

What is TIF?

Tax-increment financing (TIF) is a public financing tool that is routinely used in Minnesota and throughout the United States.

Since the 1970s, it has been used sparingly in Edina to achieve redevelopment goals. Use of TIF is governed by Minnesota laws and guided locally by policies established by the Edina City Council and Housing & Redevelopment Authority.

How does it work?

There are currently eight redevelopment districts in Edina. When a TIF District is created, a “base” valuation of the property in that area is established. The tax revenue from this base value remains with all taxing authorities. Increases in the assessed value above the base over the life of the District are called the “increment.” The incremental property taxes are temporarily captured. These monies are retained within a TIF District account and used to pay debt or other financial obligations that were necessary to complete the redevelopment project.

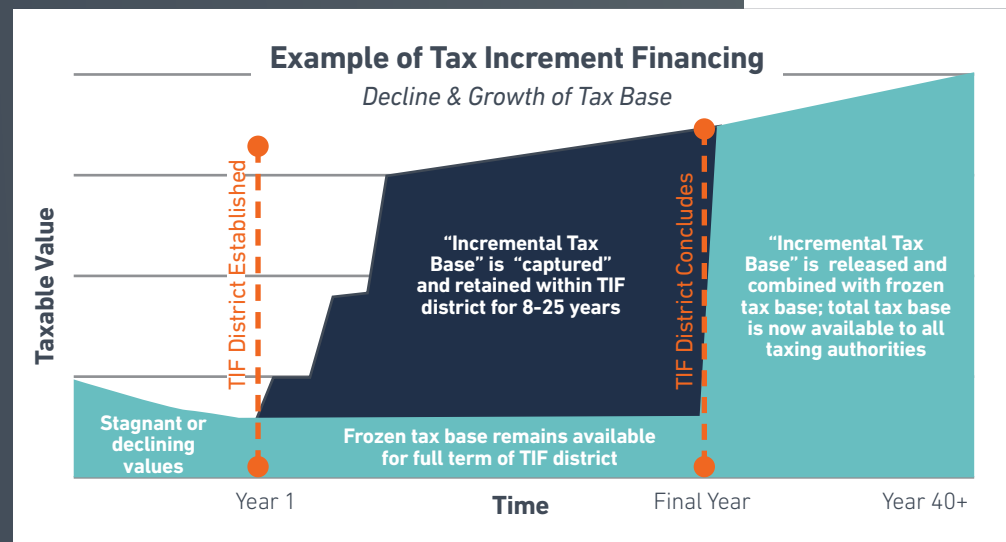
When the obligations are satisfied, the TIF District is closed (or decertified). The new incremental value that had been captured is released and combined with the base value. This total value is then made fully available to the local taxing authorities.

When is TIF used in Edina?

Since 2010, there have been 60 major commercial or mixed-use projects built or approved in Edina. TIF has only been used to support nine projects evaluated and found to satisfy the “but-for” test. Each project was also found to be capable of delivering short- and long-term benefits to the community, justifying the City’s decision to participate in the project using TIF.

TIF is used in Edina to:

- Provide funding for public improvements without increasing the tax levy
- Deliver affordably priced housing not provided by the private market
- Redevelop sites in a way that increases the tax base and delivers public improvements and benefits that would not otherwise be provided by the private market
- Attract investment that grows the local economy and enhances the community



Redevelopment Districts in Edina

- 44th & France 2 TIF District (through 2033)
- 50th & France 2 TIF District (through 2042)
- 66 West TIF District (through 2041)
- 72nd & France TIF District (through 2039)
- Amundson Ave TIF District (through 2042)
- West 76th Street TIF District (through 2038)
- Grandview TIF District (through 2041)
- Pentagon Park TIF District (through 2039)
- Southdale 2 TIF District (through 2020)



For more information, contact the Community Development Department, 952-826-0369, or Economic Development Manager, 952-826-0407.