OF CREDIT PROGRAM AGREEMENT** (this “First Amendment”) is entered into on this \_\_\_\_ day of May, 2026, by and among the **HOUSING AND REDEVELOPMENT AUTHORITY OF EDINA, MINNESOTA**, a body politic and corporate under the laws of the State of Minnesota (the “HRA”), **TWIN CITIES HABITAT FOR HUMANITY**, a Minnesota nonprofit company (“TCHFH”), and **WEST HENNEPIN AFFORDABLE HOUSING LAND TRUST, DBA HOMES WITHIN REACH**, a Minnesota non-profit corporation (“HWR”).

**RECITALS**

**WHEREAS**, the HRA, TCHFH and HWR entered into that certain Edina Home Preservation Line of Credit Program Agreement dated April 13, 2023 (the “Agreement”), wherein the HRA, desiring to build on positive results from a previous partnership with HWR and wanting to expand affordable homeownership opportunities in the City of Edina, approved a line of credit program (“Program”) with TCHFH to purchase, rehabilitate and sell up to six (6) homes in the community;

**WHEREAS**, TCHFH has acquired six (6) homes using funds from the Program;

**WHEREAS**, the HRA has remaining funds available for use under the Program, and TCHFH has requested and the HRA has agreed to amend the Agreement to allow TCHFH to utilize the additional Program funds to purchase, rehabilitate and sell additional homes; and

**WHEREAS**, the HRA has further agreed to extend the Agreement’s Termination Date.

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

1. **PROGRAM OPERATIONS**. The HRA agrees that the Program may be utilized by TCHFH for the purchase, rehabilitation and sale of additional homes beyond the original six (6) homes contemplated; accordingly, the first sentence of Section 2.1(a) of the Agreement is hereby amended in its entirety as follows:

2.1 Purchase. For each individual project of the approved plan for at least six (6) homes, TCHFH will select a property located in the City of Edina and TCHFH will extend an offer to purchase the property.

2. **AGREEMENT AND TERMINATION**. The Termination Date set forth in Section 4 of the Agreement is hereby amended to be five (5) years from the date the Agreement became effective.

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.

*[Signature Page Follows]*

**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

**TWIN CITIES HABITAT FOR HUMANITY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**WEST HENNEPIN AFFORDABLE HOUSING  
LAND TRUST**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

4966534.2



**Item Number:** 7.1

**Department:** Community Development

**Item Activity:** Discussion

**Prepared By:** Bill Neuendorf, Economic Dev Mgr

**Item Title:** SPARC funding proposal for 4925 Eden Avenue

**Action Requested:**

No action required; for discussion only.

**Information/Background:**

**Overview**

Staff seeks input regarding the potential use of SPARC monies to support the growth of an existing restaurant. The restaurant is constrained by limited on-site parking. Additional parking is expected to better meet consumer demand for this particular restaurant location.

No action is required at this time. Discussion about a potential forgivable loan is requested to guide the actions of the business and property owner.

**Background**

The 2-acre site was formerly a Perkins restaurant that included office and storage space for their regional office and maintenance staff. In 2021, the site was sold for redevelopment. Reuter Walton development company constructed the Maison Green apartments and included commercial restaurant space at the request of the Planning Commission and City Council. At the time, the on-site parking satisfied the City's minimum requirement for restaurant parking.

Jester Concepts constructed a full-service restaurant in this space and Starling restaurant has been opened since 2024. The restaurant has been well received in the marketplace but is constrained by the limited amount of on-site parking. The customer response to this location has been different than expected. Groups of customers tend to arrive by several vehicles as opposed to families arriving in one vehicle. This trend has overwhelmed the on-site parking lot resulting in loss of new customers.

The restaurant owner encourages staff to park on the street. He has explored leasing other commercial areas for additional customer parking but has not identified a long-term solution. Expansion of the existing parking lot seems to be the most viable path forward, but is expensive to construct due to storm water requirements, steep slopes and landscaping changes.

