



Housing and Redevelopment Authority

Meeting

December 04, 2025

7:00 PM

Fridley City Hall, 7071 University Avenue N.E.

Agenda

Call to Order

Roll Call

Action Items

- [1.](#) Approval of Expenditures
- [2.](#) Approval of the Minutes from the HRA Meeting of October 2, 2025
- [3.](#) Approval of 2026 Budget
- [4.](#) Approval of TIF District #27 Rivers Edge

Informational Items

- [5.](#) Homeowner Grant Programs Update
- [6.](#) Update on Housing Programs

Adjournment

Accessibility Notice:

- If you need free interpretation or translation assistance, please contact City staff.
- Si necesita ayuda de interpretación o traducción gratis, comuníquese con el personal de la ciudad.
- Yog tias koj xav tau kev pab txhais lus los sis txhais ntaub ntauv dawb, ces thov tiv tauj rau Lub Nroog cov neeg ua hauj lwm.
- Haddii aad u baahan tahay tarjumaad bilaash ah ama kaalmo tarjumaad, fadlan la xiriir shaqaalaha Magaalada.

Upon request, accommodation will be provided to allow individuals with disabilities to participate in any City of Fridley services, programs or activities. Hearing impaired persons who need an interpreter or other persons who require auxiliary aids should contact CityClerk@FridleyMN.gov or (763) 572-3450.



AGENDA REPORT

Meeting Date: December 4, 2025

Meeting Type: Housing & Redevelopment Authority

Submitted By: Stacy Stromberg, Assistant Executive Director

Title

Approval of Expenditures

Background

Recommendation

Staff recommends the HRA approve the expenditures for the period September 30th through November 31, 2025.

Attachments and Other Resources

- Check Reports

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.

Bank Transaction Report



Transaction Detail

Issued Date Range: 09/25/2025 - 11/26/2025

Cleared Date Range: -

Issued

Date	Description	Type	Amount
Bank Account:			
10/10/2025	BOLLIG & SONS INC	Check	-35,331.00
10/10/2025	CARDONA, LUCIS LUIS	Check	-4,824.93
10/10/2025	CARLSON ENGINEERING LLC	Check	-1,200.00
10/10/2025	CENTER FOR ENERGY & ENVIRONMENT (CEE)	Check	-184,334.00
10/10/2025	HAMILTON, HAYDN	Check	-500.00
10/10/2025	MALAKOWSKY, KIMBERLY	Check	-4,001.42
10/10/2025	MONROE MOXNESS BERG PA	Check	-12,363.75
10/10/2025	NORTH STATE ADVISERS & ASSOCIATES	Check	-2,000.00
10/10/2025	PASSAU LANDCARE INC	Check	-1,980.00
10/10/2025	SANDBERG, EDWARD JAMES	Check	-2,212.09
10/10/2025	THOMAS, ANNA	Check	-2,332.46
10/22/2025	FRIDLEY, CITY OF	Check	-156,489.38
10/22/2025	KING, CYNTHIA	Check	-2,738.47
10/22/2025	MARESH, ADRIENNE	Check	-500.00
10/22/2025	MAY, DAVID	Check	-500.00
10/22/2025	NORTH STATE ADVISERS & ASSOCIATES	Check	-2,000.00
10/22/2025	ULMER, PRESTON	Check	-5,000.00
10/29/2025	PASSAU LANDCARE INC	Check	-660.00
11/05/2025	CENTER FOR ENERGY & ENVIRONMENT (CEE)	Check	-146,624.71
11/05/2025	JOHNSON, KEVIN	Check	-4,487.69
11/05/2025	TERRACON CONSULTANTS	Check	-4,284.00
11/12/2025	NORTHLAND SECURITIES INC	Check	-7,090.50
11/12/2025	PASSAU LANDCARE INC	Check	-1,130.00
11/19/2025	MONROE MOXNESS BERG PA	Check	-6,457.50
11/19/2025	NORTH STATE ADVISERS & ASSOCIATES	Check	-2,000.00
11/19/2025	SAJJAD, SOLTANI	Check	-500.00
11/26/2025	CENTER FOR ENERGY & ENVIRONMENT (CEE)	Check	-272,466.07
11/26/2025	SHOEMAKER, LUCILLE M	Check	-500.00
			<hr/>
			-864,507.97
		Report Total: (28)	-864,507.97

Summary

28
Report Total: 28 _____

Cash Account **Count** **Amount**

[099 099-101100 Cash in Bank - HRA Pooled Cash](#) _____

Transaction Type **Count** **Amount**

Check _____



AGENDA REPORT

Meeting Date: November 6, 2025

Meeting Type: Housing & Redevelopment Authority

Submitted By: Stacy Stromberg, Assistant Executive Director

Title

Approval of the Minutes from the HRA Meeting of October 2, 2025

Background

Recommendation

Staff recommends the HRA approve the minutes from the HRA meeting of October 2, 2025.

Attachments and Other Resources

- HRA Minutes – October 2, 2025

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.



Housing and Redevelopment Authority

October 2, 2025

7:00 PM

Fridley City Hall, 7071 University Avenue NE

Minutes

Call to Order

Chairperson Showalter called the Housing and Redevelopment Authority meeting to order at 7:00 p.m.

Present

Elizabeth Showalter
Troy Brueggemeier
Frank Inamagua
Rachel Schwankl

Absent

Gordon Backlund

Others Present

Stacy Stromberg, HRA Assistant Executive Director
Joe Starks, Finance Director
Paul Bolin, Community Development Director

Action Items

1. Approval of Expenditures

Motion by Commissioner Brueggemeier to approve the expenditures. Seconded by Commissioner Schwankl.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

2. Approval September 4, 2025, Meeting Minutes

Motion by Commissioner Inamagua to approve the meeting minutes of September 4, 2025, as presented. Seconded by Commissioner Brueggemeier.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

Informational Items

3. Proposed 2026 HRA Budget

Joe Starks, Finance Director, stated that he would introduce the 2026 draft HRA budget tonight, and the HRA would consider formal adoption at its November meeting. He presented details of the proposed 2026 budget, as well as other items of interest related to the budget.

Commissioner Schwankl referenced the proposed increase for CEE and asked if the City is looking to enter into a contract with them. Paul Bolin, Community Development Director, commented that the City has worked with CEE since 1996, and the fee is directly related to the number of loans issued. He explained that CEE previously did underwriting, but five years ago also took over the loan servicing.

Chair Showalter asked how the administrative fees for the LAHA-funded programs are being funded. Mr. Bolin replied that those fees are being paid through less restricted funds.

4. Update on Housing Programs

Stacy Stromberg, Assistant HRA Executive Director, provided an update on the September loan activity, as well as year-to-date information on the loans and programs.

Adjournment

Motion by Commissioner Brueggemeier to adjourn the meeting. Seconded by Commissioner Schwankl.

Upon a voice vote, all voting aye, Chairperson Showalter declared the motion carried and the meeting adjourned at 7:16 p.m.

Respectfully submitted,

Paul Bolin, Staff Liaison



AGENDA REPORT

Meeting Date: December 4, 2025

Meeting Type: Housing & Redevelopment Authority

Submitted By: Paul Bolin, Assistant Executive Director
Joe Starks, Finance Director/City Treasurer

Title

Proposed 2026 HRA Budget

Background

Staff will again present the Proposed 2026 HRA Budget for the Authority to review and approve. The budget was previously presented at the October 2nd meeting and the authority reviewed cash and fund balances at the October 2nd workshop. The proposed budget includes the General Fund, Housing Loan Program Fund and the various TIF Funds. The General Fund covers the bulk of the administrative and overhead costs of the Authority. It is also used to provide internal loans for development projects. The Housing Loan Program Fund covers the housing related programs and services (e.g., CEE programs). The budgets for TIF Funds are largely driven from the cash flow projections as presented at October's HRA work session.

Recommendation

Staff recommend the approval of the 2026 HRA Budget.

Attachments and Other Resources

- Proposed 2026 HRA Budget

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.



City of Fridley, MN

Item 3.
My Budget Worksheet
Account Summary
 For Fiscal: 2026 Period Ending: 12/31/2026

Defined Budgets _____

		2024 Total Budget	2024 Total Activity	2025 Total Budget	2025 Total Activity	2026 Total Budget	2026 YTD Activity
Fund: 001 - HRA - General Fund							
Division: 000 - HRA - nondepartmental							
ExpProgram: 62 - Supplies							
001-0000-621130	HRA-Gen.Fund / Operating Sup...	300.00	408.48	500.00	81.50	500.00	0.00
	ExpProgram: 62 - Supplies Total:	300.00	408.48	500.00	81.50	500.00	0.00
ExpProgram: 63 - Other Services & Charges							
001-0000-631100	HRA-Gen.Fund / Services-Prof...	110,000.00	46,716.79	110,000.00	98,401.02	100,000.00	0.00
001-0000-631130	HRA-Gen.Fund / Insurance Polic...	500.00	500.04	500.00	375.03	500.00	0.00
001-0000-631140	HRA-Gen.Fund / Admin Charges	616,900.00	582,248.28	643,500.00	456,813.44	666,500.00	0.00
001-0000-632100	HRA-Gen.Fund / Dues, Subscrip...	6,000.00	4,314.00	6,000.00	2,489.00	6,000.00	0.00
001-0000-632110	HRA-Gen.Fund / Transportation	600.00	12.00	600.00	488.34	750.00	0.00
001-0000-632120	HRA-Gen.Fund / Conferences &...	2,000.00	4,055.00	5,000.00	2,000.48	7,500.00	0.00
001-0000-633100	HRA-Gen.Fund / Advertising	1,000.00	192.59	1,000.00	24.85	1,000.00	0.00
001-0000-633110	HRA-Gen.Fund / Printing & Bind...	500.00	167.05	500.00	25.55	500.00	0.00
001-0000-633120	HRA-Gen.Fund / Communicati...	900.00	882.44	900.00	400.60	900.00	0.00
001-0000-635100	HRA-Gen.Fund / Services Contr...	11,000.00	14,299.97	11,000.00	109,001.98	20,000.00	0.00
001-0000-638140	HRA-Gen.Fund / Miscellaneous...	500.00	226.10	500.00	77.17	500.00	0.00
001-0000-638160	HRA-Gen.Fund / Redevelopme...	0.00	0.00	0.00	35,331.00	0.00	0.00
001-0000-638180	HRA-Gen.Fund / Pmts to Other...	15,000.00	3,460.56	15,000.00	736.06	10,000.00	0.00
001-0000-638185	HRA-Gen.Fund / Payments to Ci...	0.00	200,000.00	0.00	0.00	0.00	0.00
	ExpProgram: 63 - Other Services & Charges Total:	764,900.00	857,074.82	794,500.00	706,164.52	814,150.00	0.00
ExpProgram: 75 - Developer Assistance							
001-0000-750100	HRA-Gen.Fund / Developer Assi...	200,000.00	50,000.00	0.00	58,706.00	0.00	0.00
	ExpProgram: 75 - Developer Assistance Total:	200,000.00	50,000.00	0.00	58,706.00	0.00	0.00
ExpProgram: 80 - Debt Service							
001-0000-800200	HRA-Gen.Fund / Interest Expen...	20,000.00	17,398.87	20,000.00	0.00	18,000.00	0.00
	ExpProgram: 80 - Debt Service Total:	20,000.00	17,398.87	20,000.00	0.00	18,000.00	0.00

		2024	2024	2025	2025	2026	2026
		Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity
RevProgram: 41 - Taxes							
001-0000-411100	HRA-Gen.Fund / Current Ad Va...	152,700.00	161,420.67	246,500.00	147,884.18	523,900.00	0.00
001-0000-411200	HRA-Gen.Fund / Delinquent Ad...	0.00	307.81	0.00	0.00	0.00	0.00
	RevProgram: 41 - Taxes Total:	152,700.00	161,728.48	246,500.00	147,884.18	523,900.00	0.00
RevProgram: 44 - Intergovernmental							
001-0000-443400	HRA-Gen.Fund / State Grants	0.00	50,000.00	0.00	50,000.00	0.00	0.00
	RevProgram: 44 - Intergovernmental Total:	0.00	50,000.00	0.00	50,000.00	0.00	0.00
RevProgram: 47 - Miscellaneous Revenue							
001-0000-471110	HRA-Gen.Fund / Interest Earni...	102,500.00	439,949.05	100,000.00	0.00	150,000.00	0.00
001-0000-471120	HRA-Gen.Fund / Unrealized Ga...	0.00	-47,490.87	0.00	32,629.21	0.00	0.00
001-0000-474110	HRA-Gen.Fund / Other Reimbu...	0.00	1,838.56	0.00	1,339.24	0.00	0.00
001-0000-475100	HRA Gen.Fund / Loans - Interes...	348,500.00	349,630.65	348,500.00	0.00	350,000.00	0.00
001-0000-475300	HRA-Gen.Fund / Sale of Misc. P...	0.00	148,926.70	0.00	89,683.87	0.00	0.00
001-0000-475900	HRA-Gen.Fund / Miscellaneous...	200,000.00	14,929.42	120,000.00	7,500.00	0.00	0.00
	RevProgram: 47 - Miscellaneous Revenue Total:	651,000.00	907,783.51	568,500.00	131,152.32	500,000.00	0.00
	Division: 000 - HRA - nondepartmental Surplus (Deficit):	-181,500.00	194,629.82	0.00	-435,915.52	191,250.00	0.00
	Fund: 001 - HRA - General Fund Surplus (Deficit):	-181,500.00	194,629.82	0.00	-435,915.52	191,250.00	0.00
Fund: 020 - Housing Program Fund							
Division: 000 - HRA - nondepartmental							
ExpProgram: 63 - Other Services & Charges							
020-0000-631100	HRA-Housing Prog / Services-P...	10,000.00	0.00	10,000.00	1,200.00	10,000.00	0.00
020-0000-633100	HRA-Housing Prog / Advertising	1,000.00	0.00	1,000.00	0.00	1,000.00	0.00
020-0000-633110	HRA-Housing Prog / Printing & ...	0.00	274.00	0.00	340.25	0.00	0.00
020-0000-635100	HRA-Housing Prog / Services C...	28,000.00	81,552.08	65,000.00	74,423.66	85,000.00	0.00
020-0000-635110	HRA-Housing Prog / Rentals	0.00	1,500.00	0.00	0.00	0.00	0.00
020-0000-638190	HRA-Housing Prog / Provision f...	0.00	33,422.46	0.00	0.00	0.00	0.00
	ExpProgram: 63 - Other Services & Charges Total:	39,000.00	116,748.54	76,000.00	75,963.91	96,000.00	0.00
ExpProgram: 75 - Developer Assistance							
020-0000-750100	HRA-Housing Prog / Homeown...	75,000.00	54,087.73	238,500.00	68,924.94	400,000.00	0.00
	ExpProgram: 75 - Developer Assistance Total:	75,000.00	54,087.73	238,500.00	68,924.94	400,000.00	0.00
RevProgram: 41 - Taxes							
020-0000-411100	HRA-Housing Prog / Current Ad...	600,000.00	582,887.50	563,500.00	413,673.76	300,000.00	0.00

My Budget Worksheet

For Fiscal: 2026 Period Ending: Item 3. 6
 Defined Budgets

		2024	2024	2025	2025	2026	2026
		Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity
020-0000-411200	HRA-Housing Prog / Delinquent...	0.00	-1,694.66	0.00	-12,425.62	0.00	0.00
	RevProgram: 41 - Taxes Total:	600,000.00	581,192.84	563,500.00	401,248.14	300,000.00	0.00
	RevProgram: 47 - Miscellaneous Revenue						
020-0000-471110	HRA-Housing Prog / Interest Ea...	10,100.00	8,480.38	0.00	0.00	0.00	0.00
020-0000-471120	HRA-Housing Prog / Unrealized...	0.00	-599.84	0.00	599.84	0.00	0.00
020-0000-472200	HRA-Housing Prog / Mortgage I...	40,100.00	61,520.90	31,300.00	75,123.40	61,500.00	0.00
020-0000-474300	HRA-Housing Prog / Payments f...	0.00	163,516.74	0.00	231,180.55	465,000.00	0.00
	RevProgram: 47 - Miscellaneous Revenue Total:	50,200.00	232,918.18	31,300.00	306,903.79	526,500.00	0.00
	RevProgram: 49 - Other Financing Sources						
020-0000-493100	HRA-Housing Prog / Transfer In...	564,900.00	735,659.19	818,400.00	0.00	809,700.00	0.00
	RevProgram: 49 - Other Financing Sources Total:	564,900.00	735,659.19	818,400.00	0.00	809,700.00	0.00
	Division: 000 - HRA - nondepartmental Surplus (Deficit):	1,101,100.00	1,378,933.94	1,098,700.00	563,263.08	1,140,200.00	0.00
	Fund: 020 - Housing Program Fund Surplus (Deficit):	1,101,100.00	1,378,933.94	1,098,700.00	563,263.08	1,140,200.00	0.00
	Fund: 045 - TIF #6 - Lake Pointe-Medtronic						
	Division: 000 - HRA - nondepartmental						
	ExpProgram: 63 - Other Services & Charges						
045-0000-631100	HRA 06-Medtronic / Services-P...	7,600.00	1,200.00	1,200.00	1,160.00	62,200.00	0.00
045-0000-638180	HRA 06-Medtronic / Pmts to O...	0.00	671.94	700.00	745.82	0.00	0.00
	ExpProgram: 63 - Other Services & Charges Total:	7,600.00	1,871.94	1,900.00	1,905.82	62,200.00	0.00
	ExpProgram: 75 - Developer Assistance						
045-0000-750100	HRA 06-Medtronic / Developer...	528,000.00	670,237.20	575,900.00	403,617.77	0.00	0.00
	ExpProgram: 75 - Developer Assistance Total:	528,000.00	670,237.20	575,900.00	403,617.77	0.00	0.00
	RevProgram: 41 - Taxes						
045-0000-411100	HRA 06-Medtronic / Current Ad...	585,900.00	744,708.00	639,900.00	452,417.73	0.00	0.00
045-0000-411200	HRA 06-Medtronic / Delinquent...	0.00	0.00	0.00	-3,953.54	0.00	0.00
	RevProgram: 41 - Taxes Total:	585,900.00	744,708.00	639,900.00	448,464.19	0.00	0.00
	RevProgram: 47 - Miscellaneous Revenue						
045-0000-471110	HRA 06-Medtronic / Interest Ea...	1,600.00	3,425.91	1,000.00	0.00	0.00	0.00
045-0000-471120	HRA 06-Medtronic / Unrealized...	0.00	-365.56	0.00	242.32	0.00	0.00
	RevProgram: 47 - Miscellaneous Revenue Total:	1,600.00	3,060.35	1,000.00	242.32	0.00	0.00
	Division: 000 - HRA - nondepartmental Surplus (Deficit):	51,900.00	75,659.21	63,100.00	43,182.92	-62,200.00	0.00
	Fund: 045 - TIF #6 - Lake Pointe-Medtronic Surplus (Deficit):	51,900.00	75,659.21	63,100.00	43,182.92	-62,200.00	0.00

	2024 Total Budget	2024 Total Activity	2025 Total Budget	2025 Total Activity	2026 Total Budget	2026 YTD Activity
Fund: 049 - TIF #13 - Satellite Lane Apts						
Division: 000 - HRA - nondepartmental						
ExpProgram: 63 - Other Services & Charges						
049-0000-638180		HRA 13-Satellite Ln Apts / Pmts ..	0.00	100.00	0.00	0.00
	0.00	100.00	0.00	0.00	0.00	0.00
ExpProgram: 63 - Other Services & Charges Total:						
ExpProgram: 75 - Developer Assistance						
049-0000-750100		HRA 13-Satellite Ln / Developer...	0.00	47,727.37	0.00	13,837.60
	0.00	47,727.37	0.00	13,837.60	0.00	0.00
ExpProgram: 75 - Developer Assistance Total:						
RevProgram: 47 - Miscellaneous Revenue						
049-0000-471110		HRA 13-Satellite Ln Apts / Inter...	0.00	21,355.86	0.00	0.00
049-0000-471120		HRA 13-Satellite Ln Apts / Unre...	0.00	-1,510.55	0.00	0.00
	0.00	19,845.31	0.00	0.00	0.00	0.00
RevProgram: 47 - Miscellaneous Revenue Total:						
Division: 000 - HRA - nondepartmental Surplus (Deficit):						
	0.00	-27,982.06	0.00	-13,837.60	0.00	0.00
Fund: 049 - TIF #13 - Satellite Lane Apts Surplus (Deficit):						
	0.00	-27,982.06	0.00	-13,837.60	0.00	0.00
Fund: 051 - TIF #17 - Gateway East						
Division: 000 - HRA - nondepartmental						
ExpProgram: 63 - Other Services & Charges						
051-0000-638180		HRA 17-Gateway East / Pmts to...	1,000.00	1,198.87	1,200.00	1,288.12
	1,000.00	1,198.87	1,200.00	1,288.12	0.00	0.00
ExpProgram: 63 - Other Services & Charges Total:						
ExpProgram: 80 - Debt Service						
051-0000-800200		HRA 17-Gateway East / Interest...	0.00	3,704.18	28,000.00	0.00
	0.00	3,704.18	28,000.00	0.00	0.00	0.00
ExpProgram: 80 - Debt Service Total:						
RevProgram: 41 - Taxes						
051-0000-411100		HRA 17-Gateway East / Current...	50,000.00	54,198.86	57,000.00	31,789.49
	50,000.00	54,198.86	57,000.00	31,789.49	0.00	0.00
RevProgram: 41 - Taxes Total:						
RevProgram: 47 - Miscellaneous Revenue						
051-0000-471110		HRA 17-Gateway East / Interest...	100.00	676.77	0.00	0.00
051-0000-471120		HRA 17-Gateway East / Unreali...	0.00	-79.89	0.00	47.87
	100.00	596.88	0.00	47.87	0.00	0.00
RevProgram: 47 - Miscellaneous Revenue Total:						
Division: 000 - HRA - nondepartmental Surplus (Deficit):						
	49,100.00	49,892.69	27,800.00	30,549.24	0.00	0.00
Fund: 051 - TIF #17 - Gateway East Surplus (Deficit):						
	49,100.00	49,892.69	27,800.00	30,549.24	0.00	0.00

