FINAL FOR FILING

Modification to the Redevelopment Plan for the Southeast Edina Redevelopment Project Area

and the

Modification to the Tax Increment Financing Plan for the Southdale 2 Tax Increment Financing District (an economic development district)

within

the Southeast Edina Redevelopment Project Area

Edina Housing and Redevelopment Authority
City of Edina
Hennepin County
State of Minnesota

Adopted: April 17, 2012
Modification #1: April 5, 2016
Public Hearing for Modification #2: November 20, 2018

Prepared by: EHLERS & ASSOCIATES, INC.
3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105
651-697-8500 fax: 651-697-8555 www.ehlers-inc.com

Table of Contents
(for reference purposes only)

Section 1 - Modification to the Redevelopment Plan
for the Southeast Edina Redevelopment Project Area 1-1
Foreword 1-1

Section 1 - Municipal Action Taken 1-1

Section 2 - Tax Increment Financing Plan
for the Southdale 2 Tax Increment Financing District 2-1
Subsection 2-1. Foreword 2-1
Subsection 2-2. Statutory Authority 2-1
Subsection 2-3. Statement of Objectives 2-1
Subsection 2-4. Redevelopment Plan Overview 2-2
Subsection 2-5. Description of Property in the District and Property to be Acquired . . 2-2
Subsection 2-6. Classification of the District 2-3
Subsection 2-7. Duration and First Year of Tax Increment of the District 2-3
Subsection 2-8. Original Tax Capacity, Tax Rate and Estimated Captured Net Tax Capacity Value/Increment and Notification of Prior Planned Improvements 2-4
Subsection 2-9. Sources of Revenue/Bonds to be Issued 2-6
Subsection 2-10. Uses of Funds 2-7
Subsection 2-11. Fiscal Disparities Election 2-8
Subsection 2-12. Business Subsidies 2-9
Subsection 2-13. County Road Costs 2-9
Subsection 2-14. Estimated Impact on Other Taxing Jurisdictions 2-10
Subsection 2-15. Supporting Documentation 2-13
Subsection 2-16. Definition of Tax Increment Revenues 2-13
Subsection 2-17. Modifications to the District 2-13
Subsection 2-18. Administrative Expenses 2-14
Subsection 2-19. Limitation of Increment 2-15
Subsection 2-20. Use of Tax Increment 2-15
Subsection 2-21. Excess Increments 2-16
Subsection 2-22. Requirements for Agreements with the Developer 2-16
Subsection 2-23. Assessment Agreements 2-17
Subsection 2-24. Administration of the District 2-17
Subsection 2-25. Annual Disclosure Requirements 2-17
Subsection 2-26. Reasonable Expectations 2-17
Subsection 2-27. Other Limitations on the Use of Tax Increment 2-17
Subsection 2-28. Summary 2-18

Appendix A
Project Description A-1

Appendix B
Maps of the Southeast Edina Redevelopment Project Area and the District B-1

Appendix C
Description of Property to be Included in the District C-1

Appendix D
Estimated Cash Flow for the District D-1

Appendix E
Minnesota Business Assistance Form E-1

Appendix F
Findings Including But/For Qualifications F-1

Appendix G
Prior Improvements G-1

Appendix H
Special Legislation H-1

Appendix I
Housing Qualifications I-1

Section 1 - Modification to the Redevelopment Plan for the Southeast Edina Redevelopment Project Area

Foreword

The following text represents a Modification to the Redevelopment Plan for the Southeast Edina Redevelopment Project Area. This modification represents a continuation of the goals and objectives set forth in the Redevelopment Plan for the Southeast Edina Redevelopment Project Area. Because the Southdale 2 Tax Increment Financing District (the "District") is located within the Southeast Edina Redevelopment Project Area, the modification to the District must be listed in the Redevelopment Plan. Therefore, the following bold-faced text represents a Modification to Section 1 of the Redevelopment Plan.

Section 1 - Municipal Action Taken

Based upon the statutory authority described in the Redevelopment Plan attached hereto, the public purpose findings by the City Council and for the purpose of fulfilling the City's development objects as set forth in the Redevelopment Plan, the City Council has created, established and designated the Southeast Edina Redevelopment Plan pursuant to and in accordance with the requirements of Minnesota Statutes, Section 469.001 to 469.047.

The original and amended Southeast Edina Redevelopment Plan documents and amendments have designated the Southeast Edina Redevelopment Plan as a redevelopment project and also a tax increment financing plan for tax increment districts created prior to 1988. The Centennial Lakes Tax Increment Financing District was created in 1988 pursuant to Tax Increment Financing Plan 88-1, which was subsequently renamed the Centennial Lakes Tax Increment District and referred to by Hennepin County as District #1203 and #1249.

For purposes of clarification, this modification will refer to the Southeast Edina Redevelopment Plan as the Southeast Edina Redevelopment Project Area Plan pursuant to Minnesota Statutes 469.002. The following municipal action has been taken with regard to the Southeast Edina Redevelopment Project Area Plan:

September 29, 1977: The Housing and Redevelopment Authority of Edina (the "HRA") approved the Southeast Edina Redevelopment Plan.

October 5, 1981: The Southeast Edina Redevelopment Plan was amended to identify project costs and bonded indebtedness incurred to finance those costs.

May 6, 1985: The HRA and the City approved an amendment to the Southeast Edina Redevelopment Plan which includes the establishment of an interest reduction program and enlarges the project area to include the "1985 Project Area."

August 19, 1985: The HRA and the City approve d the First Amendment to the 1985 Amendment to the Southeast Edina Redevelopment Plan to enlarge the 1985 Project Area and to authorize the issuance of additional bonds to acquire land within the enlarged 1985 Project Area.

1987: The HRA and City approved the 1987 Amendments to the Southeast Edina Redevelopment Plan to enlarge the project area to include the 1987 Project Area.

1988: The HRA and City approved the 1988 Amendments to the Southeast Edina

Redevelopment Plan that provide an Interest Reduction Program in the amount of $2,500,000 to assist in the financing and construction of housing units, and authorizes the HRA and City to incur bonded indebtedness.

February 21, 2012: The HRA and City expand the Southeast Edina Project Area as can be seen in Appendix A.

April 17, 2012: The HRA and City establish the Southdale 2 Tax Increment Financing District.

February 18, 2014: The HRA and City establish the Pentagon Park Tax Increment Financing District.

March 2, 2016: The HRA and City establish the Grandview 2 Tax Increment Financing District.

April 5, 2016: The HRA and City modify the Tax Increment Financing Plan for the Southdale 2 Tax Increment Financing District and establishing the 66 West Tax Increment Financing District.

June 20, 2017: The HRA and City establish the 50th and France 2 Tax Increment Financing District.

October 16, 2018: The HRA and City establish the 44th and France 2 Tax Increment Financing District.

(AS MODIFIED NOVEMBER 20, 2018)

***November 20, 2018*: The HRA and City modify the Tax Increment Financing Plan for the Southdale 2 Tax Increment Financing District to increase the TIF Budget and enable special legislation pooling authority for affordable housing.**

For further information, a review of the Redevelopment Plan for the Southeast Edina Redevelopment Project Area is recommended. It is available from the HRA Executive Director at the City of Edina. Other relevant information is contained in the Tax Increment Financing Plans for the Tax Increment Financing Districts located within the Southeast Edina Redevelopment Project Area.

Section 2 - Tax Increment Financing Plan for the Southdale 2 Tax Increment Financing District

Subsection 2-1. Foreword

The Edina Housing and Redevelopment Authority (the "HRA"), the City of Edina (the "City"), staff and consultants have prepared the following information to expedite the establishment of the Southdale 2 Tax Increment Financing District (the "District"), an economic development tax increment financing district, located in the Southeast Edina Redevelopment Project Area (the "Project Area").

Subsection 2-2. Statutory Authority

Within the City, there exist areas where public involvement is necessary to cause development or redevelopment to occur. To this end, the HRA and City have certain statutory powers pursuant to *Minnesota Statutes ("M.S."), Sections 469.001 to 469.047*, inclusive, as amended, and *M.S., Sections 469.174 to 469.1799*, inclusive, as amended (the "Tax Increment Financing Act" or "TIF Act"), to assist in financing public costs related to this project.

This District is being created pursuant to *M.S., Section 469.176, Subd. 4c(d)*.

(AS MODIFIED NOVEMBER 20, 2018)

This District is being modified to reflect *Minnesota Session Laws 2017, Chapter 1, HF No. 1, Article 6, Sec. 11 and Sec. 16.*

This section contains the Tax Increment Financing Plan (the "TIF Plan") for the District. Other relevant information is contained in the Modification to the Redevelopment Plan for the Southeast Edina Redevelopment Project Area.

Subsection 2-3. Statement of Objectives

The District currently consists of 300 parcels of land and adjacent and internal rights-of-way. The District is being created to facilitate renovations to the common areas of Southdale Mall in the City. Please see Appendix A for further District information. The HRA and City are considering entering into a redevelopment agreement that would designate Southdale Limited Partnership as the developer. This TIF Plan is expected to achieve many of the objectives outlined in the Redevelopment Plan for the Southeast Edina Redevelopment Project Area.

The activities contemplated in the Modification to the Redevelopment Plan and the TIF Plan do not preclude the undertaking of other qualified development or redevelopment activities. These activities are anticipated to occur over the life of the Southeast Edina Redevelopment Project Area and the District.

(AS MODIFIED APRIL 5, 2016)

The District is being modified in order to remove one parcel and to authorize pooling dollars for affordable housing purposes pursuant to *M.S., Section 469.1763, Subd. 2(d)*. Because the current net tax capacity of the parcel is lower than the frozen net tax capacity, the modification to the District must go through the entire public hearing process pursuant to *M.S., Section 469.175, Subd. 4*.

(AS MODIFIED NOVEMBER 20, 2018)

The District is being modified to increase the estimated affordable housing project costs to be financed by tax increment from the District as enabled by *Minnesota Session Laws 2017, Chapter 1, HF No. 1, Article 6, Sec. 11 and Sec. 16*. The Modification will allow the HRA and City to *"treat expenditures from the District for a housing project of a district established under this section as expenditures qualifying under Minnesota Statues, Section 469.1763, Subdivision 2, paragraph (d): (1) without regard to whether the housing meets the requirement of a qualified building under Section 42 of the Internal Revenue Code; and (2) may increase by an additional 25 percentage points the permitted amount of expenditures for activities located outside the geographic area of the district permitted under that section."*

Subsection 2-4. Redevelopment Plan Overview

1. Property to be Acquired - Selected property located within the District may be acquired by the HRA or City and is further described in this TIF Plan.

2. Relocation - Relocation services, to the extent required by law, are available pursuant to *M.S., Chapter 117* and other relevant state and federal laws.

3. Upon approval of a developer's plan relating to the project and completion of the necessary legal requirements, the HRA or City may sell to a developer selected properties that it may acquire within the District or may lease land or facilities to a developer.

4. The HRA or City may perform or provide for some or all necessary acquisition, construction, relocation, demolition, and required utilities and public street work within the District.

5. The City proposes both public and private infrastructure within the District. The proposed improvements to private property within the District will be for a renovation to a retail mall, and there will be continued operation of the Southeast Edina Redevelopment Project Area after the capital improvements within the Southeast Edina Redevelopment Project Area have been completed.

Subsection 2-5. Description of Property in the District and Property to be Acquired

The District encompasses all property and adjacent rights-of-way and abutting roadways identified by the parcels listed in Appendix C of this TIF Plan**.** Please also see the map in Appendix B for further information on the location of the District.

The City currently owns parcels to be included in the District and intends to acquire land easements and/or additional property within the District. The HRA and City are authorized to use tax increments to acquire any parcel listed in Appendix C of this TIF Plan.

(AS MODIFIED NOVEMBER 20, 2018)

The HRA or City authorizes the use of tax increments to acquire additional property currently identified as 4100 76th Street West. PID# 31-028-24-41-0010.

Subsection 2-6. Classification of the District

The District is an economic development district as defined in *M.S. 469.174, Subd. 12*, as modified by *M.S., Section 469.176, Subd. 4c(d)*. In order to create an economic development district under general law *(M.S., Section 469.174 Subd. 12*), the HRA or City must find that the District is in the public interest because:

(1) it will discourage commerce, industry, or manufacturing from moving their operations to another state or municipality; or
(2) it will result in increased employment in the state; or
(3) it will result in preservation and enhancement of the tax base of the state.

In addition, *M.S., Section 469.176, Subd. 4c* provides that assistance from an economic development district may not be used to provide assistance to development if more than 15 percent of the buildings and ancillary facilities (determined on a square footage basis), are used for other than certain specified purposes (largely manufacturing, warehousing and distribution facilities).

However, *M.S., Section 469.176, Subd. 4c(d)* provides a limited-time exception to these general law rules. Under this provision (originally enacted in 2010 legislature and extended in 2011 legislature), a City may establish an economic development of any kind, notwithstanding the normal findings required under *M.S., Section 469.174, Subd. 12,* and notwithstanding the limitation on types of assisted development under *M.S., Section 469.176, Subd. 4c.*

To satisfy the requirement of *M.S., Section 469.176, Subd. 4c(d)*, the City finds that:

(1) the project will create or retain jobs in this state, including construction jobs and that construction of the project would not have commenced before July 1, 2012, without the City and HRA providing assistance under the provisions of this paragraph;
(2) construction of the project will begin no later than July 1, 2012; and
(3) the request for certification of the district is made no later than June 30, 2012; and

In meeting the statutory criteria the HRA and City rely on the following facts and findings:

The City's findings in creating the District is pursuant to *M.S. Sections 469.176, Subd. 4c(d)* in order to assist in the renovations to the common areas of Southdale Mall. If construction does not commence on or before July 1, 2012, the proposed facility will need to meet the criteria in *M.S., Section 469.176, Subd. 4c(a),* and must satisfy the findings required under *M.S., Section 469.174, Subd. 12*.

Pursuant to *M.S., Section 469.176, Subd. 7*, the District does not contain any parcel or part of a parcel that qualified under the provisions of *M.S., Sections 273.111* or *273.112* or *Chapter 473H* for taxes payable in any of the five calendar years before the filing of the request for certification of the District.

Subsection 2-7. Duration and First Year of Tax Increment of the District

Pursuant to *M.S., Section 469.175, Subd. 1, and M.S., Section 469.176, Subd. 1*, the duration of the District must be indicated within the TIF Plan. Pursuant to *M.S., Section 469.176, Subd. 1b*., the duration of the District will be 8 years after receipt of the first increment by the HRA or City. The date of receipt by the City of the first tax increment is expected to be 2014. Thus, it is estimated that the District, including any modifications of the TIF Plan for subsequent phases or other changes, would terminate after 2022, or when the TIF Plan is satisfied. If increment is received in 2013, the term of the District will be 2021. The HRA or City reserves the right to decertify the District prior to the legally required date.

Pursuant to *M.S., Section 469.175, Subd. 1*, and *Section 469.176, Subd. 1*, the duration of the District must be indicated within the Tax Increment Financing Plan. Pursuant to *M.S., Section 469.176, Subd. 1b*, the duration of the District will be 8 years after receipt of the first increment by the HRA or City. The date of receipt by the City of the first tax increment was August 2013. Thus, it is estimated that the District, including any modification to the Tax Increment Financing Plan for subsequent phases or other changes, would terminate after December 31, 2021, or when the Tax Increment Financing Plan is satisfied. The City reserves the right to decertify the District prior to the legally required date.

Subsection 2-8. Original Tax Capacity, Tax Rate and Estimated Captured Net Tax Capacity Value/Increment and Notification of Prior Planned Improvements

Pursuant to *M.S., Section 469.174, Subd. 7 and M.S., Section 469.177, Subd. 1*, the Original Net Tax Capacity (ONTC) as certified for the District will be based on the market values placed on the property by the assessor in 2011 for taxes payable 2012.

Pursuant to *M.S., Section 469.177, Subds. 1 and 2*, the County Auditor shall certify in each year (beginning in the payment year 2014) the amount by which the original value has increased or decreased as a result of:

1. Change in tax exempt status of property;
2. Reduction or enlargement of the geographic boundaries of the district;
3. Change due to adjustments, negotiated or court-ordered abatements;
4. Change in the use of the property and classification;
5. Change in state law governing class rates; or
6. Change in previously issued building permits.

In any year in which the current Net Tax Capacity (NTC) value of the District declines below the ONTC, no value will be captured and no tax increment will be payable to the HRA or City.

The original local tax rate for the District will be the local tax rate for taxes payable 2012, assuming the request for certification is made on or before June 30, 2012. The ONTC and the Original Local Tax Rate for the District appear in the table below.

Pursuant to *M.S., Section 469.174 Subd. 4 and M.S., Section 469.177, Subd. 1, 2, and 4*, the estimated Captured Net Tax Capacity (CTC) of the District, within the Southeast Edina Redevelopment Project Area, upon completion of the projects within the District, will annually approximate tax increment revenues as shown in the table below. The HRA and City request 100 percent of the available increase in tax capacity for repayment of its obligations and current expenditures, beginning in the tax year payable 2014. The Project Tax Capacity (PTC) listed is an estimate of values when the projects within the District are completed.