**Eden Willson Tax Increment Financing District**

To enable this redevelopment project, the City created the Eden Willson TIF District. After completion of the building, the HRA issued a TIF Note to the developer to reimburse them for eligible expenses related to the overall project. As part of this financing agreement, the owner agreed to allow the City to use the surface parking lot as overflow parking for Tupa Park during times that the restaurant is not open. Additionally, the developer agreed to sell a portion of the landscaped area along the highway to the

City in the future if needed for a new off-ramp or other public use. Those property rights will remain in place if the parking lot is expanded.

### **Proposed Strategy to Improve Conditions**

The business owner has prepared a conceptual expansion layout that would allow nearly twice as much on-site parking. The new parking area is on the privately owned landscape area immediately adjacent to Highway 100. This area has a steep slope that requires a new retaining wall. Changes to the soil conditions will also require changes to the storm water system as well as new landscaping. The estimated cost of this work is \$750,000.

The business owner seeks to carry out this work in 2026 as soon as regulatory approvals are complete and financing strategy in place. The owner is willing to pursue regulatory approvals, hold the construction contract and contribute to the overall project cost. However, in order to remain financially viable, the business owner seeks financial support from the property owner and the HRA to construct the expanded parking lot.

### **SPARC Funds remain available**

In 2021, the HRA and City established the SPARC program to attract private investment to the community so as to stabilize the tax base, create jobs and enable new and expanding businesses. At this time, nearly \$1 million remains available in this program. This program sunsets on December 31, 2026. After that date, unused funds will be returned to their original source and the program will be terminated.

### **Proposed financing strategy**

In order to allow this business to grow and to improve the site for any future business, staff suggests preparation of a loan that is partially forgivable upon completion. Staff recommends that both the business owner and the property owner commit to the financing of this site work. The HRA could supplement these private funds with a forgivable loan and a traditional interest bearing loan. The following structure is envisioned:

- Business owner financing – engineering, entitlements, contract costs plus part of hard costs, approximately \$200,000
- Property owner financing – similar to above, approximately \$200,000
- HRA forgivable loan – remitted after completion of work and forgiven within 1-year of completion, maximum of \$200,000
- HRA traditional loan – remitted after completion of work and repaid over the remaining term of the restaurant lease at slightly below market interest rate, approximately \$200,000

The use of SPARC will improve the property and create additional restaurant jobs. This improvement is anticipated to strengthen the prospects of this existing restaurant. In the event that this restaurant closes, the improvements remain on site to improve conditions for the next restaurant. The City/HRA retains rights to use the parking lot when not needed for the restaurant. The City/HRA also retains the right to acquire the land upon which this expansion is constructed if needed for a future highway off-ramp or public improvement.

If this general strategy is acceptable to the HRA, business owner and property owner, the HRA's attorney will prepare loan agreements and other required documents for future consideration by the HRA.

**Additional Steps for this Proposed Project**

If the HRA is supportive of providing a limited amount of funding for this new parking area, the restaurant owner and property owner will pursue the next steps in the process. In this case, the owner needs regulatory approvals and financial approvals in order to proceed. If either aspect of the project is denied, this proposal will not move forward.

Since this parking area expansion constitutes a change in the approved site plan, the owner will need to secure amendments to the site plan. These amendments will be reviewed by City staff, staff of other regulatory agencies, and posted online for public review. The proposed site plan will be considered by the Edina Planning Commission. Finally, the City Council will review the proposed plan and consider site approvals.

After regulatory approvals are complete, the owner will need to complete their financial arrangements and seek a contractor. A complete Loan Agreement will be brought to the HRA at that time.

**Resources/Financial Impacts:**

No funding impact at this time.

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

This proposal intends to improve the livability and vitality of Edina by supporting job growth and business opportunities.



Livable City

**Values Impact:**



Equity

This proposal seeks to support an existing restaurant in an area of Edina that has very limited restaurant options.



Stewardship

This proposal will support an existing business that needs support for ongoing success.



Sustainability

This proposal will comply with applicable stormwater and sustainability requirements.

