

Memorandum

TO: Economic Development Authority

FROM: Tom Simonson , Assistant City Manager and Community Development Director

DATE: September 2, 2025

SUBJECT: Discussion with Trident Development - Shoreview Hills Apartments Renovation/Redevelopment Project

ITEM NUMBER: 5.a

SECTION: GENERAL BUSINESS

REQUESTED MOTION

No formal action is requested or required at this time.

INTRODUCTION

The EDA board reviewed and discussed the preliminary terms of the application request from Trident Development for their proposed acquisition and major improvements to the Shoreview Hills apartments. The discussion included a number of questions and issues raised by board members about the project financing requirements, and they asked that representatives of Trident attend the September 2 meeting.

DISCUSSION

Trident Development has submitted a formal application for tax increment financing to assist with major renovations to the existing Shoreview Hills apartment complex and to construct a new market rate apartment building on the campus. Staff presented a summary of the proposed terms and framework of the financial assistance to the EDA board at the August 4 meeting.

Background

Trident Development has an agreement to purchase the Shoreview Hills property that includes 240 apartment units with surface parking and garages on 17.86 acres of land at the northeast corner of Lexington Avenue and County Road F. Trident is an experienced developer based in St. Cloud, Minnesota, with a focus on senior living communities and apartment communities. They are currently developing a senior living project in Arden Hills on the North Heights Lutheran Church property off of Highway 96, and previously built the Round Lake Senior Living also in Arden Hills.

City staff has been engaged in discussions with Trident Development over the past six months on potential renovation and/or redevelopment scenarios for the Shoreview Hills property. Trident is in the process of developing more detailed plans in advance of submitting development applications that will go through the entitlement process concurrent with the tax increment financing application.

Trident representatives attended the March meeting of the EDA to introduce the company and outline the goals of their project. In general, the plan would be to undertake significant upgrades to the existing buildings including exterior finishes, site amenities, remodeling of apartments, and improvements to common areas. Additionally, the developer would construct a new market rate apartment building above a first floor/underground parking structure on vacant land along the County Road F area of the site. This would require the tear down of a couple of old garage structures.

The developer explored redevelopment alternatives but concluded that the current buildings are structurally sound and have too much value to make a tear down and rebuild feasible. Furthermore, they can retain the natural affordability of the existing apartments and stage improvements to not displace large numbers of tenants.

The city engaged the services of our consulting firm LHB, Inc. to inspect and prepare a comprehensive report on the conditions of the property as part of the process for qualifying improvements through the creation of a tax increment district. The report concluded that the six buildings all attached are considered substandard and code deficient, and would qualify for tax increment as a redevelopment district.

Preliminary Financing Terms

Trident has been working with the city and Ramsey County on the estimated value of the project to help project future tax increment revenue generated from the improvements. The developer has presented documentation that indicates an approximately \$14 million funding gap, which is the amount of assistance they are seeking from the city.

Ramsey County has preliminarily estimated the future value of the renovated complex and new building to be \$68 million. Based on providing 95% of the TIF revenues over the life of a 25-year redevelopment district, the present value amount that could be provided to the developer is \$13.3 million.

Attached is information that was provided last month to the EDA, including a preliminary review/approval schedule as well as a draft term sheet outlining the basic terms and conditions of financial assistance from the city to the developer.

September EDA discussion

As follow-up to the EDA discussion on August 4, staff provided a summary of the questions and issues raised from the board and council members present:

- Trident requested to attend Tuesday, September 2 meeting of EDA
- Provide affordable units (10% at 80% AMI) in new market rate apartment building
- Belief the city should not deviate from requirements for each building project – concern for separating/isolating affordable units for lower incomes from the market rate building (provides mix to create a single residential community)
- Could the density be increased to offset costs and add TIF value
- Developer explain feasibility issues of the overall project, investment in older complex, need for market rate apartments
- Provide more detail on sustainability and environmental best practices to be incorporated into the project (solar, EV charging stations, rain gardens, etc.)
- Explain purchase price/value and address the minimal maintenance over the years by the current ownership – is Trident paying a premium and are the current owners

- profiting from their lack of upkeep and reinvestment
- Provide breakdown of current rents and projected rents post improvements
- Explain intended staging plan and how to limit impacts on current tenants
- Explore supplemental funding options via grants (Ramsey County, Met Council, State of MN)
- Have dialogue with Lake Johanna Fire Department (fire chief and fire marshal) to discuss options/ideas for feasible fire safety improvements

Trident Development will be attending the September 2 board meeting and will present information that addresses many of the questions and issues outlined above and raised at the last meeting. Attached is an outline of the presentation listing the topic areas that the developer intends to discuss.

RECOMMENDATION

No formal action by the EDA is required or requested. The purpose of the meeting with Trident is for them to address EDA board questions and provide additional information as we continue to review the request for financial assistance. Financial assistance will be required to accomplish the goals of improving this aging apartment complex while maintaining the benefits of providing affordable housing for existing and future residents. While staff believes the redevelopment plans are consistent with overall council goals for the property, it is important to the process that the developer's plans are consistent with the city's goals especially as a financial partner.

ATTACHMENTS

[EDA Presentation Outline, Trident Development 08-28-2025](#)
[Trident Development - Shoreview Hills Concept w_aerial](#)
[Shoreview Hills Property - Aerial Images](#)
[Schedule for Tax Increment Financing District No 17](#)
[Draft Term Sheet- TIF 17 - Shoreview Hills 07312025](#)