Southdale 2 Tax Increment District Parcels in School District No. 273

Project Estimated Tax Capacity upon Completion (PTC)	**$4,714,500**

Original Estimated Net Tax Capacity (ONTC)	**$4,457,873**	
Fiscal Disparities Reduction	**$65,592**	
Estimated Captured Tax Capacity (CTC)	**$191,035**	
Original Local Tax Rate	**1.08160**	Estimated Pay 2012
Estimated Annual Tax Increment (CTC x Local Tax Rate)	**$206,623**	
Percent Retained by the HRA and City	**100%**	

The tax capacity included in this chart is the estimated tax capacity of the District in year 9. The tax capacity of the parcels located in School District 273 in year one is estimated to be $4,458,033.The fiscal disparities reduction will vary from year to year.

Southdale 2 Tax Increment District Parcels in School District No. 280

Project Estimated Tax Capacity upon Completion (PTC)	**$5,858,175**	
Original Estimated Net Tax Capacity (ONTC)	**$4,121,297**	
Fiscal Disparities Reduction	**$504,487**	
Estimated Captured Tax Capacity (CTC)	**$1,232,391**	
Original Local Tax Rate	**1.14351**	Estimated Pay 2012
Estimated Annual Tax Increment (CTC x Local Tax Rate)	**$1,409,251**	
Percent Retained by the HRA and City	**100%**	

The tax capacity included in this chart is the estimated tax capacity of the District in year 9. The tax capacity of the parcels in the District located in School District 280 in year one is estimated to be $4,887,371. The fiscal disparities reduction will vary from year to year.

Pursuant to *M.S., Section 469.177, Subd. 4*, the HRA shall, after a due and diligent search, accompany its request for certification to the County Auditor or its notice of the District enlargement pursuant to *M.S., Section 469.175, Subd. 4*, with a listing of all properties within the District or area of enlargement for which building permits have been issued during the eighteen (18) months immediately preceding approval of the TIF Plan by the municipality pursuant to *M.S., Section 469.175, Subd. 3*. The County Auditor shall increase the original net tax capacity of the District by the net tax capacity of improvements for which a building permit was issued.

The City has reviewed the area to be included in the District and has found building permits that were issued in the past 18 months prior to the public hearing. Please see Appendix G for the building permits that were issued.

Subsection 2-9. Sources of Revenue/Bonds to be Issued

The costs outlined in the Uses of Funds will be financed primarily through the annual collection of tax increments. The HRA or City reserves the right to incur bonds or other indebtedness as a result of the TIF

Plan. As presently proposed, the projects within the District will be financed by an interfund loan. Any refunding amounts will be deemed a budgeted cost without a formal TIF Plan Modification. This provision does not obligate the HRA or City to incur debt. The HRA or City will issue bonds or incur other debt only upon the determination that such action is in the best interest of the City.

The total estimated tax increment revenues for the District are shown in the table below:

SOURCES OF FUNDS	TOTAL
Tax Increment	$11,702,217
Interest	$250,000
Land Sale Proceeds/Lease Revenue	$0
TOTAL	**$11,952,217**

The HRA or City may issue bonds (as defined in the TIF Act) secured in whole or in part with tax increments from the District in a maximum principal amount of $8,374,296. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

(AS MODIFIED NOVEMBER 20, 2018)

The District is being modified to increase the total estimated tax increment revenues for the District as shown in the table below:

SOURCES OF FUNDS	TOTAL
Tax Increment	**$30,620,000**
Interest	**$500,000**
Land Sale Proceeds/Lease Revenue	**$0**
TOTAL	**$31,120,000**

The HRA or City may issue bonds (as defined in the TIF Act) secured in whole or in part with tax increments from the District in a maximum principal amount of $27,542,079. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

Subsection 2-10. Uses of Funds

Currently under consideration for the District is a proposal to facilitate renovations to the common areas of Southdale Mall. The HRA and City have determined that it will be necessary to provide assistance to the

project(s) for certain District costs, as described. The HRA has studied the feasibility of the development or redevelopment of property in and around the District. To facilitate the establishment and development or redevelopment of the District, this TIF Plan authorizes the use of tax increment financing to pay for the cost of certain eligible expenses. The estimate of public costs and uses of funds associated with the District is outlined in the following table.

USES OF TAX INCREMENT FUNDS	TOTAL
Land/Building Acquisition	$0
Site Improvements/Preparation	$2,274,296
Other Qualifying Improvements	$5,000,000
Administrative Costs (up to 10%)	$1,100,000
PROJECT COST TOTAL	$8,374,296
Interest	$3,577,921
PROJECT AND INTEREST COSTS TOTAL	**$11,952,217**

The total project cost, including financing costs (interest) listed in the table above does not exceed the total projected tax increments for the District as shown in Appendix D.

(AS MODIFIED NOVEMBER 20, 2018)

The District is being modified in order to increase the estimate of public costs and uses of funds associated with the District as outlined in the following table.

USES OF TAX INCREMENT FUNDS	TOTAL
Land/Building Acquisition	**$4,000,000**
Site Improvements/Preparation	**$2,274,296**
Utilities	**$0**
Other Qualifying Improvements	**$5,000,000**
Construction of Affordable Housing	**$15,167,783**
Administrative Costs (up to 10%)	**$1,100,000**
PROJECT COST TOTAL	**$27,542,079**
Interest	**$3,577,921**
PROJECT AND INTEREST COSTS TOTAL	**$31,120,000**

Estimated capital and administrative costs listed above are subject to change among categories by modification of the TIF Plan without hearings and notices as required for approval of the initial TIF Plan, so long as the total capital and administrative costs combined do not exceed the total listed above. Further, the

HRA or City may spend up to 20 percent of the tax increments from the District for activities (described in the table above) located outside the boundaries of the District but within the boundaries of the Project Area (including administrative costs, which are considered to be spend outside the District), subject to all other terms and conditions of this TIF Plan.

(AS MODIFIED APRIL 5, 2016)

Pursuant to *M.S., Section 469.1763, Subd. 2(d)*, the HRA and City may elect to increase by up to ten percentage points the permitted amount of expenditures for activities located outside the geographic area of the District. The HRA and City intend to pool $550,000 from the project costs of the District to be used to assist housing that meets the requirements contained in *M.S., Section 469.1763, Subd. 2(d).*

(AS MODIFIED NOVEMBER 20, 2018)

Pursuant to *Minnesota Session Laws 2017, Chapter 1, HF No. 1, Article 6, section 11 and Sec. 16*, the HRA and City may elect to increase by an additional 25 percentage points (a total of 55 percent) the permitted amount of expenditures for activities located outside the geographic area of the District. The HRA and City intend to pool funds from the project costs of the District to be used to assist housing that meets the requirements contained in *M.S., Section 469.1763, Subd. 2(d)*.

Subsection 2-11. Fiscal Disparities Election

Pursuant to *M.S., Section 469.177, Subd. 3, clause b*, the HRA or City must calculate fiscal disparities using the following method of computation:

(1) The original net tax capacity shall be determined before the application of the fiscal disparity provisions of Chapter 276A or 473F. The current net tax capacity shall exclude any fiscal disparity commercial-industrial net tax capacity increase between the original year and the current year multiplied by the fiscal disparity ratio determined pursuant to M.S., Section 276A.06, subdivision 7 or M.S., Section 473F.08, subdivision 6. Where the original net tax capacity is equal to or greater than the current net tax capacity, there is no captured tax capacity and no tax increment determination. Where the original tax capacity is less than the current tax capacity, the difference between the original net tax capacity and the current net tax capacity is the captured net tax capacity. This amount less any portion thereof which the authority has designated, in its tax increment financing plan, to share with the local taxing districts is the retained captured net tax capacity of the authority.

(2) The county auditor shall exclude the retained captured net tax capacity of the authority from the net tax capacity of the local taxing districts in determining local taxing district tax rates. The local tax rates so determined are to be extended against the retained captured net tax capacity of the authority as well as the net tax capacity of the local taxing districts. The tax generated by the extension of the less of (A) the local taxing district tax rates or (B) the original local tax rate to the retained captured net tax capacity of the authority is the tax increment of the authority.

Subsection 2-12. Business Subsidies

Pursuant to *M.S., Section 116J.993, Subd. 3*, the following forms of financial assistance are not considered a business subsidy:

(1) A business subsidy of less than $150,000;
(2) Assistance that is generally available to all businesses or to a general class of similar businesses, such as a line of business, size, location, or similar general criteria;
(3) Public improvements to buildings or lands owned by the state or local government that serve a public purpose and do not principally benefit a single business or defined group of businesses at the time the improvements are made;
(4) Redevelopment property polluted by contaminants as defined in *M.S., Section 116J.552, Subd. 3;*
(5) Assistance provided for the sole purpose of renovating old or decaying building stock or bringing it up to code and assistance provided for designated historic preservation districts, provided that the assistance is equal to or less than 50% of the total cost;
(6) Assistance to provide job readiness and training services if the sole purpose of the assistance is to provide those services;
(7) Assistance for housing;
(8) Assistance for pollution control or abatement, including assistance for a tax increment financing hazardous substance subdistrict as defined under *M.S., Section 469.174, Subd. 23*;
(9) Assistance for energy conservation;
(10) Tax reductions resulting from conformity with federal tax law;
(11) Workers' compensation and unemployment compensation;
(12) Benefits derived from regulation;
(13) Indirect benefits derived from assistance to educational institutions;
(14) Funds from bonds allocated under chapter 474A, bonds issued to refund outstanding bonds, and bonds issued for the benefit of an organization described in section 501 (c) (3) of the Internal Revenue Code of 1986, as amended through December 31, 1999;
(15) Assistance for a collaboration between a Minnesota higher education institution and a business;
(16) Assistance for a tax increment financing soils condition district as defined under *M.S., Section 469.174, Subd. 19*;
(17) Redevelopment when the recipient's investment in the purchase of the site and in site preparation is 70 percent or more of the assessor's current year's estimated market value;
(18) General changes in tax increment financing law and other general tax law changes of a principally technical nature;
(19) Federal assistance until the assistance has been repaid to, and reinvested by, the state or local government agency;
(20) Funds from dock and wharf bonds issued by a seaway port authority;
(21) Business loans and loan guarantees of $150,000 or less;
(22) Federal loan funds provided through the United States Department of Commerce, Economic Development Administration; and
(23) Property tax abatements granted under *M.S., Section 469.1813* to property that is subject to valuation under Minnesota Rules, chapter 8100.

The HRA will comply with *M.S., Sections 116J.993 to 116J.995* to the extent the tax increment assistance under this TIF Plan does not fall under any of the above exemptions.

Subsection 2-13. County Road Costs

Pursuant to *M.S., Section 469.175, Subd. 1a*, the county board may require the HRA or City to pay for all or part of the cost of county road improvements if the proposed development to be assisted by tax increment will, in the judgment of the county, substantially increase the use of county roads requiring construction of

road improvements or other road costs and if the road improvements are not scheduled within the next five years under a capital improvement plan or within five years under another county plan.

If the county elects to use increments to improve county roads, it must notify the HRA or City within forty-five days of receipt of this TIF Plan. In the opinion of the HRA and City and consultants, the proposed development outlined in this TIF Plan will have little or no impact upon county roads, therefore the TIF Plan was not forwarded to the county 45 days prior to the public hearing. The HRA and City are aware that the county could claim that tax increment should be used for county roads, even after the public hearing.

Subsection 2-14. Estimated Impact on Other Taxing Jurisdictions

The estimated impact on other taxing jurisdictions assumes that the redevelopment contemplated by the TIF Plan would occur without the creation of the District. However, the HRA or City has determined that such development or redevelopment would not occur "but for" tax increment financing and that, therefore, the fiscal impact on other taxing jurisdictions is $0. The estimated fiscal impact of the District would be as follows if the "but for" test was not met:

IMPACT ON TAX BASE FOR PARCELS LOCATED IN SCHOOL DISTRICT NO. 273

	Estimated 2011/Pay 2012 Total Net Tax Capacity	Estimated Captured Tax Capacity (CTC) Upon Completion	Percent of CTC to Entity Total
Hennepin County	1,253,423,199	191,035	**0.0152%**
City of Edina	96,048,515	191,035	**0.1989%**
Edina ISD No. 273	81,542,007	191,035	**0.2343%**

IMPACT ON TAX RATES

	Estimated Pay 2012 Extension Rates	Percent of Total	CTC	Potential Taxes
Hennepin County	0.487770	45.10%	191,035	**93,181**
City of Edina	0.259080	23.95%	191,035	**49,493**
Edina ISD No. 273	0.224280	20.74%	191,035	**42,845**
Other	0.110470	10.21%	191,035	**21,104**
Total	1.081600	100.00%		**206,623**

IMPACT ON TAX BASE FOR PARCELS LOCATED IN SCHOOL DISTRICT NO. 280

	Estimated 2011/Pay 2012 Total Net Tax Capacity	Estimated Captured Tax Capacity (CTC) Upon Completion	Percent of CTC to Entity Total
Hennepin County	1,253,423,199	1,232,391	**0.0983%**
City of Edina	96,048,515	1,232,391	**1.2831%**
Richfield ISD No. 280	29,902,478	1,232,391	**4.1214%**

IMPACT ON TAX RATES

	Estimated Pay 2012 Extension Rates	Percent of Total	CTC	Potential Taxes
Hennepin County	0.487770	42.66%	1,232,391	**601,123**
City of Edina	0.259080	22.66%	1,232,391	**319,288**
Richfield ISD No. 280	0.282900	24.74%	1,232,391	**348,643**
Other	0.113760	9.95%	1,232,391	**140,197**
Total	1.143510	100.00%		**1,409,251**

The estimates listed above display the captured tax capacity when all construction is completed. The tax rate used for calculations is the estimated Pay 2012 rate. The total net capacity for the entities listed above are based on estimated Pay 2012 figures. The District will be certified under the actual Pay 2012 rates, which were unavailable at the time this TIF Plan was prepared.

Pursuant to *M.S. Section 469.175 Subd. 2(b)*:

(1) Estimate of total tax increment. It is estimated that the total amount of tax increment that will be generated over the life of the District is $11,702,217;

(2) Probable impact of the District on city provided services and ability to issue debt. An impact of the District on police protection is expected. The Edina Police Department does track all calls for service including property-type calls and crimes. With increased traffic at Southdale Center mall, police calls for service will be increased. However, the proposed mall renovations include changes to common areas designed, in part, to reduce security concerns and police calls, such as the relocation of the transit facility to mall property outside of the mall itself. In addition, proposed housing developments will generate increased police calls. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment in vehicles.

The probable impact of the District on fire protection is not expected to be significant. Typically new buildings generate few calls, if any, and are of superior construction. Several of the existing buildings, proposed to be replaced or renovated , have public safety concerns that include several unprotected old buildings with issues such as access, hydrant locations, and lack of sprinkling.

The impact of the District on public infrastructure is expected to be minimal. The development is not expected to significantly impact any traffic movements in the area, and is expected to enhance the flow of public transit vehicles in and around the Southdale area. The current infrastructure for

sanitary sewer, storm sewer and water will be able to handle the additional volume generated from the proposed development. Potential housing development will generate in excess of $180,000 in sewer and water access charges. Based on the development plans, there are no additional costs associated with street maintenance, sweeping, plowing, lighting and sidewalks. The developer will negotiate maintenance of the proposed transit hub with the Metropolitan Council.

The probable impact of any District general obligation tax increment bonds on the ability to issue debt for general fund purposes is expected to be minimal. It is not anticipated that there will be any general obligation debt issued in relation to this project, therefore there will be no impact on the City's ability to issue future debt or on the City's debt limit.

(3) Estimated amount of tax increment attributable to Edina ISD No. 273 levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to school district levies, assuming the school district's share of the total local tax rate for all taxing jurisdictions remained the same, is $293,548;

(4) Estimated amount of tax increment attributable to Richfield ISD No. 280 levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to school district levies, assuming the school district's share of the total local tax rate for all taxing jurisdictions remained the same, is $2,544,966;

(5) Estimated amount of tax increment attributable to county levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to county levies, assuming the county's share of the total local tax rate for all taxing jurisdictions remained the same, is $5,026,701;

(6) Additional information requested by the county or school district. The City is not aware of any standard questions in a county or school district written policy regarding tax increment districts and impact on county or school district services. The county or school district must request additional information pursuant to *M.S. Section 469.175 Subd. 2(b)* within 15 days after receipt of the tax increment financing plan.

No requests for additional information from the county or school district regarding the proposed development for the District have been received.

(AS MODIFIED APRIL 5, 2016)

There are no additional fiscal impacts associated with the Modification of this TIF Plan. A copy of the proposed TIF Plan Modification was furnished to the county and school district for comment. Edina Public Schools has requested additional information regarding the proposed development for the 66 West TIF District. The City Manager has responded and provided additional information.