**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. 4925 Eden Ave - proposed SPARC 4-14-2026

# SPARC funding proposal for 4925 Eden Avenue

Edina Housing & Redevelopment Authority

May 14, 2026



The CITY of  
**EDINA**

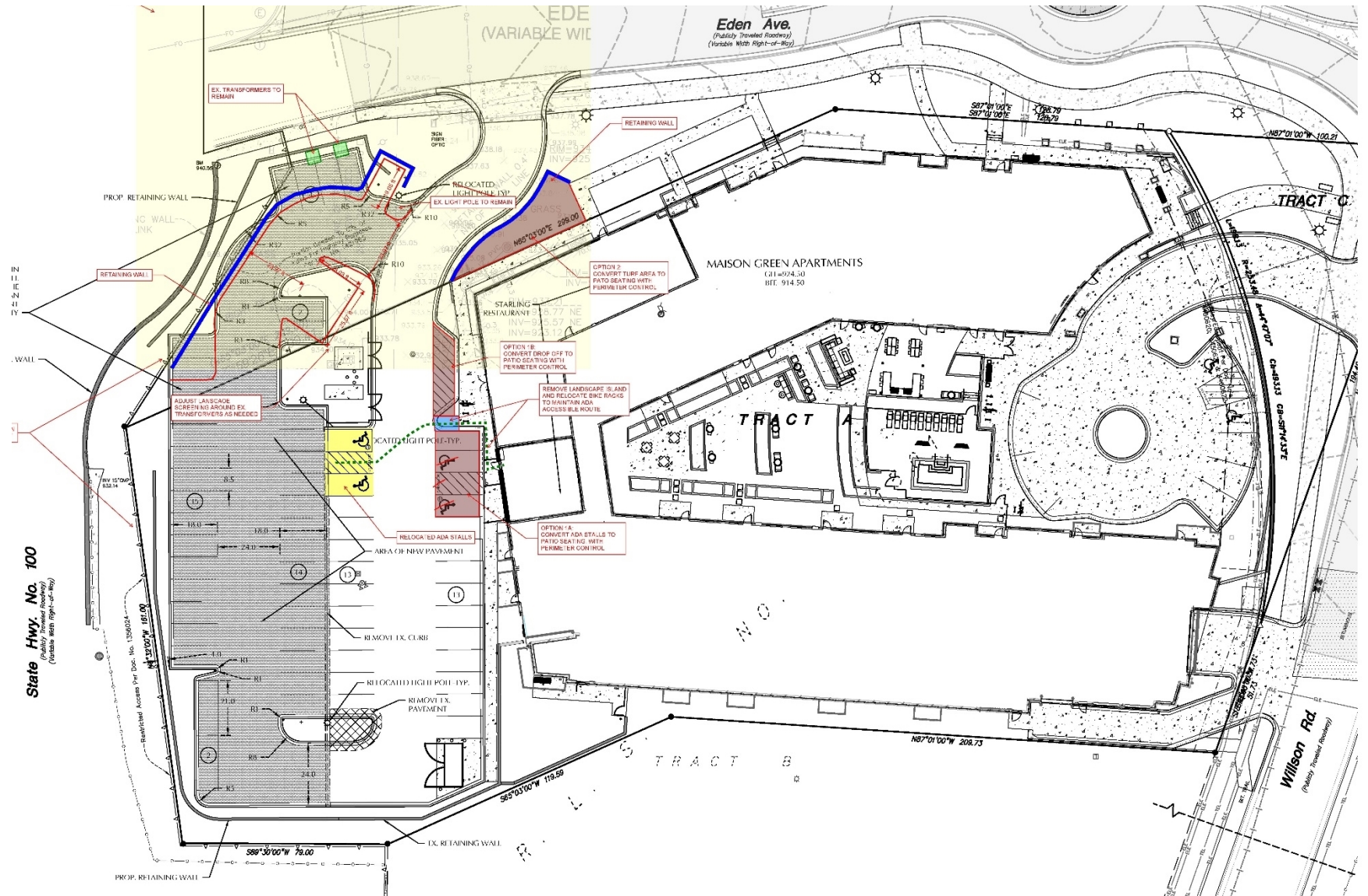
# Background

- 2-acre site
- Maison Green apartments with Starling restaurant
- 28 stall surface parking lot
- Small lot at this location is overwhelmed by customer demand
- Nearby alternatives not reasonably available
- Restaurant owner seeks to expand on-site parking lot to increase employment and expand business potential