	2024 Total Budget	2024 Total Activity	2025 Total Budget	2025 Total Activity	2026 Total Budget	2026 YTD Activity	
Fund: 052 - TIF #18 - Gateway West							
Division: 000 - HRA - nondepartmental							
ExpProgram: 63 - Other Services & Charges							
052-0000-638180	HRA 18-Gateway West / Pmts t...	800.00	871.81	900.00	951.52	900.00	0.00
ExpProgram: 63 - Other Services & Charges Total:		800.00	871.81	900.00	951.52	900.00	0.00
ExpProgram: 80 - Debt Service							
052-0000-800200	HRA 18-Gateway West / Interes..	0.00	7,313.25	0.00	0.00	0.00	0.00
ExpProgram: 80 - Debt Service Total:		0.00	7,313.25	0.00	0.00	0.00	0.00
RevProgram: 41 - Taxes							
052-0000-411100	HRA 18-Gateway West / Curren...	43,900.00	53,673.30	54,100.00	24,659.72	53,600.00	0.00
RevProgram: 41 - Taxes Total:		43,900.00	53,673.30	54,100.00	24,659.72	53,600.00	0.00
RevProgram: 47 - Miscellaneous Revenue							
052-0000-471110	HRA 18-Gateway West / Interes..	0.00	651.26	0.00	0.00	0.00	0.00
052-0000-471120	HRA 18-Gateway West / Unreal...	0.00	-73.33	0.00	46.07	0.00	0.00
RevProgram: 47 - Miscellaneous Revenue Total:		0.00	577.93	0.00	46.07	0.00	0.00
Division: 000 - HRA - nondepartmental Surplus (Deficit):		43,100.00	46,066.17	53,200.00	23,754.27	52,700.00	0.00
Fund: 052 - TIF #18 - Gateway West Surplus (Deficit):		43,100.00	46,066.17	53,200.00	23,754.27	52,700.00	0.00
Fund: 053 - TIF #19 - Main Street							
Division: 000 - HRA - nondepartmental							
ExpProgram: 63 - Other Services & Charges							
053-0000-631100	HRA 19-Main Str / Services-Pro...	10,000.00	4,528.50	15,000.00	0.00	0.00	0.00
053-0000-638180	HRA 19-Main Str / Pmts to Oth...	0.00	581.09	600.00	0.00	0.00	0.00
ExpProgram: 63 - Other Services & Charges Total:		10,000.00	5,109.59	15,600.00	0.00	0.00	0.00
RevProgram: 41 - Taxes							
053-0000-411100	HRA 19-Main Str / Current Ad ...	141,300.00	201,041.14	160,800.00	0.00	0.00	0.00
RevProgram: 41 - Taxes Total:		141,300.00	201,041.14	160,800.00	0.00	0.00	0.00
Division: 000 - HRA - nondepartmental Surplus (Deficit):		131,300.00	195,931.55	145,200.00	0.00	0.00	0.00
Fund: 053 - TIF #19 - Main Street Surplus (Deficit):		131,300.00	195,931.55	145,200.00	0.00	0.00	0.00
Fund: 054 - TIF #21 - Gateway Northeast							
Division: 000 - HRA - nondepartmental							
ExpProgram: 63 - Other Services & Charges							
054-0000-631100	HRA 21-Gateway NE / Services-...	33,100.00	1,200.00	1,200.00	1,160.00	1,200.00	0.00
054-0000-638180	HRA 21-Gateway NE / Pmts to ...	0.00	744.62	800.00	820.62	900.00	0.00
ExpProgram: 63 - Other Services & Charges Total:		33,100.00	1,944.62	2,000.00	1,980.62	2,100.00	0.00

	2024 Total Budget	2024 Total Activity	2025 Total Budget	2025 Total Activity	2026 Total Budget	2026 YTD Activity
ExpProgram: 80 - Debt Service						
054-0000-800200						
HRA 21-Gateway NE / Interest ...	82,000.00	74,904.22	50,500.00	0.00	18,500.00	0.00
ExpProgram: 80 - Debt Service Total:	82,000.00	74,904.22	50,500.00	0.00	18,500.00	0.00
RevProgram: 41 - Taxes						
054-0000-411100						
HRA 21-Gateway NE / Current ...	561,100.00	846,564.46	684,800.00	383,263.59	846,500.00	0.00
054-0000-411200						
HRA 21-Gateway NE / Delinque...	0.00	0.00	0.00	-66,202.59	0.00	0.00
RevProgram: 41 - Taxes Total:	561,100.00	846,564.46	684,800.00	317,061.00	846,500.00	0.00
RevProgram: 47 - Miscellaneous Revenue						
054-0000-471110						
HRA 21-Gateway NE / Interest ...	200.00	10,518.72	100.00	0.00	2,000.00	0.00
054-0000-471120						
HRA 21-Gateway NE / Unrealiz...	0.00	-1,087.97	0.00	744.02	0.00	0.00
RevProgram: 47 - Miscellaneous Revenue Total:	200.00	9,430.75	100.00	744.02	2,000.00	0.00
Division: 000 - HRA - nondepartmental Surplus (Deficit):	446,200.00	779,146.37	632,400.00	315,824.40	827,900.00	0.00
Fund: 054 - TIF #21 - Gateway Northeast Surplus (Deficit):	446,200.00	779,146.37	632,400.00	315,824.40	827,900.00	0.00
Fund: 055 - TIF #20 - BAE Superfund site						
Division: 000 - HRA - nondepartmental						
ExpProgram: 63 - Other Services & Charges						
055-0000-631100						
HRA 20-BAE Superfund / Servic...	58,300.00	2,066.55	60,000.00	1,160.00	60,000.00	0.00
055-0000-638180						
HRA 20-BAE Superfund / Pmts ...	0.00	780.96	800.00	858.02	1,300.00	0.00
055-0000-638185						
HRA 20-BAE Superfund / Paym...	0.00	1,132,287.50	1,132,300.00	986,393.75	1,130,300.00	0.00
ExpProgram: 63 - Other Services & Charges Total:	58,300.00	1,135,135.01	1,193,100.00	988,411.77	1,191,600.00	0.00
ExpProgram: 75 - Developer Assistance						
055-0000-750100						
HRA 20-BAE Superfund / Devel...	1,132,300.00	0.00	0.00	0.00	0.00	0.00
ExpProgram: 75 - Developer Assistance Total:	1,132,300.00	0.00	0.00	0.00	0.00	0.00
ExpProgram: 99 - Other Financing Uses						
055-0000-993100						
HRA 20-BAE Superfund / Transf...	564,900.00	735,659.19	655,000.00	0.00	809,800.00	0.00
ExpProgram: 99 - Other Financing Uses Total:	564,900.00	735,659.19	655,000.00	0.00	809,800.00	0.00
RevProgram: 41 - Taxes						
055-0000-411100						
HRA 20-BAE Superfund / Curre...	2,208,000.00	2,744,024.94	2,120,400.00	1,347,472.26	2,719,600.00	0.00
055-0000-411200						
HRA 20-BAE Superfund / Delin...	0.00	0.00	0.00	-102,005.46	0.00	0.00
RevProgram: 41 - Taxes Total:	2,208,000.00	2,744,024.94	2,120,400.00	1,245,466.80	2,719,600.00	0.00
RevProgram: 47 - Miscellaneous Revenue						
055-0000-471110						
HRA 20-BAE Superfund / Intere...	10,000.00	120,876.18	25,000.00	0.00	50,000.00	0.00

My Budget Worksheet

	2024 Total Budget	2024 Total Activity	2025 Total Budget	2025 Total Activity	2026 Total Budget	2026 YTD Activity
055-0000-471120 HRA 20-BAE Superfund / Unreal...	0.00	-12,492.81	0.00	8,549.88	0.00	0.00
RevProgram: 47 - Miscellaneous Revenue Total:	10,000.00	108,383.37	25,000.00	8,549.88	50,000.00	0.00
Division: 000 - HRA - nondepartmental Surplus (Deficit):	462,500.00	981,614.11	297,300.00	265,604.91	768,200.00	0.00
Fund: 055 - TIF #20 - BAE Superfund site Surplus (Deficit):	462,500.00	981,614.11	297,300.00	265,604.91	768,200.00	0.00
Fund: 056 - TIF #20 - BAE Hazardous Subdivison						
Division: 000 - HRA - nondepartmental						
ExpProgram: 63 - Other Services & Charges						
056-0000-638180 HRA 20-BAE Haz.SubDiv / Pmts ...	0.00	0.00	0.00	56.10	0.00	0.00
ExpProgram: 63 - Other Services & Charges Total:	0.00	0.00	0.00	56.10	0.00	0.00
ExpProgram: 80 - Debt Service						
056-0000-800200 HRA 20-BAE Haz.SubDiv / Inter...	80,800.00	83,681.06	77,800.00	0.00	68,400.00	0.00
ExpProgram: 80 - Debt Service Total:	80,800.00	83,681.06	77,800.00	0.00	68,400.00	0.00
RevProgram: 41 - Taxes						
056-0000-411100 HRA 20-BAE Haz.SubDiv / Curr...	279,600.00	255,616.79	260,000.00	139,582.52	280,000.00	0.00
056-0000-411200 HRA 20-BAE Haz.SubDiv / Delin...	0.00	0.00	0.00	-9,501.71	0.00	0.00
RevProgram: 41 - Taxes Total:	279,600.00	255,616.79	260,000.00	130,080.81	280,000.00	0.00
RevProgram: 47 - Miscellaneous Revenue						
056-0000-471110 HRA 20-BAE Haz.SubDiv / Inter...	0.00	2,073.55	0.00	0.00	0.00	0.00
056-0000-471120 HRA 20-BAE Haz.SubDiv / Unrea...	0.00	-612.85	0.00	479.29	0.00	0.00
RevProgram: 47 - Miscellaneous Revenue Total:	0.00	1,460.70	0.00	479.29	0.00	0.00
Division: 000 - HRA - nondepartmental Surplus (Deficit):	198,800.00	173,396.43	182,200.00	130,504.00	211,600.00	0.00
Fund: 056 - TIF #20 - BAE Hazardous Subdivison Surplus (Deficit):	198,800.00	173,396.43	182,200.00	130,504.00	211,600.00	0.00
Fund: 057 - TIF #22 - Northstar						
Division: 000 - HRA - nondepartmental						
ExpProgram: 63 - Other Services & Charges						
057-0000-631100 HRA 22-NStar Transit / Services...	57,000.00	14,160.60	57,000.00	6,277.00	57,000.00	0.00
057-0000-635100 HRA 22-NStar Transit / Services...	750,000.00	0.00	750,000.00	0.00	750,000.00	0.00
057-0000-638180 HRA 22-NStar Transit / Pmts to...	800.00	889.98	900.00	988.92	1,000.00	0.00
ExpProgram: 63 - Other Services & Charges Total:	807,800.00	15,050.58	807,900.00	7,265.92	808,000.00	0.00
ExpProgram: 75 - Developer Assistance						
057-0000-750100 HRA 22-NStar Transit / Develo...	524,600.00	651,216.00	596,100.00	273,072.05	650,900.00	0.00
ExpProgram: 75 - Developer Assistance Total:	524,600.00	651,216.00	596,100.00	273,072.05	650,900.00	0.00

My Budget Worksheet

For Fiscal: 2026 Period Ending: Item 3. 6
 Defined Budgets

		2024	2024	2025	2025	2026	2026
		Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity
RevProgram: 41 - Taxes							
057-0000-411100	HRA 22-NStar Transit / Current...	1,251,000.00	1,714,429.87	1,402,700.00	1,028,050.81	1,714,400.00	0.00
057-0000-411200	HRA 22-NStar Transit / Delinqu...	0.00	0.00	0.00	-83,826.12	0.00	0.00
	RevProgram: 41 - Taxes Total:	1,251,000.00	1,714,429.87	1,402,700.00	944,224.69	1,714,400.00	0.00
RevProgram: 47 - Miscellaneous Revenue							
057-0000-471110	HRA 22-NStar Transit / Interest...	23,000.00	138,356.28	32,700.00	0.00	47,500.00	0.00
057-0000-471120	HRA 22-NStar Transit / Unreali...	0.00	-13,886.46	0.00	9,786.29	0.00	0.00
	RevProgram: 47 - Miscellaneous Revenue Total:	23,000.00	124,469.82	32,700.00	9,786.29	47,500.00	0.00
	Division: 000 - HRA - nondepartmental Surplus (Deficit):	-58,400.00	1,172,633.11	31,400.00	673,673.01	303,000.00	0.00
	Fund: 057 - TIF #22 - Northstar Surplus (Deficit):	-58,400.00	1,172,633.11	31,400.00	673,673.01	303,000.00	0.00
Fund: 058 - TIF #23 - Locke Point Park							
Division: 000 - HRA - nondepartmental							
ExpProgram: 63 - Other Services & Charges							
058-0000-631100	HRA 23-Locke Point Park / Servi...	11,800.00	2,379.00	9,400.00	1,160.00	2,700.00	0.00
058-0000-638180	HRA 23-Locke Point Park / Pmts...	0.00	2,743.32	2,800.00	2,877.62	2,900.00	0.00
	ExpProgram: 63 - Other Services & Charges Total:	11,800.00	5,122.32	12,200.00	4,037.62	5,600.00	0.00
ExpProgram: 80 - Debt Service							
058-0000-800200	HRA 23-Locke Point Park / Inte...	169,000.00	167,792.58	163,400.00	0.00	161,200.00	0.00
	ExpProgram: 80 - Debt Service Total:	169,000.00	167,792.58	163,400.00	0.00	161,200.00	0.00
RevProgram: 41 - Taxes							
058-0000-411100	HRA 23-Locke Point Park / Curr...	251,800.00	262,121.99	275,400.00	150,567.95	262,100.00	0.00
	RevProgram: 41 - Taxes Total:	251,800.00	262,121.99	275,400.00	150,567.95	262,100.00	0.00
RevProgram: 47 - Miscellaneous Revenue							
058-0000-471110	HRA 23-Locke Point Park / Inte...	0.00	3,313.56	0.00	0.00	0.00	0.00
058-0000-471120	HRA 23-Locke Point Park / Unr...	0.00	-371.20	0.00	234.38	0.00	0.00
	RevProgram: 47 - Miscellaneous Revenue Total:	0.00	2,942.36	0.00	234.38	0.00	0.00
	Division: 000 - HRA - nondepartmental Surplus (Deficit):	71,000.00	92,149.45	99,800.00	146,764.71	95,300.00	0.00
	Fund: 058 - TIF #23 - Locke Point Park Surplus (Deficit):	71,000.00	92,149.45	99,800.00	146,764.71	95,300.00	0.00
Fund: 059 - TIF #24 - N.Stacks 8							
Division: 000 - HRA - nondepartmental							
ExpProgram: 63 - Other Services & Charges							
059-0000-638180	HRA 24-N.Stacks 8 / Pmts to Ot...	500.00	581.09	600.00	652.32	600.00	0.00
	ExpProgram: 63 - Other Services & Charges Total:	500.00	581.09	600.00	652.32	600.00	0.00

My Budget Worksheet

For Fiscal: 2026 Period Ending: Item 3. 6
 Defined Budgets

		2024	2024	2025	2025	2026	2026
		Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity
ExpProgram: 75 - Developer Assistance							
059-0000-750100	HRA 24-N.Stacks 8 / Developer...	41,600.00	97,201.02	49,900.00	51,242.55	97,300.00	0.00
ExpProgram: 75 - Developer Assistance Total:		41,600.00	97,201.02	49,900.00	51,242.55	97,300.00	0.00
RevProgram: 41 - Taxes							
059-0000-411100	HRA 24-N.Stacks 8 / Current Ad...	46,200.00	108,001.14	55,400.00	56,936.17	108,000.00	0.00
RevProgram: 41 - Taxes Total:		46,200.00	108,001.14	55,400.00	56,936.17	108,000.00	0.00
Division: 000 - HRA - nondepartmental Surplus (Deficit):		4,100.00	10,219.03	4,900.00	5,041.30	10,100.00	0.00
Fund: 059 - TIF #24 - N.Stacks 8 Surplus (Deficit):		4,100.00	10,219.03	4,900.00	5,041.30	10,100.00	0.00
Fund: 060 - TIF #25 - Holly Center							
Division: 000 - HRA - nondepartmental							
ExpProgram: 63 - Other Services & Charges							
060-0000-631100	HRA 25-Holly Center / Services...	0.00	4,528.50	0.00	1,160.00	4,900.00	0.00
060-0000-635100	HRA 25-Holly Center / Services ...	15,055.00	0.00	20,600.00	0.00	0.00	0.00
060-0000-638180	HRA 25-Holly Center / Pmts to ...	0.00	599.26	600.00	671.02	700.00	0.00
ExpProgram: 63 - Other Services & Charges Total:		15,055.00	5,127.76	21,200.00	1,831.02	5,600.00	0.00
ExpProgram: 75 - Developer Assistance							
060-0000-750100	HRA 25-Holly Center / Develop...	472,649.00	712,292.18	646,400.00	345,817.50	710,800.00	0.00
ExpProgram: 75 - Developer Assistance Total:		472,649.00	712,292.18	646,400.00	345,817.50	710,800.00	0.00
RevProgram: 41 - Taxes							
060-0000-411100	HRA 25-Holly Center / Current ...	525,166.00	789,677.24	718,200.00	384,241.67	718,200.00	0.00
060-0000-411200	HRA 25-Holly Center / Delinqu...	0.00	17.42	0.00	0.00	0.00	0.00
RevProgram: 41 - Taxes Total:		525,166.00	789,694.66	718,200.00	384,241.67	718,200.00	0.00
RevProgram: 47 - Miscellaneous Revenue							
060-0000-471110	HRA 25-Holly Center / Interest ...	0.00	3,635.80	0.00	0.00	0.00	0.00
060-0000-471120	HRA 25-Holly Center / Unrealiz...	0.00	-290.22	0.00	257.17	0.00	0.00
RevProgram: 47 - Miscellaneous Revenue Total:		0.00	3,345.58	0.00	257.17	0.00	0.00
Division: 000 - HRA - nondepartmental Surplus (Deficit):		37,462.00	75,620.30	50,600.00	36,850.32	1,800.00	0.00
Fund: 060 - TIF #25 - Holly Center Surplus (Deficit):		37,462.00	75,620.30	50,600.00	36,850.32	1,800.00	0.00
Fund: 061 - TIF #26 - Moon Plaza							
Division: 000 - HRA - nondepartmental							
ExpProgram: 63 - Other Services & Charges							
061-0000-631100	HRA 26-Moon Plaza / Services...	0.00	2,400.00	32,900.00	1,277.50	5,000.00	0.00

My Budget Worksheet

For Fiscal: 2026 Period Ending: Item 3. 6
 Defined Budgets _____

	2024 Total Budget	2024 Total Activity	2025 Total Budget	2025 Total Activity	2026 Total Budget	2026 YTD Activity
061-0000-638180 HRA 26-Moon Plaza / Pmts to O...	0.00	0.00	0.00	652.32	0.00	0.00
ExpProgram: 63 - Other Services & Charges Total:	0.00	2,400.00	32,900.00	1,929.82	5,000.00	0.00
ExpProgram: 75 - Developer Assistance						
061-0000-750100 HRA 26-Moon Plaza / Develop...	0.00	0.00	284,000.00	0.00	417,500.00	0.00
ExpProgram: 75 - Developer Assistance Total:	0.00	0.00	284,000.00	0.00	417,500.00	0.00
ExpProgram: 80 - Debt Service						
061-0000-800200 HRA 26-Moon Plaza / Interest E...	0.00	235.36	0.00	0.00	0.00	0.00
ExpProgram: 80 - Debt Service Total:	0.00	235.36	0.00	0.00	0.00	0.00
RevProgram: 41 - Taxes						
061-0000-411100 HRA 26-Moon Plaza / Current ...	0.00	3,860.48	328,400.00	3,114.82	486,000.00	0.00
RevProgram: 41 - Taxes Total:	0.00	3,860.48	328,400.00	3,114.82	486,000.00	0.00
Division: 000 - HRA - nondepartmental Surplus (Deficit):	0.00	1,225.12	11,500.00	1,185.00	63,500.00	0.00
Fund: 061 - TIF #26 - Moon Plaza Surplus (Deficit):	0.00	1,225.12	11,500.00	1,185.00	63,500.00	0.00
Fund: 065 - TIF - Housing Replacement #1						
Division: 000 - HRA - nondepartmental						
ExpProgram: 63 - Other Services & Charges						
065-0000-638180 HRA-Housing Replacemt / Pmts...	0.00	1,562.66	300.00	336.60	400.00	0.00
ExpProgram: 63 - Other Services & Charges Total:	0.00	1,562.66	300.00	336.60	400.00	0.00
RevProgram: 41 - Taxes						
065-0000-411100 HRA-Housing Replacemt / Curr...	61,400.00	64,808.02	64,700.00	36,548.48	64,800.00	0.00
RevProgram: 41 - Taxes Total:	61,400.00	64,808.02	64,700.00	36,548.48	64,800.00	0.00
RevProgram: 47 - Miscellaneous Revenue						
065-0000-471110 HRA-Housing Replacemt / Inter...	2,500.00	11,464.11	3,200.00	0.00	3,900.00	0.00
065-0000-471120 HRA-Housing Replacemt / Unre...	0.00	-1,159.91	0.00	810.89	0.00	0.00
RevProgram: 47 - Miscellaneous Revenue Total:	2,500.00	10,304.20	3,200.00	810.89	3,900.00	0.00
Division: 000 - HRA - nondepartmental Surplus (Deficit):	63,900.00	73,549.56	67,600.00	37,022.77	68,300.00	0.00
Fund: 065 - TIF - Housing Replacement #1 Surplus (Deficit):	63,900.00	73,549.56	67,600.00	37,022.77	68,300.00	0.00
Report Surplus (Deficit):	2,420,562.00	5,272,684.80	2,765,700.00	1,823,466.81	3,671,650.00	0.00

Fund Summary

Fund	Defined Budgets					
	2024 Total Budget	2024 Total Activity	2025 Total Budget	2025 Total Activity	2026 Total Budget	2026 YTD Activity
001 - HRA - General Fund	-181,500.00	194,629.82	0.00	-435,915.52	191,250.00	0.00
020 - Housing Program Fund	1,101,100.00	1,378,933.94	1,098,700.00	563,263.08	1,140,200.00	0.00
045 - TIF #6 - Lake Pointe-Medtronic	51,900.00	75,659.21	63,100.00	43,182.92	-62,200.00	0.00
049 - TIF #13 - Satellite Lane Apts	0.00	-27,982.06	0.00	-13,837.60	0.00	0.00
051 - TIF #17 - Gateway East	49,100.00	49,892.69	27,800.00	30,549.24	0.00	0.00
052 - TIF #18 - Gateway West	43,100.00	46,066.17	53,200.00	23,754.27	52,700.00	0.00
053 - TIF #19 - Main Street	131,300.00	195,931.55	145,200.00	0.00	0.00	0.00
054 - TIF #21 - Gateway Northeast	446,200.00	779,146.37	632,400.00	315,824.40	827,900.00	0.00
055 - TIF #20 - BAE Superfund site	462,500.00	981,614.11	297,300.00	265,604.91	768,200.00	0.00
056 - TIF #20 - BAE Hazardous Subdivison	198,800.00	173,396.43	182,200.00	130,504.00	211,600.00	0.00
057 - TIF #22 - Northstar	-58,400.00	1,172,633.11	31,400.00	673,673.01	303,000.00	0.00
058 - TIF #23 - Locke Point Park	71,000.00	92,149.45	99,800.00	146,764.71	95,300.00	0.00
059 - TIF #24 - N.Stacks 8	4,100.00	10,219.03	4,900.00	5,041.30	10,100.00	0.00
060 - TIF #25 - Holly Center	37,462.00	75,620.30	50,600.00	36,850.32	1,800.00	0.00
061 - TIF #26 - Moon Plaza	0.00	1,225.12	11,500.00	1,185.00	63,500.00	0.00
065 - TIF - Housing Replacement #1	63,900.00	73,549.56	67,600.00	37,022.77	68,300.00	0.00
Report Surplus (Deficit):	2,420,562.00	5,272,684.80	2,765,700.00	1,823,466.81	3,671,650.00	0.00



AGENDA REPORT

Meeting Date: December 4, 2025

Meeting Type: Housing & Redevelopment Authority

Submitted By: Paul Bolin, Executive Director

Title

Approval of Resolution 2025-10 - River's Edge Redevelopment TIF Assistance

Background

Please see attached Staff report, memorandum from Northland Financial and TIF Plan.