(AS MODIFIED NOVEMBER 20, 2018)

There are no additional fiscal impacts associated with the Modification of this TIF Plan. Separate fiscal impact estimates will be provided within the TIF Plan under consideration for any district created under the authority of *Minnesota Session Laws 2017, Chapter 1, HF No. 1, Article 6, Sec. 11 and 16*. A copy of the proposed TIF Plan Modification was furnished to the county and school district for comment.

Subsection 2-15. Supporting Documentation

Pursuant to *M.S. Section 469.175, Subd. 1 (a), clause 7* the TIF Plan must contain identification and description of studies and analyses used to make the determination set forth in *M.S. Section 469.175, Subd. 3, clause (b)(2)* and the findings are required in the resolution approving the District. Following is a list of reports and studies on file at the City that support the HRA and City's findings:

- Greater Southdale Area Land Use and Transportation Study, December 2005
- Edina Comprehensive Plan Update 2008
- Developer correspondence and Summary of Renovation Costs, February 2011

Subsection 2-16. Definition of Tax Increment Revenues

Pursuant to *M.S., Section 469.174, Subd. 25*, tax increment revenues derived from a tax increment financing district include all of the following potential revenue sources:

1. Taxes paid by the captured net tax capacity, but excluding any excess taxes, as computed under *M.S., Section 469.177*;
2. The proceeds from the sale or lease of property, tangible or intangible, to the extent the property was purchased by the Authority with tax increments;
3. Principal and interest received on loans or other advances made by the Authority with tax increments;
4. Interest or other investment earnings on or from tax increments;
5. Repayments or return of tax increments made to the Authority under agreements for districts for which the request for certification was made after August 1, 1993; and
6. The market value homestead credit paid to the Authority under *M.S., Section 273.1384*.

Subsection 2-17. Modifications to the District

In accordance with *M.S., Section 469.175, Subd. 4*, any:

1. Reduction or enlargement of the geographic area of the District, if the reduction does not meet the requirements of *M.S., Section 469.175, Subd. 4(e)*;
2. Increase in amount of bonded indebtedness to be incurred;
3. A determination to capitalize interest on debt if that determination was not a part of the original TIF Plan;
4. Increase in the portion of the captured net tax capacity to be retained by the HRA or City;
5. Increase in the estimate of the cost of the District, including administrative expenses, that will be paid or financed with tax increment from the District; or
6. Designation of additional property to be acquired by the HRA or City,

shall be approved upon the notice and after the discussion, public hearing and findings required for approval of the original TIF Plan. If the District qualifies for certification only under M.S. Section 469.176, Subd. 4c(d), than the District boundaries may not be enlarged after July 1, 2012.

Pursuant to *M.S., Section 469.175 Subd. 4(f)*, the geographic area of the District may be reduced following the date of certification of the original net tax capacity by the county auditor, but shall not be enlarged after five years following the date of certification of the original net tax capacity by the county auditor. The requirements of this paragraph do not apply if (1) the only modification is elimination of parcel(s) from the District and (2) (A) the current net tax capacity of the parcel(s) eliminated from the District equals or exceeds the net tax capacity of those parcel(s) in the District's original net tax capacity

or (B) the HRA agrees that, notwithstanding *M.S., Section 469.177, Subd. 1*, the original net tax capacity will be reduced by no more than the current net tax capacity of the parcel(s) eliminated from the District.

The HRA or City must notify the County Auditor of any modification to the District. Modifications to the District in the form of a budget modification or an expansion of the boundaries will be recorded in the TIF Plan.

Subsection 2-18. Administrative Expenses

In accordance with *M.S., Section 469.174, Subd. 14,* administrative expenses means all expenditures of the HRA or City, *other than*:

1. Amounts paid for the purchase of land;
2. Amounts paid to contractors or others providing materials and services, including architectural and engineering services, directly connected with the physical development of the real property in the District;
3. Relocation benefits paid to or services provided for persons residing or businesses located in the District; or
4. Amounts used to pay principal or interest on, fund a reserve for, or sell at a discount bonds issued pursuant to *M.S., Section 469.178*; or
5. Amounts used to pay other financial obligations to the extent those obligations were used to finance costs described in clauses (1) to (3).

For districts for which the request for certification were made before August 1, 1979, or after June 30, 1982, and before August 1, 2001, administrative expenses also include amounts paid for services provided by bond counsel, fiscal consultants, and planning or economic development consultants. Pursuant to *M.S., Section 469.176, Subd. 3*, tax increment may be used to pay any **authorized and documented** administrative expenses for the District up to but not to exceed 10 percent of the total estimated tax increment expenditures authorized by the TIF Plan or the total tax increments, as defined by *M.S., Section 469.174, Subd. 25, clause (1)*, from the District, whichever is less.

For districts for which certification was requested after July 31, 2001, no tax increment may be used to pay any administrative expenses for District costs which exceed ten percent of total estimated tax increment expenditures authorized by the TIF Plan or the total tax increments, as defined in *M.S., Section 469.174, Subd. 25, clause (1)*, from the District, whichever is less.

Pursuant to *M.S., Section 469.176, Subd. 4h*, tax increments may be used to pay for the County's actual administrative expenses incurred in connection with the District and are not subject to the percentage limits of *M.S., Section 469.176, Subd. 3*. The county may require payment of those expenses by February 15 of the year following the year the expenses were incurred.

Pursuant to *M.S., Section 469. 177, Subd. 11*, the County Treasurer shall deduct an amount (currently .36 percent) of any increment distributed to the HRA or City and the County Treasurer shall pay the amount deducted to the State Commissioner of Management and Budget for deposit in the state general fund to be appropriated to the State Auditor for the cost of financial reporting of tax increment financing information and the cost of examining and auditing authorities' use of tax increment financing. This amount may be adjusted annually by the Commissioner of Revenue.

Subsection 2-19. Limitation of Increment

The tax increment pledged to the payment of bonds and interest thereon may be discharged and the District may be terminated if sufficient funds have been irrevocably deposited in the debt service fund or other escrow account held in trust for all outstanding bonds to provide for the payment of the bonds at maturity or redemption date.

Pursuant to *M.S., Section 469.176, Subd. 6*:

> *if, after four years from the date of certification of the original net tax capacity of the tax increment financing district pursuant to M.S., Section 469.177, no demolition, rehabilitation or renovation of property or other site preparation, including qualified improvement of a street adjacent to a parcel but not installation of utility service including sewer or water systems, has been commenced on a parcel located within a tax increment financing district by the authority or by the owner of the parcel in accordance with the tax increment financing plan, no additional tax increment may be taken from that parcel and the original net tax capacity of that parcel shall be excluded from the original net tax capacity of the tax increment financing district. If the authority or the owner of the parcel subsequently commences demolition, rehabilitation or renovation or other site preparation on that parcel including qualified improvement of a street adjacent to that parcel, in accordance with the tax increment financing plan, the authority shall certify to the county auditor that the activity has commenced and the county auditor shall certify the net tax capacity thereof as most recently certified by the commissioner of revenue and add it to the original net tax capacity of the tax increment financing district. The county auditor must enforce the provisions of this subdivision. The authority must submit to the county auditor evidence that the required activity has taken place for each parcel in the district. The evidence for a parcel must be submitted by February 1 of the fifth year following the year in which the parcel was certified as included in the district. For purposes of this subdivision, qualified improvements of a street are limited to (1) construction or opening of a new street, (2) relocation of a street, and (3) substantial reconstruction or rebuilding of an existing street.*

The HRA or City or a property owner must improve parcels within the District by approximately April 2016 and report such actions to the County Auditor.

Subsection 2-20. Use of Tax Increment

The HRA or City hereby determines that it will use 100 percent of the captured net tax capacity of taxable property located in the District for the following purposes:

1. To pay the principal of and interest on bonds issued to finance a project;
2. to finance, or otherwise pay public redevelopment costs of the the Southeast Edina Redevelopment Project Area pursuant to *M.S., Sections 469.001 to 469.047*;
3. To pay for project costs as identified in the budget set forth in the TIF Plan;
4. To finance, or otherwise pay for other purposes as provided in *M.S., Section 469.176, Subd. 4*;
5. To pay principal and interest on any loans, advances or other payments made to or on behalf of the HRA or City or for the benefit of the Southeast Edina Redevelopment Project Area by a developer;
6. To finance or otherwise pay premiums and other costs for insurance or other security guaranteeing the payment when due of principal of and interest on bonds pursuant to the TIF Plan

or pursuant to *M.S., Chapter 462C. M.S., Sections 469.152 through 469.165*, and/or *M.S., Sections 469.178*; and

7. To accumulate or maintain a reserve securing the payment when due of the principal and interest on the tax increment bonds or bonds issued pursuant to *M.S., Chapter 462C, M.S., Sections 469.152 through 469.165*, and/or *M.S., Sections 469.178*.

These revenues shall not be used to circumvent any levy limitations applicable to the City nor for other purposes prohibited by *M.S., Section 469.176, Subd. 4.*

Tax increments generated in the District will be paid by Hennepin County to the HRA for the Tax Increment Fund of said District. The HRA or City will pay to the developer(s) annually an amount not to exceed an amount as specified in a developer's agreement to reimburse the costs of land acquisition, public improvements, demolition and relocation, site preparation, and administration. If the request for certification of the District was made after June 30, 2009 and no later than June 30, 2012 and construction commenced in the District by July 1, 2012, tax increments from the District may also be used to provide improvements, loans, subsidies, grants, interest rate subsidies, or assistance in any form to developments consisting of buildings and ancillary facilities. Remaining increment funds will be used for HRA or City administration (up to 10 percent) and for the costs of public improvement activities outside the District.

Subsection 2-21. Excess Increments

Excess increments, as defined in *M.S., Section 469.176, Subd. 2*, shall be used only to do one or more of the following:

1. Prepay any outstanding bonds;
2. Discharge the pledge of tax increment for any outstanding bonds;
3. Pay into an escrow account dedicated to the payment of any outstanding bonds; or
4. Return the excess to the County Auditor for redistribution to the respective taxing jurisdictions in proportion to their local tax rates.

The HRA or City must spend or return the excess increments under paragraph (c) within nine months after the end of the year. In addition, the HRA or City may, subject to the limitations set forth herein, choose to modify the TIF Plan in order to finance additional public costs in the Southeast Edina Redevelopment Project Area or the District.

Subsection 2-22. Requirements for Agreements with the Developer

The HRA or City will review any proposal for private development to determine its conformance with the Redevelopment Plan and with applicable municipal ordinances and codes. To facilitate this effort, the following documents may be requested for review and approval: site plan, construction, mechanical, and electrical system drawings, landscaping plan, grading and storm drainage plan, signage system plan, and any other drawings or narrative deemed necessary by the HRA or City to demonstrate the conformance of the development with City plans and ordinances. The HRA or City may also use the Agreements to address other issues related to the development.

Pursuant to *M.S., Section 469.176, Subd. 5*, no more than 10 percent, by acreage, of the property to be acquired in the District as set forth in the TIF Plan shall at any time be owned by the HRA or City as a result of acquisition with the proceeds of bonds issued pursuant to *M.S., Section 469.178* to which tax increments from property acquired is pledged, unless prior to acquisition in excess of 10 percent of the acreage, the HRA or City concluded an agreement for the development of the property acquired and which provides recourse for the HRA or City should the development not be completed.

Subsection 2-23. Assessment Agreements

Pursuant to *M.S., Section 469.177, Subd. 8*, the HRA or City may enter into a written assessment agreement in recordable form with the developer of property within the District which establishes a minimum market value of the land and completed improvements for the duration of the District. The assessment agreement shall be presented to the County Assessor who shall review the plans and specifications for the improvements to be constructed, review the market value previously assigned to the land upon which the improvements are to be constructed and, so long as the minimum market value contained in the assessment agreement appears, in the judgment of the assessor, to be a reasonable estimate, the County Assessor shall also certify the minimum market value agreement.

Subsection 2-24. Administration of the District

Administration of the District will be handled by the Executive Director.

Subsection 2-25. Annual Disclosure Requirements

Pursuant to *M.S., Section 469.175, Subds. 5, 6, and 6b* the HRA or City must undertake financial reporting for all tax increment financing districts to the Office of the State Auditor, County Board and County Auditor on or before August 1 of each year. *M.S., Section 469.175, Subd. 5* also provides that an annual statement shall be published in a newspaper of general circulation in the City on or before August 15.

If the City fails to make a disclosure or submit a report containing the information required by *M.S., Section 469.175 Subd. 5 and Subd. 6,* the OSA will direct the County Auditor to withhold the distribution of tax increment from the District.

Subsection 2-26. Reasonable Expectations

As required by the TIF Act, in establishing the District, the determination has been made that the anticipated development would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the TIF Plan. In making said determination, reliance has been placed upon written representation made by the developer to such effects and upon HRA and City staff awareness of the feasibility of developing the project site(s) within the District. A comparative analysis of estimated market values both with and without establishment of the District and the use of tax increments has been performed as described above. Such analysis is included with the cashflow in Appendix D, and indicates that the increase in estimated market value of the proposed development (less the indicated subtractions) exceeds the estimated market value of the site absent the establishment of the District and the use of tax increments.

Subsection 2-27. Other Limitations on the Use of Tax Increment

1. General Limitations. All revenue derived from tax increment shall be used in accordance with the TIF Plan. The revenues shall be used to finance, or otherwise pay public redevelopment costs of the the Southeast Edina Redevelopment Project Area pursuant to *M.S., Sections 469.001 to 469.047*. Tax increments may not be used to circumvent existing levy limit law. No tax increment may be used for the acquisition, construction, renovation, operation, or maintenance of a building to be used primarily

and regularly for conducting the business of a municipality, county, school district, or any other local unit of government or the state or federal government. This provision does not prohibit the use of revenues derived from tax increments for the construction or renovation of a parking structure.

2. Pooling Limitations. At least 80 percent of tax increments from the District must be expended on activities in the District or to pay bonds, to the extent that the proceeds of the bonds were used to finance activities within said district or to pay, or secure payment of, debt service on credit enhanced bonds. Not more than 20 percent of said tax increments may be expended, through a development fund or otherwise, on activities outside of the District except to pay, or secure payment of, debt service on credit enhanced bonds. For purposes of applying this restriction, all administrative expenses must be treated as if they were solely for activities outside of the District.

3. Five Year Limitation on Commitment of Tax Increments. Tax increments derived from the District shall be deemed to have satisfied the 80 percent test set forth in paragraph (2) above only if the five year rule set forth in *M.S., Section 469.1763, Subd. 3*, has been satisfied; and beginning with the sixth year following certification of the District, 80 percent of said tax increments that remain after expenditures permitted under said five year rule must be used only to pay previously committed expenditures or credit enhanced bonds as more fully set forth in *M.S., Section 469.1763, Subd. 5*.

(AS MODIFIED APRIL 5, 2016)

Pursuant to *M.S., Statute 469.1763, Subd. 2*, the HRA and City may elect to increase by up to ten percentage points the permitted amount of expenditures for activities located outside the geographic area of the District for qualifying housing purposes. Therefore, the pooling limitations with respect to this District are increased to not more than 30 percent of tax increments from the District.

(AS MODIFIED NOVEMBER 20, 2018)

Pooling Limitations. Pursuant to *Minnesota Session Laws 2017, Chapter 1, HF No. 1, Article 6, Sec. 11 and Sec. 16*, at least 45 percent of tax increments from the District must be expended on activities in the District or to pay bonds, to the extent that the proceeds of the bonds were used to finance activities within said district or to pay, or secure payment of, debt service on credit enhanced bonds. Not more than 55 percent of said tax increments may be expended for qualified housing projects as defined in *Minnesota Session Laws 2014, Chapter 308, HF No. 3167, Article 6, Sec. 8* and *Minnesota Session Laws 2017, Chapter 1, HF No. 1, Article 6, Sec. 11*, through a development fund or otherwise, on activities outside of the District except to pay, or secure payment of, debt service on credit enhanced bonds. For purposes of applying this restriction, all administrative expenses must be treated as if they were solely for activities outside of the District.

Subsection 2-28. Summary

The Edina Housing and Redevelopment Authority is establishing the District to preserve and enhance the tax base, redevelop substandard areas, and provide employment opportunities in the City. The TIF Plan for the District was prepared by Ehlers & Associates, Inc., 3060 Centre Pointe Drive, Roseville, Minnesota 55113, telephone (651) 697-8500.

Appendix A

Project Description

The City and HRA will be facilitating improvements to the 1.2 million square foot Southdale Center mall which was originally constructed in the 1960's. The redeveloper plans to renovate the interior common area and make exterior improvements to the shopping center. The renovations will consist of new entrance structures, flooring, lighting, signage, restrooms, parking deck lighting, and exterior seating, columns and interior wall treatments.