# Potential Parking Lot Expansion



The CITY of  
**EDINA**

## Proposed Financing Strategy

- **Business owner financing** - engineering, entitlements, contract costs plus part of hard costs, approximately \$200,000
- **Property owner financing** - similar to above, approximately \$200,000
- **HRA forgivable loan** - remitted after completion of work and forgiven within 1-year of completion, maximum of \$200,000
- **HRA traditional loan** - remitted after completion of work and repaid over the remaining term of the restaurant lease at slightly below market interest rate, approximately \$200,000



# Additional Steps and Discussion

- Proposal requires both regulatory and financial approvals
- Regulatory
  - City staff and other regulating agencies
  - Planning Commission
  - City Council
- Financial
  - Landlord and other investors
  - Contractor
  - HRA loan agreements



## For Discussion

- Is the HRA generally supportive of providing a limited amount of funding for this new parking area?
- Any concerns or suggestions regarding this strategy?





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**Item Number:** 7.2

**Department:** Community Development

**Item Activity:** Information

**Prepared By:** Bill Neuendorf, Economic Dev Mgr

**Item Title:** Centennial Lakes TIF Fund - Project Update

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**Action Requested:**

No action required. This report provides an overview of the funds invested from the de-certified Centennial Lakes TIF District. This report is for informational purposes only.

**Information/Background:**

Decades ago, in order to achieve strategic redevelopment goals for the former Hedberg Gravel and Sand Pits in the Greater Southdale Area, the HRA adopted a Financing Plan and established the Centennial Lakes Tax Increment Financing (TIF) District. This TIF District became active in 1988 and was decertified in 2014. Over these 26 years, the 300-acre mining operation was transformed into professional offices, medical offices, retail, restaurants, entertainment, condominiums, townhouses all centered around a public park. In this area, TIF was used to acquire and temporarily hold land, repay bonds issued to construct new roads, utilities and recreation areas and finally to repay Notes used to reimburse the real estate developers for eligible costs.

Minnesota laws that govern TIF were created in the early 1970s and change over time. When this TIF District was created, the applicable laws allowed provided a great deal of flexibility to municipalities. Since that time, TIF laws have changed to provide less flexibility in how, why and when TIF is used.

When the Centennial Lakes TIF District was de-certified in 2014, the incremental tax base that had been frozen for 26 years, was added to the overall tax base upon which the City and other taxing agencies use to collect the amount of property taxes levied. Over this period, the Tax Capacity of the properties in this TIF District skyrocketed from \$269,717 in 1988 to \$3,581,728 in 2014. This was an increase of 1,459%. By comparison, the overall tax capacity of the City increased by only 16.5% during this same time frame.

**Retained Balance**

Based on the applicable TIF laws of this era, the HRA retained \$11,584,071 in the TIF Fund when the District was de-certified. While this TIF account no longer collected new tax revenue, previously collected taxes were allowed to remain under the stewardship of the HRA to be used for a variety of local public projects. The use of these funds are restricted to defined geographic boundaries and defined types of expenditures based on the applicable TIF laws.

Alternatively, the funds could have been returned to Hennepin County for eventual distribution to the City, County and State. However, the HRA chose to retain these assets to advance community goals as allowed by applicable laws and to ensure that these funds were reinvested in Edina rather than in other municipalities.

### **Authorized use of Retained Funds**

Based on applicable laws, these TIF funds may be used for affordable housing, public improvements, public infrastructure, redevelopment and traffic studies, staff administrative support and similar programs. These funds may not be used for: recreational public parks, public buildings (City Hall and Fire Station for example), routine repairs and maintenance, general equipment for use throughout the City (snow plows and police cars for example) and similar City expenditures that are routine in nature and not directly pertinent to redevelopment of property.