Recommendation

Staff recommend the approval of HRA Resolution No. 2025-10, approving TIF assistance.

This item will receive a public hearing and consideration for approval at the December 22, 2025, City Council meeting.

Attachments and Other Resources

- Staff Report
- Memorandum from Northland Public Finance
- TIF Plan for Proposed District #27
- HRA Resolution No. 2025-10

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.

Resolution No. 2025 - 10

Authorizing Modification of The Redevelopment Plan for Redevelopment Project No. 1 and the Tax Increment Financing Plans for Tax Increment Financing Districts Nos. 6,11-13 and 17-26 to Reflect Increased Project Costs and Increased Bonding Authority within Redevelopment Project No. 1, Creating Tax Increment Financing District No. 27, and Adopting a Tax Increment Financing Plan Relating Thereto

Whereas, It has been proposed that the Housing and Redevelopment Authority in and for the City of Fridley (“Authority”) approve and adopt the proposed modifications to its Redevelopment Plan for Redevelopment Project No. 1 (the “Project Area”) reflecting increased project costs and increased bonding authority, pursuant to and in accordance with Minnesota Statutes, Sections 469.001 to 469.047, inclusive, as amended and supplemented from time to time; and,

Whereas, It has been further proposed that the Authority approve and adopt the proposed modifications to the Tax Increment Financing Plans (the "Existing Plans") for Tax Increment Financing Districts Nos. 6, 11-13 and 17-26 (the "Existing Districts") reflecting increased project costs and increased bonding authority within the Project Area, pursuant to Minnesota Statutes, Section 469.174 through 469.1799, inclusive, as amended and supplemented from time to time; and,

Whereas, It has been further proposed that the Authority approve the creation of proposed Tax Increment Financing District No. 26 (the “Proposed District”) within the Project Area and approve and adopt the proposed Tax Increment Financing Plan (the “Proposed Plan”) relating thereto, pursuant to and in accordance with Minnesota Statutes, Sections 469.174 to 469.1799, inclusive, as amended and supplemented from time to time; and,

Whereas, The Authority has investigated the facts and has caused to be prepared with respect thereto, a modified Redevelopment Plan for the Project Area and modified Existing Plans for the Existing Districts reflecting increased project costs and increased bonding authority within the Project Area and Proposed Plan for the Proposed District, defining more precisely the property to be included the public costs to be incurred, and other matters relating thereto; and,

Whereas, The Authority has performed all actions required by law to be performed prior to the approval and adoption of the modifications to the Redevelopment Plan and Existing Plans and the approval and adoption of the Proposed Plan; and,

Whereas, The Authority hereby determines that it is necessary and in the best interests of the City and the Authority at this time to approve and adopt the modifications to the Redevelopment Plan and Existing Plans, to create the Proposed District and to approve and adopt the Proposed Plan relating thereto.

Now, therefore be it resolved that, the Authority hereby finds, determines and declares as follows:

1. That the assistance to be provided through the adoption and implementation of the modified Redevelopment Plan, modified Existing Plans and Proposed Plan (collectively, the “Plans”) is necessary to assure the development and redevelopment of the Project Area.

2. That the Plans conform to the general plan for the development and redevelopment of the City as a whole in that they are consistent with the City's comprehensive plan.
3. That the Plans afford maximum opportunity consistent with the sound needs of the City as a whole for the development and redevelopment of the Project Area by private enterprise and it is contemplated that the development and redevelopment thereof will be carried out pursuant to redevelopment contracts with private developers.
4. That the modifications to the Redevelopment Plan reflecting increased project costs and increased bonding authority within the Project Area are hereby approved and adopted by the Commissioners of the Authority and are forwarded to the Fridley City Council for public hearing, review and approval.
5. The modifications to the Existing Plans reflecting increased project costs and increased bonding authority within the Project Area are hereby approved and adopted by the Commissioners of the Authority and are forwarded to the Fridley City Council for public hearing, review and approval.
6. The creation of the Proposed District within the Project Area and the adoption of the Proposed Plan relating thereto are hereby approved and adopted by the Commissioners of the Authority and are forwarded to the Fridley City Council for public hearing, review and approval.
7. Upon approval and adoption of the Plans, the Authority shall cause said Plans to be filed with the Minnesota Department of Revenue, the Office of the State Auditor and Anoka County.

Passed and adopted by the Housing and Redevelopment Authority in and for the City of Fridley this 4th day of December 2025.

Elizabeth Showalter – Chairperson

Attest:

Paul Bolin – Executive Director

CERTIFICATION

I, Wally Wysopal, Executive Director of the Housing and Redevelopment Authority in and for the City of Fridley, Minnesota, hereby certify that the foregoing is a true and correct copy of Resolution No. 2025-10 adopted by the Authority on the 4th day of December, 2025.

Paul Bolin - Executive Director



MEMORANDUM

To: Paul Bolin, Fridley HRA Executive Director

From: Tammy Omdal, Managing Director
Jessica Green, Managing Director

Date: November 25, 2025

Re: Tax Increment Financing (TIF) Assistance for Redevelopment TIF District No. 27 (River Edge Business Center Project)

The Fridley Housing Redevelopment Authority (the "HRA") requested that Northland review the Application from Endeavor Development LLC (the "Developer") for tax increment financing assistance. In preparing this review, Northland relied on information included in the Application and subsequent follow-up information provided by the Developer.

The Developer is requesting \$5,284,574 from the HRA, in the form of tax increment financing, for the purpose of providing gap financing related to the construction of an approximately 250,000 square-foot warehouse and distribution center, proposed to be located at 7350 Commerce Lane NE in Fridley (the "Property"). The project consists of the demolition and removal of the existing commercial bakery located on the site, rerouting of utility infrastructure, earthwork to correct site deficiencies, and the construction of the new facility (the "Project"). The Developer proposes to construct the Project on a speculative basis and construct interior spaces as leases are secured. There are currently no tenants identified for the building. Financial assistance is proposed to be on a "pay-go" basis.

The request is for the HRA to establish a redevelopment TIF district to capture the increase in property taxes from the Project to assist with the financing of the redevelopment of the site.

Northland reviewed the information submitted by the Developer related to site acquisition and construction costs, developer fees, operating expenses, and rental rates, among other items. We find the information provided to be within general industry standards. Exhibit A provides a preliminary source and use of funds for the approximate \$32.2 million Project.

Observations

It is Northland’s observation that the Project, as proposed, is feasible only through the proposed TIF assistance, and that the proposed Project would not be reasonably expected to occur solely through private investment within the reasonably near future.

Based on the pro forma developed by Northland, using information from the Developer and information independently prepared by Northland, we estimate the Project is feasible with TIF assistance to the Developer in an amount no greater than \$4,232,059, with a maximum term of 12 years, which is less than the 26-year maximum duration for Redevelopment TIF Districts. This amount is based on the HRA providing 90% of the TIF collected from the Project to payment on a note issued to the Developer, with assistance provided on a “pay-go” basis payable solely from TIF. The HRA would retain tax increments not payable to the Developer to pay administrative costs of the district (up to 10% of TIF).

Exhibit B provides estimated tax increment (TIF) cash flow (increased property taxes) from the Project, which will be captured to assist the Project. For purposes of the TIF Plan, the property classification for estimating property taxes is assumed to be assigned a Commercial-Industrial classification.

Assistance, in the form of TIF, is proposed to be used to assist with the extraordinary costs of redeveloping the Property, including demolition of the existing substandard structure, rerouting approximately 60 feet of sanitary sewer and storm water infrastructure to accommodate the new facility, earthwork to correct site deficiencies, and a portion of the site acquisition costs.

Use of Tax Increment Financing (TIF)

A decision to deny the use of TIF does not necessarily mean that there will be no future improvements on the Property. A decision to approve may be made based on a finding that the Project, as proposed, would not be reasonably expected to occur solely through private investment within the reasonably near future. It does not mean that “no” development, housing or commercial, will occur on the site at any point in the future.

The analysis shows that an induced development will yield a net increase in taxable market value of approximately \$39.7 million (future value) for the site compared to the likely taxable market value of \$7.1 million (future value) without TIF.

EXHIBIT A
Fridley, Minnesota
River Edge Business Center
250,224 sq/ft Warehouse/Distribution Facility
Developer Sources and Uses of Funds for Construction

	Total	% of Total	Per sq/ft
Sources of Funds			
First Mortgage	\$20,935,909	65.0%	\$84
Equity	\$11,273,181	35.0%	\$45
Total Sources of Funds	\$32,209,090	100.0%	\$129
Uses of Funds			
Acquisition	\$6,100,000	18.94%	\$24
Construction	\$19,502,613	60.55%	\$78
Construction contingency	\$1,172,684	3.64%	\$5
Leasing Commissions	\$984,006	3.06%	\$4
Soft Costs (not including Developer fee)	\$415,717	1.29%	\$2
Closing Costs	\$472,043	1.47%	\$2
Construction Period Interest & Expense	\$2,323,216	7.21%	\$9
Developer fee payable at closing	\$1,238,811	3.85%	\$5
Total Uses of Funds	\$32,209,090	100.00%	\$129

Estimated Size of Facility 250,224

Exhibit B
Fridley, MN
Tax Increment Financing District No. 27 (Redevelopment)
River Edge Business Center
Projected Tax Increment Financing (TIF) Cash Flow

TIF District Year	Taxes Payable Year	Taxable Market Value (TMV)	Net Tax Capacity	Original Net Tax Capacity	FD Tax Capacity Contributed	Captured Net Tax Capacity for TIF	Estimated Original Tax Rate	Available TIF from District	PV Available TIF	TIF Retained by HRA	PV TIF to HRA	Net Available TIF	YTD Cumulative Net Available TIF
1	2028	24,378,574	486,821	101,672	163,879	221,270	107.05%	236,006	220,076	23,601	22,008	212,406	212,406
2	2029	29,541,095	590,072	101,672	194,775	293,625	107.05%	313,179	498,044	31,318	49,804	281,862	494,267
3	2030	30,427,328	607,797	101,672	196,725	309,400	107.05%	330,005	776,831	33,000	77,683	297,004	791,271
4	2031	31,340,148	626,053	101,672	198,695	325,686	107.05%	347,376	1,056,153	34,738	105,615	312,638	1,103,910
5	2032	32,280,352	644,857	101,672	200,684	342,501	107.05%	365,310	1,335,742	36,531	133,574	328,779	1,432,689
6	2033	33,248,763	664,225	101,672	202,693	359,860	107.05%	383,825	1,615,346	38,383	161,535	345,443	1,778,132
7	2034	34,246,226	684,175	101,672	204,723	377,780	107.05%	402,938	1,894,730	40,294	189,473	362,644	2,140,776
8	2035	35,273,612	704,722	101,672	206,773	396,278	107.05%	422,668	2,173,672	42,267	217,367	380,401	2,521,177
9	2036	36,331,821	725,886	101,672	208,843	415,371	107.05%	443,033	2,451,966	44,303	245,197	398,730	2,919,907
10	2037	37,421,775	747,686	101,672	210,934	435,080	107.05%	464,054	2,729,418	46,405	272,942	417,649	3,337,556
11	2038	38,544,429	770,139	101,672	213,046	455,421	107.05%	485,750	3,005,847	48,575	300,585	437,175	3,774,731
12	2039	39,700,762	793,265	101,672	215,179	476,415	107.05%	508,142	3,281,085	50,814	328,109	457,328	4,232,059
TOTAL =								4,702,288		470,229		4,232,059	4,232,059

Key Assumptions:

- 1 Taxable market value (TMV) annual growth assumption equal to approximately 3.00%.
- 2 Original Tax Rate estimated based on Pay 2025 tax rates.
- 3 Election for captured tax capacity is 100.00%. Property Class = Commercial.
- 4 Base Tax Capacity is calculated based on a TMV = \$5,121,100, which is equal to the County's preliminary estimated Pay 2026 TMV for the four parcels included in the TIF District.
- 5 Present Value (PV) calculated based on 5.0% rate and 6/1/2027 dated date.
- 6 Fiscal Disparities (FD) tax capacity is to be paid (contributed) from the property within the TIF District.
- 7 Available TIF from District is after deducting State Auditor Fee (0.36% of tax increment from property).

DRAFT
MODIFIED AND RESTATED REDEVELOPMENT PLAN FOR
REDEVELOPMENT PROJECT NO. 1
AND
TAX INCREMENT FINANCING PLAN FOR
TAX INCREMENT FINANCING (REDEVELOPMENT)
DISTRICT NO. 27
(RIVER EDGE BUSINESS CENTER)
WITHIN REDEVELOPMENT PROJECT NO. 1

PROPOSED TO BE ADOPTED BY
CITY OF FRIDLEY, MINNESOTA
AND
FRIDLEY HOUSING AND REDEVELOPMENT AUTHORITY (HRA)

PUBLIC HEARING DATE: DECEMBER 22, 2025
PLAN APPROVED BY HRA DATE: _____, 2025
PLAN APPROVED BY CITY COUNCIL DATE: _____, 2025
PLAN CERTIFICATION REQUEST DATE: _____, 2025
PLAN CERTIFIED DATE: _____, 2025



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Registered with SEC and MSRB

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ARTICLE I INTRODUCTION AND DEFINITIONS

SECTION 1.01 INTRODUCTION

This Redevelopment Plan for Redevelopment Project No. 1 of the Fridley Housing and Redevelopment Authority of the City of Fridley is intended to supersede and restate the activities described in the Redevelopment Plan for Redevelopment Project No. 1 as originally adopted on May 15, 1979 and most recently modified on February 13, 2023 at time of establishment of Tax Increment Financing District No. 26 (Moon Plaza) and the adoption of a Tax Increment Financing Plan.

Tax Increment Financing District Nos. 6, 12, 13, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, and the Housing Replacement TIF District, and the Tax Increment Financing Plans related thereto, within Development District No. 1, remain in full force and effect and are not modified.

The City of Fridley and the Fridley Housing and Redevelopment Authority (HRA) propose to provide tax increment financing assistance through the establishment of Tax Increment Financing (Redevelopment) District No. 27 within the Redevelopment Project No. 1 to assist with the financing of certain redevelopment project costs for the construction of an approximate 250,000 square foot warehouse building and related improvements to be constructed by a private developer.

Redevelopment Project No. 1 serves as the “Project Area” for tax increment financing districts established within its boundaries. The Redevelopment Plan describes the City’s objectives for the development of the area within the Project Area and the use of tax increment financing.

This document contains the Modified Redevelopment Plan for achieving the objectives of Redevelopment Project No. 1 through the establishment of a Tax Increment Financing Plan and use of Tax Increment Financing (Redevelopment) District No. 26.

Below is a summary of the municipal action that has been taken in connection with Redevelopment Project No. 1 to date and as proposed:

Redevelopment Project No. 1:

- May 15, 1979: A Redevelopment Plan for Center City was adopted. Prior to the enactment of the Tax Increment Financing Act of 1979, effective August 1, 1979, a separate tax increment financing plan was not required by law, but was included as a part of the originally adopted Redevelopment Plan.
- April 6, 1981: A Redevelopment Plan and a Tax Increment Financing Plan were adopted and a Redevelopment Project and Tax Increment Financing District were created for the Moore Lake Redevelopment Area.
- November 23, 1981: A Redevelopment Plan and a Tax Increment Financing Plan were adopted and a Redevelopment Project and Tax Increment Financing District were created for the North Area Redevelopment Area.
- August 22, 1983: The Redevelopment Plan for Center City was modified to include the project areas included in the Redevelopment Plans for Moore Lake and North Area and was redesignated as Redevelopment Project No. 1. The Center City Redevelopment Area was redesignated as Tax Increment Financing District No. 1; the Moore Lake Redevelopment Area was redesignated as Tax Increment Financing District No. 2 and the North Area Redevelopment Area was redesignated as Tax Increment Financing District No. 3. The modifications were by Resolution only; no hearing was required.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

- December 19, 1983: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect the creation of Tax Increment Financing District No. 4 (Skywood Mall) and the adoption of a Tax Increment Financing Plan.
- February 27, 1984: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect the creation of Tax Increment Financing District No. 5 (Paschke) and the adoption of a Tax Increment Financing Plan.
- February 25, 1985: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to facilitate the issuance of a tax increment refunding bond and the Tax Increment Financing Plans for Tax Increment Financing Districts Nos. 4 (Skywood Mall) and 5 (Paschke) were incorporated into the Redevelopment Plan.
- November 18, 1985: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased project costs, the creation of Tax Increment Financing District No. 6 (Lake Pointe) and the adoption of a Tax Increment Financing Plan.
- September 22, 1986: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased project costs, the creation of Tax Increment Financing Districts Nos. 7 (Rice Creek Business Center) and 8 (Shorewood Inn) and the adoption of Tax Increment Financing Plans.
- December 22, 1986: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased project costs.
- April 20, 1987: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased geographic area.
- June 26, 1989: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased geographic area and increased project costs, the creation of Tax Increment Financing District No. 9 (Old Central/Onan) and the adoption of a Tax Increment Financing Plan.
- February 26, 1990: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased geographic area and increased project costs, the creation of Tax Increment Financing District No. 10 (Northco Phase 111) and the adoption of a Tax Increment Financing Plan.
- July 1, 1991: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased geographic area and increased project costs, the creation of Tax Increment Financing District No. 11 (University/Osborne) and the adoption of a Tax Increment Financing Plan.
- January 6, 1992: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased geographic area and increased project costs, the creation of Tax Increment Financing District No. 12 (McGlynn Bakeries) and the adoption of a Tax Increment Financing Plan.
- July 6, 1992: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased geographic area and increased project costs.
- September 13, 1993: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased geographic area and increased project costs.
- December 31, 1994: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect the decertification of Tax Increment Financing District No. 4 (Skywood Mall).

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

- February 13, 1995: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased geographic area and increased project costs, the creation of Tax Increment Financing District No. 13 (Satellite Lane Apartments) and the adoption of a Tax Increment Financing Plan.
- December 11, 1995: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased project costs, the creation of Tax Increment Financing District No. 14 (Industrial Equities Project) and the adoption of a Tax Increment Financing Plan.
- December 31, 1995: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect the decertification of Tax Increment Financing District No. 5 (Paschke).
- December 31, 1996: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect the decertification of Tax Increment Financing District No. 8 (Shorewood Inn).
- April 28, 1997: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased geographic area and increased project costs, the creation of Tax Increment Financing Districts Nos. 15 (Commercial Rail Properties, Inc.) and 16 (Linn Property Holdings, LLC) and the adoption of Tax Increment Financing Plans.
- December 13, 1999: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased geographic area and increased project costs.
- December 11, 2000: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased project costs, the creation of Tax Increment Financing District No. 17 (Gateway East) and the adoption of a Tax Increment Financing Plan.
- December 31, 2000: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect the decertification of Tax Increment Financing District No. 10 (Northco Phase III).
- April 9, 2001: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect reduced geographic area.
- June 24, 2002: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect the decertification of Tax Increment Financing District No. 15 (Commercial Rail Properties, Inc.).
- December 8, 2003: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased project costs and Increased bonding authority.
- August 8, 2005: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased project costs and increased bonding authority, the creation of Tax Increment Financing District No. 18 (Gateway West) and the adoption of a Tax Increment Financing Plan.
- February 26, 2007: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased project costs and increased bonding authority, the creation of Tax Increment Financing District No. 19 (5110 Main Street) and the adoption of a Tax Increment Financing Plan.
- April 9, 2012: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased project costs and increased bonding authority,

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

the creation of Tax Increment Financing District No. 20 (RER/BAE) and the adoption of a Tax Increment Financing Plan; and the creation of Hazardous Substance Subdistrict District No. 20A (RER/BAE HSS Subdistrict) and the adoption of a Tax Increment Financing Plan.

- October 8, 2012: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased project costs and increased bonding authority, the creation of Tax Increment Financing District No. 21 (Gateway Northeast TIF District) and the adoption of a Tax Increment Financing Plan.
- May 6, 2013: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased project costs and increased bonding authority, the creation of Tax Increment Financing District No. 22 (Northstar Transit Station District) and the adoption of a Tax Increment Financing Plan.
- September 12, 2016: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased project costs and increased bonding authority, the creation of Tax Increment Financing District No. 23 (Redevelopment Project 2016) and the adoption of a Tax Increment Financing Plan.
- June 11, 2018: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased project costs and increased bonding authority, the creation of Tax Increment Financing District No. 24 (Stacks VIII) and the adoption of a Tax Increment Financing Plan.
- September 14, 2020: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified to reflect increased project costs and increased bonding authority, the creation of Tax Increment Financing District No. 25 (Holly Center) and the adoption of a Tax Increment Financing Plan.
- February 13, 2023: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified and restated to reflect increased project costs and increased bonding authority, the creation of Tax Increment Financing District No. 26 (Moon Plaza) and the adoption of a Tax Increment Financing Plan.
- December 22, 2025: The Redevelopment Plan, including its existing Tax Increment Financing Plans, was modified and restated to reflect increased project costs and increased bonding authority, the creation of Tax Increment Financing District No. 27 (River Edge Business Center) and the adoption of a Tax Increment Financing Plan.