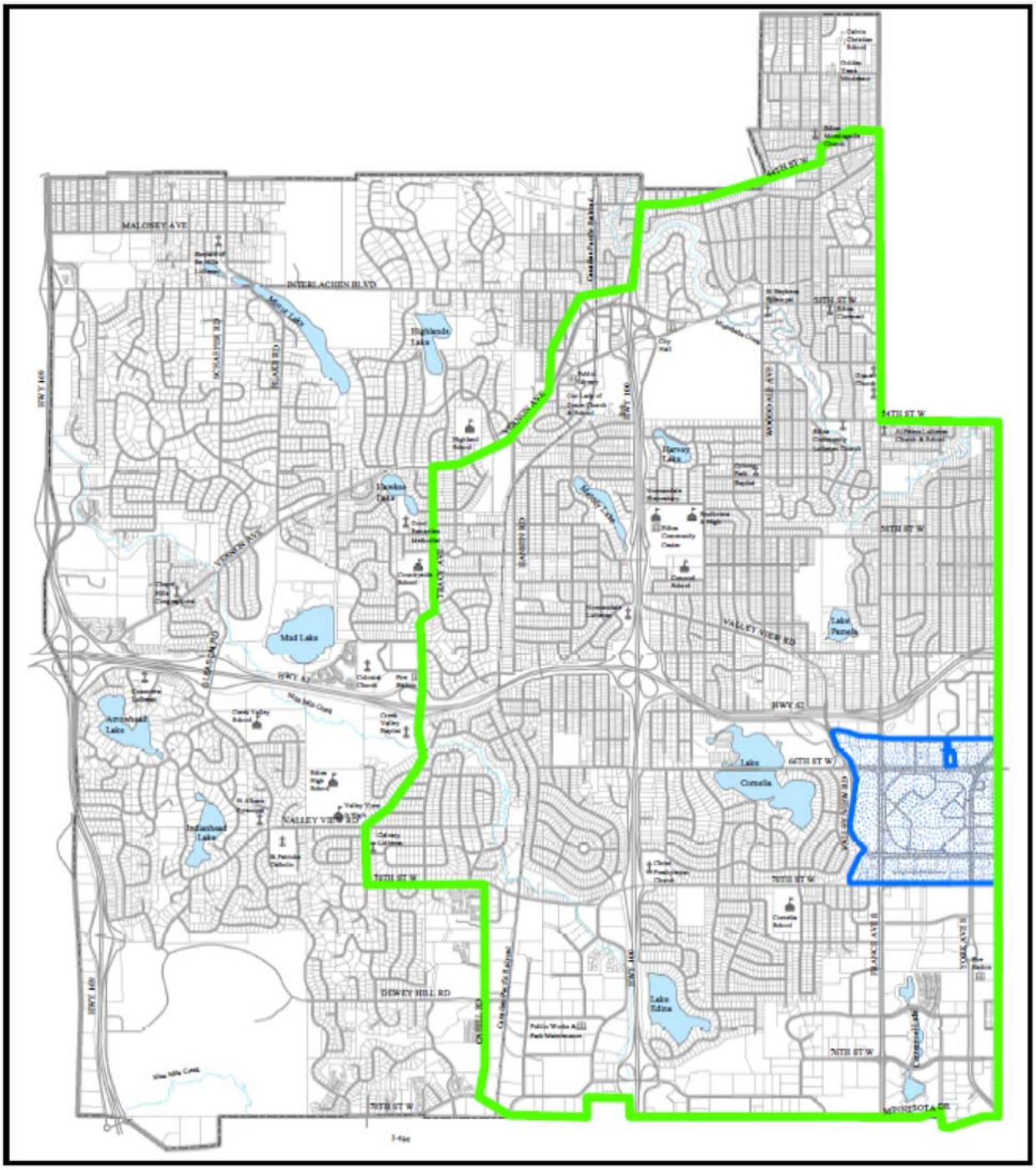
Improvements are planned to be substantially completed by December 31, 2012. The City and HRA intend to finance a portion of the total renovation costs.

The HRA will be loaning $5 million to Southdale Center, $250,000 of which is forgiven if a transit station is constructed. Tax increments collected from the Southdale Center parcels will be used to write down principal of the loan and adjacent development will pay for interest on the loan and for the transit station improvements.

Appendix B

Maps of the Southeast Edina Redevelopment Project Area and the District

(AS MODIFIED APRIL 5, 2016)



Southeast Edina Redevelopment Project Area and Southdale 2 TIF Districts

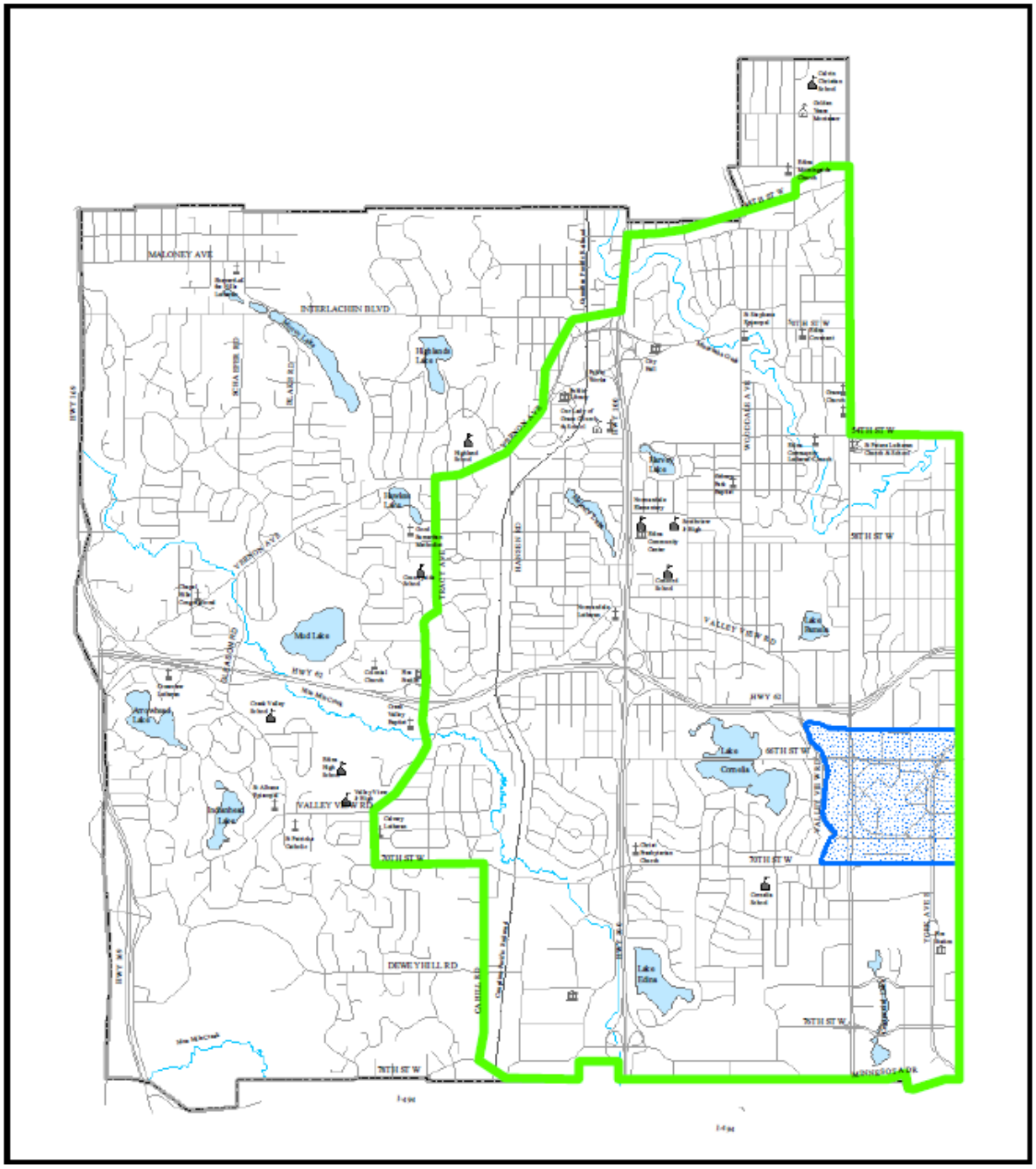
Project Area

Southdale 2 TIF District

N
W E
S

Engineering Dept.
February, 2016

(AS ORIGINALLY ADOPTED)



Southeast Edina Redevelopment Project Area and Southdale 2 TIF District

Project Area

Southdale 2 TIF District

N
W E
S

Engineering Dept.
March, 2012

Appendix C

Description of Property to be Included in the District

The District encompasses all property and adjacent rights-of-way and abutting roadways identified by the parcel(s) listed below.

(AS MODIFIED APRIL 5, 2016)

Parcel number 29-028-24-24-0030 is being removed from the District to be included in the 66 West Tax Increment Financing District.

Appendix D

Estimated Cash Flow for the District

Southdale Mall Renovation and Mixed Use Development

City of Edina

Southdale Mall Renovation and Adjacent Development

School District 273

ASSUMPTIONS AND RATES

DistrictType:	**Economic Development**	
District Name/Number:		
County District #:		
First Year Construction or Inflation on Value	**2012**	
Existing District - Specify No. Years Remaining		
Inflation Rate - Every Year:	**0.00%**	
Interest Rate:	**5.50%**	
Present Value Date:	**1-Feb-12**	
First Period Ending	1-Aug-12	
Tax Year District was Certified:	**Pay 2012**	
Cashflow Assumes First Tax Increment For Development:	2014	
Years of Tax Increment	9	
Assumes Last Year of Tax Increment	2022	
Fiscal Disparities Election [Outside (A), Inside (B), or NA]	**Inside(B)**	
Incremental or Total Fiscal Disparities	**Incremental**	
Fiscal Disparities Contribution Ratio	34.7413%	Pay 2012 Prelim.
Fiscal Disparities Metro-Wide Tax Rate	141.9450%	Pay 2012 Prelim.

Maximum/Frozen Local Tax Rate:	108.160%	SD 273
Current Local Tax Rate: (Use lesser of Current or Max.)	108.160%	Pay 2012 Prelim.
State-wide Tax Rate (Comm./Ind. only used for total taxes)	52.0000%	Pay 2012 Prelim.
Market Value Tax Rate (Used for total taxes)	0.18532%	Pay 2012 Prelim.

PROPERTY TAX CLASSES AND CLASS RATES:

Exempt Class Rate (Exempt)		0.00%
Commercial Industrial Preferred Class Rate (C/I Pref.)		
First	$150,000	1.50%
Over	$150,000	2.00%
Commercial Industrial Class Rate (C/I)		2.00%
Rental Housing Class Rate (Rental)		1.25%
Affordable Rental Housing Class Rate (Aff. Rental)		0.75%
Non-Homestead Residential (Non-H Res.)		1.25%
Homestead Residental Class Rate (Hmstd. Res.)		
First	$500,000	1.00%
Over	$500,000	1.25%
Agricultural Non-Homestead		1.00%

BASE VALUE INFORMATION (Original Tax Capacity)

S/D	PID	Address	Land Market Value	Building Market Value	Total Market Value	Percentage Of Value Used for District	Original Market Value	Tax Year Original Market Value	Property Tax Class	Current Original Tax Capacity	Class After Conversion	After Conversion Orig. Tax Cap.	Area/Phase
273	29-028-24-33-0001	ADDRESS UNASSIGNED	0	0	0	100%	0	Pay 2012	Exempt	-	Exempt	-	Mall
273	29-028-24-33-0004	3500 69TH ST W	571800	0	571,800	100%	571,800	Pay 2012	C/I	11,436	C/I	11,436	Mall
273	29-028-24-33-0014	ADDRESS UNASSIGNED	14,995,000	17,908,800	32,903,800	100%	32,903,800	Pay 2012	C/I	658,076	C/I	658,076	Mall
273	29-028-24-33-0021	3503 GALLERIA	2,273,100	5,315,000	7,588,100	100%	7,588,100	Pay 2012	C/I	151,762	C/I	151,762	
273	29-028-24-33-0022	3460 GALLERIA	14,624,600	42,085,400	56,710,000	100%	56,710,000	Pay 2012	C/I Pref.	1,133,450	C/I Pref.	1,133,450	
273	29-028-24-33-0023	3501 GALLERIA	3,287,100	2,112,900	5,400,000	100%	5,400,000	Pay 2012	C/I	108,000	C/I	108,000	
273	29-028-24-34-0002	6825 YORK AVE S	2,851,200	100,900	2,952,100	100%	2,952,100	Pay 2012	C/I Pref.	58,292	C/I Pref.	58,292	
273	29-028-24-34-0007	3100 70TH ST W	1,382,700	943,300	2,326,000	100%	2,326,000	Pay 2012	C/I Pref.	45,770	C/I Pref.	45,770	
273	29-028-24-34-0010	6975 YORK AVE S	1,586,200	1,059,400	2,645,600	100%	2,645,600	Pay 2012	C/I Pref.	52,162	C/I Pref.	52,162	
273	29-028-24-34-0019	ADDRESS UNASSIGNED	2,852,400	0	2,852,400	100%	2,852,400	Pay 2012	C/I	57,048	Rental	35,655	Mall
273	29-028-24-34-0020	6775 YORK AVE S	1,162,700	0	1,162,700	100%	1,162,700	Pay 2012	C/I	23,254	C/I	23,254	
273	29-028-24-34-0021	6803 YORK AVE S	2,932,400	3,024,800	5,957,200	100%	5,957,200	Pay 2012	C/I	119,144	C/I	119,144	
273	29-028-24-34-0022	6805 YORK AVE S	725,200	247,800	973,000	100%	973,000	Pay 2012	C/I	19,460	C/I	19,460	
273	29-028-24-34-0024	3210 GALLERIA	2,532,200	2,117,800	4,650,000	100%	4,650,000	Pay 2012	C/I Pref.	92,250	C/I Pref.	92,250	
273	29-028-24-34-0025	6905 YORK AVE S	2,084,400	0	2,084,400	100%	2,084,400	Pay 2012	C/I Pref.	40,938	C/I Pref.	40,938	
273	29-028-24-34-0026	3121 69TH ST W	1,482,100	10,202,900	11,685,000	100%	11,685,000	Pay 2012	Rental	146,063	Rental	146,063	
273	29-028-24-34-0033	3209 Galleria	617,400		617,400	100%	617,400	Pay 2012	Non-H Res.	7,718	Non-H Res.	7,718	
273	29-028-24-34-0034	3209 Galleria	1,179,000		1,179,000	100%	1,179,000	Pay 2012	Non-H Res.	14,738	Non-H Res.	14,738	
273	29-028-24-34-0035	3209 Galleria	620,000		620,000	100%	620,000	Pay 2012	Non-H Res.	7,750	Non-H Res.	7,750	
273	29-028-24-34-0036	3209 Galleria	779,000		779,000	100%	779,000	Pay 2012	Non-H Res.	9,738	Non-H Res.	9,738	
273	29-028-24-34-0037	3209 Galleria	591,000		591,000	100%	591,000	Pay 2012	Non-H Res.	7,388	Non-H Res.	7,388	
273	29-028-24-34-0038	3209 Galleria	589,000		589,000	100%	589,000	Pay 2012	Non-H Res.	7,363	Non-H Res.	7,363	
273	29-028-24-34-0039	3209 Galleria	417,000		417,000	100%	417,000	Pay 2012	Non-H Res.	5,213	Non-H Res.	5,213	
273	29-028-24-34-0040	3209 Galleria	1,012,000		1,012,000	100%	1,012,000	Pay 2012	Non-H Res.	12,650	Non-H Res.	12,650	
273	29-028-24-34-0041	3209 Galleria	671,100		671,100	100%	671,100	Pay 2012	Non-H Res.	8,389	Non-H Res.	8,389	
273	29-028-24-34-0042	3209 Galleria	1,179,000		1,179,000	100%	1,179,000	Pay 2012	Non-H Res.	14,738	Non-H Res.	14,738	
273	29-028-24-34-0043	3209 Galleria	626,000		626,000	100%	626,000	Pay 2012	Non-H Res.	7,825	Non-H Res.	7,825	
273	29-028-24-34-0044	3209 Galleria	639,000		639,000	100%	639,000	Pay 2012	Hmstd. Res.	6,738	Hmstd. Res.	6,738	
273	29-028-24-34-0045	3209 Galleria	567,000		567,000	100%	567,000	Pay 2012	Non-H Res.	7,088	Non-H Res.	7,088	
273	29-028-24-34-0046	3209 Galleria	565,500		565,500	100%	565,500	Pay 2012	Hmstd. Res.	5,819	Hmstd. Res.	5,819	
273	29-028-24-34-0047	3209 Galleria	396,100		396,100	100%	396,100	Pay 2012	Hmstd. Res.	3,961	Hmstd. Res.	3,961	
273	29-028-24-34-0048	3209 Galleria	1,179,000		1,179,000	100%	1,179,000	Pay 2012	Non-H Res.	14,738	Non-H Res.	14,738	
273	29-028-24-34-0049	3209 Galleria	1,005,400	0	1,005,400	100%	1,005,400	Pay 2012	Hmstd. Res.	11,318	Hmstd. Res.	11,318	
273	29-028-24-34-0050	3209 Galleria	1,179,000		1,179,000	100%	1,179,000	Pay 2012	Hmstd. Res.	13,488	Hmstd. Res.	13,488	
273	29-028-24-34-0051	3209 Galleria	680,100		680,100	100%	680,100	Pay 2012	Hmstd. Res.	7,251	Hmstd. Res.	7,251	
273	29-028-24-34-0052	3209 Galleria	768,000		768,000	100%	768,000	Pay 2012	Non-H Res.	9,600	Non-H Res.	9,600	
273	29-028-24-34-0053	3209 Galleria	591,000		591,000	100%	591,000	Pay 2012	Non-H Res.	7,388	Non-H Res.	7,388	
273	29-028-24-34-0054	3209 Galleria	560,000		560,000	100%	560,000	Pay 2012	Non-H Res.	7,000	Non-H Res.	7,000	
273	29-028-24-34-0055	3209 Galleria	389,400		389,400	100%	389,400	Pay 2012	Non-H Res.	4,868	Non-H Res.	4,868	
273	29-028-24-34-0056	3209 Galleria	1,219,000		1,219,000	100%	1,219,000	Pay 2012	Non-H Res.	15,238	Non-H Res.	15,238	
273	29-028-24-34-0057	3209 Galleria	916,200		916,200	100%	916,200	Pay 2012	Hmstd. Res.	10,203	Hmstd. Res.	10,203	
273	29-028-24-34-0058	3209 Galleria	1,226,900		1,226,900	100%	1,226,900	Pay 2012	Hmstd. Res.	14,086	Hmstd. Res.	14,086	
273	29-028-24-34-0059	3209 Galleria	668,000		668,000	100%	668,000	Pay 2012	Hmstd. Res.	7,100	Hmstd. Res.	7,100	
273	29-028-24-34-0060	3209 Galleria	754,000		754,000	100%	754,000	Pay 2012	Hmstd. Res.	8,175	Hmstd. Res.	8,175	
273	29-028-24-34-0061	3209 Galleria	591,000		591,000	100%	591,000	Pay 2012	Non-H Res.	7,388	Non-H Res.	7,388	
273	29-028-24-34-0062	3209 Galleria	478,300		478,300	100%	478,300	Pay 2012	Non-H Res.	5,979	Non-H Res.	5,979	
273	29-028-24-34-0063	3209 Galleria	323,000		323,000	100%	323,000	Pay 2012	Non-H Res.	4,038	Non-H Res.	4,038	
273	29-028-24-34-0064	3209 Galleria	1,268,300		1,268,300	100%	1,268,300	Pay 2012	Hmstd. Res.	14,604	Hmstd. Res.	14,604	
273	29-028-24-34-0065	3209 Galleria	1,047,000		1,047,000	100%	1,047,000	Pay 2012	Non-H Res.	13,088	Non-H Res.	13,088	
273	29-028-24-34-0066	3209 Galleria	1,225,000		1,225,000	100%	1,225,000	Pay 2012	Non-H Res.	15,313	Non-H Res.	15,313	