These funds are also restricted to qualified expenses located within the Boundaries of the Southeast Edina Redevelopment Project Area. This area includes the SE quadrant of Edina as well as all commercial and industrial areas generally located east of Cahill Road and Vernon Road.

### **Using TIF Balance to Fund Public Projects without Increasing Tax Levy**

Recently, the City Council directed staff to close budget gaps in two major bridge projects with the remaining funds in the Centennial Lakes TIF Fund. This financing strategy allows the City to limit increases to the property tax levy while ensuring that the available funds are invested in Edina. The funding of these two projects essentially eliminates funds available in this TIF fund.

For the foreseeable future, the Centennial Lakes TIF Fund will not be able to provide funding for infrastructure projects.

### **Overview of Public Infrastructure and other Improvements**

This report is provided to affirm the many redevelopment efforts and public improvements that were funded with incremental property taxes collected and retained in the Centennial Lakes TIF District. The use of these TIF funds allowed work to be completed without increasing the property tax levy.

#### Public Improvements Completed

- Promenade Phase 4 expansion with enhanced ponds and trails near 71 France Apartments
- Promenade expansion between 70th and Valley View Rd
- Pedestrian improvements at intersections of 66th, 70th & 76th and France Ave.
- Pedestrian improvements along 6600-7600 France Avenue to install sidewalks where non previously existed
- Reconstruction of Hazelton Road with sidewalks and roundabouts
- Construction of dedicated left turn lane on France Avenue at 72nd Street
- Reconstruction of 66th and York intersection
- Entrance Welcome sign at 66th and York
- Property acquisition at 3940 and 3944 Market Street
- Demolition and environmental remediation at 3940 and 3944 Market Street
- Construction of North Parking Garage on Market Street
- Structural improvements at South Parking Garage
- Bike lane improvements at Valley View Rd and 65th St

## Public Improvements In Progress

- Multi-modal bridge over Highway 100 at 50th St. and Vernon Rd.
- Pedestrian Bridge over Highway 62 west of Valley View Rd.
- Hwy 100 / 50th St. Entry Signage study

## Redevelopment Studies Completed

- Greater Southdale Area traffic model used to evaluate new land use proposals
- Promenade northerly extension study
- Promenade westerly extension / France Avenue pedestrian crossing study

## **Restoring Assets in TIF Fund**

In some cases, when it seems realistic to generate future TIF revenue, the use of Centennial Lakes TIF Funds were structured as interfund loans. This strategy was employed in hopes of restoring assets to this fund that can be used for future public improvements without the need to increase the property tax levy.

The following interfund loans have been made and are repayable.

- \$4,150,000 loan at 4% interest to 50th & France #2 TIF District for parking garage construction
- \$1,500,000 loan at 4% interest to Eden Willson TIF District for bridge construction
- \$500,000 loan at 4% interest to Grandview #2 TIF District for public road and bridge construction

## **Future Outlook for Centennial Lakes TIF Fund and Recommended Strategy**

In the decades ahead, a balance of \$6+ million might be accrued in this TIF Fund. It is in the City's best interest to kept this Fund open to receive repayment of interfund loans. However, until those interfund loans begin to be repaid, staff recommends no additional capital spending from the Centennial Lakes TIF Fund.

## **Resources/Financial Impacts:**

NA

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

The use of incremental property taxes to deliver community goals and public improvements without the need to increase the property tax level is a practice that supports Edina's budget pillars.

This practice strengthens, updates, modernizes and expands Edina's network of public infrastructure which is the foundation of the City. These improvements have contributed to and enhanced the livability of Edina by improving public realm spaces, convenient and necessary public parking and new public walkways, trails, roads and bridges. Finally, this practice also allows City services to be delivered reliably using a greater portion of taxes raised by means of the property tax levy.



Strong Foundation



Reliable Service



Livable City

**Values Impact:**



Engagement

Funds were used in response to community requests for improvements and vetted through the City's typical procedures in place at the time.



Equity

Projects funded were located in several commercial areas of Edina to benefit many portions of the community.



Health

Several projects included new sidewalks and bicycle routes to provide safe and convenient alternatives to driving.



