

**MINUTES OF THE
JOINT MEETING OF THE
EDINA HOUSING AND REDEVELOPMENT AUTHORITY
AND THE EDINA CITY COUNCIL
HELD ON OCTOBER 16, 2001
7:00 P.M.**

ROLLCALL Answering rollcall were Commissioners Hovland, Masica and Chair Maetzold.

CONSENT AGENDA APPROVED Motion made by Commissioner Masica and seconded by Commissioner Hovland approving the Edina Housing and Redevelopment Authority Consent Agenda as presented.

Rollcall:

Ayes: Hovland, Masica, Maetzold

Motion carried.

***MINUTES OF THE REGULAR MEETING OF OCTOBER 2, 2001, APPROVED** Motion made by Commissioner Masica and seconded by Commissioner Hovland approving the Minutes of the Edina Housing and Redevelopment Authority for October 2, 2001.

Motion carried on rollcall vote – three ayes.

RESOLUTION NO. 2001-04, APPROVING AMENDMENTS TO GRANDVIEW TAX INCREMENT FINANCING PLAN Director/Manager Hughes explained in August 2000, the City/HRA established a Hazardous Substance Subdistrict (HSS#1) comprising the Grandview Square project. HSS#1 was established for the purpose of financing the removal of, 1) asbestos from the buildings acquired by the HRA, and 2) contaminated soil from the project area. HSS#1 is part of the Grandview area Tax Increment Financing District. Pursuant to state law, property taxes generated within a hazardous substance Subdistrict may be retained by the HRA for the purpose of environmental cleanup.

When HSS#1 was established, the HRA budgeted \$1,192,000 for environmental cleanup. The HRA has incurred approximately \$1,100,000 to date for such cleanup. A very small area of contaminated soil remains within the project area that will need to be removed before winter. (Bids are currently being solicited for award on November 5). Although staff believes the remaining work may be within the remaining budget, we believe that it would be prudent to formally amend the budget to accommodate a potential overrun prior to awarding the bid.

Director/Manager Hughes noted that thirty-day notice of public hearing for the modification was provided to the school district and county as required by state law. He provided a memo summarizing comments received from the county. He noted that no comments were received from the school district.

Commissioner/Member Hovland made a motion to close the public hearing. Commissioner/Member Masica seconded the motion.

Ayes: Hovland, Masica, Maetzold

Motion carried.

Commissioner/Member Hovland introduced the following Resolution and moved its adoption:

**HRA RESOLUTION NO. 2001-04
A RESOLUTION
APPROVING AMENDMENTS TO
GRANDVIEW TAX INCREMENT FINANCING PLAN AND
REQUESTING THE APPROVAL OF THE CITY COUNCIL**

BE IT RESOLVED, by the Board of Commissioners (the “Board”) of the Housing and Redevelopment Authority in and for the City of Edina, Minnesota (the “HRA”), as follows:

1. Proposed Amendment. The HRA and the City of Edina (the “City”) have approved a redevelopment plan, as defined in Minnesota Statutes, Section 469.002, subdivision 16, designated as the Grandview Area Redevelopment Plan (the “Redevelopment Plan”), and a redevelopment project to be undertaken pursuant thereto, as defined in Minnesota Statutes, Section 469.002, subdivision 14 designated as Grandview Redevelopment Project No. 1 (the “Redevelopment Project”), and that in order to finance the public redevelopment costs to be incurred by the HRA and City in connection with the Redevelopment Plan and the Redevelopment Project, the HRA and City have approved a tax increment financing plan, pursuant to the provisions of Minnesota Statutes, Section 469.175 designated as Grandview Tax Increment Financing Plan (the “Financing Plan”), which establishes a tax increment financing district, as defined in Minnesota Statutes, Section 469.174, subdivision 9, designated by the HRA as Grandview Tax Increment Financing District (Hennepin County No. 1202) (the “District”). On April 17, 1997, December 7, 1999, and August 15, 2000, the HRA and City approved amendments to the Redevelopment Plan, Redevelopment Project and Financing Plan (the “Amendments”). The Amendments approved on August 15, 2000, establishes Hazardous Substance Subdistrict No. 1 (the “HSS”) within the District and authorizes the use of tax increment from the HSS to pay or reimburse costs of removal and remediation actions with respect to hazardous substances or pollutants or containments or petroleum releases affecting or which may affect property in the HSS and other related costs and expenses of such removal or remediation actions. It has been proposed that the HRA approve amendments to the Financing Plan, as amended by the Amendments, which is entitled “Modification #1 of Tax Increment Financing Plan for Hazardous Substance Subdistrict No. 1” (the “2001 Amendment”). The 2001 Amendment increases the authorized amount of tax increment revenue from the HSS to pay costs of removal and remediation actions within the HSS and increases the authorized