SECTION 1.02 DEFINITIONS

For the purposes of this document, the terms below have the meanings given in this section, unless the context in which they are used indicates a different meaning:

1. "Authority" means the Fridley Housing and Redevelopment Authority of the City.
2. "City" means the City of Fridley, Minnesota.
3. "City Council" means the City Council of the City.
4. "County" means Anoka County, Minnesota.
5. "Developer" means a private party undertaking construction within the TIF District.
6. "Development" means the construction of an approximate 250,000 square foot warehouse building and related improvements to be constructed by a private developer.
7. "Enabling Act" means Minnesota Statutes, Sections 469.001 through 469.047, as amended and supplemented from time to time.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

8. "HRA" means the Authority.
9. "Land Use Regulations" means all federal, state and local laws, rules, regulations, ordinances, and plans relating to or governing the use of development of land in the City, including but not limited to environmental, zoning and building code laws and regulations.
10. "Project Area" means the boundaries of the Redevelopment Project Area.
11. "Project Costs" means Public Development Costs.
12. "Public Development Costs" means the public development cost of the development activities that will or are expected to occur within the Project Area or within the TIF District.
13. "Redevelopment Plan" means the Redevelopment Plan for the Redevelopment Project, as the same may, from time to time, be amended or supplemented (included within this document in Article III).
14. "Redevelopment Project" means Redevelopment Project No. 1 of the HRA, as the same may, from time to time, be amended or supplemented.
15. "School Districts" mean Independent School District No. 14 (Fridley School District) and Independent School District No. 16 (Spring Lake Park School District).
16. "State" means the State of Minnesota.
17. "Tax Increment Financing Bonds" means any bonds or other obligations issued pursuant to Minnesota Statutes Section 469.174, Subd. 3, which may include general obligation tax increment financing bonds; tax increment financing revenue notes, pay-as-you-go contracts, and interfund loans or advances, among other types.
18. "Tax Increment Financing District" means any tax increment financing district to be established in the future within the Project Area.
19. "Tax Increment Financing Plan" or "Plan" means the plans adopted by the City and HRA for any Tax Increment Financing District.
20. "TIF Act" means Minnesota Statutes, Sections 469.174 through 469.1794, as amended, both inclusive.
21. "TIF District" means Tax Increment Financing (Redevelopment) District No. 27 (River Edge Business Center).
22. "TIF Plan" means the tax increment financing plan for the TIF District (included within this document in Article IV).

SECTION 1.03 PLAN PREPARATION

The document was prepared for the City and HRA by Northland Securities, Inc.

ARTICLE II STATEMENT OF PUBLIC PURPOSE AND AUTHORITY

SECTION 2.01 ENABLING ACT; STATUTORY AUTHORITY

The Enabling Act authorizes the Authority, upon certain public purpose findings by the Authority and the City, to establish and designate redevelopment projects within the City and to establish, develop and the administer redevelopment plans therefor to meet the needs and accomplish the public purposes specified in Statement and Finding of Public Purpose.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

In accordance with the purposes set forth in the Enabling Act, the Authority and the City have established the Redevelopment Project comprised of the parcels listed in Exhibit VI and have adopted the Modified Redevelopment Plan therefor.

The Enabling Act and the approval of the Redevelopment Plan by the City authorizes the Authority to undertake redevelopment activities within the Project Area and, at a date subsequent to the adoption of the Modified Redevelopment Plan and with the City Council approval, to establish and designate Tax Increment Financing Districts within the Project Area and to adopt and implement Tax Increment Financing Plans to accomplish the objective of the Redevelopment Plan.

SECTION 2.02 STATEMENT AND FINDING OF PUBLIC PURPOSE

The Authority has determined that there is a need to take certain actions designed to encourage, ensure and facilitate development and redevelopment of under-utilized and unused land located within the corporate limits of the City. These actions will provide additional employment opportunities for residents of the City and the surrounding area, and improve the tax base, thereby enabling better utilization of existing public facilities and provide needed public services, and improve the general economy of the City, the County, and the State.

The Authority has determined that the property within the Project Area is either under-utilized or unused due to a variety of factors, including inadequate public parking to serve the property, small parcels, non-conforming uses, vacant or under-utilized property, possible environmental conditions, obsolete building design and site layout, poor access and parking, and lack of streetscaping and visual appeal that is needed to make this a viable business district. These factors have resulted in a lack of private investment. As a result, the property within the Project Area is not providing adequate employment opportunities, and is not contributing, to its full potential. Therefore, it is necessary for the Authority to exercise its authority under the Enabling Act to develop and implement a program designed to encourage, ensure and facilitate the commercial and mixed use development and redevelopment of the property located in the Project Area, to further and accomplish the desired public purposes for the Project Area as specified within the Redevelopment Plan for the Project Area.

The land in the Project Area would not be developed or redeveloped solely through private investment in the foreseeable future. The welfare of the City, County, and the State of Minnesota requires active promotion, attraction, encouragement and development of economically sound commerce by the Authority.

SECTION 2.03 BOUNDARIES OF PROJECT AREA

The area within the Project Area is described in Exhibit V.

The Project Area is inclusive of all immediate adjacent roadways, rights-of-way and other areas wherein will be installed or upgraded the various public improvements necessary for and part of the overall project.

The Authority and the City finds that the Project Area, together with the objectives which the Authority and the City seek to accomplish or encourage with respect to such property, constitutes a “redevelopment project” and a “redevelopment plan” within the meaning of Section 469.002, Subd. 14 and 16 of the Enabling Act.

ARTICLE III
REDEVELOPMENT PLAN FOR REDEVELOPMENT PROJECT NO. 1

SECTION 3.01 STATEMENT OF OBJECTIVES

The modification of the established Project Area in the City pursuant to the Enabling Act is necessary and in the best interests of the City and its residents and is necessary to give the Authority and the City the ability to meet certain public purpose objectives that would not be obtainable in the foreseeable future without intervention by the Authority in the normal development process.

The Authority intends, to the extent permitted by law, to accomplish the following objectives through the implementation of the Redevelopment Plan:

1. Promote and secure the development and redevelopment of property in the Project Area in a manner consistent with the City's planning, and with a minimal adverse impact on the environment, which property is less productive because of the lack of proper utilization and lack of investment, and thereby promoting and securing the development of other land in the City;
2. Promote and secure additional employment opportunities within the Project Area and the City for residents of the City and the surrounding area, thereby improving living standards and preventing unemployment and the loss of skilled and unskilled labor and other human resources in the City;
3. Secure the increase in value of property subject to taxation by the City, School Districts, County, and any other taxing jurisdictions in order to better enable such entities to pay for public improvements and governmental services and programs required to be provided by them;
4. Secure the construction and providing moneys for the payment of the cost of public improvements in the Project Area, which are necessary for the completion of the Redevelopment Project and the orderly and beneficial development of the Project Area.
5. Promote a compatible mix of commercial and industrial, institutional, and residential land uses.
6. Encourage the expansion and improvement of local business, and enhancing the economic vitality of existing and new businesses.
7. Eliminate blighting influences that impede development in the area.
8. Provide for adequate streets, utilities, and other public improvements and facilities to enhance the area for both new and existing development.
9. Create a desirable and unique character within the Project Area through quality land use alternatives and design quality in new buildings that create a safe environment for pedestrians, that can be maintained for the long run.
10. Support the physical connection to local trails, open space, and other community institutions.
11. Enhance the integrity of residential neighborhoods adjacent to the Project Area.
12. Provide and secure the development of increased opportunities for families to reside in quality owner-occupied housing, for citizens to choose from housing options which offer a wide array of services without regard to income, and for residents looking for a wide range of multi-family units.

13. Enhance the long term viability of the Project Area by facilitating:

- Land uses that complement and support existing businesses;
- New businesses that enhance the commercial market;
- Visual quality of the streetscape, landscape, site plan and building types of new developments;
- Mixed use housing development where appropriate; and
- Safe access and convenient parking.

SECTION 3.02 DEVELOPMENT ACTIVITIES

The Authority will perform or cause to be performed, to the extent permitted by law, all project activities pursuant to the Enabling Act, the TIF Act and other applicable state laws, and in doing so anticipates that the following may, but are not required, to be undertaken by the Authority:

- a. The making of studies, planning, and other formal and informal activities relating to the Redevelopment Plan.
- b. The implementation and administration of the Redevelopment Plan.
- c. The rezoning of land within the Project Area.
- d. The acquisition of property, or interests in property, by purchase or condemnation, which acquisition is consistent with the objectives of the Redevelopment Plan,
- e. The preparation of property for use and development in accordance with applicable Land Use Regulations and any development agreements, including demolition of structures, clearance of sites, placement of fill and grading.
- f. The resale of property to private parties.
- g. The construction or reconstruction of improvements as described in the Tax Increment Financing Plans for the Tax Increment Financing Districts within the Project Area.
- h. The issuance of Tax Increment Financing Bonds to finance the Public Development Costs of the Redevelopment Plan, and the use of tax increments or other funds available to the City and the Authority to pay or finance the Public Development Costs of the Redevelopment Plan incurred or to be incurred by it.
- i. The use of tax increments to pay debt service on the Tax Increment Financing Bonds or otherwise pay or reimburse with interest the Public Development Costs of the Redevelopment Plan.

SECTION 3.03 PAYMENT OF PUBLIC DEVELOPMENT COSTS

It is anticipated that the Public Development Costs of the Redevelopment Plan will be paid primarily from proceeds of Tax Increment Financing Bonds or from tax increments from the Tax Increment Financing Districts with the Project Area, among other sources of revenue the Authority may provide for payment of Public Development Costs.

SECTION 3.04 ENVIRONMENTAL CONTROLS; LAND USE REGULATIONS

All municipal actions, public improvements and private development shall be carried out in a manner consistent with existing environmental controls and all applicable Land Use Regulations.

SECTION 3.05 PARK AND OPEN SPACE TO BE CREATED

Park and open space within the Project Area, if created, will be created in accordance with the zoning and platting ordinances of the City.

SECTION 3.06 PROPOSED REUSE OF PROPERTY

The Redevelopment Plan contemplates that the Authority may acquire property and reconvey the same to another entity. Prior to formal consideration of the acquisition of any property, the Authority will require the execution of a binding development agreement with respect thereto and evidence that tax increments or other funds will be available to pay the Public Development Costs associated with land acquisition. It is the intent of the Authority to negotiate the acquisition of property whenever possible. Appropriate restrictions regarding the reuse and redevelopment of property shall be incorporated into any development agreement to which the Authority is a party.

SECTION 3.07 ADMINISTRATION AND MAINTENANCE OF PROJECT AREA

Maintenance and operation of the Project Area will be the responsibility of the Director of the Authority, who shall serve as administrator of the Project Area. Each year the administrator of the Project Area will submit to the Authority the maintenance and operation budget for the following year.

The administrator will administer the Project Area pursuant to the Enabling Act; provided, however, that such powers may only be exercised at the direction of the Authority. No action taken by the administrator pursuant to the above-mentioned powers shall be effective without authorization by the Authority.

SECTION 3.08 AMENDMENTS

The Authority reserves the right to alter and amend the Redevelopment Plan, subject to the provisions of state law regulating such action. The Authority specifically reserves the right to enlarge or reduce the size of the Project Area.

SECTION 3.09 FINDINGS AND DECLARATION

The Authority makes the following findings:

- a. The land in the Project Area would not be made available for redevelopment without the financial aid sought.
- b. The Redevelopment Plan for the Project Area in the City will afford maximum opportunity consistent with the needs of the locality as a whole, for the redevelopment of the area by private enterprise.
- c. The Redevelopment Plan conforms to the general plan for development of the City as a whole.

**ARTICLE IV
TAX INCREMENT FINANCING PLAN FOR TAX INCREMENT FINANCING
DISTRICT NO. 27**

SECTION 4.01 STATUTORY AUTHORITY

The TIF District and the TIF Plan are established under the authority of the TIF Act.

SECTION 4.02 PLANNED DEVELOPMENT

4.02.1 Project Description

The Developer proposes the construction of an approximate 250,000 square foot warehouse building and related improvements within the TIF District.

4.02.2 City Plans and Development Program

In addition to achieving the objectives of the Redevelopment Plan, the Development is consistent with and works to achieve the development objectives of the Authority and the City. The TIF Plan conforms to the general plan for development or redevelopment of the City as a whole. The Redevelopment Plan and TIF Plan has been reviewed by the Planning Commission and the City Council.

4.02.3 Land Acquisition

The Authority or the City do not intend to acquire property within the TIF District.

4.02.4 Development Activities

As of the date of approval of the TIF Plan, there are no development activities proposed in the TIF Plan that are subject to contracts.

4.02.5 Need for Tax Increment Financing

In the opinion of the City, the Development would not reasonably be expected to occur solely through private investment within the foreseeable future and 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 Development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan.

The reasons and facts supporting this finding include the following:

- The Development requires public financial assistance to offset land and building acquisition and site improvement and preparation costs to allow for the Developer to proceed with construction of the Development.
- A comparative analysis of estimated market values both with and without establishment of the TIF District and the use of tax increments has been performed as described above and is shown in Exhibit I. This analysis indicates that the increase in estimated market value of the Development (less the present value of the projected tax increments for the maximum duration permitted by the TIF Plan) exceeds the estimated market value of the site prior to the establishment of the TIF District.

SECTION 4.03 TAX INCREMENT FINANCING DISTRICT

4.03.1 Designation

This TIF District is designated Tax Increment Financing (Redevelopment) District No. 27 (River Edge Business Center).

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

4.03.2 Boundaries of TIF District

The boundaries of the TIF District are depicted in Exhibit V. The TIF District is located adjacent to University Avenue, on the west side, between 61st Ave NE and 63rd Ave NE in Fridley).

The TIF District include the following four parcels as listed below (described by parcel identification number (PID) and property description) and the immediate adjacent roads and right of way to these four parcels:

- PID 10-30-24-14-0065 (THAT PRT OF LOT 3 BLOCK 4 COMMERCE PARK LYG IN SEC 10 TWP 30 RGE 24 & LYG N OF S 54.70 FT OF SD LOT, & WHICH LIES ELY OF FOL DESC)
- PID 10-30-24-14-0066 (THAT PRT OF S 54.70 FT OF LOT 3 BLOCK 4 COMMERCE PARK LYG IN SEC 10 TWP 30 RGE 24 & LYG E OF FOL DESC LINE: COM AT NE COR OF SD LOT, TH N 89 DEG 55 MIN 02 SEC W, ALG N LINE OF SD LO)
- PID 11-30-24-23-0025 (THAT PRT OF LOT 3 BLK 4 COMMERCE PARK LYG IN SEC 11 TWP 30 RGE 24 LYG N OF S 54.70 FT THEREOF, SUBJ TO EASE OF REC)
- PID 11-30-24-23-0026 (THAT PRT OF LOT 4 & S 54.70 FT OF LOT 3 BLK 4 COMMERCE PARK LYG IN SEC 11 TWP 30 RGE 24, SUBJ TO EASE OF REC)

A map of the boundaries of the TIF District within the Redevelopment Project Area is provided in Exhibit VI.

4.03.3 Type of District

The TIF District is established as a “redevelopment” district pursuant to Section 469.174, Subd. 10 of the TIF Act. The property within the TIF District meets the statutory criteria for establishing a redevelopment tax increment financing district.

The Authority contracted with LHB, Inc. to inspect and evaluate property within the TIF District. As summarized in the table below, the TIF District has a coverage calculation of 100%, which is above the 70% requirement as defined in Section 469.174, Subd. 10 of the TIF Act. More than 50% of the buildings, not including outbuildings, are structurally substandard, pursuant to the definition of structurally substandard in Section 469.174, Subd. 10(b) of the TIF Act. The substandard buildings are reasonably distributed.

Exhibit VII includes the “Report of Inspection Procedures and Results for Determining Qualification of a Tax Increment Financing District” prepared by LHB, Inc. and dated November 6, 2025. The findings in this report are summarized as follows:

Number of Parcels.....	4
Site Area Included (square feet).....	677,357
Area of Improved Parcels (square feet)	627,263
Percent of Area Improved.....	92.6%
Number of Parcels with Buildings	1
Number of Buildings found Substandard.....	1
Percent of Buildings found Substandard.....	100%

SECTION 4.04 PLAN FOR USE OF TAX INCREMENT

4.04.1 Estimated Tax Increment

The estimated tax increment information presented in this section is based on year two of the TIF District, or 2029. The first year of tax increment is estimated to be 2028, but the tax increment in the first year is estimated to be based on partial completion of the Development in 2026.

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The original net tax capacity of value of the TIF District will be set by the County upon request for certification. For purposes of the TIF Plan, the estimated original net tax capacity is \$101,672. This amount is estimated based on the estimated market value of \$5,121,100 for the four parcels within the TIF District.

The estimated net tax capacity of the property after completion of the Development (for tax payable in 2029) is \$590,072. This amount is based on a total estimated market value of \$29,541,095. The difference between the net tax capacity and the original net tax capacity less contribution of tax capacity to Fiscal Disparities is \$293,625 (for tax payable in 2029), which is the estimated captured net tax capacity for the creation of tax increment.

The estimated original tax rate for the TIF District is 107.05% and is based on tax payable year 2025. The TIF Plan assumes this rate as the original local tax rate for purposes of estimating tax increment for the TIF District. At the time of the certification of the original net tax capacity for the TIF District, the County will certify the original local tax rate that will apply to the TIF District. The original local tax rate is the sum of all the local tax rates, excluding that portion of the school rate attributable to the general education levy under Minnesota Statutes section 126C.13, that apply to a property in the TIF District. The local tax rate to be certified is the rate in effect for the same taxes payable year applicable to the tax capacity values certified as the TIF District’s original tax capacity. The resulting tax capacity rate is the original local tax rate for the life of the TIF District.

Under these assumptions, the estimated annual tax increment is \$313,179 (for tax year 2029) assuming the Development is completed in 2027. The actual tax increment will vary according to the certified original net tax capacity and the certified original tax rate, among other factors, including the actual property value produced by the Development and changes in property value, and state tax policy that may be adopted over the duration of the TIF District, for example.

The City and the Authority elect to retain 100% of the captured tax capacity value for the duration of the TIF district. Exhibit II contains the projected tax increment over the life of the TIF District, including present value of the future tax increments.

4.04.2 Fiscal Disparities Election

The Authority hereby elects the method of tax increment computation set forth in Minnesota Statutes, Section 469.177, Subdivision 3, clause (b). This election is commonly referred to “Option B”. Under the elected Option B, the TIF District will contribute net tax capacity to its share of the fiscal disparities contribution, leaving less value for the TIF district to capture.

4.04.3 Public Development Costs

The Authority will use tax increment to pay Public Development Costs. The Authority anticipates the use of tax increment to pay administrative expenses for the TIF District and to reimburse the Developer on a pay-go basis for certain Public Development Costs. A contract between the Authority and the Developer will define the means for verifying Developer costs eligible for reimbursement and the means of disbursing tax increments collected by the Authority to the Developer, including terms for payment.

The Authority may also use tax increments to pay financing costs. The interest rate payable on Tax Increment Financing Bonds, the definition of Bonds includes tax increment financing revenue notes, to be issued will be set pursuant to a contract with the Developer. The Authority reserves the right to use any other legally available revenues to finance or pay for Public Development Costs associated with the development in the TIF District.

4.04.4 Estimated Sources and Uses of Funds

The estimated sources of revenue, along with the estimated Project Costs of the TIF District, are itemized in Figure 4 on the next page.

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The City and the Authority reserve the right to administratively adjust the amount of any of the Project Cost items listed in Figure 4, so long as the total Project Costs amount, not including financing costs, is not increased.

**FIGURE 4
ESTIMATED SOURCES AND USES OF FUNDS**

	Total
Estimated Tax Increment Revenues (from tax increment generated by the district)	
Tax increment revenues distributed from the county	\$4,702,288
Interest and investment earnings	\$50,000
Sales/lease proceeds	\$0
Market value homestead credit	\$0
Total Estimated Tax Increment Revenues	\$4,752,288
Estimated Project/Financing Costs (to be paid or financed with tax increment)	
Project costs	
Land/building acquisition	\$978,900
Site improvements/preparation costs	\$3,253,159
Utilities	\$0
Subtotal	\$4,232,059
Administrative costs	\$470,229
Estimated Tax Increment Project Costs	\$4,702,288
Estimated financing costs	
Interest expense	\$50,000
Total Estimated Project/Financing Costs to be Paid from Tax Increment	\$4,752,288
Estimated Financing	
Total amount of bonds to be issued	\$4,702,288

4.04.5 Administrative Expense

The Authority reserves the right to use up to ten percent (10%) of the tax increment revenues distributed from the County, net of any required fees paid to the State and County, to pay administrative costs of the Authority for the TIF District. The Authority may use these monies to pay for and reimburse the Authority for costs of administering the TIF district as allowed by the TIF Act.

The estimated amount of tax increment revenue to pay administrative expense is shown in Figure 4. Anticipated administrative expenses of the TIF District include annual audit of the fund for TIF District, preparation of annual reporting, legal publication of annual report, staff and other operating costs of the Authority for the administration of the TIF District, and consulting and legal costs for administration of the development agreement for the TIF District, among other administrative costs that may be incurred.

4.04.6 County Road Costs

The Development will not substantially increase the use of county roads and necessitate the need to use tax increments to pay for county road improvements.

4.04.7 Bonded Indebtedness

The total estimated amount of Tax Increment Financing Bonds to be issued is shown in Figure 4. The issuance of general obligation bonds is not planned. The Authority intends to use tax increment financing to reimburse the Developer on a pay-as-you-go basis through issuance

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of Tax Increment Financing Revenue Note, payable solely from tax increments from the TIF District, to reimburse certain Public Development Costs pursuant to a contract with the Developer.