Stewardship

All funds were invested within Edina's borders to deliver long-lasting public benefits to the community.



Sustainability

Several projects included new sidewalks and bicycle routes to provide safe and convenient alternatives to driving.

**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. Centennial Lakes TIF Fund - update 4-14-2026

# Centennial Lakes Tax Increment Financing Fund Project Update

Edina Housing & Redevelopment Authority

May 14, 2026

Presentation by Bill Neuendorf, Economic Development Manager



The CITY of  
**EDINA**

# Overview

- 1) Edina used tax increment financing strategically to redevelop industrial land into vibrant mix of office, commercial and residential along with new public roads, trails and public park
- 2) At de-certification, applicable Minnesota statutes allowed HRA to retain fund balance for public improvements and other eligible expenses, in lieu of turning funds over to City, County and State.
- 3) Many improvements were completed over past decade without impact to City tax levy.
- 4) Balance of Centennial Lakes Fund is currently depleted.



## Background of Centennial Lakes TIF District

- **300** acres of former mining operations
- **1988** year TIF District established
- **2014** year TIF District de-certified
- **1,459%** growth of TIF District tax base
- **16.5%** growth of city-wide tax base during same period
- **\$11,584,071** retained balance of incremental taxes at de-certification



# Eligible uses of Centennial Lakes TIF \$11M balance

- **Eligible Expenses**

- Public Improvements
- Site Acquisition
- Demolition and Remediation
- Affordable housing
- Redevelopment studies
- Staff administration

- **In Eligible Expenses**

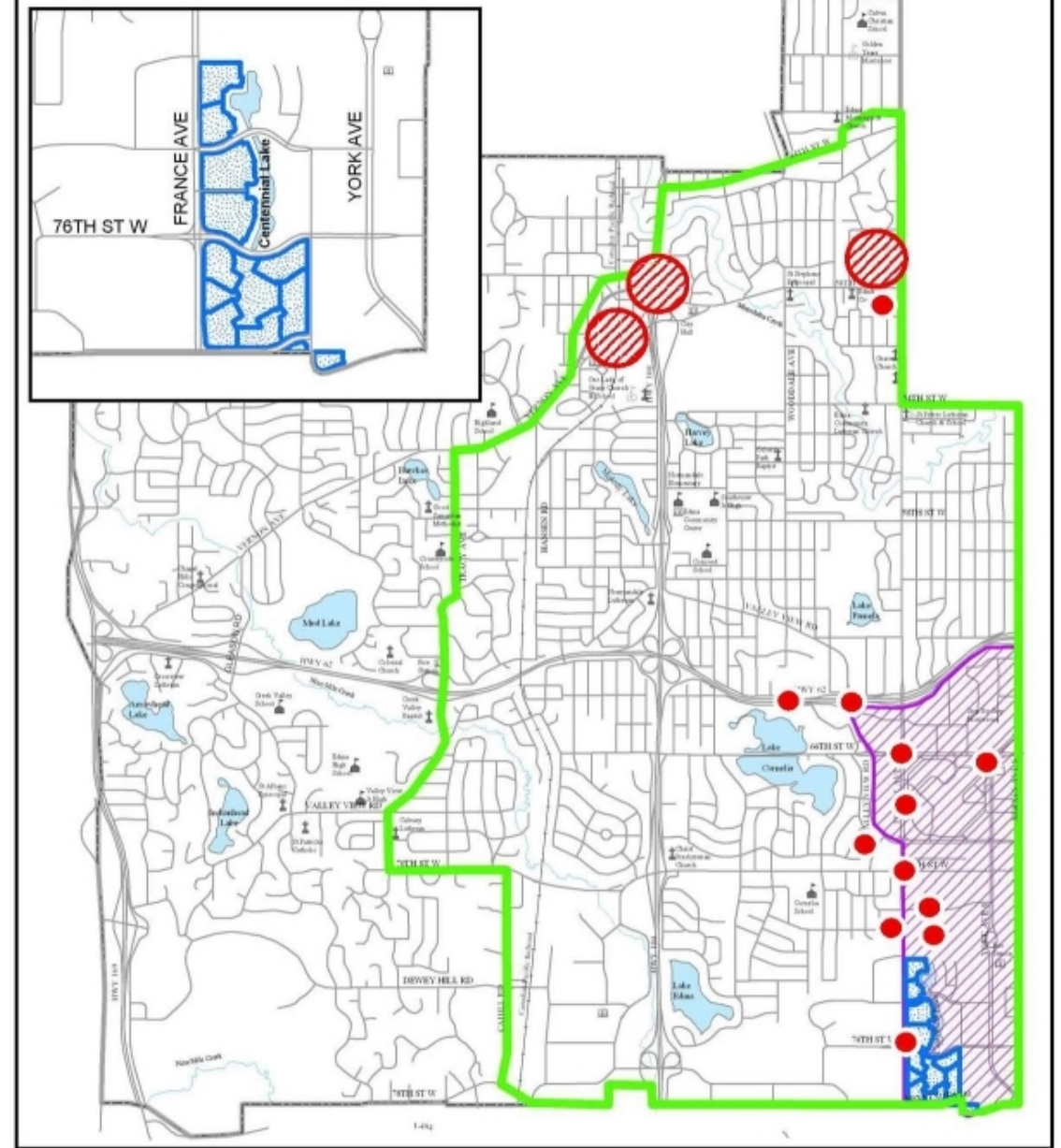
- Repairs and maintenance
- City buildings
- City equipment
- Recreational parks