BASE VALUE INFORMATION (Original Tax Capacity)												
273	29-028-24-34-0067	3209 Galleria	677,100		677,100	100%	677,100	Pay 2012	Hmstd. Res.	7,214	Hmstd. Res.	7,214
273	29-028-24-34-0068	3209 Galleria	746,000		746,000	100%	746,000	Pay 2012	Non-H Res.	9,325	Non-H Res.	9,325
273	29-028-24-34-0069	3209 Galleria	615,000		615,000	100%	615,000	Pay 2012	Non-H Res.	7,688	Non-H Res.	7,688
273	29-028-24-34-0070	3209 Galleria	534,500		534,500	100%	534,500	Pay 2012	Non-H Res.	6,681	Non-H Res.	6,681
273	29-028-24-34-0071	3209 Galleria	380,200		380,200	100%	380,200	Pay 2012	Non-H Res.	4,753	Non-H Res.	4,753
273	29-028-24-34-0072	3209 Galleria	1,392,100		1,392,100	100%	1,392,100	Pay 2012	Non-H Res.	17,401	Non-H Res.	17,401
273	29-028-24-34-0073	3209 Galleria	1,005,000		1,005,000	100%	1,005,000	Pay 2012	Non-H Res.	12,563	Non-H Res.	12,563
273	29-028-24-34-0074	3209 Galleria	1,179,000		1,179,000	100%	1,179,000	Pay 2012	Non-H Res.	14,738	Non-H Res.	14,738
273	29-028-24-34-0075	3209 Galleria	773,400		773,400	100%	773,400	Pay 2012	Non-H Res.	9,668	Non-H Res.	9,668
273	29-028-24-34-0076	3209 Galleria	776,000		776,000	100%	776,000	Pay 2012	Non-H Res.	9,700	Non-H Res.	9,700
273	29-028-24-34-0077	3209 Galleria	503,000		503,000	100%	503,000	Pay 2012	Non-H Res.	6,288	Non-H Res.	6,288
273	29-028-24-34-0078	3209 Galleria	565,000		565,000	100%	565,000	Pay 2012	Non-H Res.	7,063	Non-H Res.	7,063
273	29-028-24-34-0079	3209 Galleria	380,000		380,000	100%	380,000	Pay 2012	Non-H Res.	4,750	Non-H Res.	4,750
273	29-028-24-34-0080	3209 Galleria	1,270,800		1,270,800	100%	1,270,800	Pay 2012	Hmstd. Res.	14,635	Hmstd. Res.	14,635
273	29-028-24-34-0081	3209 Galleria	1,005,000		1,005,000	100%	1,005,000	Pay 2012	Non-H Res.	12,563	Non-H Res.	12,563
273	29-028-24-34-0082	3209 Galleria	1,307,700		1,307,700	100%	1,307,700	Pay 2012	Hmstd. Res.	15,096	Hmstd. Res.	15,096
273	29-028-24-34-0083	3209 Galleria	669,600		669,600	100%	669,600	Pay 2012	Non-H Res.	8,370	Non-H Res.	8,370
273	29-028-24-34-0084	3209 Galleria	791,500		791,500	100%	791,500	Pay 2012	Non-H Res.	9,894	Non-H Res.	9,894
273	29-028-24-34-0085	3209 Galleria	648,400		648,400	100%	648,400	Pay 2012	Hmstd. Res.	6,855	Hmstd. Res.	6,855
273	29-028-24-34-0086	3209 Galleria	543,500		543,500	100%	543,500	Pay 2012	Non-H Res.	6,794	Non-H Res.	6,794
273	29-028-24-34-0087	3209 Galleria	380,000		380,000	100%	380,000	Pay 2012	Non-H Res.	4,750	Non-H Res.	4,750
273	29-028-24-34-0088	3209 Galleria	1,303,900		1,303,900	100%	1,303,900	Pay 2012	Hmstd. Res.	15,049	Hmstd. Res.	15,049
273	29-028-24-34-0089	3209 Galleria	1,005,000		1,005,000	100%	1,005,000	Pay 2012	Non-H Res.	12,563	Non-H Res.	12,563
273	29-028-24-34-0090	3209 Galleria	1,260,000		1,260,000	100%	1,260,000	Pay 2012	Non-H Res.	15,750	Non-H Res.	15,750
273	29-028-24-34-0091	3209 Galleria	713,400		713,400	100%	713,400	Pay 2012	Hmstd. Res.	7,668	Hmstd. Res.	7,668
273	29-028-24-34-0092	3209 Galleria	977,300		977,300	100%	977,300	Pay 2012	Non-H Res.	12,216	Non-H Res.	12,216
273	29-028-24-34-0093	3209 Galleria	591,000		591,000	100%	591,000	Pay 2012	Non-H Res.	7,388	Non-H Res.	7,388
273	29-028-24-34-0094	3209 Galleria	522,900		522,900	100%	522,900	Pay 2012	Non-H Res.	6,536	Non-H Res.	6,536
273	29-028-24-34-0095	3209 Galleria	380,000		380,000	100%	380,000	Pay 2012	Non-H Res.	4,750	Non-H Res.	4,750
273	29-028-24-34-0096	3209 Galleria	1,337,000		1,337,000	100%	1,337,000	Pay 2012	Hmstd. Res.	15,463	Hmstd. Res.	15,463
273	29-028-24-34-0097	3209 Galleria	999,900		999,900	100%	999,900	Pay 2012	Non-H Res.	12,499	Non-H Res.	12,499
273	29-028-24-34-0098	3209 Galleria	1,989,300		1,989,300	100%	1,989,300	Pay 2012	Hmstd. Res.	23,616	Hmstd. Res.	23,616
273	29-028-24-34-0099	3209 Galleria	765,800		765,800	100%	765,800	Pay 2012	Non-H Res.	9,573	Non-H Res.	9,573
273	29-028-24-34-0100	3209 Galleria	1,192,800		1,192,800	100%	1,192,800	Pay 2012	Hmstd. Res.	13,660	Hmstd. Res.	13,660
273	29-028-24-34-0101	3209 Galleria	1,052,000		1,052,000	100%	1,052,000	Pay 2012	Non-H Res.	13,150	Non-H Res.	13,150
273	29-028-24-34-0102	3209 Galleria	1,325,400		1,325,400	100%	1,325,400	Pay 2012	Hmstd. Res.	15,318	Hmstd. Res.	15,318
273	29-028-24-34-0103	3209 Galleria	1,288,300		1,288,300	100%	1,288,300	Pay 2012	Non-H Res.	16,104	Non-H Res.	16,104
273	29-028-24-34-0104	3209 Galleria	1,900,000		1,900,000	100%	1,900,000	Pay 2012	Non-H Res.	23,750	Non-H Res.	23,750
273	29-028-24-34-0105	3209 Galleria	729,000		729,000	100%	729,000	Pay 2012	Non-H Res.	9,113	Non-H Res.	9,113
273	29-028-24-34-0106	3209 Galleria	931,000		931,000	100%	931,000	Pay 2012	Non-H Res.	11,638	Non-H Res.	11,638
273	29-028-24-34-0107	3209 Galleria	1,093,000		1,093,000	100%	1,093,000	Pay 2012	Non-H Res.	13,663	Non-H Res.	13,663
273	29-028-24-34-0108	3209 Galleria	1,660,100		1,660,100	100%	1,660,100	Pay 2012	Non-H Res.	20,751	Non-H Res.	20,751
273	29-028-24-34-0109	3209 Galleria	893,000		893,000	100%	893,000	Pay 2012	Non-H Res.	11,163	Non-H Res.	11,163
273	29-028-24-34-0110	3209 Galleria	2,322,400		2,322,400	100%	2,322,400	Pay 2012	Non-H Res.	29,030	Non-H Res.	29,030
273	29-028-24-34-0111	3209 Galleria	647,000		647,000	100%	647,000	Pay 2012	Non-H Res.	8,088	Non-H Res.	8,088
273	29-028-24-34-0112	3209 Galleria	1,100,600		1,100,600	100%	1,100,600	Pay 2012	Non-H Res.	13,758	Non-H Res.	13,758
273	29-028-24-34-0113	3209 Galleria	1,214,000		1,214,000	100%	1,214,000	Pay 2012	Non-H Res.	15,175	Non-H Res.	15,175
273	29-028-24-34-0114	3209 Galleria	1,203,200		1,203,200	100%	1,203,200	Pay 2012	Non-H Res.	15,040	Non-H Res.	15,040
273	30-028-24-41-0001	6600 France Avenue South	18,914,100	15,428,500	34,342,600	100%	34,342,600	Pay 2012	C/I Pref.	686,102	C/I Pref.	686,102
273	30-028-24-44-0001	6996 France Avenue South	360,000	40,000	400,000	100%	400,000	Pay 2012	C/I Pref.	7,250	C/I Pref.	7,250
273	30-028-24-44-0003	3950 70TH ST W	1,021,100	622,000	1,643,100	100%	1,643,100	Pay 2012	C/I Pref.	32,112	C/I Pref.	32,112
273	30-028-24-44-0004	4040 70TH ST W	1,081,000	1,376,900	2,457,900	100%	2,457,900	Pay 2012	C/I Pref.	48,408	C/I Pref.	48,408
273	30-028-24-44-0005	6950 FRANCE AVE S	789,700	1,208,300	1,998,000	100%	1,998,000	Pay 2012	C/I Pref.	39,210	C/I Pref.	39,210
273	30-028-24-44-0006	3910 70th Street West	139,900	213,100	353,000	100%	353,000	Pay 2012	C/I Pref.	6,310	C/I Pref.	6,310
273	30-028-24-44-0057	6900 FRANCE AVE S	498,100	239,600	737,700	100%	737,700	Pay 2012	C/I Pref.	14,004	C/I Pref.	14,004
273	30-028-24-44-0058	3905 69TH ST W	847,200	392,600	1,239,800	100%	1,239,800	Pay 2012	C/I Pref.	24,046	C/I Pref.	24,046
273	30-028-24-44-0059	3939 69TH ST W	912,500		912,500	100%	912,500	Pay 2012	C/I Pref.	17,500	C/I Pref.	17,500
					0	100%	0	Pay 2012		-		-
			152,963,500	104,640,000	257,603,500		**257,603,500**			**4,479,266**		**4,457,873**

Note:

1. **Base values are based upon review of County website on 3/7/12 of values assessed 1/2/11 for taxes payable 2012.**
2. **Parcels are located within School district 273 and Watershed District 1.**

Southdale Mall Renovation and Mixed Use Development

City of Edina

Southdale Mall Renovation and Adjacent Development

School District 273

PROJECT INFORMATION (Project Tax Capacity)

Area/Phase	New Use	Estimated Market Value Per Sq. Ft./Unit	Taxable Market Value Per Sq. Ft./Unit	Total Sq. Ft./Units	Total Taxable Market Value	Property Tax Class	Project Tax Capacity	Project Tax Capacity/Unit	Percentage Completed 2012	Percentage Completed 2013	Percentage Completed 2014	Percentage Completed 2015	First Year Full Taxes Payable
Mall	Retail	35,000,000	35,000,000	1	35,000,000	C/I	700,000		97%	97%	97%	100%	2017
Apartments	Apartments	34,900,000	34,900,000	1	34,900,000	Rental	436,250		70%	70%	75%	100%	2017
Office	Office	36,000,000	36,000,000	1	36,000,000	C/I Pref.	719,250		96%	100%	100%	100%	2015
Retail	Retail	102,500,000	102,500,000	1	102,500,000	C/I Pref.	2,049,250		96%	96%	100%	100%	2016
Condos/Apts.	Condominiums	890,000	890,000	82	72,980,000	Hmstd. Res.	809,750		100%	100%	100%	100%	2014
TOTAL					**281,380,000**		**4,714,500**						
Subtotal Residential				**#VALUE!**	**107,880,000**		**1,246,000**						
Subtotal Commercial/Ind.				**3**	**173,500,000**		**3,468,500**						

Note:

1. Renovated mall market value based upon tax estimates from mall owner.
2. Other development values based on proposals received by the City of Edina and estimates from City Assessor

TAX CALCULATIONS

New Use	Total Tax Capacity	Fiscal Disparities Tax Capacity	Local Tax Capacity	Local Property Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Total Taxes	
Retail	**700,000**	**243,189**	**456,811**	**494,087**	**345,195**	**364,000**	**64,862**	**1,268,143**	
Apartments	**436,250**	**0**	**436,250**	**471,848**	**0**	**0**	**64,677**	**536,525**	
Office	**719,250**	**249,877**	**469,373**	**507,674**	**354,688**	**374,010**	**66,715**	**1,303,087**	
Retail	**2,049,250**	**711,936**	**1,337,314**	**1,446,439**	**1,010,558**	**1,065,610**	**189,953**	**3,712,559**	
Condominiums	**809,750**	**0**	**809,750**	**875,826**	**0**	**0**	**135,247**	**1,011,072**	
TOTAL	**4,714,500**	**1,205,002**	**3,509,498**	**3,795,873**	**1,710,440**	**1,803,620**	**521,453**	**7,831,387**	

Note:

1. Taxes and tax increment will vary signficantly from year to year depending upon values, rates, state law, fiscal disparities and other factors which cannot be predicted.
2. If tax increment is received in 2013 then the district will be one year shorter.

