



# HOUSING AND REDEVELOPMENT AUTHORITY MEETING MINUTES

Richfield, Minnesota

## Special concurrent City Council and Housing and Redevelopment Authority Work Session

### July 16, 2018

**CALL TO ORDER**

The work session was called to order by Chair Supple at 6:17 p.m. in the Bartholomew Room.

*Council Members Present:* Pat Elliot; Mayor; Michael Howard; Maria Regan Gonzalez; and Simon Trautmann.

*Council Members Absent:* Edwina Garcia.

*HRA Members Present:* Mary Supple, Chair; Michael Howard, Sue Sandahl; Erin Vrieze Daniels; and Pat Elliot.

*Staff Present:* Steve Devich, City Manager; John Stark, Community Development Director; Julie Urban, Housing Manager; Mary Tietjen, City Attorney; and Kate Aitchison, Housing Specialist.

<b>Item #1</b>	<b>NOAH UPDATE</b>
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Community Development Director John Stark and Housing Manager Julie Urban presented an update on NOAH tools and strategies for preserving and strengthening the City's naturally occurring affordable rental housing.

Housing Manager Urban presented a draft Tenant Protection Ordinance and provided an update on the development and implementation of that future ordinance.

Community Development Director John Stark presented a draft version of the Inclusionary Housing Policy and provided an update on the development of that policy.

**ADJOURNMENT**

The work session was adjourned by unanimous consent at 7:02 p.m.

Date Approved: August 20, 2018

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Mary B. Supple  
HRA Chair

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Kate Aitchison  
Housing Specialist

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Steven L. Devich  
Executive Director



# HOUSING AND REDEVELOPMENT AUTHORITY MEETING MINUTES

Richfield, Minnesota

## Regular Meeting

### July 16, 2018

#### CALL TO ORDER

The meeting was called to order by Chair Supple at 7:08 p.m.

*HRA Members Present:* Mary Supple, Chair; Pat Elliott; Michael Howard; Sue Sandahl; and Erin Vrieze Daniels.

*Staff Present:* Steve Devich, Executive Director; John Stark, Community Development Director; Melissa Poehlman, Community Development Assistant Director; Julie Urban, Housing Manager; Julie Eddington, HRA Attorney; and Kate Aitchison, Housing Specialist.

#### APPROVAL OF THE MINUTES OF THE REGULAR HRA MEETING OF JUNE 18, 2018

M/Vrieze Daniels, S/Sandahl to approve the minutes of the June 18, 2018 Housing and Redevelopment Authority regular meeting.

Motion carried 5-0.

<b>Item #1</b>	<b>APPROVAL OF THE AGENDA</b>
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Chair Supple requested the removal item #4 from the agenda.

M/Sandahl, S/Elliott to approve the agenda with the noted deletion.

Motion carried 5-0.

<b>Item #2</b>	<b>CONSENT CALENDAR</b>
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Executive Director Devich presented the Consent agenda:

- A. Consideration of the adoption of a resolution amending the funding source for an interfund loan approved by Housing and Redevelopment Authority Resolution No. 1175 on January 22, 2014, and Resolution No. 1223 on February 16, 2016, for the 2014-1 Tax Increment Financing District (former City Garage site). (S.R. No. 20)
- B. Consideration of the adoption of a resolution consenting to the inclusion of certain Housing and Redevelopment Authority property by NHH Properties, dba NHH Companies, LLC with respect to land use approvals and a petition to vacate portions of 64th Street adjacent to Housing and Redevelopment Authority property. (S.R. No. 21)

M/Elliott, S/Howard, to approve of the consent calendar agenda.

Motion carried 5-0.

Item #3	<b>PUBLIC HEARING AND CONSIDERATION OF THE ADOPTION OF A RESOLUTION AUTHORIZING THE SALE OF 7324 GIRARD AVENUE TO AARON AND ASHLEY BUCHANAN, AND THE APPROVAL OF A CONTRACT FOR PRIVATE DEVELOPMENT WITH AARON AND ASHLEY BUCHANAN FOR THE CONSTRUCTION OF A SINGLE FAMILY HOME THROUGH THE RICHFIELD REDISCOVERED PROGRAM.</b>
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Housing Specialist Aitchison presented Staff Report No. 23.

Art Felgate, resident of 7329 Girard Avenue stated he was concerned about the low sale price of the home, in comparison to the assessed tax value of the property. He stated he approves of the program, but wondered if the low sale price would impact his own property values.

Community Development Director Stark stated that each case is different and in this case there were a lot of costs saved in selling to the city, and that the seller was willing to take the amount offered by the city.

M/Howard, S/Sandahl to close the public hearing.

Motion carried 5-0.

M/Howard, S/Elliott to adopt a resolution authorizing the sale of 7324 Girard Avenue to Aaron and Ashley Buchanan, and to approve a contract for Private Development with Aaron and Ashley Buchanan for the construction of a single-family home through the Richfield Rediscovered Program, contingent upon attorney review.

Commissioner Vrieze Daniels stated she agreed with Mr. Felgate and would be voting against the proposal in consistency with her previous vote.

Chair Supple asked if any substantial changes were made to the contract. Housing Specialist Aitchison stated the contract had been finalized.

Commissioner Sandahl stated that the impact of this program on a community that is fully built. There is also an incentive to surrounding homeowners to improve their own properties.

Motion carried 4-1, with Commissioner Vrieze Daniels voting against the proposal.

Item #5	<b>CONSIDERATION OF THE APPROVAL OF PROGRAM GUIDELINES FOR THE FIRST TIME HOMEBUYER DOWNPAYMENT ASSISTANCE PROGRAM.</b>
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Housing Specialist Aitchison presented Staff Report No. 24.