# Locations of Public Improvements funded with Centennial Lakes TIF monies

- Funding with TIF balance delivered projects without impacting the City tax levy
- Interfund loans create conditions to restore part of the TIF balance in future
- Public improvements were focused in commercial districts
  - Greater Southdale Area
  - 50<sup>th</sup> & France
  - Grandview



**Southeast Edina Project Area Modification and Centennial Lakes TIF District**



- Centennial Lakes TIF District
- Southeast Edina Project Area
- Modified Project Area
- Public Improvements
- Interfund Loans



## Redevelopment Studies funded with Cent. Lakes TIF

- Greater Southdale Area district-wide traffic model
- Promenade Phase 5 northerly extension study
- Promenade westerly extension / France Ave. pedestrian crossing study



# Public Improvements funded with Cent. Lakes TIF

- Promenade Phase 4 expansion near 71 France Apartments
- West promenade expansion between 70<sup>th</sup> and Valley View Rd
- Pedestrian improvements at 66<sup>th</sup>, 70<sup>th</sup> & 76<sup>th</sup> and France Ave.
- Missing sidewalks along 6600-7600 France Ave.
- Hazelton Road with sidewalks and roundabouts
- Left turn lane at 72<sup>nd</sup> and France Ave
- 66<sup>th</sup> and York intersection
- Entrance sign at 66<sup>th</sup> and York
- Acquisition at 3940 and 3944 Market St.
- Demolition and environmental remediation at 3940 and 3944 Market St.
- North Parking Garage
- Structural improvements at South Parking Garage
- Bike lanes at Valley View Rd and 65<sup>th</sup> St



# Public Improvements in Progress

- Entry Signage study at Highway 100 and 50<sup>th</sup> St.
- Multi-modal bridge over Highway 100 at 50<sup>th</sup> St. and Vernon Rd.
- Pedestrian bridge over Highway 62 west of Valley View Rd.



## Restoring Fund Balance with Interfund Loans

- \$4,150,000 loan to 50th & France #2 TIF District for North Parking Garage
- \$1,500,000 loan to Eden Willson TIF District for Highway 100 bridge
- \$500,000 loan to Grandview #2 TIF District for public roads and pedestrian bridge



## In Conclusion

- 1) The strategic use of incremental taxes collected from private redevelopment can deliver public improvements without impact to the HRA / City's tax levy.
- 2) Incremental taxes can increase the funds available to the HRA / City for public improvements.
- 3) Centennial Lakes Fund balance currently depleted.
- 4) Strategy in place to replenish balance in the future.