The Authority may advance or loan money to finance expenditures, including administrative costs, under Section 469.176, Subd. 4 of the TIF Act, from the general fund of the Authority or any other fund under which there is legal authority to do so, subject to the following provisions:

- (a) Not later than 60 days after money is transferred, advanced, or spent, whichever is earliest, the loan or advance must be authorized by resolution of the City or of the Authority, whichever has jurisdiction over the fund from which the advance or loan is authorized.
- (b) The resolution may generally grant to the City or the Authority the power to make interfund loans under one or more tax increment financing plans or for one or more districts. The resolution may be adopted before or after the adoption of the tax increment financing plan or the creation of the tax increment financing district from which the advance or loan is to be repaid.
- (c) The terms and conditions for repayment of the loan must be provided in writing. The written terms and conditions may be in any form, but must include, at a minimum, the principal amount, the interest rate, and maximum term. Written terms may be modified or amended in writing by the City or the Authority before the latest decertification of any tax increment financing district from which the interfund loan is to be repaid. The maximum rate of interest permitted to be charged is limited to the greater of the rates specified under Minnesota Statutes, Section 270C.40 or 549.09 as of the date the loan or advance is authorized, unless the written agreement states that the maximum interest rate will fluctuate as the interest rates specified under Minnesota Statutes, Section 270C.40 or 549.09 are from time to time adjusted. Loans or advances may be structured as draw-down or line-of-credit obligations of the lending fund.
- (d) The Authority shall report in the annual report submitted under Section 469.175, Subd. 6 of the TIF Act:
 - (1) the amount of any interfund loan or advance made in a calendar year; and
 - (2) any amendment of an interfund loan or advance made in a calendar year.

4.04.8 *Duration of TIF District*

The duration to collect and spend tax increments on eligible purposes is set at a duration not to exceed 11 years after the date of receipt of the first tax increment for a total of 12 years of tax increment collection. Based on the estimated first month and year of tax increment collection of year July 2028, the estimated decertification date is 12/31/2039.

4.04.9 *Estimated Impact on Other Taxing Jurisdictions*

Exhibits III and IV show the estimated impact on other taxing jurisdictions if the maximum projected retained captured net tax capacity of the TIF District was hypothetically available to the other taxing jurisdictions.

The City and the Authority believe that there will be no adverse impact on other taxing jurisdictions during the life of the TIF District, since the Development will not occur without the establishment of the TIF District and the provision of public assistance. A positive impact on other taxing jurisdictions will occur when the TIF District is decertified and the development therein becomes part of the general tax base.

The City and the Authority anticipate minimal impact of the Development on city-provided services. There will be no borrowing costs to the City or the Authority for the Project. A manageable increase in water and sewer usage is expected. It is anticipated that there may be a slight but manageable increase in police and fire protection duties due to the Development.

4.04.10 *Prior Planned Improvements*

There have been no building permits issued in the last 18 months in conjunction with any of the properties within the TIF District. The Authority will include this statement with the request for certification to the County.

**ARTICLE V
ADMINISTERING THE TIF DISTRICT**

SECTION 5.01 FILING AND CERTIFICATION

The filing and certification of the TIF Plan consists of the following steps:

1. The Authority shall request that the County Auditor certify the original net tax capacity and net tax capacity rate of the TIF District. To assist the County Auditor in this process, the Authority will submit copies of the TIF Plan, the resolution establishing the TIF District and adopting the TIF Plan, and a listing of any prior planned improvements.
2. The Authority will file a copy of the TIF Plan and any amendments to the TIF Plan with the Commissioner of Revenue of the State and the Office of the State Auditor, along with other required documents pursuant to Section 469.175, Subd. 4a of the TIF Act.
3. The Authority will send the County Assessor any assessment agreement establishing the minimum market value of land and improvements within the TIF District and shall request that the County Assessor review and certify the assessment agreement as reasonable.

SECTION 5.02 MODIFICATIONS OF THE TAX INCREMENT FINANCING PLAN

The City and the Authority reserve the right to modify the TIF District and the TIF Plan. Under the TIF Act, the following actions can only be approved after satisfying all the necessary requirements for approval of the original TIF Plan (including notifications and public hearing):

- Reduction or enlargement in the geographic area of the Development District or the TIF District.
- Increase in the amount of bonded indebtedness to be incurred.
- Increase in the amount of capitalized interest.
- Increase in that portion of the captured net tax capacity to be retained by the City.
- Increase in the total estimated Public Development Costs, including administrative costs of the City.
- Designation of additional property to be acquired by the City.

Other modifications can be made by resolution of the City and the Authority. In addition, the original approval process does not apply if (A) (1) the only modification is elimination of parcels from the TIF District and (2) the current net tax capacity of the parcels eliminated equals or exceeds the net tax capacity of those parcels in the TIF District’s original net tax capacity, or (B) the City agrees that the TIF District’s original net tax capacity will be reduced by no more than the current net tax capacity of the parcels eliminated.

The Authority must notify the County Auditor of any modification that reduces or enlarges the geographic area of the TIF District. The geographic area of the TIF District may be reduced but not enlarged after five years following the date of certification.

SECTION 5.03 CORRECTING REDEVELOPMENT CONDITIONS

Section 469.176, Subd. 4j of the TIF Act requires that at least 90% of the revenues derived from tax increments from the TIF District be used to finance the cost of correcting conditions that allow designation of the TIF District as a redevelopment district. These costs include, but are not limited to, acquiring properties containing structurally substandard buildings or improvements or hazardous substances, pollution, or contaminants, acquiring adjacent parcels necessary to provide a site of sufficient size to permit development, demolition and rehabilitation of structures, clearing of the land, the removal of hazardous substances or remediation necessary for the development of the land, and installation of utilities, roads, sidewalks, and parking facilities for the site. The allocated administrative expenses of the Authority, including the cost of preparation of the development action response plan, may be included in the qualifying costs.

SECTION 5.04 FOUR-YEAR KNOCKDOWN RULE

The provision of the TIF Act referred to as the Four-Year Knockdown Rule requires development activity to take place on each parcel within a tax increment financing district within four years from the date of certification of the original net tax capacity of such tax increment financing district. If development activity on a parcel has not begun within the required time frame, no additional tax increment may be collected from that parcel and its value must be excluded from the district's original net tax capacity.

Development activity includes demolition, rehabilitation, renovation or site improvement, including a qualified improvement of an adjacent street, on a parcel located within the TIF District. If no development activity has occurred within four years from the date of certification then that parcel shall be excluded from the TIF District and the original net tax capacity shall be adjusted accordingly. The Authority must submit to the County Auditor, by February 1 of the fifth year, evidence that the required activity has taken place for each parcel in the TIF District.

If a parcel is excluded from the TIF District and the Authority or the Developer of the parcel subsequently commences any of the above activities, the Authority shall recertify to the County Auditor that such activity has commenced and the parcel shall once again be included in the TIF District. The County Auditor shall certify the net tax capacity of the parcel, as most recently certified by the Commissioner of Revenue, and add such amount to the original net tax capacity of the TIF District.

SECTION 5.05 POOLING AND FIVE-YEAR RULE

Section 469.176 of the TIF Act provides for certain limitations on the use of tax increments. This includes provision that an amount equal to at least 75% of the total revenue derived from tax increments paid by properties in the TIF District must be expended on activities in the TIF District or to pay bonds, to the extent that the proceeds of the bonds were used to finance activities in the TIF District or to pay, or secure payment of, debt service on credit enhanced bonds, among other limitations in the TIF Act.

Not more than 25% of the total revenue derived from tax increments paid by properties in the TIF District may be expended, through a development fund or otherwise, on activities outside of the TIF District but within the defined geographic area of the Project Area except to pay, or secure payment of, debt service on credit enhanced bonds.

Revenue derived from tax increments paid by properties in the TIF District are considered to have been "spent" within the TIF District if such amounts are:

- actually paid to a third party for activities performed within the TIF District within five years after certification of the district;

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- used to pay bonds that were issued and sold to a third party, the proceeds of which are reasonably expected on the date of issuance to be spent within the later of the five-year period or a reasonable temporary period or are deposited in a reasonably required reserve or replacement fund.
- used to make payments or reimbursements to a third party under binding contracts for activities performed within the TIF District, which were entered into within five years after certification of the district; or
- used to reimburse a party for payment of eligible costs (including interest) incurred within five years from certification of the district.

It is anticipated that all revenue derived from tax increments paid by properties in the TIF District will be spent or obligated within the first five years after certification of the TIF District and all tax increments will be spent on Public Development Costs within the boundaries of the TIF District.

SECTION 5.06 FINANCIAL REPORTING AND DISCLOSURE REQUIREMENTS

The Authority will comply with the annual reporting requirements of the TIF Act pursuant to the guidelines of the Office of the State Auditor. Under current law, the Authority must prepare and submit a report on the TIF District on or before August 1 of each year. The Authority must also annually publish in a newspaper of general circulation in the City an annual statement for the TIF District, in the format as prescribed by the Office of the State Auditor.

The reporting and disclosure requirements outlined in this section begin with the year a tax increment financing district is certified, and shall end in the year in which both the district has been decertified and all tax increments have been spent or returned to the County for redistribution. Failure to meet these requirements, as determined by the State Auditors Office, may result in suspension of distribution of tax increments.

SECTION 5.07 BUSINESS SUBSIDY COMPLIANCE

The City and the Authority will comply with the business subsidy requirements specified in Minnesota Statutes, Sections 116J.993 to 116J.995, as amended.

Exhibit I
Fridley HRA
Tax Increment Financing District No. 27
Present Value Analysis As Required By Section
469.175(3)(2) of the TIF Act

1	Estimated Future Market Value w/ Tax Increment Financing	39,700,762 ¹
2	Payable 2025 Market Value	<u>5,121,100</u>
3	Market Value Increase (1-2)	34,579,662
4	Present Value of Future Tax Increments	<u>3,281,085</u>
5	Market Value Increase Less PV of Tax Increments	31,298,576
6	Estimated Future Market Value w/o Tax Increment Financing	7,088,800 ¹
7	Payable 2025 Market Value	<u>5,121,100</u>
8	Market Value Increase (6-7)	<u>1,967,700</u>
9	Increase in MV From TIF	<u><u>29,330,876</u></u> ²

¹ Assume approximately 3.00% annual appreciation over 12 year life of district.

² Statutory compliance achieved if increase in market value from TIF (Line 9) is greater than or equal to zero.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

Exhibit II
Fridley, MN
Tax Increment Financing District No. 27 (Redevelopment)
River Edge Business Center
Projected Tax Increment Financing (TIF) Cash Flow

TIF District Year	Taxes Payable Year	Taxable Market Value (TMV)	Net Tax Capacity	Original Net Tax Capacity	FD Tax Capacity Contributed	Captured Net Tax Capacity for TIF	Estimated Original Tax Rate	Available TIF from District	PV Available TIF
1	2028	24,378,574	486,821	101,672	163,879	221,270	107.05%	236,006	220,076
2	2029	29,541,095	590,072	101,672	194,775	293,625	107.05%	313,179	498,044
3	2030	30,427,328	607,797	101,672	196,725	309,400	107.05%	330,005	776,831
4	2031	31,340,148	626,053	101,672	198,695	325,686	107.05%	347,376	1,056,153
5	2032	32,280,352	644,857	101,672	200,684	342,501	107.05%	365,310	1,335,742
6	2033	33,248,763	664,225	101,672	202,693	359,860	107.05%	383,825	1,615,346
7	2034	34,246,226	684,175	101,672	204,723	377,780	107.05%	402,938	1,894,730
8	2035	35,273,612	704,722	101,672	206,773	396,278	107.05%	422,668	2,173,672
9	2036	36,331,821	725,886	101,672	208,843	415,371	107.05%	443,033	2,451,966
10	2037	37,421,775	747,686	101,672	210,934	435,080	107.05%	464,054	2,729,418
11	2038	38,544,429	770,139	101,672	213,046	455,421	107.05%	485,750	3,005,847
12	2039	39,700,762	793,265	101,672	215,179	476,415	107.05%	508,142	3,281,085
TOTAL =								4,702,288	

Key Assumptions:

- 1 Taxable market value (TMV) annual growth assumption equal to approximately 3.00%.
- 2 Original Tax Rate estimated based on Pay 2025 tax rates.
- 3 Election for captured tax capacity is 100.00%. Property Class = Commercial.
- 4 Base Tax Capacity is calculated based on a TMV = \$5,121,100, which is equal to the County's preliminary estimated Pay 2026 TMV for the four parcels included in the TIF District.
- 5 Present Value (PV) calculated based on 5.0% rate and 6/1/2027 dated date.
- 6 Fiscal Disparities (FD) tax capacity is to be paid (contributed) from the property within the TIF District.
- 7 Available TIF from District is after deducting State Auditor Fee (0.36% of tax increment from property).

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

**Exhibit III
Fridley HRA
Tax Increment Financing District No. 27
Impact on Other Taxing Jurisdictions
(Taxes Payable 2025)**

Annual Tax Increment

Estimated Annual Captured Tax Capacity (Full Development)	\$476,415
Payable 2025 Local Tax Rate	107.045%
Estimated Annual Tax Increment	<u>\$509,978</u>

Percent of Tax Base

	Net Tax Capacity (NTC)	Captured Tax Capacity	Percent of Total NTC
Fridley, MN	58,545,562	476,415	0.81%
Anoka County	614,373,779	476,415	0.08%
School Districts	73,452,793	476,415	0.65%

Dollar Impact of Affected Taxing Jurisdictions

	Net Tax Capacity (NTC)	% of Total	Tax Increment Share	Added Local Tax Rate
Fridley, MN	44.394%	41.472%	211,499	0.361%
Anoka County	30.245%	28.254%	144,092	0.023%
School Districts	26.553%	24.805%	126,502	0.172%
Other	5.853%	5.468%	27,885	
Totals	<u>107.045%</u>	<u>100.000%</u>	<u>509,978</u>	

NOTE NO. 1: Assuming that ALL of the captured tax capacity would be available to all taxing jurisdictions even if the City does not create the Tax Increment District, the creation of the District will reduce tax capacities and increase the local tax rate as illustrated in the above tables.

NOTE NO. 2: Assuming that NONE of the captured tax capacity would be available to the taxing jurisdiction if the City did not create the Tax Increment District, then the plan has virtually no initial effect on the tax capacities of the taxing jurisdictions. However, once the District is established, allowable costs paid from the increments, and the District is terminated, all taxing jurisdictions will experience an increase in their tax base.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

Exhibit IV
Fridley, MN
Tax Increment Financing (Redevelopment) District No. 27
Estimated Tax Increments Over Maximum Life of District

Based on Pay 2025 Tax Rate = 107.045% 44.394% 30.245% 26.553% 5.853%

TIF District	Taxes Payable Year	New Taxable Market Value	New Tax Capacity	Base Tax Capacity	Captured Tax Capacity	Estimated Total Tax Increments	City TIF Related Share	County TIF Related Share	School Districts TIF Related Share	Other TIF Related Share
1	2028	24,378,574	486,821	101,672	221,270	236,859	98,231	66,923	58,754	12,951
2	2029	29,541,095	590,072	101,672	293,625	314,311	130,352	88,807	77,966	17,186
3	2030	30,427,328	607,797	101,672	309,400	331,197	137,355	93,578	82,155	18,109
4	2031	31,340,148	626,053	101,672	325,686	348,631	144,585	98,504	86,479	19,063
5	2032	32,280,352	644,857	101,672	342,501	366,630	152,050	103,589	90,944	20,047
6	2033	33,248,763	664,225	101,672	359,860	385,212	159,756	108,840	95,554	21,062
7	2034	34,246,226	684,175	101,672	377,780	404,394	167,711	114,259	100,312	22,112
8	2035	35,273,612	704,722	101,672	396,278	424,195	175,923	119,854	105,224	23,194
9	2036	36,331,821	725,886	101,672	415,371	444,634	184,400	125,629	110,294	24,311
10	2037	37,421,775	747,686	101,672	435,080	465,731	193,149	131,590	115,527	25,465
11	2038	38,544,429	770,139	101,672	455,421	487,505	202,180	137,742	120,928	26,655
12	2039	39,700,762	793,265	101,672	476,415	509,978	211,499	144,092	126,502	27,885
Total						4,719,277	1,957,191	1,333,407	1,170,639	258,040

Note: The Estimated Total Tax Increment shown above is before deducting the State Auditor's fee, which is payable at a rate of 0.36% of the Total Tax Increment collected. Exhibit II provides Estimated Total Tax Increment after deducting for the State Auditor's fee.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

EXHIBIT V
Boundaries of Redevelopment Project No. 1 and Boundaries of TIF District No. 26

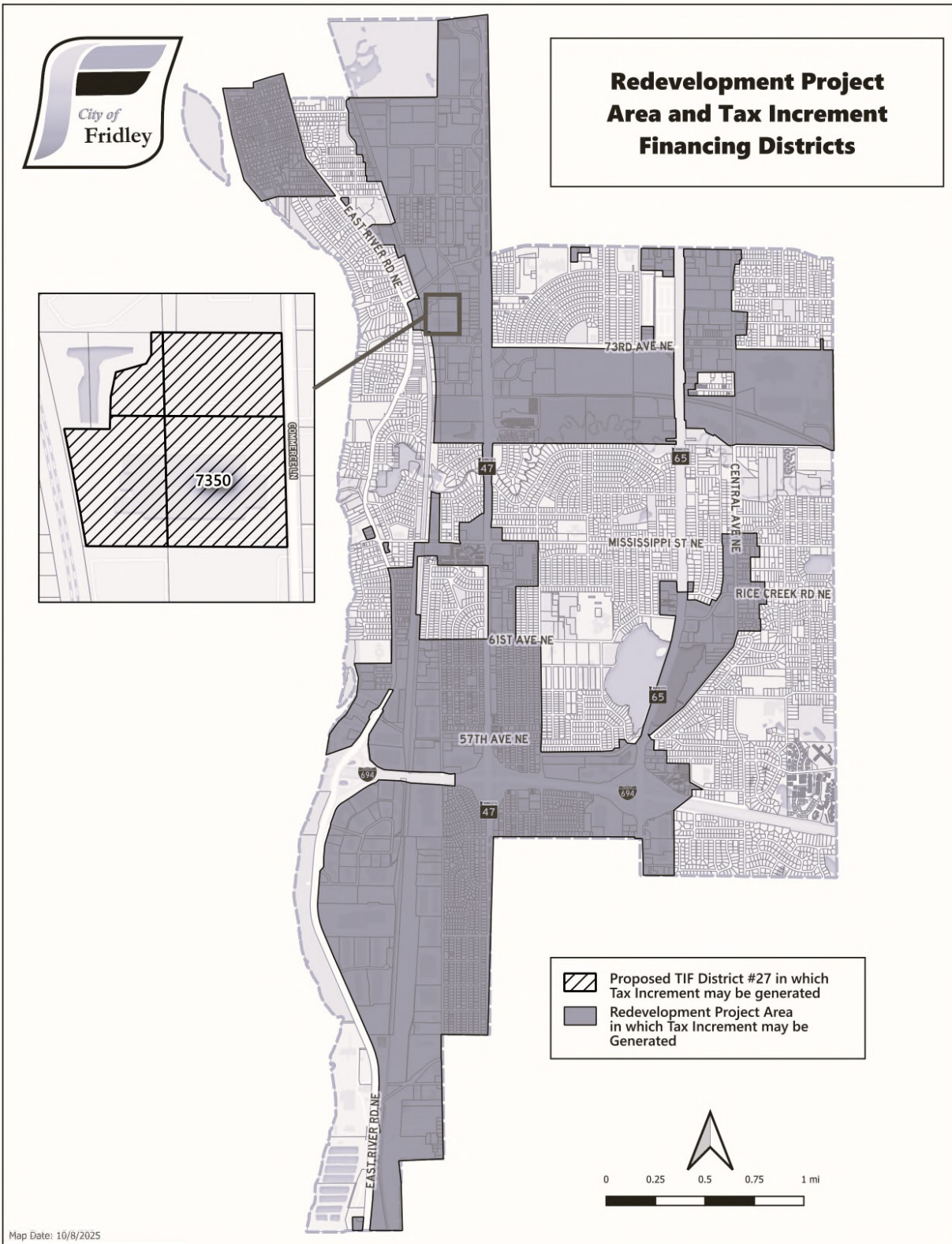


EXHIBIT V - continued
Boundaries of Redevelopment Project No. 1 and Existing TIF Districts within Boundaries

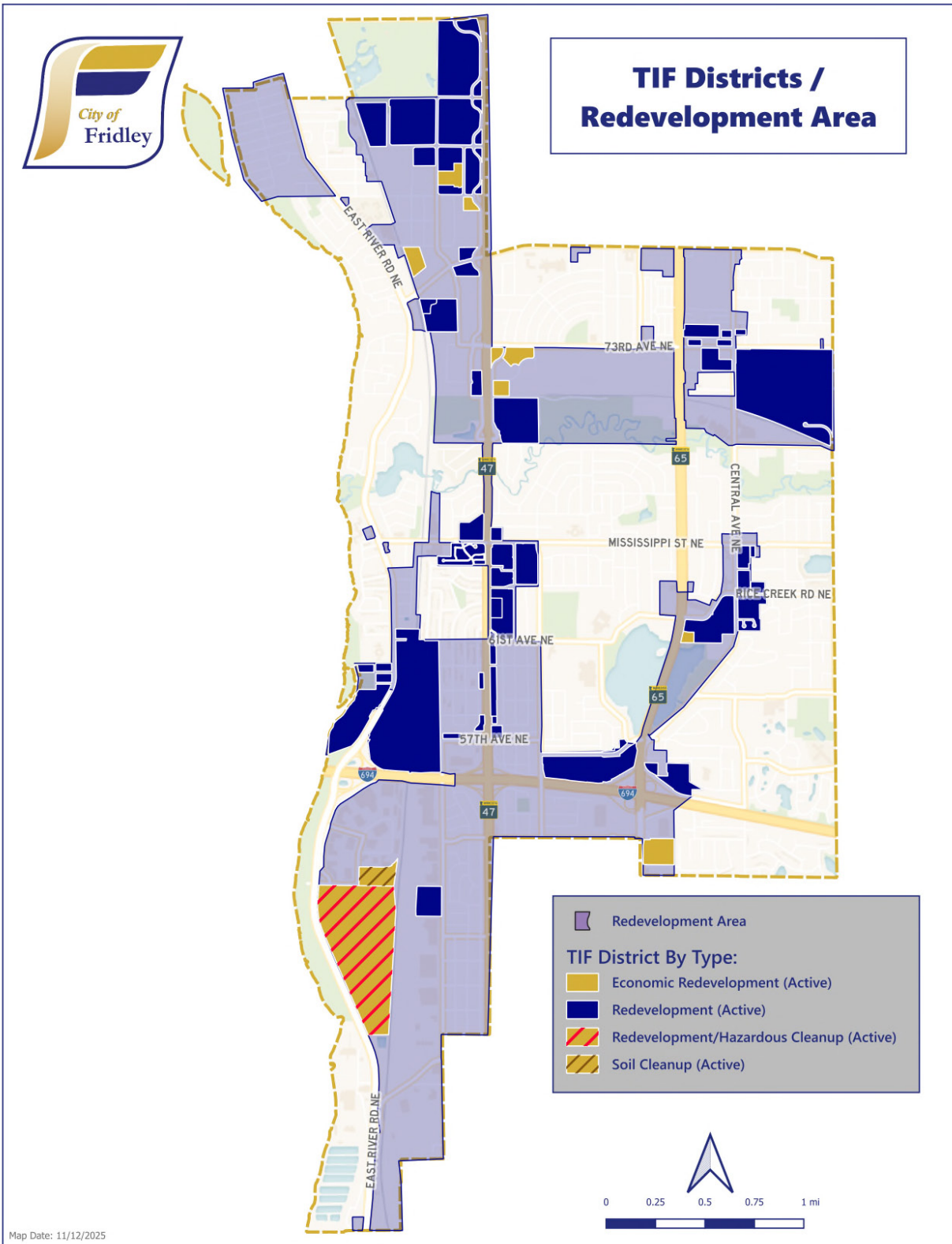


EXHIBIT VI
Report of Inspection Procedures and Results for Determining Qualifications of a Tax
Increment Financing District
Prepared by LHB, Inc.

