

Memorandum

TO: Economic Development Authority

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

DATE: August 4, 2025

SUBJECT: Preliminary review of application request for tax increment financing (TIF) assistance Trident Development - Shoreview Hills Apartments

ITEM NUMBER: 5.c

SECTION: GENERAL BUSINESS

REQUESTED MOTION

No formal action is requested or required at this time.

INTRODUCTION

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 is prepared to present a summary of the proposed terms and framework of the financial assistance to receive feedback and preliminary support from the EDA board. The review process will follow and formal approvals will be required including a public hearing. The purpose of this agenda item is to review and discuss the TIF request for assistance by Trident Development, outline the review schedule, and summarize the preliminary structure and terms of financial assistance.

DISCUSSION

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 for review and discussion is 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.

RECOMMENDATION

Staff believes the redevelopment plans are consistent with overall council goals for the property and discussions between the city and developer. 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. Staff is seeking preliminary feedback from the EDA on the proposed financial assistance framework in support of the planned improvements.

ATTACHMENTS

[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](#)