Commissioner Howard stated that he thinks this is an excellent opportunity to move forward with equity work. He asked how marketing of the program would be undertaken.

Housing Specialist Aitchison stated that city staff would be working with Minnesota Housing to promote the program, along with Minnesota Housing’s programs, in a four-part mailing campaign, along with other outreach events.

Housing Manager Urban stated that Minnesota Housing would also provide a script that would help staff walk through the process of homeownership preparation with callers.

Chair Supple stated her support for this program, especially as it is able to help households of color pursue homeownership opportunities, especially because Richfield’s disparity in homeownership rates is one of the worst in the State. She also stated that she also appreciates that a lot of the work for the program can be done ahead of time.

Chair Supple asked if there were any plans for substantial changes to the program guidelines. Housing Specialist Aitchison replied that the guidelines were finalized.

M/Vrieze Daniels, S/Howard to approve the program guidelines for the First Time Homebuyer Downpayment Assistance Program.

Motion carried 5-0.

<b>Item #6</b>	<b>CONSIDERATION OF THE AUTHORIZATION OF FUNDING AND APPROVAL OF LOAN DOCUMENTS FOR THE ACQUISITION OF PROPERTY LOCATED WITHIN THE CEDAR POINT II HOUSING REDEVELOPMENT AREA BY NHH PROPERTIES DBA NHH COMPANIES, LLC.</b>
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Housing Manager Urban presented Staff Report No. 25.

Commissioner Elliott stated he is excited to see the acquisitions moving forward for this project. He asked the developer about the status of the project and the number of townhomes on the project. Adam Seraphine, NHH Properties, responded that adding density to the project helped to make the project feasible.

M/Elliott, S/Howard to authorize the funding and approval of loan documents for the acquisition of property located within the Cedar Point II Housing Redevelopment Area by NHH Properties dba NHH Companies, LLC.

Chair Supple clarified the role of the staff to provide funding to NHH Properties for acquisition. Chair Supple also asked about the alterations to legal documents. Housing Manager Urban responded that the HRA attorney will be granted authority to review documents on behalf of the HRA.

Motion carried 5-0.

<b>Item #7</b>	<b>CONSIDERATION OF THE ADOPTION OF A RESOLUTION AUTHORIZING AN INTERFUND LOAN IN THE AMOUNT OF \$730,000 FOR ADVANCE OF CERTAIN COSTS IN CONNECTION WITH PROPERTY LOCATED WITHIN TAX INCREMENT FINANCING DISTRICT 2018-1 (CEDAR POINT II PROJECT)</b>
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Housing Manager Urban presented Staff Report No. 26.

M/Sandahl, S/Vrieze Daniels to adopt a resolution authorizing an interfund loan in the amount of \$730,000 for advance of certain costs in connection with property located with the Tax Increment Financing District 2018-1.

Motion carried 5-0.

<b>Item #8</b>	<b>CONSIDERATION OF THE ADOPTION OF A RESOLUTION APPROVING AN AMENDED AND RESTATED CONTRACT FOR PRIVATE DEVELOPMENT WITH LYNDALE GARDENS, LLC FOR REMAINING LAND AT THE FORMER LYNDALE GARDENS CENTER SITE.</b>
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Assistant Community Development Director Poehlman presented Staff Report No. 27.

Commissioner Vrieze Daniels stated she is excited to see the project moving forward.

Commissioner Howard asked if inclusionary housing policies will be incorporated in this proposal. Assistant Community Development Director Poehlman stated that the policies have been informally required for many years, and that this situation did incorporate the same requirements.

Chair Supple asked whether the units in the development will be accessible to persons with disabilities. Colleen Carey, president with the Cornerstone Development Group, stated that there are many elevators in the buildings, and that the units could be adapted to be accessible for a buyer that needed accommodations.

Chair Supple asked about the timing of retail development. Colleen Carey responded that commercial development is driven by market demand, but that she is working with a few different prospective tenants for the retail space. Cornerstone Group is waiting for the right combination of tenants for this space.

M/Supple, S/Vrieze Daniels to adopt a resolution approving an amended and restated Contract for Private Development with Lyndale Gardens, LLC for remaining land at the former Lyndale Gardens Center site.

Motion carried 5-0.

<b>Item #9</b>	<b>EXECUTIVE DIRECTOR REPORT</b>
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Executive Director Devich had nothing to report.

It was noted that the groundbreaking for the Chamberlain development will be held on Thursday, July 19th at 2:00 p.m.

<b>Item #10</b>	<b>HRA DISCUSSION ITEMS</b>
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Commissioner Vrieze Daniels asked if there was an update on the property at 6626 2nd Avenue. Housing Manager Urban stated that staff is conversing with the HRA attorney and has not come to a decision about the Quiet Title Action.

Chair Supple stated the meeting for the Southdale Library redevelopment has been rescheduled for Saturday, September 22nd. Preliminary concepts are to be shared, as per the information found on the Hennepin County Library website.

<b>Item #11</b>	<b>CLAIMS AND PAYROLL</b>
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M/Elliott, S/Sandahl that the following claims and payroll be approved:

<b>U.S. BANK</b>	
Section 8 Checks: 129877-129960	\$162,117.20
HRA Checks: 33474-33489	\$ 40,860.12
<b>TOTAL</b>	<b>\$202,947.32</b>

Motion carried 5-0.

<b>ADJOURNMENT</b>
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The meeting was adjourned by unanimous consent at 7:50 p.m.

Date Approved: August 20, 2018

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Mary B. Supple  
HRA Chair

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Kate Aitchison  
Housing Specialist

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Steven L. Devich  
Executive Director