REPORT OF INSPECTION PROCEDURES AND RESULTS
FOR
DETERMINING QUALIFICATIONS
OF A
TAX INCREMENT FINANCING DISTRICT

7350 COMMERCE LANE
REDEVELOPMENT TIF DISTRICT

Prepared for
CITY OF FRIDLEY
FRIDLEY, MINNESOTA
NOVEMBER 6, 2025

Report by LHB, Inc.



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- APPENDIX C** Building Replacement Cost Report
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 - Photographs

Report by LHB, Inc.

Part 1: Executive Summary

Purpose of the Evaluation

LHB was hired by the City of Fridley to inspect and evaluate the properties within a Tax Increment Financing Redevelopment District ("TIF District") proposed to be established by the City. The proposed TIF District is located at 7350 Commerce Lane NE (Diagram 1). The purpose of LHB's work is to determine whether the proposed TIF District meets the statutory requirements for coverage, and whether one building on four parcels, located within the proposed TIF District, meets the qualifications required for a Redevelopment District.

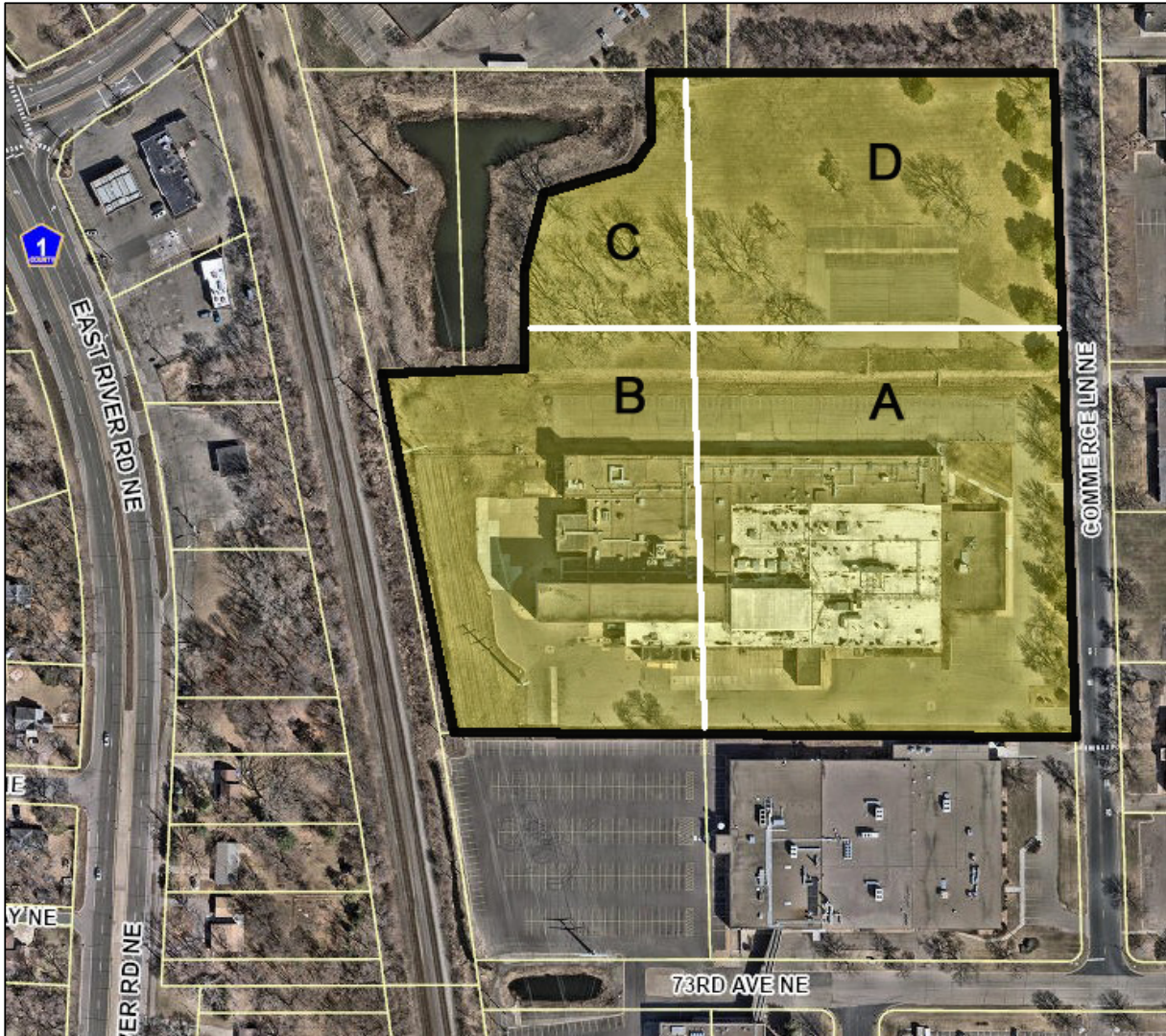


Diagram 1: Proposed TIF District

Report by LHB, Inc.

Scope of Work

The proposed TIF District consists of four parcels with one building. The building was inspected on September 24, 2025. Building Code and Condition Deficiency reports are in Appendix B.

Conclusion

After inspecting and evaluating the properties within the proposed TIF District and applying current statutory criteria for a Redevelopment District under *Minnesota Statutes, Section 469.174, Subdivision 10*, it is our professional opinion that the proposed TIF District qualifies as a Redevelopment District because:

- The proposed TIF District has a coverage calculation of 92.6 percent which is above the 70 percent requirement.
- 100 percent of the buildings are structurally substandard which is above the 50 percent requirement.
- The substandard buildings are reasonably distributed.

The remainder of this report describes our process and findings in detail.

Part 2: Minnesota Statute 469.174, Subdivision 10 Requirements

The properties were inspected in accordance with the following requirements under *Minnesota Statutes, Section 469.174, Subdivision 10(c)*, which states:

Interior Inspection

“The municipality may not make such determination [that the building is structurally substandard] without an interior inspection of the property...”

Exterior Inspection and Other Means

“An interior inspection of the property is not required, if the municipality finds that

- (1) the municipality or authority is unable to gain access to the property after using its best efforts to obtain permission from the party that owns or controls the property; and
- (2) the evidence otherwise supports a reasonable conclusion that the building is structurally substandard.”

Documentation

“Written documentation of the findings and reasons why an interior inspection was not conducted must be made and retained under section 469.175, subdivision 3(1).”

Qualification Requirements

Minnesota Statutes, Section 469.174, Subdivision 10 (a) (1) requires three tests for occupied parcels:

1. COVERAGE TEST

- a. *Minnesota Statutes, Section 469.174, Subdivision 10(a)(1)* states:

“Parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, or paved or gravel parking lots...”

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

- b. The coverage required by the parcel to be considered occupied is defined under *Minnesota Statutes, Section 469.174, Subdivision 10(e)*, which states:

“For purposes of this subdivision, a parcel is not occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures unless 15 percent of the area of the parcel contains buildings, streets, utilities, paved or gravel parking lots, or other similar structures.”

2. CONDITION OF BUILDINGS TEST

- a. *Minnesota Statutes, Section 469.174, Subdivision 10(a)* states:

“...and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance;”

- b. Structurally substandard is defined under *Minnesota Statutes, Section 469.174, Subdivision 10(b)*, which states:

“For purposes of this subdivision, ‘structurally substandard’ shall mean containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects, or deficiencies are of sufficient total significance to justify substantial renovation or clearance.”

- i. We do not count energy code deficiencies toward the thresholds required by *Minnesota Statutes, Section 469.174, Subdivision 10(b)* defined as “structurally substandard”, due to concerns expressed by the State of Minnesota Court of Appeals in the *Walser Auto Sales, Inc. vs. City of Richfield* case filed November 13, 2001.

- c. Buildings are not eligible to be considered structurally substandard unless they meet certain additional criteria, as set forth in *Subdivision 10(c)* which states:

“A building is not structurally substandard if it follows the building code applicable to new buildings or could be modified to satisfy the building code at a cost of less than 15 percent of the cost of constructing a new structure of the same square footage and type on the site. The municipality may find that a building is not disqualified as structurally substandard under the preceding sentence based on reasonably available evidence, such as the size, type, and age of the building, the average cost of plumbing, electrical, or structural repairs, or other similar reliable evidence.”

“Items of evidence that support such a conclusion [that the building is not disqualified] include recent fire or police inspections, on-site property tax appraisals or housing inspections, exterior evidence of deterioration, or other similar reliable evidence.”

- i. LHB counts energy code deficiencies toward the 15 percent code threshold required by *Minnesota Statutes, Section 469.174, Subdivision 10(c)* for the following reasons:
- 1) The Minnesota energy code is one of ten building code areas highlighted by the Minnesota Department of Labor and Industry website where minimum construction standards are required by law.
 - 2) Chapter 13 of the 2015 *Minnesota Building Code* states, “Buildings shall be designed and constructed in accordance with the *International Energy Conservation Code*.” Furthermore, Minnesota Rules, Chapter 1305.0021 Subpart 9 states, “References to the *International Energy Conservation Code* in this code mean the *Minnesota Energy Code*...”
 - 3) Chapter 11 of the 2015 Minnesota Residential Code incorporates Minnesota Rules, Chapters, 1322 and 1323 *Minnesota Energy Code*.
 - 4) The Senior Building Code Representative for the Construction Codes and Licensing Division of the Minnesota Department of Labor and Industry confirmed that the Minnesota Energy Code is being enforced throughout the State of Minnesota.
 - 5) In a January 2002 report to the Minnesota Legislature, the Management Analysis Division of the Minnesota Department of Administration confirmed that the construction cost of new buildings complying with the Minnesota Energy Code is higher than buildings built prior to the enactment of the code.

- 6) Proper TIF analysis requires a comparison between the replacement value of a new building built under current code standards with the repairs that would be necessary to bring the existing building up to current code standards. For an equal comparison to be made, all applicable code chapters should be applied to both scenarios. Since current construction estimating software automatically applies the construction cost of complying with the Minnesota Energy Code, energy code deficiencies should also be identified in the existing structures.

3. DISTRIBUTION OF SUBSTANDARD BUILDINGS

- a. Minnesota Statutes, Section 469.174, Subdivision 10, defines a Redevelopment District and requires one or more of the following conditions “reasonably distributed throughout the district.”:

- “(1) Parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance.

- (2) the property consists of vacant, unused, underused, inappropriately used, or infrequently used rail yards, rail storage facilities, or excessive or vacated railroad rights-of-way.

- (3) tank facilities, or property whose immediately previous use was for tank facilities...”

- b. Our interpretation of the distribution requirement is that the substandard buildings must be reasonably distributed throughout the district as compared to the location of all buildings in the district. For example, if all the buildings in a district are located on one half of the area of the district, with the other half occupied by parking lots (meeting the required 70 percent coverage for the district), we would evaluate the distribution of the substandard buildings compared with only the half of the district where the buildings are located. If all the buildings in a district are located evenly throughout the entire area of the district, the substandard buildings must be reasonably distributed throughout the entire area of the district. We believe this is consistent with the opinion expressed by the State of Minnesota Court of Appeals in the *Walser Auto Sales, Inc. vs. City of Richfield* case filed November 13, 2001.

Report by LHB, Inc.

Part 3: Procedures Followed

LHB inspected one building on September 24, 2025.

Part 4: Findings

1. Coverage Test

- a. The total square foot area of the parcel in the proposed TIF District was obtained from City records, GIS mapping and site verification.
- b. The total square foot area of buildings and site improvements on the parcels in the proposed TIF District was obtained from City records, GIS mapping and site verification.
- c. The percentage of coverage for each parcel in the proposed TIF District was computed to determine if the 15 percent minimum requirement was met. The total square footage of parcels meeting the 15 percent requirement was divided into the total square footage of the entire district to determine if the 70 percent requirement was met.

FINDING

The proposed TIF District met the coverage test under *Minnesota Statutes, Section 469.174, Subdivision 10(e)*, which resulted in parcels consisting of 92.6 percent of the area of the proposed TIF District being occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures (Diagram 2). This exceeds the 70 percent area coverage requirement for the proposed TIF District under *Minnesota Statutes, Section 469.174, Subdivision (a) (1)*.

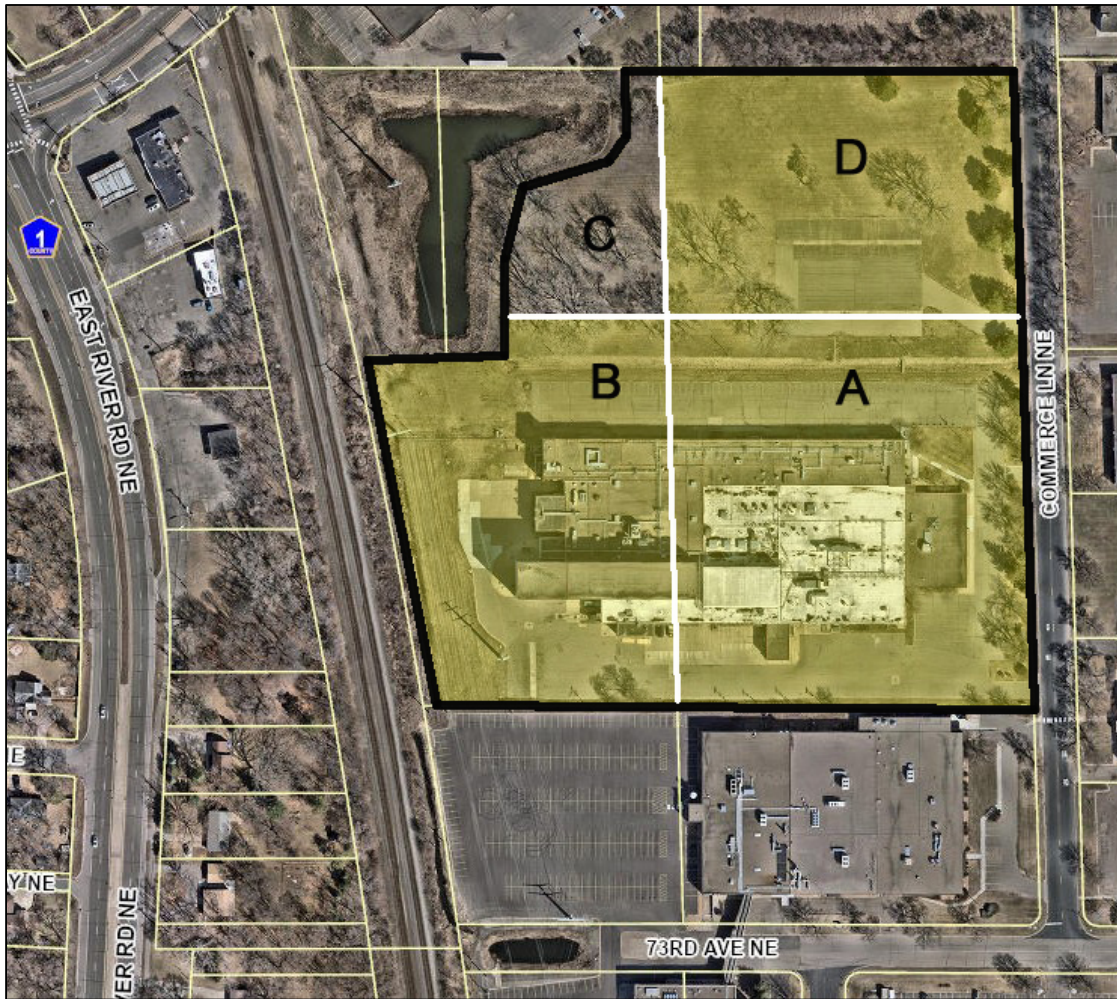


Diagram 2 – Coverage Diagram

Shaded area depicts a parcel more than 15 percent occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures

Report by LHB, Inc.

2. Condition of Building Test

a. BUILDING INSPECTION

- i. The first step in the evaluation process is the building inspection. After an initial walk-thru, the inspector makes a judgment whether a building “appears” to have enough defects or deficiencies of sufficient total significance to justify substantial renovation or clearance. If it does, the inspector documents with notes and photographs code and non-code deficiencies in the building.

b. REPLACEMENT COST

- i. The second step in evaluating a building to determine if it is substandard to a degree requiring substantial renovation or clearance is to determine its replacement cost. This is the cost of constructing a new structure of the same square footage and type on site. Replacement costs were researched using R.S. Means Cost Works square foot models for 2025.
- ii. The replacement cost was calculated by first establishing building use (office, retail, residential, etc.), building construction type (wood, concrete, masonry, etc.), and building size to obtain the appropriate median replacement cost, which factors in the costs of construction in Fridley, Minnesota.
- iii. Replacement cost includes labor, materials, and the contractor’s overhead and profit. Replacement costs do not include architectural fees, legal fees or other “soft” costs not directly related to construction activities. Replacement cost for each building is tabulated in Appendix A.

c. CODE DEFICIENCIES

- i. The next step in evaluating a building is to determine what code deficiencies exist with respect to such building. Code deficiencies are those conditions for a building which are not in compliance with current building codes applicable to new buildings in the State of Minnesota.
- ii. Minnesota Statutes, Section 469.174, Subdivision 10(c), specifically provides that a building cannot be considered structurally substandard if its code deficiencies are not at least 15 percent of the replacement cost of the building. As a result, it was necessary to determine the extent of code deficiencies for each building in the proposed TIF District.
- iii. The evaluation was made by reviewing all available information with respect to such buildings contained in City Building Inspection records and making interior and exterior inspections of the buildings. LHB utilizes the current Minnesota State Building Code as the official code for our evaluations. The Minnesota State Building Code is a series of provisional codes written specifically for Minnesota requirements, adoption of several international codes, and amendments to the adopted international codes.
- iv. After identifying the code deficiencies in each building, we used R.S. Means Cost Works 2025; Unit and Assembly Costs to determine the cost of correcting the identified deficiencies. We were then able to compare the correction costs with the replacement cost of each building to determine if the costs for correcting code deficiencies meet the required 15 percent threshold.

FINDING

One out of one building (100 percent) in the proposed TIF District contained code deficiencies exceeding the 15 percent threshold required by Minnesota Statutes, Section 469.174, Subdivision 10(c). Building Code, Condition Deficiency and Context Analysis reports for the building(s) in the proposed TIF District can be found in Appendix B of this report.

d. SYSTEM CONDITION DEFICIENCIES

- i. If a building meets the minimum code deficiency threshold under Minnesota Statutes, Section 469.174, Subdivision 10(c), then for such building to be “structurally substandard” under Minnesota Statutes, Section 469.174, Subdivision 10(b), the building’s defects, or deficiencies should be of sufficient total significance to justify “substantial renovation or clearance.” Based on this definition, LHB re-evaluated each of the buildings that met the code deficiency threshold under Minnesota Statutes, Section 469.174, Subdivision 10(c), to

- determine if the total deficiencies warranted “substantial renovation or clearance” based on the criteria we outlined above.
- ii. System condition deficiencies are a measurement of defects or substantial deterioration in site elements, structure, exterior envelope, mechanical and electrical components, fire protection and emergency systems, interior partitions, ceilings, floors, and doors.
- iii. The evaluation of system condition deficiencies was made by reviewing all available information contained in City records and making interior and exterior inspections of the buildings. LHB only identified system condition deficiencies that were visible upon our inspection of the building or contained in City records. We did not consider the amount of “service life” used up for a particular component unless it was an obvious part of that component’s deficiencies.
- iv. After identifying the system condition deficiencies in each building, we used our professional judgment to determine if the list of defects or deficiencies is of sufficient total significance to justify “substantial renovation or clearance.”

FINDING

In our professional opinion, one out of one buildings (100 percent) in the proposed TIF District are structurally substandard to a degree requiring substantial renovation or clearance, because of defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance. This exceeds the 50 percent requirement of Subdivision 10a(1).

3. Distribution of Substandard Structures

Much of this report has focused on the condition of individual buildings as they relate to requirements identified by Minnesota Statutes, Section 469.174, Subdivision 10. It is also important to look at the distribution of substandard buildings throughout the geographic area of the proposed TIF District (Diagram 3).

FINDING

The parcels with substandard buildings are reasonably distributed compared to all parcels that contain buildings.

