



**Community Development Department
Housing and Redevelopment Authority**

August 11, 2023

MAYOR

MARY SUPPLE

CITY COUNCIL

SHARON CHRISTENSEN

SEAN HAYFORD OLEARY

SIMON TRAUTMANN

BEN WHALEN

CITY MANAGER

KATIE RODRIGUEZ

County Administrator Hough
Hennepin County Administration
Government Center A2303
300 South 6th Street
Minneapolis, MN 55487-0233

Re: Termination of Best Buy Assessment Agreement

Dear Mr. Hough:

I am writing regarding recent discussions that Best Buy representatives have had with Commissioner Debbie Goettel and her staff related to a request to modify, then terminate the Assessment Agreement for their property at 7601 Penn Avenue South. As you know, the City and Richfield Housing and Redevelopment Authority recently negotiated and approved an amendment to our Contract for Private Development with Best Buy that supports such a modification and termination. Per Statute, these approvals are contingent upon approvals by the Richfield School District and Hennepin County. Given that the deadline for a modification for 2023 (Pay 2024) taxes has now passed, Best Buy is now looking only for approval to terminate the agreement for 2024 (Pay 2025).

The City and HRA have determined, with the help of our financial advisors, that there will be no impact to Richfield taxpayers because of our decision. It is my understanding that because the property is within a Tax Increment Finance (TIF) District, there would also be no impact due to County approval. I would be happy to share any of the financial analysis undertaken by the City if it would be helpful in conducting an analysis of your own.

I expect that Best Buy representatives will be reaching out to you in the near future to discuss scheduling this item for consideration by the Board. To help facilitate this action, I have asked the HRA Attorney to prepare the enclosed draft resolution for your Board to consider.

Please feel free to reach out to me or to City Manager Katie Rodriguez with any questions. I can be reached at mpoehlman@richfieldmn.gov or 612-861-9766.

Kind regards,

Melissa Poehlman, AICP
Executive Director

Richfield HRA to Henn. Co.
August 8, 2023
Page 2

Enclosure

CC: Katie Rodriguez, City Manager
Debbie Goettel, Hennepin County Commissioner via email