City of Edina
Southdale Mall Renovation and Adjacent Development
School District 273

Southdale Mall Renovation and Adjacent Development

% of OTC	Project Tax Capacity	Original Tax Capacity	Fiscal Disparities Incremental	Captured Tax Capacity	Local Tax Rate	Annual Gross Tax Increment	Semi-Annual Gross Tax Increment	State Auditor 0.36%	Admin. at 10%	Semi-Annual Net Tax Increment	Semi-Annual Present Value	PERIOD ENDING Yrs.	Tax Year	Payment Date
							-	-	-	-				08/01/12
							-	-	-	-				02/01/13
							-	-	-	-				08/01/13
							-	-	-	-				02/01/14
100%	4,458,033	(4,457,873)	-	160	108.160%	173	86	(0)	(9)	77	68	0.5	2014	08/01/14
							86	(0)	(9)	77	133	1	2014	02/01/15
100%	4,480,655	(4,457,873)	-	22,782	108.160%	24,641	12,320	(44)	(1,228)	11,048	9,271	1.5	2015	08/01/15
							12,320	(44)	(1,228)	11,048	18,164	2	2015	02/01/16
100%	4,584,438	(4,457,873)	(20,346)	106,218	108.160%	114,886	57,443	(207)	(5,724)	51,512	58,517	2.5	2016	08/01/16
							57,443	(207)	(5,724)	51,512	97,790	3	2016	02/01/17
100%	4,714,500	(4,457,873)	(27,642)	228,985	108.160%	247,670	123,835	(446)	(12,339)	111,050	180,188	3.5	2017	08/01/17
							123,835	(446)	(12,339)	111,050	260,382	4	2017	02/01/18
100%	4,714,500	(4,457,873)	(65,592)	191,034	108.160%	206,623	103,311	(372)	(10,294)	92,645	325,494	4.5	2018	08/01/18
							103,311	(372)	(10,294)	92,645	388,863	5	2018	02/01/19
100%	4,714,500	(4,457,873)	(65,592)	191,034	108.160%	206,623	103,311	(372)	(10,294)	92,645	450,536	5.5	2019	08/01/19
							103,311	(372)	(10,294)	92,645	510,559	6	2019	02/01/20
100%	4,714,500	(4,457,873)	(65,592)	191,034	108.160%	206,623	103,311	(372)	(10,294)	92,645	568,975	6.5	2020	08/01/20
							103,311	(372)	(10,294)	92,645	625,828	7	2020	02/01/21
100%	4,714,500	(4,457,873)	(65,592)	191,034	108.160%	206,623	103,311	(372)	(10,294)	92,645	681,159	7.5	2021	08/01/21
							103,311	(372)	(10,294)	92,645	735,009	8	2021	02/01/22
100%	4,714,500	(4,457,873)	(65,592)	191,034	108.160%	206,623	103,311	(372)	(10,294)	92,645	787,418	8.5	2022	08/01/22
							103,311	(372)	(10,294)	92,645	838,424	9	2022	02/01/23
	Total						**1,420,483**	**(5,114)**	**(141,537)**	**1,273,832**				
		Present Value From	**02/01/2012**	**Present Value Rate**	**5.50%**		**934,948**	**(3,366)**	**(93,158)**	**838,424**				

Southdale Mall Renovation and Mixed Use Development

City of Edina

Southdale Mall Renovation and Adjacent Development

School District 280

ASSUMPTIONS AND RATES

DistrictType:	**Economic Development**	
District Name/Number:		
County District #:		
First Year Construction or Inflation on Value	**2012**	
Existing District - Specify No. Years Remaining		
Inflation Rate - Every Year:	**0.00%**	
Interest Rate:	**5.50%**	
Present Value Date:	**1-Feb-12**	
First Period Ending	1-Aug-12	
Tax Year District was Certified:	**Pay 2012**	
Cashflow Assumes First Tax Increment For Development:	2014	
Years of Tax Increment	9	
Assumes Last Year of Tax Increment	2022	
Fiscal Disparities Election [Outside (A), Inside (B), or NA]	**Inside(B)**	
Incremental or Total Fiscal Disparities	**Incremental**	
Fiscal Disparities Contribution Ratio	34.7413%	Pay 2012 Prelim.
Fiscal Disparities Metro-Wide Tax Rate	141.9450%	Pay 2012 Prelim.

Maximum/Frozen Local Tax Rate:	114.351%	S/D 280
Current Local Tax Rate: (Use lesser of Current or Max.)	114.351%	Pay 2012 Prelim.
State-wide Tax Rate (Comm./Ind. only used for total taxes)	52.0000%	Pay 2012 Prelim.
Market Value Tax Rate (Used for total taxes)	0.15860%	Pay 2012 Prelim.

PROPERTY TAX CLASSES AND CLASS RATES:		
Exempt Class Rate (Exempt)		0.00%
Commercial Industrial Preferred Class Rate (C/I Pref.)		
First	$150,000	1.50%
Over	$150,000	2.00%
Commercial Industrial Class Rate (C/I)		2.00%
Rental Housing Class Rate (Rental)		1.25%
Affordable Rental Housing Class Rate (Aff. Rental)		0.75%
Non-Homestead Residential (Non-H Res.)		1.25%
Homestead Residental Class Rate (Hmstd. Res.)		
First	$500,000	1.00%
Over	$500,000	1.25%
Agricultural Non-Homestead		1.00%

BASE VALUE INFORMATION (Original Tax Capacity)

S/D	PID	Address	Land Market Value	Building Market Value	Total Market Value	Percentage Of Value Used for District	Original Market Value	Tax Year Original Market Value	Property Tax Class	Current Original Tax Capacity	Class After Conversion	After Conversion Orig. Tax Cap.
280	29-028-24-23-0001	ADDRESS UNASSIGNED	1,384,800	1,316,200	2,701,000	100%	2,701,000	Pay 2012	C/I Pref.	53,270	C/I Pref.	53,270
280	29-028-24-23-0007	6533 Drew Avenue South	531,900	502,000	1,033,900	100%	1,033,900	Pay 2012	C/I Pref.	19,928	C/I Pref.	19,928
280	29-028-24-23-0008	6525 Drew Avenue S	445,000	120,700	565,700	100%	565,700	Pay 2012	C/I Pref.	10,564	C/I Pref.	10,564
280	29-028-24-23-0009	6517 DREW AVE S	529,500	1,235,500	1,765,000	100%	1,765,000	Pay 2012	C/I Pref.	34,550	C/I Pref.	34,550
280	29-028-24-23-0010	3625 65TH ST W	525,300	2,040,700	2,566,000	100%	2,566,000	Pay 2012	C/I Pref.	50,570	C/I Pref.	50,570
280	29-028-24-23-0011	ADDRESS UNASSIGNED	285,800	0	285,800	100%	285,800	Pay 2012	C/I	5,716	C/I	5,716
280	29-028-24-23-0012	3400 66TH ST W	2,990,400	2,363,600	5,354,000	100%	5,354,000	Pay 2012	C/I Pref.	106,330	C/I Pref.	106,330
280	29-028-24-23-0167	ADDRESS UNASSIGNED	0	0	0	100%	0	Pay 2012	Exempt	-	Exempt	-
280	29-028-24-23-0172	6545 FRANCE	5,118,000	24,202,500	29,320,500	100%	29,320,500	Pay 2012	C/I Pref.	585,660	C/I Pref.	585,660
280	29-028-24-23-0173	6525 FRANCE AVE S	1,107,600	11,092,400	12,200,000	100%	12,200,000	Pay 2012	C/I	244,000	C/I	244,000
280	29-028-24-24-0001	3316 66th Street West	1,494,600	2,205,400	3,700,000	100%	3,700,000	Pay 2012	C/I Pref.	73,250	Rental	46,250
280	29-028-24-24-0002	ADDRESS UNASSIGNED	403,100	0	403,100	100%	403,100	Pay 2012	C/I	8,062	C/I	8,062
280	29-028-24-24-0004	Thrivent Financial - No Address	535,600	0	535,600	100%	535,600	Pay 2012	C/I	10,712	Rental	6,695
280	29-028-24-24-0005	3250 66th Street West	2,091,800	755,900	2,847,700	100%	2,847,700	Pay 2012	C/I Pref.	56,204	Rental	35,596
280	29-028-24-24-0007	6550 York Avenue	2,274,300	2,611,700	4,886,000	100%	4,886,000	Pay 2012	C/I Pref.	96,970	Rental	61,075
280	29-028-24-24-0025	6515 Barrie Road	675,000	979,300	1,654,300	100%	1,654,300	Pay 2012	C/I Pref.	32,336	Rental	20,679
280	29-028-24-24-0026	6525 Barrie Road	480,000	806,000	1,286,000	100%	1,286,000	Pay 2012	C/I Pref.	24,970	Rental	16,075
280	29-028-24-24-0027	6519 Barrie Road	827,400	289,500	1,116,900	100%	1,116,900	Pay 2012	C/I Pref.	21,588	Rental	13,961
280	29-028-24-24-0030	3330 66th Street West	917,900	429,500	1,347,400	100%	1,347,400	Pay 2012	C/I Pref.	26,198	Rental	16,843
280	29-028-24-24-0031	ADDRESS UNASSIGNED	36,900	0	36,900	100%	36,900	Pay 2012	C/I	738	C/I	738
280	29-028-24-24-0032	6500 BARRIE RD	478,400	721,600	1,200,000	100%	1,200,000	Pay 2012	C/I Pref.	23,250	C/I Pref.	23,250
280	29-028-24-24-0120	6444 Xerxes Avenue South	271,800	328,200	600,000	100%	600,000	Pay 2012	C/I Pref.	11,250	Rental	7,500
280	29-028-24-24-0121	6500 Xerxes Avenue	244,100	206,400	450,500	100%	450,500	Pay 2012	C/I Pref.	8,260	Rental	5,631
280	29-028-24-24-0223	6525 YORK AVE S	1,671,000	1,645,400	3,316,400	100%	3,316,400	Pay 2012	C/I	66,328	C/I	66,328
280	29-028-24-31-0002	3101 66TH ST W	1,241,200	1,000	1,242,200	100%	1,242,200	Pay 2012	C/I Pref.	24,094	C/I Pref.	24,094
280	29-028-24-31-0003	6725 York Avenue South	2,674,000	1,000	2,675,000	100%	2,675,000	Pay 2012	C/I Pref.	52,750	C/I Pref.	52,750
280	29-028-24-31-0005	3425 66TH ST W	369,500	663,700	1,033,200	100%	1,033,200	Pay 2012	C/I	20,664	C/I	20,664
280	29-028-24-31-0006	3230 SOUTHDALE CIR	714,700	220,600	935,300	100%	935,300	Pay 2012	C/I Pref.	17,956	C/I Pref.	17,956
280	29-028-24-31-0007	3220 SOUTHDALE CIR	1,124,800	125,400	1,250,200	100%	1,250,200	Pay 2012	C/I Pref.	24,254	C/I Pref.	24,254
280	29-028-24-31-0008	3210 SOUTHDALE CIR	467,500	58,000	525,500	100%	525,500	Pay 2012	C/I Pref.	9,760	C/I Pref.	9,760
280	29-028-24-31-0009	3200 SOUTHDALE CIR	672,500	7,700	680,200	100%	680,200	Pay 2012	C/I Pref.	12,854	C/I Pref.	12,854
280	29-028-24-31-0010	3240 SOUTHDALE CIR	563,100	1,000	564,100	100%	564,100	Pay 2012	C/I Pref.	10,532	C/I Pref.	10,532
280	29-028-24-31-0011	6612 XERXES AVE S	131,400	56,900	188,300	100%	188,300	Pay 2012	Hmstd. Res.	1,883	Hmstd. Res.	1,883
280	29-028-24-31-0012	6616 XERXES AVE S	131,400	108,100	239,500	100%	239,500	Pay 2012	Hmstd. Res.	2,395	Hmstd. Res.	2,395
280	29-028-24-31-0013	6620 XERXES AVE S	131,400	72,400	203,800	100%	203,800	Pay 2012	Hmstd. Res.	2,038	Hmstd. Res.	2,038
280	29-028-24-31-0014	6624 XERXES AVE S	131,400	68,200	199,600	100%	199,600	Pay 2012	Hmstd. Res.	1,996	Hmstd. Res.	1,996
280	29-028-24-31-0015	6628 XERXES AVE S	145,300	72,700	218,000	100%	218,000	Pay 2012	Non-H Res.	2,725	Non-H Res.	2,725
280	29-028-24-31-0016	6700 XERXES AVE S	145,300	79,600	224,900	100%	224,900	Pay 2012	Hmstd. Res.	2,249	Hmstd. Res.	2,249
280	29-028-24-31-0017	6704 XERXES AVE S	131,400	46,800	178,200	100%	178,200	Pay 2012	Hmstd. Res.	1,782	Hmstd. Res.	1,782
280	29-028-24-31-0018	6708 XERXES AVE S	131,400	74,300	205,700	100%	205,700	Pay 2012	Hmstd. Res.	2,057	Hmstd. Res.	2,057
280	29-028-24-31-0019	6712 XERXES AVE S	131,400	82,900	214,300	100%	214,300	Pay 2012	Hmstd. Res.	2,143	Hmstd. Res.	2,143
280	29-028-24-31-0024	300 SOUTHDALE CENTER	4,272,600	1,000	4,273,600	100%	4,273,600	Pay 2012	C/I Pref.	84,722	C/I Pref.	84,722
280	29-028-24-31-0025	6636 YORK AVE S	967,800	1,000	968,800	100%	968,800	Pay 2012	C/I	19,376	C/I	19,376
280	29-028-24-31-0026	6755 YORK AVE S	0	0	0	100%	0	Pay 2012	Exempt	-	Exempt	-
280	29-028-24-31-0027	6775 YORK AVE S	3,464,000	2,487,600	5,951,600	100%	5,951,600	Pay 2012	C/I Pref.	118,282	C/I Pref.	118,282
280	29-028-24-32-0001	3501 66TH ST W	616,600	0	616,600	100%	616,600	Pay 2012	C/I	12,332	C/I	12,332
280	29-028-24-32-0003	200 SOUTHDALE CENTER	1479500	2958500	4,438,000	100%	4,438,000	Pay 2012	C/I Pref.	88,010	C/I Pref.	88,010
280	29-028-24-32-0008	100 SOUTHDALE CENTER	1,883,700	7,193,300	9,077,000	100%	9,077,000	Pay 2012	C/I Pref.	180,790	C/I Pref.	180,790
280	29-028-24-32-0009	10 SOUTHDALE CENTER	27,696,800	45,616,200	73,313,000	100%	73,313,000	Pay 2012	C/I Pref.	1,465,510	C/I Pref.	1,465,510
280	30-028-24-14-0007	4005 65th Street	926,400	558,100	1,484,500	100%	1,484,500	Pay 2012	C/I Pref.	28,940	C/I Pref.	28,940