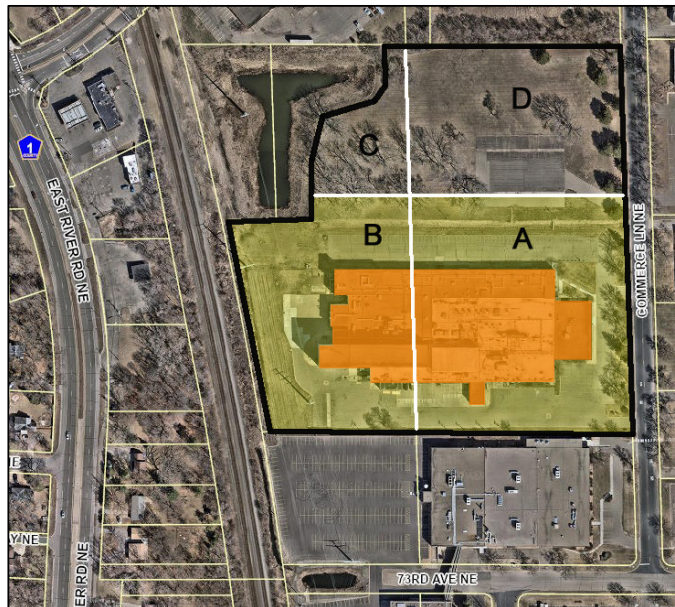


Diagram 3 – Substandard Buildings

Shaded yellow area depicts parcels with buildings.
Shaded orange area depicts substandard buildings.

Part 5: Team Credentials

Michael A. Fischer, AIA, LEED AP - Project Principal/TIF Analyst

Michael is a Principal and Vice President at LHB, with over 39-years of experience serving as a Project Principal, Project Manager, Project Designer and Project Architect on planning, urban design, educational, commercial, and governmental projects, he has become an expert on Tax Increment Finance District (TIF) analysis assisting over 130 cities with strategic planning for TIF Districts.

Michael completed a two-year Bush Fellowship, studying at MIT and Harvard in 1999, earning master's degrees in City Planning and Real Estate Development from MIT. He has served on more than 50 committees, boards, and community task forces, including a term as a City Council President, Chair of a Metropolitan Planning Organization, and Chair of the Edina Planning Commission. Most recently, he served as a member of the Edina city council and Secretary of the Edina HRA. Michael has also managed and designed several award-winning architectural projects and was one of four architects in the Country to receive the AIA Young Architects Citation in 1997.

Phil Fisher – Inspector

For 35 years, Phil Fisher worked in the field of Building Operations in Minnesota including White Bear Lake Area Schools. At the University of Minnesota, he earned his Bachelor of Science in Industrial Technology. He is a Certified Playground Safety Inspector, Certified Plant Engineer, and is trained in Minnesota Enterprise Real Properties (MERP) Facility Condition Assessment (FCA). His FCA training was recently applied to the Minnesota Department of Natural Resources Facilities Condition Assessment project involving over 2,000 buildings.

Appendices

- APPENDIX A** Property Condition Assessment Summary Sheet
- APPENDIX B** Building Code, Condition Deficiency and Context Analysis Report
- APPENDIX C** Building Replacement Cost Report
 - Code Deficiency Cost Report
 - Photographs

Report by LHB, Inc.

APPENDIX A

Property Condition Assessment Summary Sheet

Report by LHB, Inc.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

7350 Commerce Lane Redevelopment TIF District

Property Condition Assessment Summary Sheet

Fridley, Minnesota

TIF Map No.	PID #	Property Address	Improved or Vacant	Survey Method Used	Site Area (S.F.)	Coverage Area of Improvements (S.F.)	Coverage Percent of Improvements	Coverage Quantity (S.F.)	No. of Buildings	Building Replacement Cost	15% of Replacement Cost	Building Code Deficiencies	No. of Buildings Exceeding 15% Criteria	No. of Buildings determined substandard
A	11.30.24.23.0026	7350 Commerce Lane NE	Improved	Interior/Exterior	264,845	211,876	80%	264,845	1	\$24,123,070	\$3,618,461	\$9,862,025	1	1
B	10.30.24.14.0066	7350 Commerce Lane NE	Improved	Interior/Exterior	193,406	145,055	75%	193,406	See A					
C	10.30.24.14.0065		Vacant	Exterior	50,094	0	0%	0	0					
D	11.30.24.23.0025		Improved	Exterior	169,012	32,025	18.9%	169,012	0					
TOTALS					677,357		Total Coverage Percent:	627,263	92.6%				1	1
Percent of buildings exceeding 15 percent code deficiency threshold: 100.0%														
Percent of buildings determined substandard: 100.0%													100.0%	

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APPENDIX B

Building Code, Condition Deficiency and Context Analysis Report

Report by LHB, Inc.

7350 Commerce Lane Redevelopment TIF District

Building Code, Condition Deficiency and Context Analysis Report

Parcel A

Rich's

Address: 7350 Commerce Lane Northeast, Fridley, Minnesota 55432
 Parcel ID: 11-30-24-23-0026
 Inspection Date(s) & Time(s): September 24, 2025, 1:30 PM
 Inspection Type: Interior and Exterior
 Summary of Deficiencies: It is our professional opinion that this building is Substandard because:

- Substantial renovation is required to correct Conditions found.
- Building Code deficiencies total more than 15% of replacement cost, NOT including energy code deficiencies.

Estimated Replacement Cost:	\$24,123,070
Estimated Cost to Correct Building Code Deficiencies:	\$9,862,025
Percentage of Replacement Cost for Building Code Deficiencies:	40.9%

DEFECTS IN STRUCTURAL ELEMENTS

1. Exterior concrete block and mortar are cracked and damaged allowing for water intrusion which is contrary to code.
2. Exterior walls show signs of differential settlement that should be corrected per code.
3. Steel lintels should be protected from rusting, per code.
4. Interior support columns and beams should be protected from rusting per code.

COMBINATION OF DEFICIENCIES

1. Essential Utilities and Facilities
 - a. The staff lounge does not comply with accessibility code.

2. Light and Ventilation
 - a. The electrical system is not fully code compliant.
 - b. The lighting system does not comply with code.
 - c. The HVAC system does not comply with code.

3. Fire Protection/Adequate Egress
 - a. Exterior exit doors are illegally chained and locked which is contrary to code.
 - b. Thresholds do not comply with code for maximum height.
 - c. Exterior stairs do not comply with code.
 - d. Sidewalks are damaged creating an impediment to emergency egress which is contrary to code.
 - e. Exterior electrical transformers are not properly protected per code.
 - f. Interior stairs do not comply with code.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

- g. Fire caulking should be installed per code.
 - h. Concrete flooring is damaged creating an impediment to emergency egress which is contrary to code.
 - i. Not all door hardware is code compliant.
 - j. Emergency lighting is not fully code compliant.
 - k. The emergency notification system is not fully code compliant.
 - l. Elevated platforms are not code compliant.
 - m. Emergency exit signs do not comply with code.
4. Layout and Condition of Interior Partitions/Materials
- a. Interior wood doors should be refinished.
 - b. Carpet is stained and should be cleaned.
 - c. Interior walls should be repaired and repainted.
5. Exterior Construction
- a. Parking lots should have cracks filled and seal coated.
 - b. Exterior painted surfaces should be repainted.
 - c. Windows are failing, allowing for water intrusion which is contrary to code.
 - d. Exterior caulking is failing, allowing for water intrusion which is contrary to code.
 - e. Exterior painted metal surfaces should be repainted.
 - f. Exterior door metal door stiles are rusting and should be repainted.
 - g. Exterior metal stairs should be protected from rusting per code.
 - h. Roofing materials are failing, allowing for water intrusion which is contrary to code.

DESCRIPTION OF CODE DEFICIENCIES

1. Repair or replace damaged exterior concrete block and mortar to prevent water intrusion per code.
2. Repair exterior foundations where differential settlement is observed by cracked concrete blocks, per code.
3. Protect steel lintels from rusting, per code.
4. Protect interior steel beams and columns from rusting per code.
5. Modify staff lounge to comply with code.
6. Upgrade electrical system to comply with code.
7. Install a code compliant HVAC system.
8. Install a code compliant lighting system.
9. Unchain exterior doors to comply with code.
10. Modify thresholds to comply with code.
11. Modify exterior stairs to comply with code.
12. Repair or replace damaged sidewalks to create a code required unimpeded means for emergency egress.
13. Properly protect exterior electrical transformers to comply with code.
14. Modify interior stairs to comply with code.
15. Install code required fire caulking.
16. Repair damaged concrete flooring to create a code required unimpeded means for emergency egress.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

- 17. Modify non-compliant door hardware to comply with code.
- 18. Install a code compliant emergency lighting.
- 19. Install a code compliant emergency notification system.
- 20. Modify elevated platforms to comply with code.
- 21. Install code compliant emergency exit signs.
- 22. Replace failed windows to prevent water intrusion, per code.
- 23. Replace failed exterior caulking to prevent water intrusion, per code.
- 24. Exterior metal stairs should be protected from rusting per code.
- 25. Replace failed roofing materials to prevent water intrusion per code.

OVERVIEW OF DEFICIENCIES

This former bakery facility exhibits several critical deficiencies in both structural condition and code compliance. The exterior concrete block and mortar are cracked and damaged, resulting in water intrusion, while differential settlement in the exterior walls requires correction to meet code standards. Steel lintels, as well as interior support columns and beams, need protection from rusting. Several essential utilities and facilities do not comply with current codes, including the staff lounge’s lack of accessibility and inadequacies in the electrical, lighting, and HVAC systems. Fire protection and egress measures are compromised by illegally chained and locked exterior exit doors, non-compliant thresholds and stairs, as well as damaged sidewalks and concrete flooring that impede emergency exits. Additional concerns include unprotected exterior electrical transformers, the absence of fire caulking, and non-compliant emergency lighting, notification systems, elevated platforms, and exit signage. Interior surfaces such as wood doors, carpets, and walls require maintenance and repair, while exterior construction issues include deteriorating parking lots, failing windows and caulking, rusting and peeling painted surfaces, and compromised roofing materials—all contributing to ongoing water intrusion and further jeopardizing code compliance.

ENERGY CODE DEFICIENCIES

In addition to the building code deficiencies listed above, the existing building does not comply with the current energy code. These deficiencies are not included in the estimated costs to correct code deficiencies and are not considered in determining whether the building is substandard.

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APPENDIX C

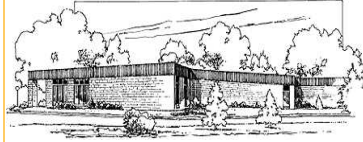
- Building Replacement Cost Report
- Code Deficiency Cost Report
- Photographs

Report by LHB, Inc.

7350 Commerce Lane Redevelopment TIF District

Replacement Cost Report

RSMMeans data <small>from BIRDAIAN</small>	Square Foot Cost Estimate Report	Date:	9/30/2025
Estimate Name:	7350 Commerce Lane NE		
Building Type:	Factory, 1 Story with Concrete Block / Rigid Steel		
Location:	FRIDLEY, MN		
Story Count:	1		
Story Height (L.F.):	24		
Floor Area (S.F.):	160000		
Labor Type:	STD		
Basement Included:	No		
Data Release:	Year 2025 Quarter 3		
Cost Per Square Foot:	\$150.77		
Building Cost:	\$24,123,070.21		



Costs are derived from a building model with basic components. Scope differences and market conditions can cause costs to vary significantly.

		Quantity	% of Total	Cost Per S.F.	Cost
A	Substructure		11.90%	\$15.60	\$2,496,175.26
A1010	Standard Foundations			\$3.46	\$552,948.06
A10101051560	Foundation wall, CIP, 4' wall height, direct chute, .148 CY/LF, 7.2 PLF, 12" thick	2160		\$1.85	\$296,012.88
A10101102500	Strip footing, concrete, reinforced, load 5.1 KLF, soil bearing capacity 3 KSF, 12" deep x 24" wide	2160		\$0.96	\$153,449.64
A10102107200	Spread footings, 3000 PSI concrete, load 50K, soil bearing capacity 6 KSF, 3' - 0" square x 12" deep	32		\$0.06	\$9,762.66
A10102107300	Spread footings, 3000 PSI concrete, load 75K, soil bearing capacity 6 KSF, 4' - 0" square x 12" deep	80		\$0.24	\$38,436.48
A10102107410	Spread footings, 3000 PSI concrete, load 100K, soil bearing capacity 6 KSF, 4' - 6" square x 15" deep	80		\$0.35	\$55,286.40
A1030	Slab on Grade			\$11.86	\$1,897,608.00
A10301203400	Slab on grade, 5" thick, light industrial, reinforced	160000		\$11.86	\$1,897,608.00
A2010	Basement Excavation			\$0.29	\$45,619.20
A20101105740	Excavate and fill, 30,000 SF, 4' deep, sand, gravel, or common earth, on site storage	160000		\$0.29	\$45,619.20
B	Shell		25.82%	\$33.85	\$5,415,893.35
B1020	Roof Construction			\$14.24	\$2,279,107.20
B10201244000	Roof, steel joists, joist girder, 1.5" 22 ga metal deck, on columns, 40'x40' bay, 40 PSF superimposed load, 40.5" deep, 61 PSF total load	160000		\$12.90	\$2,063,548.80
B10201244050	Roof, steel joists, joist girder, 1.5" 22 ga metal deck, on columns, 40'x40' bay, 40 PSF superimposed load, 40.5" deep, 61 PSF total load, add for columns	160000		\$1.35	\$215,558.40
B2010	Exterior Walls			\$2.95	\$471,944.56
B20101103250	Concrete block (CMU) wall, lightweight, hollow, 4 x 8 x 16, 85 PCF	32400		\$2.95	\$471,944.56
B2020	Exterior Windows			\$3.74	\$597,616.31
B20201066900	Windows, aluminum, sliding, insulated glass, 8' x 4'	337.5		\$3.74	\$597,616.31
B2030	Exterior Doors			\$2.97	\$475,429.60
B20301106950	Door, aluminum & glass, with transom, narrow stile, double door, hardware, 6'-0" x 10'-0" opening	5.33		\$0.62	\$98,820.80
B20302203450	Door, steel 18 gauge, hollow metal, 1 door with frame, no label, 3'-0" x 7'-0" opening	53.33		\$1.55	\$247,913.33
B20302204600	Door, steel 24 gauge, overhead, sectional, electric operator, 10'-0" x 10'-0" opening	21.33		\$0.80	\$128,695.47
B3010	Roof Coverings			\$9.08	\$1,452,311.83
B30101051400	Roofing, asphalt flood coat, gravel, base sheet, 3 plies 15# asphalt felt, mopped	160000		\$5.01	\$801,216.00
B30103203090	Insulation, rigid, roof deck, composite with 2" EPS, 1" perlite	160000		\$3.42	\$547,654.40
B30104201400	Roof edges, aluminum, duranodic, .050" thick, 6" face	1800		\$0.36	\$58,333.14
B30104300040	Flashing, aluminum, no backing sides, .019"	1800		\$0.12	\$19,379.45
B30106305100	Gravel stop, aluminum, extruded, 4", mill finish, .050" thick	1800		\$0.16	\$25,728.84
B3020	Roof Openings			\$0.87	\$139,483.85
B30202100300	Roof hatch, with curb, 1" fiberglass insulation, 2'-6" x 3'-0", galvanized steel, 165 lbs	2		\$0.03	\$5,191.80
B30202102100	Smoke hatch, unlabeled, galvanized, 2'-6" x 3', not incl hand winch operator	42.67		\$0.84	\$134,292.05

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TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

C	Interiors		8.48%	\$11.12	\$1,779,347.67
C1010	Partitions			\$2.89	\$461,812.48
C10101021300	Partition, concrete block, 6" thick	32000		\$2.89	\$461,812.48
C1020	Interior Doors			\$2.70	\$431,690.67
C10201022600	Door, single leaf, kd steel frame, hollow metal, commercial quality, flush, 3'-0" x 7'-0" x 1-3/8"	266.67		\$2.70	\$431,690.67
C1030	Fittings			\$1.81	\$290,045.33
C10301100460	Toilet partitions, cubicles, ceiling hung, stainless steel	106.67		\$1.81	\$290,045.33
C3010	Wall Finishes			\$2.56	\$409,016.31
C30102202000	2 coats paint on masonry with block filler	32400		\$1.25	\$200,593.91
C30102300320	Painting, masonry or concrete, latex, brushwork, primer & 2 coats	64000		\$1.30	\$208,422.40
C3020	Floor Finishes			\$0.41	\$66,282.88
C30204101600	Vinyl, composition tile, maximum	16000		\$0.41	\$66,282.88
C3030	Ceiling Finishes			\$0.75	\$120,500.00
C30302106000	Acoustic ceilings, 3/4" fiberglass board, 24" x 48" tile, tee grid, suspended support	10000		\$0.75	\$120,500.00
D	Services		53.37%	\$69.97	\$11,195,859.31
D2010	Plumbing Fixtures			\$6.61	\$1,058,032.40
D20101102080	Water closet, vitreous china, bowl only with flush valve, wall hung	105.6		\$2.47	\$395,387.52
D20102102000	Urinal, vitreous china, wall hung	17.6		\$0.29	\$46,580.34
D20103101600	Lavatory w/trim, vanity top, PE on CI, 19" x 16" oval	246.4		\$2.89	\$462,650.50
D20104101960	Kitchen sink w/trim, countertop, stainless steel, 33" x 22" double bowl	9.01		\$0.14	\$22,380.11
D20104404300	Service sink w/trim, PE on CI, wall hung w/rim guard, 22" x 18"	9.01		\$0.39	\$61,633.17
D20108202080	Water cooler, electric, floor mounted, dual height, 14.3 GPH	17.6		\$0.43	\$69,400.76
D2020	Domestic Water Distribution			\$0.13	\$20,333.62
D20202501900	Gas fired water heater, commercial, 100< F rise, 115 MBH input, 110 GPH	1.69		\$0.13	\$20,333.62
D2040	Rain Water Drainage			\$0.34	\$53,979.97
D20402104280	Roof drain, CI, soil, single hub, 5" diam, 10' high	8.45		\$0.22	\$35,569.01
D20402104320	Roof drain, CI, soil, single hub, 5" diam, for each additional foot add	175		\$0.12	\$18,410.96
D3010	Energy Supply			\$14.78	\$2,365,563.20
D30105301920	Commercial building heating systems, terminal unit heaters, forced hot water, 10,000 SF bldg, 100,000 CF, total, 2 floors	176000		\$14.78	\$2,365,563.20
D3030	Cooling Generating Systems			\$15.50	\$2,480,051.20
D30301102800	Packaged chiller, air cooled, with fan coil unit, factories, 40,000 SF, 133.33 ton	176000		\$15.50	\$2,480,051.20
D4010	Sprinklers			\$6.10	\$975,876.80
D40104101100	Wet pipe sprinkler systems, steel, ordinary hazard, 1 floor, 50,000 SF	160000		\$6.10	\$975,876.80
D4020	Standpipes			\$1.30	\$208,443.73
D40203101580	Wet standpipe risers, class III, steel, black, sch 40, 6" diam pipe, 1 floor	5.33		\$1.02	\$163,873.60
D40203101600	Wet standpipe risers, class III, steel, black, sch 40, 6" diam pipe, additional floors	5.33		\$0.28	\$44,570.13
D5010	Electrical Service/Distribution			\$0.35	\$56,664.36
D50101200360	Overhead service installation, includes breakers, metering, 20' conduit & wire, 3 phase, 4 wire, 120/208 V, 600 A	1		\$0.10	\$15,379.68
D50102300360	Feeder installation 600 V, including RGS conduit and XHHW wire, 600 A	50		\$0.13	\$20,625.30
D50102400240	Switchgear installation, incl switchboard, panels & circuit breaker, 120/208 V, 3 phase, 600 A	1		\$0.13	\$20,659.38
D5020	Lighting and Branch Wiring			\$22.57	\$3,611,001.60
D50201100200	Receptacles incl plate, box, conduit, wire, 2.5 per 1000 SF, .3 watts per SF	160000		\$3.22	\$514,644.80
D50201350280	Miscellaneous power, 1 watt	160000		\$0.51	\$81,262.40
D50201400280	Central air conditioning power, 4 watts	160000		\$1.09	\$175,088.00
D50202281640	HID fixture, 20' above work plane, 100 FC, type G, 6 fixtures per 1800 SF	176000		\$17.75	\$2,840,006.40
D5030	Communications and Security			\$2.29	\$365,912.43
D50309100454	Communication and alarm systems, fire detection, addressable, 50 detectors, includes outlets, boxes, conduit and wire	4.27		\$1.70	\$272,719.36
D50309100462	Fire alarm command center, addressable with voice, excl.wire & conduit	5.33		\$0.58	\$93,193.07

Report by LHB, Inc.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

E	Equipment & Furnishings		0.43%	\$0.56	\$89,307.20
E1030	Vehicular Equipment			\$0.56	\$89,307.20
E10303100180	Architectural equipment, dock shelters, truck, scissor arms, deluxe	21.33		\$0.56	\$89,307.20
E1090	Other Equipment			\$0.00	\$0.00
F	Special Construction		0.00%	\$0.00	\$0.00
G	Building Sitework		0.00%	\$0.00	\$0.00

SubTotal			100%	\$131.10	\$20,976,582.79
Contractor Fees (General Conditions,Overhead,Profit)			15.0%	\$19.67	\$3,146,487.42
Architectural Fees			0.0%	\$0.00	\$0.00
User Fees			0.0%	\$0.00	\$0.00
Total Building Cost				\$150.77	\$24,123,070.21

Report by LHB, Inc.

