



CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

Concurrent City Council and Housing and Redevelopment Authority Work Session

June 15, 2020

CALL TO ORDER

The work session was called to order by HRA Chair Supple at 5:45 p.m. via Webex.

Council Members Present: Maria Regan Gonzalez, Mayor; Mary Supple; Simon Trautmann, and Ben Whalen.

Council Members Absent: Edwina Garcia.

HRA Members Present: Mary Supple, Chair; Maria Regan Gonzalez; Sue Sandahl; Erin Vrieze Daniels; and Pat Elliott

HRA Members Absent: None

Staff Present: Katie Rodriguez, City Manager; John Stark, HRA Executive Director/Community Development Director; Julie Urban, Housing Manager; Melissa Poehlman, Assistant Community Development and LaTonia DuBois, Administrative Assistant.

Others Present: Lori Boisclair, Boisclair Corporation (RF64/6501 Penn); Charlie Bird, PLH Associates (Emi project); Mike Barnett, MB Realty (RF64/6501 Penn); Paul Lynch, PLH Associates (Emi project) and Adam Seraphine, NHH Properties (RF64/6501 Penn).

Item #1	REDEVELOPMENT UPDATES- THE EMI
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HRA Chair Supple inquired about speakers for the open forum. Administrative Assistant DuBois explained there were no comments for open forum and provided instructions for submitting open forum comments prior to meetings.

HRA Executive Director Stark presented development projects that would be addressed at this work session and introduced Assistant Community Director Poehlman to speak about the Emi project.

Assistant Community Director Poehlman provided information on the project location, project delays, and conversations about adding some affordability and making modifications to the project, and asked policy makers to provide general feedback, she then invited Paul Lynch (PLH Associates) to explain his proposal.

Paul Lynch introduced Charlie Bird (PLH Associates) who he brought on to help with the project due to having several years of experience with affordable housing and apartment complexes.

Charlie Bird explained his history with the Emi project and how the original plan was not feasible due to increased construction costs and that they have had conversations regarding the potential of Tax Increment Funding and the addition of affordable units. They have come up with a couple different versions of the project that would add some affordable units and reduce commercial space.

Commissioner Sandahl requested clarification on project location.

Charlie Bird provided project location information, and Assistant Community Director Poehlman provided lot area.

Council member Whalen inquired about the different options for affordability.

Charlie Bird explained the options of reducing commercial space and adding some affordability or eliminating commercial space all together and offered affordability rates.

Assistant Community Director Poehlman provided feedback received from Ehlers. The two preliminary options meet HRA requirements, but would reduce commercial space.

HRA Chair Supple inquired about what the concerns were from the public regarding the original proposal.

HRA Executive Director Stark explained some of the concerns heard from the neighborhood regarding the original proposal.

Council member Whalen stated his support of the affordability factor and inquired about commercial space in the general area, including the HUB shopping mall and asked staff to provide an update on the previous conversations regarding the HUB area.

Assistant Community Director Poehlman provided feedback regarding the HUB area and expressed thoughts of the potential value of commercial space at the Emi project.

Commissioner Vrieze Daniels stated she is in support of adding additional affordability inquired about the commercial space being reduced or not and still adding six units and about sizes of the units.

Charlie Bird explained the size of the units with reduced commercial space versus no reduced commercial space and stated the affordable units would all be one bedroom, but would be larger than one bedroom units in Minneapolis.

Commissioner Sandahl inquired about how many levels, if there were elevators and parking. Stated that she is in support of affordable housing but she is more concerned with getting a development that works.

Mayor Regan Gonzalez expressed support of the full development being housing and would like to see some two bedrooms included in the affordability aspect.

HRA Chair Supple expressed her support of affordable housing and funding from the HRA to include affordability.

Council member Trautmann offered support for affordability and expressed thoughts for potential value of small commercial space in the area.

Commissioner Sandahl expressed support for commercial space in the area and the benefits of having community gathering spaces.

REDEVELOPMENT UPDATES – 6501 PENN AVENUE SOUTH

HRA Executive Director Stark provided the history of the development site gave a recap of a prior work session and offered staff suggestions for the site.

Housing Manager Urban added that there are still a lot of details that need to be worked out, phasing and timing that deeper affordability requires, discussed struggles to get input from the community due to Covid-19 and the inability to have community meetings and requested feedback from policy makers.

HRA Executive Director Stark explained that due to higher costs, the Locus development team would not be able to be involved in the project if it was decided that deeper affordability was involved.

Commissioner Vrieze Daniels expressed her support for 100% deeper affordability.

Commissioner Elliott expressed the importance of community feedback.

Commissioner Sandahl expressed support for 20% affordability and concerns regarding 100% affordability.

HRA Executive Director Stark explained previous responses from the community to 100% affordability and the struggle to gain support from the community.

Council member Whalen offered support for 100% affordability and suggested a range of income restrictions.

Council member Trautmann offered support for a mixture of affordability throughout the development and expressed discouragement that the Locus architect team would not be a part of the development.

HRA Executive Director Stark informed policy makers that staff would pursue which ever direction policy makers decide upon.

Mayor Regan Gonzalez agreed with deeper affordability, the importance of community feedback and discussed language used regarding affordable housing.

Commissioner Vrieze Daniels seconded Mayor Regan Gonzalez's thoughts regarding language used to explain affordable housing.

Commissioner Elliott spoke of affordability versus income restricted and thoughts he has heard from community members. Commissioner Elliott suggested getting more community feedback before moving forward.

Commissioner Sandahl expressed concerns with building developments that are only for low income.

HRA Chair Supple spoke in favor of a mixed income development that would include 30% – 80% income averaging and the benefits of the amount of additional time required to get the development funded.

Lori Boisclair (Boisclair Corporation) explained challenges and steps required to obtain funding for affordable housing.

REDEVELOPMENT UPDATES – RF64

Housing Manager Urban provided an update on the RF64 project.

Adam Seraphine (NHH Properties) discussed setbacks due to Covid-19 and the acquisition process, provided construction updates and the next phases in the project.

Mike Barnett (MB Realty) provided a re-cap on sales of the townhomes and impacts of Covid-19 on sales. Informed policy makers that 64 townhomes are projected and the possibility of increasing that number

Council member Whalen inquired about changes in unit sizes.

Adam Seraphine provided estimated unit sizes for apartments and townhomes and explained that they are waiting for final designs from architect.

HRA Chair Supple inquired about accessibility and affordability.

Adam Seraphine explained the affordability is in the townhomes and informed policy makers that he would get the numbers for accessibility to John and Julie soon.

Council member Whalen spoke of the benefits of more accessible and the need for larger units.

Lori Boisclair spoke to the number of three bedroom units and the costs for accessible units.

HRA Executive Director Stark provided status updates on the Enclave and mentioned an upcoming work session on that item. Provided updates on the Henley II, the Novo, Lunds apartments and instructed anyone with questions to email him directly.

ADJOURNMENT

The work session was adjourned by unanimous consent at 6:57 p.m.

Date Approved: July 23, 2020

LaTonia DuBois
Administrative Assistant

Maria Regan Gonzalez
Mayor

Katie Rodriguez
City Manager