



**Board Meeting Date:** 12/8/2025

**Title:** City of Edina Request – TIF District Extension

**Type:** Action

**Presenter(s):** Mert Woodard - Director, Finance & Operations

**Background:** The City of Edina is requesting District consent to apply 2025 special legislation that extends two existing Tax Increment Financing (TIF) districts: 70th & France and 72nd & France #2. State law requires both the District and Hennepin County to consent before the City can do so. The intent is to add TIF years needed to complete key public infrastructure and support redevelopment that has been financially stalled in the current market.

At 70th & France, the site remains vacant after demolition of obsolete office buildings; extending the district from 15 to 25 years is intended to make the next phases of private investment feasible. At 72nd & France, a new office building and apartment project is under construction, backed by TIF and the City's Small Projects Affordable Redevelopment Construction (SPARC) forgivable loan program. The requested five-year extension (from 25 to 30 years) would help fund pedestrian and safety improvements along 72nd Street and a potential underpass at France Avenue. If the City does not receive approval, it may instead need to finance improvements by increasing property taxes on all other property owners, an approach the City Council views as undesirable, and both redevelopment at 70th & France and planned public improvements at 72nd & France would likely be delayed or reduced.

The property tax revenue impact to the District is minimal. In Minnesota, a district's levy revenue is driven almost entirely by student enrollment, not property value; the only levy category affected by market value is the capital projects/technology levy, tied to Net Tax Capacity (NTC) and set at 5.932 percent of NTC, projected to generate roughly \$9.5 million in FY2026-27. Extending the TIF districts delays future NTC growth from these sites and creates an opportunity cost in the capital projects levy, but the effect is modest relative to the District's overall revenue structure. When the TIF districts decertify, both properties will add significant new tax base that permanently strengthens the District's capital levy capacity.

**Recommendation:** Accept the City's request to extend the two tax increment financing districts and authorize the Chair and Clerk to sign a resolution achieving that outcome.

**Desired Outcomes from the Board:** N/A

**Attachment(s):**

1. Memo – Request to Extend TIF Districts
2. Resolution – Extension of Tax Increment Financing Districts