7350 Commerce Lane Redevelopment TIF District

Code Deficiency Cost Report

Parcel A - 7350 Commerce Lane Northeast, Fridley, Minnesota 55432
 Parcel ID 10-30-24-23-0026

Building Name or Type
 Rich's

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
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Accessibility Items

	Staff Lounge				
	Modify staff lounge to comply with accessibility code	\$ 1,000.00	Lump	1	\$ 1,000.00

Structural Elements

	Exterior Concrete Block and Mortar				
	Repair damaged concrete block and mortar to prevent water intrusion per code	\$ 1.25	SF	160,000	\$ 200,000.00
	Differential Settlement				
	Correct differential settlement issues on exterior footing per code	\$ 0.50	SF	160,000	\$ 80,000.00
	Steel Lintels				
	Protect steel lintels from rusting per code	\$ 2,500.00	Lump	1	\$ 2,500.00
	Interior Structural Support Columns and Beams				
	Protect structural support columns and beams from rusting per code	\$ 0.05	SF	160,000	\$ 8,000.00

Exiting

	Exterior Doors				
	Remove non-code compliant chain and lock on exterior door	\$ 25.00	Lump	1	\$ 25.00
	Thresholds				
	Modify thresholds to comply with code for maximum height	\$ 500.00	Lump	1	\$ 500.00
	Exterior Stairs				
	Modify exterior stairs to comply with code	\$ 5,000.00	Lump	1	\$ 5,000.00
	Sidewalks				
	Repair or replace damaged sidewalks to create a code required unimpeded means for emergency egress	\$ 8.00	SF	5,000	\$ 40,000.00
	Interior Stairs				
	Modify interior stairs to comply with code	\$10,000.00	Lump	1	\$ 10,000.00
	Concrete Flooring				
	Repair or replace damaged concrete flooring to create a code required unimpeded means for emergency egress	\$ 11.86	SF	5,000	\$ 59,300.00
	Door Hardware				
	Install code compliant door hardware where needed	\$ 1,000.00	Lump	1	\$ 1,000.00
	Emergency Lighting System				
	Modify emergency lighting system to comply with code	\$ 0.75	SF	160,000	\$ 120,000.00
	Emergency Notification System				
	Install a code compliant emergency notification system	\$ 0.58	SF	160,000	\$ 92,800.00
	Elevated Platform				
	Modify elevated platform to comply with code	\$ 100.00	EA	1	\$ 100.00

Report by LHB, Inc.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 27

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
	Emergency Exit Signs				
	Install code compliant emergency exit signs	\$ 0.20	SF	160,000	\$ 32,000.00
Fire Protection					
	Electrical Transformer				
	Properly protect exterior electrical transformer to comply with code	\$ 2,500.00	Lump	1	\$ 2,500.00
	Fire Caulking				
	Install code required fire caulking	\$ 0.04	SF	160,000	\$ 6,400.00
Exterior Construction					
	Windows				
	Replace failed windows to prevent water intrusion per code	\$ 3.74	SF	160,000	\$ 598,400.00
	Exterior Caulking				\$ -
	Replace failed exterior caulking to prevent water intrusion per code	\$ 0.15	SF	160,000	\$ 24,000.00
	Exterior Metal Stairs				
	Protect exterior metal stairs from rusting to comply with code	\$ 2,500.00	Lump	1	\$ 2,500.00
Roof Construction					
	Roofing Materials				
	Replace failed roofing materials to prevent water intrusion per code	\$ 0.75	SF	160,000	\$ 120,000.00
Mechanical - Electrical					
	Mechanical				
	Install a code compliant HVAC system	\$ 30.28	SF	160,000	\$ 4,844,800.00
	Electrical				
	Upgrade electrical system to comply with code	\$ 4.82	SF	160,000	\$ 771,200.00
	Install a code compliant lighting system	\$ 17.75	SF	160,000	\$ 2,840,000.00
Total Code Improvements					\$ 9,862,025

Report by LHB, Inc.

7350 Commerce Lane Redevelopment TIF District | Parcel A



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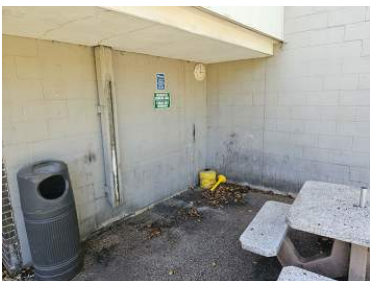
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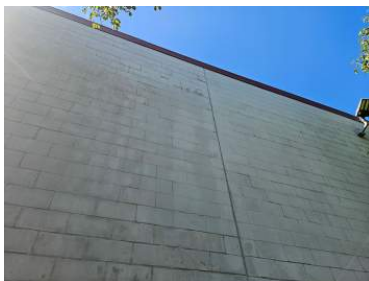
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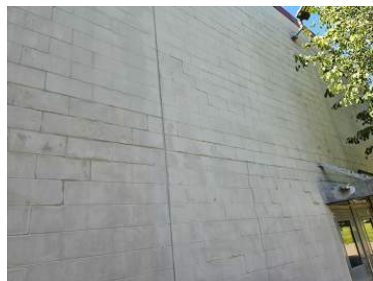
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7350 Commerce Lane Redevelopment TIF District | Parcel A



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7350 Commerce Lane Redevelopment TIF District | Parcel A



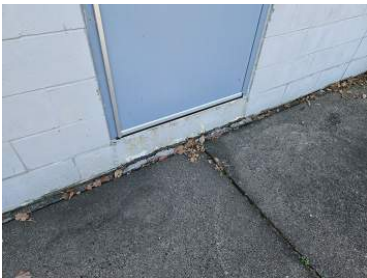
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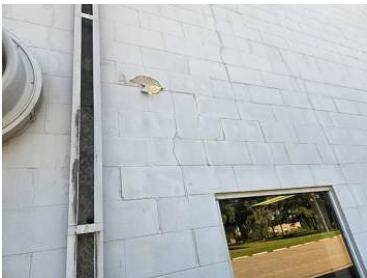
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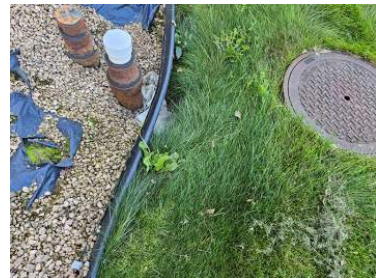
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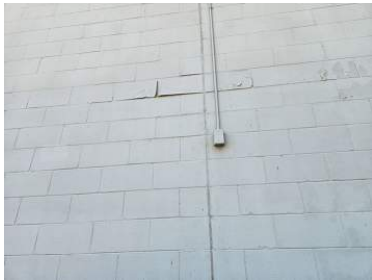
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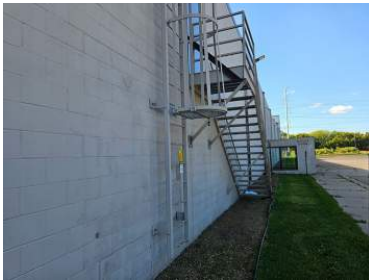
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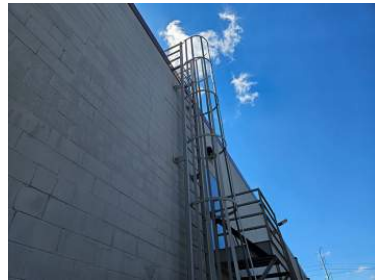
7350 Commerce Lane Redevelopment TIF District | Parcel A



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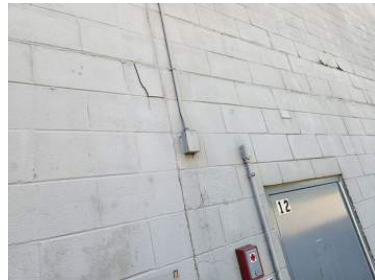
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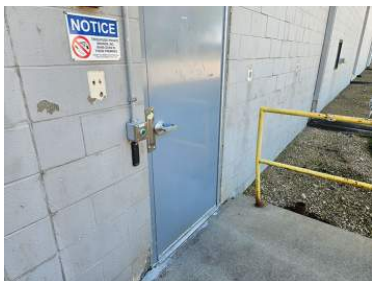
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Report by LHB, Inc.

7350 Commerce Lane Redevelopment TIF District | Parcel A



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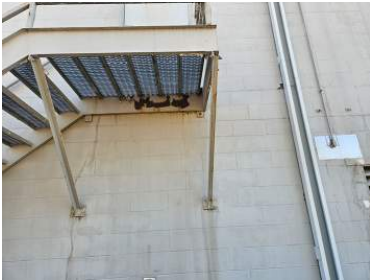
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Report by LHB, Inc.

7350 Commerce Lane Redevelopment TIF District | Parcel A



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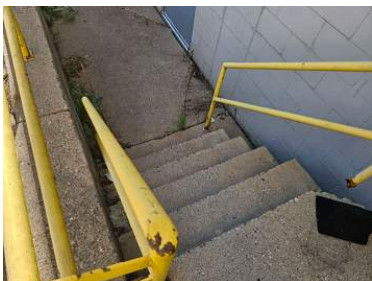
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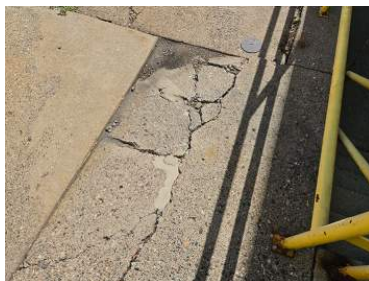
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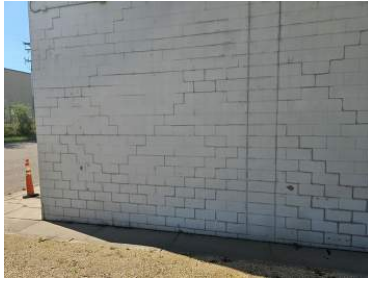
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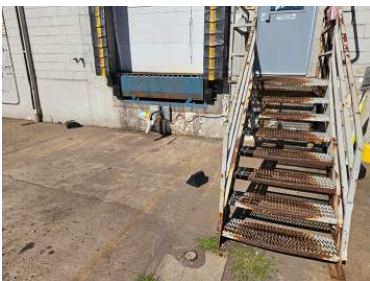
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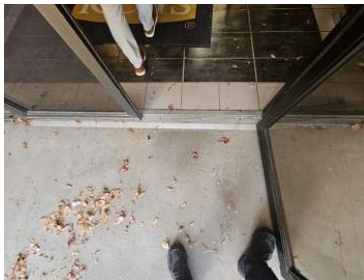
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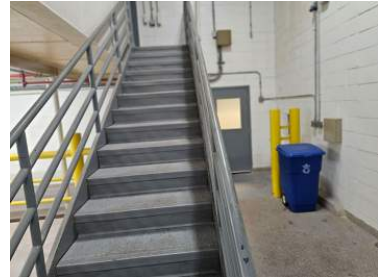
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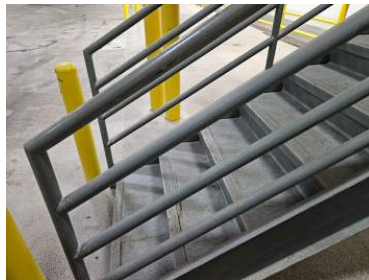
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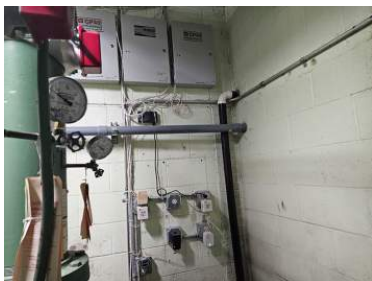
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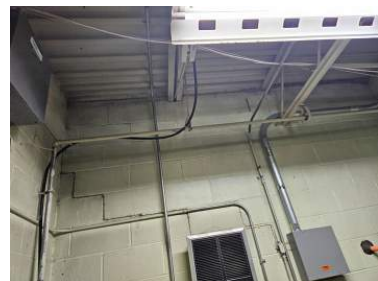
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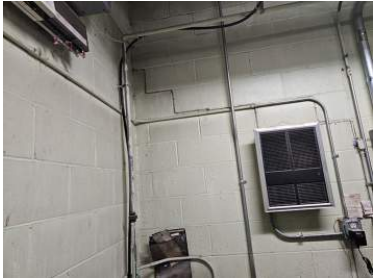


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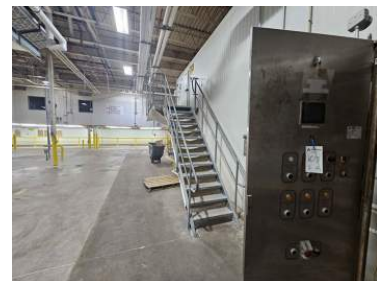
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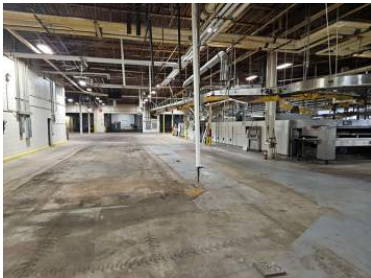
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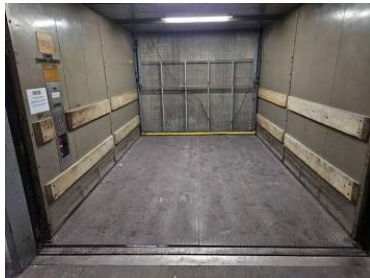
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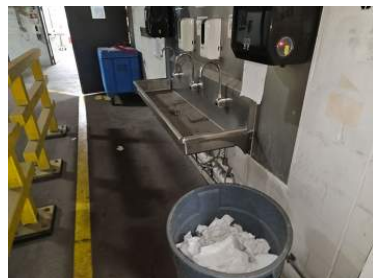
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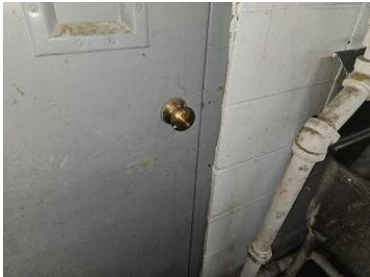
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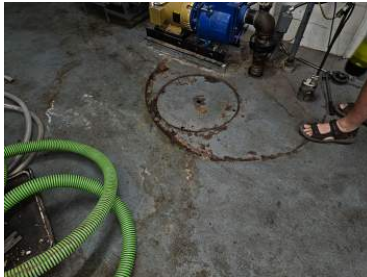
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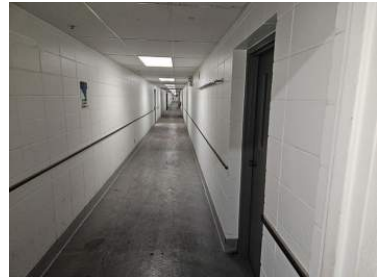
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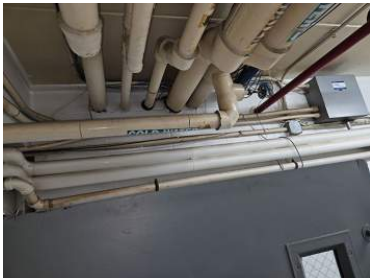
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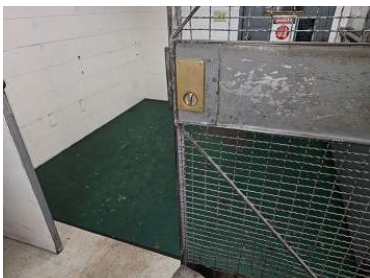
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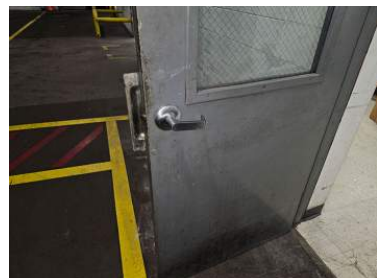
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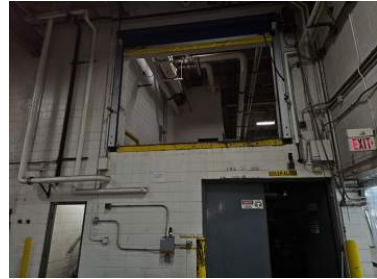
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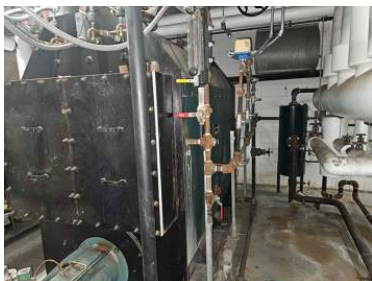
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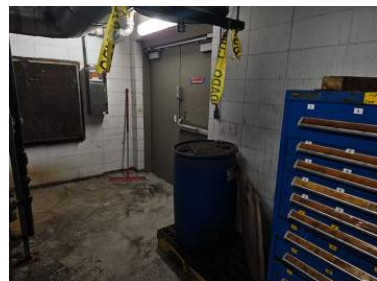
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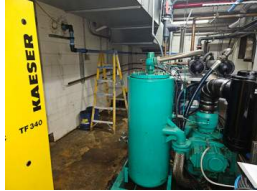
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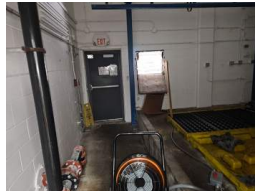
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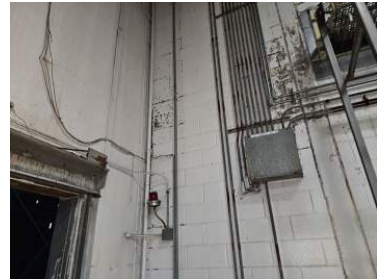
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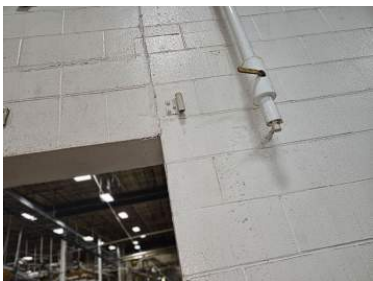
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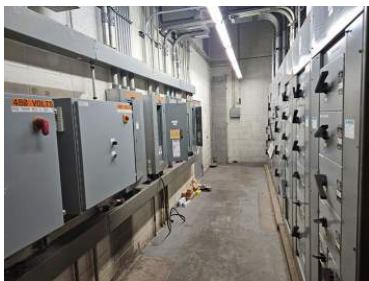
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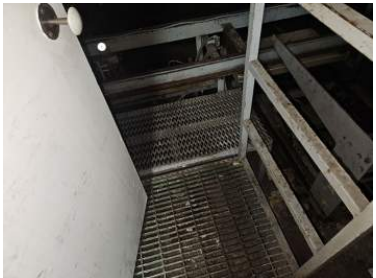
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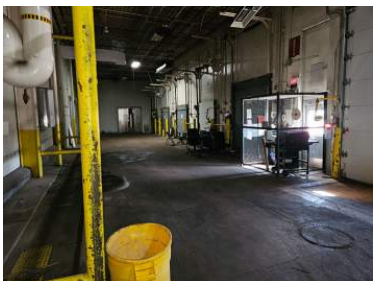
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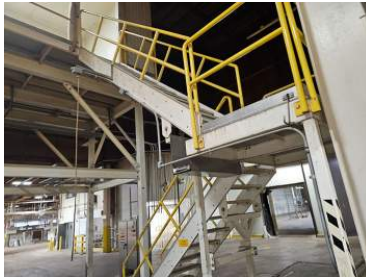
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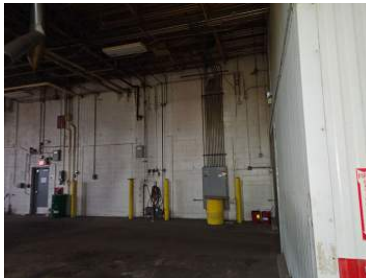
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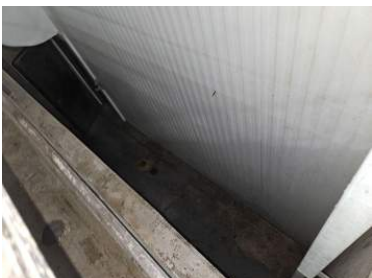
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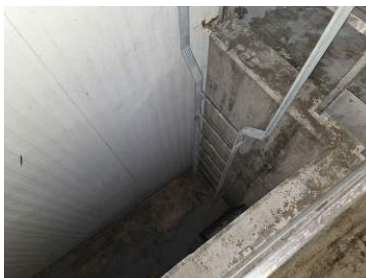
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Prepared by:



701 Washington Avenue North, Suite 200, Minneapolis, MN 55401

LHBcorp.com

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LHB Project No. 250581.00

PERFORMANCE DRIVEN DESIGN



LHBCORP.COM



AGENDA REPORT

Meeting Date: December 4, 2025

Meeting Type: Housing & Redevelopment Authority

Submitted By: Paul Bolin, Executive Director
Stacy Stromberg, Assistant Executive Director
Nancy Abts, Senior Planner

Title

Homeowner Grant Programs Update

Background

Staff will provide an update on the 2025 Homeowner Grant Programs at the Authority's December Meeting.

Attachments and Other Resources

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.



AGENDA REPORT

Meeting Date: December 4, 2025

Meeting Type: Housing & Redevelopment Authority

Submitted By: Stacy Stromberg, Asst. Executive Director

Title

Update on Housing Programs

Background

On a monthly basis, staff will provide updates from CEE on the past month's activity for the Authority's loan programs, remodeling advisor visits and Home Energy Squad Visits.

Attachments and Other Resources

- Chart of Loans Issued & Remodeling Advisor Visits

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.

Fridley Loan Summary Report

Activity for Period 10/16/2025 - 11/15/2025

Item 6.



Application packets requested/mailed:	This period:	0	Year-to-Date:	8
Residential Advisor Visits:	This period:	1	Year-to-Date:	17
Applications received and processed in your City/Neighborhood this period:		33		

Closed Loans

FHF

2-4 Unit Revolving

Total

Fridley

Closed End

Down Payment Assistance

Home Betterment Deferred

Last Resort

Last Resort Emergency Deferred

Mobile Home Closed End

Multi Family Exterior Closed End

Senior Deferred

Total

Leveraged Funds

CEE

MHFA FUF

Total

This period:

Units

0.00

0

0.00

0

Units

0

61,312.57

2

0.00

0

11,221.00

1

0.00

0

0.00

0

0.00

0

0.00

0

20,000.00

1

92,533.57

4

Year-to-Date:

0.00

Units

0

0.00

0

1,186,018.07

44

50,000.00

6

95,124.00

7

0.00

0

3,670.00

1

0.00

0

0.00

0

140,990.20

8

1,475,802.27

66

Year-to-Date:

7,705.00

Units

1

157,132.00

3

164,837.00

4

Types of Improvements Financed YTD	# of Projects	% of Total
Additions/Finishing off unused space	4	4.04
Air Conditioning	1	1.01
Bathrooms	3	3.03
Deck	1	1.01
Down Payment Assistance	6	6.06
Driveways	4	4.04
Electrical	7	7.07
Flooring/Carpet/Tile	2	2.02
Foundations/Basement	1	1.01
Garage	4	4.04
Heating System	8	8.08
Insulation	2	2.02
Kitchens	5	5.05
Landscaping	2	2.02
Other Exterior Improvements	10	10.10
Other Interior Improvements	9	9.09
Patio	1	1.01
Plumbing	4	4.04
Radon Mitigation	1	1.01
Roof	11	11.11
Sidewalks, Steps	2	2.02
Siding, Stucco, Exterior Paint	4	4.04
Solar-PV	2	2.02
Thermostat	1	1.01
Windows, Doors, Storm Windows, Storr	4	4.04

Types of Properties Financed YTD	#	% of Total
Commercial - Non-residential	1	1.41
Condominium	1	1.41
Single Family Residence	63	88.73
Townhouse	6	8.45

Item 6.