					BASE VALUE INFORMATION (Original Tax Capacity)								
280	30-028-24-14-0008	6500 France Avenue South	1,129,600	1,458,600	2,588,200	100%	2,588,200	Pay 2012	C/I Pref.	51,014	C/I Pref.	51,014
280	30-028-24-14-0009	6566 France	116,200		116,200	100%	116,200	Pay 2012	Hmstd. Res.	1,162	Hmstd. Res.	1,162
280	30-028-24-14-0010	6566 France	229,200		229,200	100%	229,200	Pay 2012	Hmstd. Res.	2,292	Hmstd. Res.	2,292
280	30-028-24-14-0011	6566 France	178,900		178,900	100%	178,900	Pay 2012	Hmstd. Res.	1,789	Hmstd. Res.	1,789
280	30-028-24-14-0012	6566 France	178,900		178,900	100%	178,900	Pay 2012	Hmstd. Res.	1,789	Hmstd. Res.	1,789
280	30-028-24-14-0013	6566 France	229,200		229,200	100%	229,200	Pay 2012	Hmstd. Res.	2,292	Hmstd. Res.	2,292
280	30-028-24-14-0014	6566 France	116,200		116,200	100%	116,200	Pay 2012	Hmstd. Res.	1,162	Hmstd. Res.	1,162
280	30-028-24-14-0015	6566 France	151,800		151,800	100%	151,800	Pay 2012	Hmstd. Res.	1,518	Hmstd. Res.	1,518
280	30-028-24-14-0016	6566 France	116,200		116,200	100%	116,200	Pay 2012	Hmstd. Res.	1,162	Hmstd. Res.	1,162
280	30-028-24-14-0017	6566 France	218,500		218,500	100%	218,500	Pay 2012	Hmstd. Res.	2,185	Hmstd. Res.	2,185
280	30-028-24-14-0018	6566 France	224,300		224,300	100%	224,300	Pay 2012	Hmstd. Res.	2,243	Hmstd. Res.	2,243
280	30-028-24-14-0019	6566 France	170,400		170,400	100%	170,400	Pay 2012	Hmstd. Res.	1,704	Hmstd. Res.	1,704
280	30-028-24-14-0020	6566 France	183,800		183,800	100%	183,800	Pay 2012	Non-H Res.	2,298	Non-H Res.	2,298
280	30-028-24-14-0021	6566 France	170,400		170,400	100%	170,400	Pay 2012	Hmstd. Res.	1,704	Hmstd. Res.	1,704
280	30-028-24-14-0022	6566 France	183,800		183,800	100%	183,800	Pay 2012	Hmstd. Res.	1,838	Hmstd. Res.	1,838
280	30-028-24-14-0023	6566 France	218,500		218,500	100%	218,500	Pay 2012	Hmstd. Res.	2,185	Hmstd. Res.	2,185
280	30-028-24-14-0024	6566 France	229,200		229,200	100%	229,200	Pay 2012	Hmstd. Res.	2,292	Hmstd. Res.	2,292
280	30-028-24-14-0025	6566 France	151,800		151,800	100%	151,800	Pay 2012	Hmstd. Res.	1,518	Hmstd. Res.	1,518
280	30-028-24-14-0026	6566 France	116,200		116,200	100%	116,200	Pay 2012	Non-H Res.	1,453	Non-H Res.	1,453
280	30-028-24-14-0027	6566 France	151,800		151,800	100%	151,800	Pay 2012	Hmstd. Res.	1,518	Hmstd. Res.	1,518
280	30-028-24-14-0028	6566 France	116,200		116,200	100%	116,200	Pay 2012	Hmstd. Res.	1,162	Hmstd. Res.	1,162
280	30-028-24-14-0029	6566 France	213,600		213,600	100%	213,600	Pay 2012	Hmstd. Res.	2,136	Hmstd. Res.	2,136
280	30-028-24-14-0030	6566 France	224,300		224,300	100%	224,300	Pay 2012	Hmstd. Res.	2,243	Hmstd. Res.	2,243
280	30-028-24-14-0031	6566 France	170,400		170,400	100%	170,400	Pay 2012	Hmstd. Res.	1,704	Hmstd. Res.	1,704
280	30-028-24-14-0032	6566 France	178,900		178,900	100%	178,900	Pay 2012	Non-H Res.	2,236	Non-H Res.	2,236
280	30-028-24-14-0033	6566 France	170,400		170,400	100%	170,400	Pay 2012	Non-H Res.	2,130	Non-H Res.	2,130
280	30-028-24-14-0034	6566 France	183,800		183,800	100%	183,800	Pay 2012	Hmstd. Res.	1,838	Hmstd. Res.	1,838
280	30-028-24-14-0035	6566 France	213,600		213,600	100%	213,600	Pay 2012	Hmstd. Res.	2,136	Hmstd. Res.	2,136
280	30-028-24-14-0036	6566 France	229,200		229,200	100%	229,200	Pay 2012	Hmstd. Res.	2,292	Hmstd. Res.	2,292
280	30-028-24-14-0037	6566 France	156,700		156,700	100%	156,700	Pay 2012	Non-H Res.	1,959	Non-H Res.	1,959
280	30-028-24-14-0038	6566 France	116,200		116,200	100%	116,200	Pay 2012	Non-H Res.	1,453	Non-H Res.	1,453
280	30-028-24-14-0041	6566 France	213,600		213,600	100%	213,600	Pay 2012	Hmstd. Res.	2,136	Hmstd. Res.	2,136
280	30-028-24-14-0042	6566 France	224,300		224,300	100%	224,300	Pay 2012	Non-H Res.	2,804	Non-H Res.	2,804
280	30-028-24-14-0043	6566 France	170,400		170,400	100%	170,400	Pay 2012	Hmstd. Res.	1,704	Hmstd. Res.	1,704
280	30-028-24-14-0044	6566 France	183,800		183,800	100%	183,800	Pay 2012	Hmstd. Res.	1,838	Hmstd. Res.	1,838
280	30-028-24-14-0045	6566 France	170,400		170,400	100%	170,400	Pay 2012	Hmstd. Res.	1,704	Hmstd. Res.	1,704
280	30-028-24-14-0046	6566 France	178,900		178,900	100%	178,900	Pay 2012	Hmstd. Res.	1,789	Hmstd. Res.	1,789
280	30-028-24-14-0047	6566 France	213,600		213,600	100%	213,600	Pay 2012	Hmstd. Res.	2,136	Hmstd. Res.	2,136
280	30-028-24-14-0048	6566 France	229,200		229,200	100%	229,200	Pay 2012	Hmstd. Res.	2,292	Hmstd. Res.	2,292
280	30-028-24-14-0069	6566 France	170,400		170,400	100%	170,400	Pay 2012	Hmstd. Res.	1,704	Hmstd. Res.	1,704
280	30-028-24-14-0070	6566 France	183,800		183,800	100%	183,800	Pay 2012	Hmstd. Res.	1,838	Hmstd. Res.	1,838
280	30-028-24-14-0071	6566 France	213,600		213,600	100%	213,600	Pay 2012	Hmstd. Res.	2,136	Hmstd. Res.	2,136
280	30-028-24-14-0072	6566 France	229,200		229,200	100%	229,200	Pay 2012	Hmstd. Res.	2,292	Hmstd. Res.	2,292
280	30-028-24-14-0073	6566 France	156,700		156,700	100%	156,700	Pay 2012	Hmstd. Res.	1,567	Hmstd. Res.	1,567
280	30-028-24-14-0074	6566 France	116,200		116,200	100%	116,200	Pay 2012	Hmstd. Res.	1,162	Hmstd. Res.	1,162
280	30-028-24-14-0077	6566 France	224,300		224,300	100%	224,300	Pay 2012	Hmstd. Res.	2,243	Hmstd. Res.	2,243
280	30-028-24-14-0078	6566 France	235,000		235,000	100%	235,000	Pay 2012	Hmstd. Res.	2,350	Hmstd. Res.	2,350
280	30-028-24-14-0079	6566 France	178,900		178,900	100%	178,900	Pay 2012	Hmstd. Res.	1,789	Hmstd. Res.	1,789
280	30-028-24-14-0080	6566 France	187,400		187,400	100%	187,400	Pay 2012	Hmstd. Res.	1,874	Hmstd. Res.	1,874
280	30-028-24-14-0081	6566 France	183,800		183,800	100%	183,800	Pay 2012	Hmstd. Res.	1,838	Hmstd. Res.	1,838
280	30-028-24-14-0082	6566 France	187,400		187,400	100%	187,400	Pay 2012	Hmstd. Res.	1,874	Hmstd. Res.	1,874
280	30-028-24-14-0083	6566 France	224,300		224,300	100%	224,300	Pay 2012	Hmstd. Res.	2,243	Hmstd. Res.	2,243
280	30-028-24-14-0084	6566 France	239,900		239,900	100%	239,900	Pay 2012	Hmstd. Res.	2,399	Hmstd. Res.	2,399
280	30-028-24-14-0085	6566 France	159,400		159,400	100%	159,400	Pay 2012	Hmstd. Res.	1,594	Hmstd. Res.	1,594
280	30-028-24-14-0086	6566 France	126,900		126,900	100%	126,900	Pay 2012	Hmstd. Res.	1,269	Hmstd. Res.	1,269
280	30-028-24-14-0087	6566 France	159,400		159,400	100%	159,400	Pay 2012	Hmstd. Res.	1,594	Hmstd. Res.	1,594
280	30-028-24-14-0088	6566 France	126,900		126,900	100%	126,900	Pay 2012	Non-H Res.	1,586	Non-H Res.	1,586
280	30-028-24-14-0089	6566 France	229,200		229,200	100%	229,200	Pay 2012	Hmstd. Res.	2,292	Hmstd. Res.	2,292
280	30-028-24-14-0090	6566 France	235,000		235,000	100%	235,000	Pay 2012	Hmstd. Res.	2,350	Hmstd. Res.	2,350
280	30-028-24-14-0091	6566 France	178,900		178,900	100%	178,900	Pay 2012	Hmstd. Res.	1,789	Hmstd. Res.	1,789
280	30-028-24-14-0092	6566 France	187,400		187,400	100%	187,400	Pay 2012	Hmstd. Res.	1,874	Hmstd. Res.	1,874
280	30-028-24-14-0093	6566 France	178,900		178,900	100%	178,900	Pay 2012	Hmstd. Res.	1,789	Hmstd. Res.	1,789
280	30-028-24-14-0094	6566 France	192,300		192,300	100%	192,300	Pay 2012	Non-H Res.	2,404	Non-H Res.	2,404
280	30-028-24-14-0095	6566 France	224,300		224,300	100%	224,300	Pay 2012	Hmstd. Res.	2,243	Hmstd. Res.	2,243
280	30-028-24-14-0096	6566 France	235,000		235,000	100%	235,000	Pay 2012	Hmstd. Res.	2,350	Hmstd. Res.	2,350
280	30-028-24-14-0097	6566 France	164,300		164,300	100%	164,300	Pay 2012	Hmstd. Res.	1,643	Hmstd. Res.	1,643
280	30-028-24-14-0098	6566 France	122,000		122,000	100%	122,000	Pay 2012	Hmstd. Res.	1,220	Hmstd. Res.	1,220
280	30-028-24-14-0099	6566 France	159,400		159,400	100%	159,400	Pay 2012	Non-H Res.	1,993	Non-H Res.	1,993
280	30-028-24-14-0100	6566 France	122,000		122,000	100%	122,000	Pay 2012	Non-H Res.	1,525	Non-H Res.	1,525
280	30-028-24-14-0101	6566 France	224,300		224,300	100%	224,300	Pay 2012	Hmstd. Res.	2,243	Hmstd. Res.	2,243
280	30-028-24-14-0102	6566 France	239,900		239,900	100%	239,900	Pay 2012	Non-H Res.	2,999	Non-H Res.	2,999
280	30-028-24-14-0103	6566 France	165,700		165,700	100%	165,700	Pay 2012	Non-H Res.	2,071	Non-H Res.	2,071
280	30-028-24-14-0104	6566 France	192,300		192,300	100%	192,300	Pay 2012	Hmstd. Res.	1,923	Hmstd. Res.	1,923
280	30-028-24-14-0105	6566 France	165,700		165,700	100%	165,700	Pay 2012	Hmstd. Res.	1,657	Hmstd. Res.	1,657
280	30-028-24-14-0106	6566 France	192,300		192,300	100%	192,300	Pay 2012	Hmstd. Res.	1,923	Hmstd. Res.	1,923
280	30-028-24-14-0107	6566 France	229,200		229,200	100%	229,200	Pay 2012	Hmstd. Res.	2,292	Hmstd. Res.	2,292
280	30-028-24-14-0108	6566 France	244,800		244,800	100%	244,800	Pay 2012	Hmstd. Res.	2,448	Hmstd. Res.	2,448
280	30-028-24-14-0109	6566 France	170,600		170,600	100%	170,600	Pay 2012	Non-H Res.	2,133	Non-H Res.	2,133
280	30-028-24-14-0110	6566 France	129,400		129,400	100%	129,400	Pay 2012	Non-H Res.	1,618	Non-H Res.	1,618
280	30-028-24-14-0111	6566 France	159,400		159,400	100%	159,400	Pay 2012	Non-H Res.	1,993	Non-H Res.	1,993
280	30-028-24-14-0112	6566 France	122,000		122,000	100%	122,000	Pay 2012	Hmstd. Res.	1,220	Hmstd. Res.	1,220
280	30-028-24-14-0113	6566 France	229,200		229,200	100%	229,200	Pay 2012	Hmstd. Res.	2,292	Hmstd. Res.	2,292
280	30-028-24-14-0114	6566 France	239,900		239,900	100%	239,900	Pay 2012	Hmstd. Res.	2,399	Hmstd. Res.	2,399
280	30-028-24-14-0115	6566 France	178,900		178,900	100%	178,900	Pay 2012	Hmstd. Res.	1,789	Hmstd. Res.	1,789
280	30-028-24-14-0116	6566 France	187,400		187,400	100%	187,400	Pay 2012	Non-H Res.	2,343	Non-H Res.	2,343
280	30-028-24-14-0117	6566 France	178,900		178,900	100%	178,900	Pay 2012	Hmstd. Res.	1,789	Hmstd. Res.	1,789
280	30-028-24-14-0118	6566 France	187,400		187,400	100%	187,400	Pay 2012	Non-H Res.	2,343	Non-H Res.	2,343
280	30-028-24-14-0119	6566 France	224,300		224,300	100%	224,300	Pay 2012	Hmstd. Res.	2,243	Hmstd. Res.	2,243

						BASE VALUE INFORMATION (Original Tax Capacity)							
280	30-028-24-14-0120	6566 France			235,000	100%	235,000	Pay 2012	Hmstd. Res.	2,350	Hmstd. Res.	2,350
280	30-028-24-14-0123	6566 France			159,400	100%	159,400	Pay 2012	Hmstd. Res.	1,594	Hmstd. Res.	1,594
280	30-028-24-14-0125	6566 France			234,100	100%	234,100	Pay 2012	Hmstd. Res.	2,341	Hmstd. Res.	2,341
280	30-028-24-14-0127	6566 France			188,200	100%	188,200	Pay 2012	Hmstd. Res.	1,882	Hmstd. Res.	1,882
280	30-028-24-14-0128	6566 France			192,300	100%	192,300	Pay 2012	Hmstd. Res.	1,923	Hmstd. Res.	1,923
280	30-028-24-14-0129	6566 France			188,200	100%	188,200	Pay 2012	Hmstd. Res.	1,882	Hmstd. Res.	1,882
280	30-028-24-14-0130	6566 France			187,400	100%	187,400	Pay 2012	Hmstd. Res.	1,874	Hmstd. Res.	1,874
280	30-028-24-14-0131	6566 France			229,200	100%	229,200	Pay 2012	Hmstd. Res.	2,292	Hmstd. Res.	2,292
280	30-028-24-14-0133	6566 France			164,300	100%	164,300	Pay 2012	Hmstd. Res.	1,643	Hmstd. Res.	1,643
280	30-028-24-14-0135	6566 France			159,400	100%	159,400	Pay 2012	Non-H Res.	1,993	Non-H Res.	1,993
280	30-028-24-14-0137	6566 France			229,200	100%	229,200	Pay 2012	Non-H Res.	2,865	Non-H Res.	2,865
280	30-028-24-14-0139	6566 France			178,900	100%	178,900	Pay 2012	Non-H Res.	2,236	Non-H Res.	2,236
280	30-028-24-14-0140	6566 France			187,400	100%	187,400	Pay 2012	Hmstd. Res.	1,874	Hmstd. Res.	1,874
280	30-028-24-14-0141	6566 France			183,800	100%	183,800	Pay 2012	Hmstd. Res.	1,838	Hmstd. Res.	1,838
280	30-028-24-14-0142	6566 France			187,400	100%	187,400	Pay 2012	Non-H Res.	2,343	Non-H Res.	2,343
280	30-028-24-14-0147	6566 France			179,400	100%	179,400	Pay 2012	Hmstd. Res.	1,794	Hmstd. Res.	1,794
280	30-028-24-14-0149	6566 France			314,200	100%	314,200	Pay 2012	Non-H Res.	3,928	Non-H Res.	3,928
280	30-028-24-14-0151	6566 France			196,000	100%	196,000	Pay 2012	Hmstd. Res.	1,960	Hmstd. Res.	1,960
280	30-028-24-14-0152	6566 France			209,400	100%	209,400	Pay 2012	Non-H Res.	2,618	Non-H Res.	2,618
280	30-028-24-14-0153	6566 France			196,000	100%	196,000	Pay 2012	Non-H Res.	2,450	Non-H Res.	2,450
280	30-028-24-14-0154	6566 France			214,300	100%	214,300	Pay 2012	Hmstd. Res.	2,143	Hmstd. Res.	2,143
280	30-028-24-14-0155	6566 France			250,500	100%	250,500	Pay 2012	Hmstd. Res.	2,505	Hmstd. Res.	2,505
280	30-028-24-14-0156	6566 France			261,200	100%	261,200	Pay 2012	Hmstd. Res.	2,612	Hmstd. Res.	2,612
280	30-028-24-14-0157	6566 France			179,400	100%	179,400	Pay 2012	Non-H Res.	2,243	Non-H Res.	2,243
280	30-028-24-14-0158	6566 France			138,500	100%	138,500	Pay 2012	Hmstd. Res.	1,385	Hmstd. Res.	1,385
280	30-028-24-14-0159	6566 France			372,500	100%	372,500	Pay 2012	Non-H Res.	4,656	Non-H Res.	4,656
280	30-028-24-14-0160	4015 65th Street West	3,032,400	8,631,300	11,663,700	100%	11,663,700	Pay 2012	Rental	145,796	Rental	145,796
280	30-028-24-14-0161	6566 France			299,600	100%	299,600	Pay 2012	Hmstd. Res.	2,996	Hmstd. Res.	2,996
280	30-028-24-14-0162	6566 France			399,900	100%	399,900	Pay 2012	Hmstd. Res.	3,999	Hmstd. Res.	3,999
280	30-028-24-14-0163	6566 France			367,600	100%	367,600	Pay 2012	Non-H Res.	4,595	Non-H Res.	4,595
280	30-028-24-14-0164	6566 France			367,600	100%	367,600	Pay 2012	Hmstd. Res.	3,676	Hmstd. Res.	3,676
280	30-028-24-14-0165	6566 France			272,800	100%	272,800	Pay 2012	Non-H Res.	3,410	Non-H Res.	3,410
280	30-028-24-14-0166	6566 France			367,600	100%	367,600	Pay 2012	Non-H Res.	4,595	Non-H Res.	4,595
280	30-028-24-14-0167	6566 France			414,300	100%	414,300	Pay 2012	Hmstd. Res.	4,143	Hmstd. Res.	4,143
280	30-028-24-14-0168	6566 France			286,200	100%	286,200	Pay 2012	Non-H Res.	3,578	Non-H Res.	3,578
280	30-028-24-14-0049	6566 France			151,800	100%	151,800	Pay 2012	Hmstd. Res.	1,518	Hmstd. Res.	1,518
280	30-028-24-14-0050	6566 France			116,200	100%	116,200	Pay 2012	Hmstd. Res.	1,162	Hmstd. Res.	1,162
280	30-028-24-14-0051	6566 France			151,800	100%	151,800	Pay 2012	Hmstd. Res.	1,518	Hmstd. Res.	1,518
280	30-028-24-14-0052	6566 France			116,200	100%	116,200	Pay 2012	Hmstd. Res.	1,162	Hmstd. Res.	1,162
280	30-028-24-14-0053	6566 France			213,600	100%	213,600	Pay 2012	Hmstd. Res.	2,136	Hmstd. Res.	2,136
280	30-028-24-14-0054	6566 France			224,300	100%	224,300	Pay 2012	Hmstd. Res.	2,243	Hmstd. Res.	2,243
280	30-028-24-14-0055	6566 France			170,400	100%	170,400	Pay 2012	Hmstd. Res.	1,704	Hmstd. Res.	1,704
280	30-028-24-14-0056	6566 France			183,800	100%	183,800	Pay 2012	Non-H Res.	2,298	Non-H Res.	2,298
280	30-028-24-14-0057	6566 France			170,400	100%	170,400	Pay 2012	Hmstd. Res.	1,704	Hmstd. Res.	1,704
280	30-028-24-14-0058	6566 France			178,900	100%	178,900	Pay 2012	Hmstd. Res.	1,789	Hmstd. Res.	1,789
280	30-028-24-14-0059	6566 France			213,600	100%	213,600	Pay 2012	Hmstd. Res.	2,136	Hmstd. Res.	2,136
280	30-028-24-14-0060	6566 France			229,200	100%	229,200	Pay 2012	Hmstd. Res.	2,292	Hmstd. Res.	2,292
280	30-028-24-14-0061	6566 France			151,800	100%	151,800	Pay 2012	Non-H Res.	1,898	Non-H Res.	1,898
280	30-028-24-14-0062	6566 France			116,200	100%	116,200	Pay 2012	Non-H Res.	1,453	Non-H Res.	1,453
280	30-028-24-14-0063	6566 France			151,800	100%	151,800	Pay 2012	Non-H Res.	1,898	Non-H Res.	1,898
280	30-028-24-14-0064	6566 France			116,200	100%	116,200	Pay 2012	Hmstd. Res.	1,162	Hmstd. Res.	1,162
280	30-028-24-14-0065	6566 France			213,600	100%	213,600	Pay 2012	Non-H Res.	2,670	Non-H Res.	2,670
280	30-028-24-14-0066	6566 France			229,200	100%	229,200	Pay 2012	Hmstd. Res.	2,292	Hmstd. Res.	2,292
280	30-028-24-14-0067	6566 France			170,400	100%	170,400	Pay 2012	Hmstd. Res.	1,704	Hmstd. Res.	1,704
280	30-028-24-14-0068	6566 France			183,800	100%	183,800	Pay 2012	Hmstd. Res.	1,838	Hmstd. Res.	1,838
					0	100%	0	Pay 2012		-		-
			107,558,300	124,498,400	232,056,700		**232,056,700**			**4,252,730**		**4,121,297**

Note:

1. **Base values are based upon review of County website on 3/7/12 of values assessed 1/2/11 for taxes payable 2012.**
2. **Parcels are located within School district 280 and Watershed District 1 and 3. The tax rate used for this projection is for Watershed 3**

Southdale Mall Renovation and Mixed Use Development

City of Edina

Southdale Mall Renovation and Adjacent Development

PROJECT INFORMATION (Project Tax Capacity)

Area/Phase	New Use	Estimated Market Value Per Sq. Ft./Unit	Taxable Market Value Per Sq. Ft./Unit	Total Sq. Ft./Units	Total Taxable Market Value	Property Tax Class	Project Tax Capacity	Project Tax Capacity/Unit	Percentage Completed 2012	Percentage Completed 2013	Percentage Completed 2014	Percentage Completed 2015	First Year Full Taxes Payable
Mall	Retail	125,000,000	125,000,000	1	125,000,000	C/I Pref.	2,499,250		90%	92%	96%	100%	2017
Office	Office	67,000,000	67,000,000	1	67,000,000	C/I Pref.	1,339,250		90%	92%	95%	100%	2017
66th & York	Apartments	130,000	130,000	420	54,600,000	Rental	682,500		25%	25%	45%	100%	2017
Retail	Retail	53,000,000	53,000,000	1	53,000,000	C/I Pref.	1,059,250		93%	96%	98%	100%	2017
Condos	Condominiums	215,000	197,110	141	27,792,510	Hmstd. Res.	277,925		100%	100%	100%	100%	2014
TOTAL					**327,392,510**		**5,858,175**						
Subtotal Residential					**82,392,510**		**960,425**						
Subtotal Commercial/Ind.					**245,000,000**		**4,897,750**						

Note:

1. Renovated mall market value based upon tax estimates from mall owner.
2. Other developmentvalues based on proposals received by the City of Edina that will increase existing values and estimates from City Assessor

TAX CALCULATIONS

New Use	Total Tax Capacity	Fiscal Disparities Tax Capacity	Local Tax Capacity	Local Property Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Total Taxes	
Retail	**2,499,250**	**868,272**	**1,630,978**	**1,865,040**	**1,232,469**	**1,299,610**	**198,250**	**4,595,368**	
Office	**1,339,250**	**465,273**	**873,977**	**999,402**	**660,432**	**696,410**	**106,262**	**2,462,505**	
Apartments	**682,500**	**0**	**682,500**	**780,446**	**0**	**0**	**86,596**	**867,041**	
Retail	**1,059,250**	**367,997**	**691,253**	**790,454**	**522,354**	**550,810**	**84,058**	**1,947,676**	
Condominiums	**277,925**	**0**	**277,925**	**317,810**	**0**	**0**	**44,079**	**361,889**	
TOTAL	**5,858,175**	**1,701,542**	**4,156,633**	**4,753,151**	**2,415,254**	**2,546,830**	**519,245**	**10,234,480**	

Note:

1. Taxes and tax increment will vary signficantly from year to year depending upon values, rates, state law, fiscal disparities and other factors which cannot be predicted.
2. If tax increment is received in 2013 then the district will be one year shorter.

City of Edina
Southdale Mall Renovation and Adjacent Development
School District 280

Southdale Mall Renovation and Adjacent Development

% of OTC	Project Tax Capacity	Original Tax Capacity	Fiscal Disparities Incremental	Captured Tax Capacity	Local Tax Rate	Annual Gross Tax Increment	Semi-Annual Gross Tax Increment	State Auditor 0.36%	Admin. at 10%	Semi-Annual Net Tax Increment	Semi-Annual Present Value	PERIOD ENDING Yrs.	Tax Year	Payment Date
							-	-	-	-				08/01/12
							-	-	-	-				02/01/13
							-	-	-	-				08/01/13
							-	-	-	-				02/01/14
100%	4,887,371	(4,121,297)	(350,521)	415,553	114.351%	475,189	237,594	(855)	(23,674)	213,065	186,039	0.5	2014	08/01/14
							237,594	(855)	(23,674)	213,065	367,098	1	2014	02/01/15
100%	5,007,847	(4,121,297)	(392,052)	494,497	114.351%	565,463	282,731	(1,018)	(28,171)	253,542	576,788	1.5	2015	08/01/15
							282,731	(1,018)	(28,171)	253,542	780,866	2	2015	02/01/16
100%	5,294,683	(4,121,297)	(444,281)	729,105	114.351%	833,738	416,869	(1,501)	(41,537)	373,832	1,073,712	2.5	2016	08/01/16
							416,869	(1,501)	(41,537)	373,832	1,358,721	3	2016	02/01/17
100%	5,858,175	(4,121,297)	(509,635)	1,227,243	114.351%	1,403,364	701,682	(2,526)	(69,916)	629,240	1,825,613	3.5	2017	08/01/17
							701,682	(2,526)	(69,916)	629,240	2,280,009	4	2017	02/01/18
100%	5,858,175	(4,121,297)	(504,487)	1,232,391	114.351%	1,409,252	704,626	(2,537)	(70,209)	631,880	2,724,099	4.5	2018	08/01/18
							704,626	(2,537)	(70,209)	631,880	3,156,303	5	2018	02/01/19
100%	5,858,175	(4,121,297)	(504,487)	1,232,391	114.351%	1,409,252	704,626	(2,537)	(70,209)	631,880	3,576,940	5.5	2019	08/01/19
							704,626	(2,537)	(70,209)	631,880	3,986,319	6	2019	02/01/20
100%	5,858,175	(4,121,297)	(504,487)	1,232,391	114.351%	1,409,252	704,626	(2,537)	(70,209)	631,880	4,384,742	6.5	2020	08/01/20
							704,626	(2,537)	(70,209)	631,880	4,772,501	7	2020	02/01/21
100%	5,858,175	(4,121,297)	(504,487)	1,232,391	114.351%	1,409,252	704,626	(2,537)	(70,209)	631,880	5,149,882	7.5	2021	08/01/21
							704,626	(2,537)	(70,209)	631,880	5,517,163	8	2021	02/01/22
100%	5,858,175	(4,121,297)	(504,487)	1,232,391	114.351%	1,409,252	704,626	(2,537)	(70,209)	631,880	5,874,614	8.5	2022	08/01/22
							704,626	(2,537)	(70,209)	631,880	6,222,498	9	2022	02/01/23
	Total						**10,324,014**	**(37,166)**	**(1,028,685)**	**9,258,163**				
		Present Value From	**02/01/2012**	**Present Value Rate**	**5.50%**		**6,938,866**	**(24,980)**	**(691,389)**	**6,222,498**				

Appendix E

Minnesota Business Assistance Form
(Minnesota Department of Employment and Economic Development)

A Minnesota Business Assistance Form (MBAF) should be used to report and/or update each calendar year's activity by April 1 of the following year.

Please see the Minnesota Department of Employment and Economic Development (DEED) website at http://www.deed.state.mn.us/Community/subsidies/MBAFForm.htm for information and forms.

Appendix F

Findings Including But/For Qualifications

But-For Analysis	
Current Market Value	489,660,200
New Market Value - Estimate	608,772,510
Difference	119,112,310
Present Value of Tax Increment	7,873,815
Difference	111,238,495
Value Likely to Occur Without TIF is Less Than:	**111,238,495**

(AS MODIFIED APRIL 5, 2016)

The Council hereby reaffirms the original findings for the District, namely that the when the District was established, it was established as an "economic development district" under *M.S., Section 469.174, Subd. 12*, as modified by *M.S., Section 469.176, Subd. 4c(d).*

In addition, the City makes the following findings:

(a) The TIF Plan Modification conforms to the general plan for development or redevelopment of the City as a whole. The reason for supporting this finding is that the TIF Plan Modification will generally complement and serve to implement policies adopted in the City's comprehensive plan.

(b) The TIF Modification will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of the Southeast Edina Redevelopment Project Area by private enterprise. The TIF Plan Modification will allow for the City to establish the 66 West Tax Increment Financing District, and the development activities are necessary so that development and redevelopment by private enterprise can occur within Southeast Edina Redevelopment Project Area.

(c) The City reaffirms the original findings of the Southdale 2 Tax Increment Financing District, namely that the development and redevelopment efforts, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and therefor the use of tax increment financing is deemed necessary.

(AS MODIFIED NOVEMBER 20, 2018)

The Council hereby reaffirms the original findings for the District, namely that the when the District was established, it was established as an "economic development district" under *M.S., Section 469.174, Subd. 12*, as modified by *M.S., Section 469.176, Subd. 4c(d)*.

In addition, the City makes the following findings:

(a) **The TIF Plan Modification conforms to the general plan for development or redevelopment of the City as a whole. The reason for supporting this finding is that the TIF Plan Modification will generally complement and serve to implement policies adopted in the City's comprehensive plan.**

(b) **The TIF Modification will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of the Southeast Edina Redevelopment Project Area by private enterprise. The TIF Plan Modification will allow for the City to establish the 66 West Tax Increment Financing District and support additional affordable housing activities as authorized under *Minnesota Session Laws 2014, Chapter 308, HF No. 3167, Article 6, Sec. 8* and *Minnesota Session Laws 2017, Chapter 1, HF No. 1, Article 6, Sec. 11*, and the development activities are necessary so that development and redevelopment by private enterprise can occur within Southeast Edina Redevelopment Project Area.**

(c) **The City reaffirms the original findings of the Southdale 2 Tax Increment Financing District, namely that the development and redevelopment efforts, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and therefor the use of tax increment financing is deemed necessary.**

Appendix G

Prior Improvements

The complete list of permits issued are on file with the City Planner

Minnesota Session Laws – 2017, 1st Special Session
Chapter 1 – HF No. 1, Article 6

Sec. 11. Laws 2014, chapter 308, article 6, section 8, subdivision 1, is amended to read:
Subdivision 1.

Authority to create districts.

(a) The governing body of the city of Edina or its development authority may establish one or more tax increment financing housing districts in the Southeast Edina Redevelopment Project Area, as the boundaries exist on March 31, 2014.

(b) The authority to request certification of districts under this section expires on ~~June 30, 2017~~ December 31, 2019.

EFFECTIVE DATE.

This section is effective the day after the governing body of the city of Edina and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 16. CITY OF EDINA; APPROVAL OF 2014 SPECIAL LAW.

Notwithstanding the provisions of Minnesota Statutes, section 645.021, subdivision 3, the chief clerical officer of the city of Edina may file with the secretary of state certificate of approval of Laws 2014, chapter 308, article 6, section 8, by December 31, 2016, and, if the certificate is so filed and the requirements of Minnesota Statutes, section 645.021, subdivision 3, are otherwise complied with, the special law is deemed approved, and all actions taken by the city before the effective date of this section in reliance on Laws 2014, chapter 308, article 6, section 8, are deemed consistent with Laws 2014, chapter 308, article 6, section 8, and this act.

EFFECTIVE DATE.

This section is effective the day following final enactment.

Minnesota Session Laws - 2014, Regular Session
Chapter 308--HF No. 3167, Article 6

Sec. 8. CITY OF EDINA; TAX INCREMENT FINANCING.

Subdivision 1. Authority to create districts.

(a) The governing body of the city of Edina or its development authority may establish one or more tax increment financing housing districts in the Southeast Edina Redevelopment Project Area, as the boundaries exist on March 31, 2014.

(b) The authority to request certification of districts under this section expires on June 30, 2017.

Subd. 2. Rules governing districts.

(a) Housing districts established under this section are subject to the provisions of Minnesota Statutes, sections 469.174 to 469.1794, except as otherwise provided in this subdivision.

(b) Notwithstanding the provisions of Minnesota Statutes, section 469.176, subdivision 1b, no increment must be paid to the authority after 20 years after receipt by the authority of the first increment from a district established under this section.

(c) Notwithstanding the provisions of Minnesota Statutes, section 469.1761, subdivision 3, for a residential rental project, the city may elect to substitute "20 percent" for "40 percent" in the 40-60 test under section 142(d)(1)(B) of the Internal Revenue Code in determining the applicable income limits.

(d) The provisions of Minnesota Statutes, section 469.1761, subdivision 3, apply for a 25-year period beginning on the date of certification of the district.

Subd. 3. Pooling authority.

The city may elect to treat expenditures of increment from the Southdale 2 district for a housing project of a district established under this section as expenditures qualifying under Minnesota Statutes, section 469.1763, subdivision 2, paragraph (d): (1) without regard to whether the housing meets the requirement of a qualified building under section 42 of the Internal Revenue Code; and (2) may increase by an additional 25 percentage points the permitted amount of expenditures for activities located outside the geographic area of the district permitted under that section.

EFFECTIVE DATE.

This section is effective upon compliance by the governing body of the city of Edina with the requirements of Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Appendix I

Housing Qualifications for the District

In meeting the criteria of *Minnesota Session Laws 2017, Chapter 1, HF No. 1, Article 6*, at least 20% of the units will be occupied by person with incomes less than 60% of median income.

Income Restrictions- Adjusted for Family Size (Housing District) - Hennepin County Hennepin County Median Income: $94,300	
No. of Persons	60% of Median Income
1-person	$39,660
2-person	$45,300
3-person	$50,940
4-person	$56,580

Source: Department of Housing and Urban Development and Minnesota Housing Finance Agency

***PLEASE NOTE: THESE NUMBERS ARE ADJUSTED ANNUALLY. ALL INCOME FIGURES REPORTED ON THIS PAGE ARE FOR 2018.