



HOUSING AND REDEVELOPMENT AUTHORITY MEETING MINUTES

Richfield, Minnesota

Special Concurrent City Council, Housing and Redevelopment Authority and Planning Commission Work Session

November 13, 2018

CALL TO ORDER

The work session was called to order by Chair Supple at 6:15 p.m. in the Bartholomew Room.

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

Council Members Present: Pat Elliott, Mayor; Maria Regan Gonzalez; Edwina Garcia; Michael Howard and Simon Trautmann.

Planning Commission Members Present: Sean Hayford Oleary, Chair; Allysen Hoberg; Susan Rosenberg.

Planning Commission Absent: Bryan Pynn; Kathryn Quam; James Rudolph; and Daniel Kitzberger.

Staff Present: Steven L. Devich, City Manager; John Stark, Community Development Director; Julie Urban, Housing Manager; Kate Aitchison, Housing Specialist; and Jared Voto, Executive Aide/Analyst.

Item #1	EMERSON LANE REDEVELOPMENT
----------------	-----------------------------------

Housing Specialist Aitchison presented on the history of the site. The Housing and Redevelopment Authority (HRA) purchased the property in 2005, hired a design architect to sketch out possibilities for the property, and in 2007 released an RFP for developers that received no responses. She showed a video walkthrough of the property. She discussed internal opportunities for the City’s use of the site and outside interests since summer of 2014 to summer of 2018. She discussed a current development proposal by Endres Custom Homes for five homes with list price of approximately \$330-340,000. Lastly, she also discussed the financials of the property, including the amount the HRA has spent thus far and a number of scenarios including: do nothing; sell as vacant land; divide and sell; transfer to recreation services; development of one home; development of three homes; and development of five homes.

Council Members, HRA Commissioners and Planning Commissioners asked questions of staff about the sound wall, the roadway being public versus private, the number of proposed homes, what is included in the development costs estimates, the annual cost and replacement costs of the public roadway compared to the tax revenue from new homes, and sewer and water access to the property.

Mayor Elliott invited Dustin Endres, Endres Custom Homes, to the table to speak and answer questions.

Commissioner Sandahl asked Mr. Endres about the type of home.

Mr. Endres stated the homes would be 4 bedroom, 3 bath, and 2,145 square feet. He stated it is a popular floor plan and built five of these homes in the north east of Richfield last summer. He stated he has two people who have reserved lots if this proposal moves forward and four others who are interested.

Mayor Elliott asked staff about the affordable housing plan and if it was applicable to this proposal.

Housing Manager Urban outlined the affordable housing plan requires over a 3-year period the City expects 20% to be affordable. She stated they would have to recalculate the numbers, and that these would not be affordable, and staff would have to look into another area to ensure the 20% are affordable. She mentioned that currently the City is at around 30% affordable, but these numbers would need to be recalculated.

Commissioner Hoberg commented about including affordability into new developments and not falling back on not including it because we are already at 30% affordable, and having the housing plan incorporate affordable housing especially on the west side.

Mayor Elliott invited homeowners near the proposed development to speak.

Jody Powell, 6800 Emerson Lane, discussed their factors in purchasing their home being near Wood Lake Nature Center and the vacant lot behind their home. She asked how they would be compensated for the loss in value for their home.

Mayor Elliott responded he wasn't certain there would be a loss in value.

John Stark responded that they have tracked this in larger projects and in other areas — Sheridan and 76th St — and the values have risen. He stated they could look at the assessed value of the homes near there.

Ms. Powell asked about the width of the road and the ability for emergency vehicles in the area. She commented on changing the character of the neighborhood with five additional homes in a space where there was previously one or none and asked about the timeline.

Housing Manager Urban responded that there is no timeline at this point, they are seeking guidance from policy makers and mentioned if the proposal moved forward there would be a neighborhood meeting before approvals were considered.

Jerri Scott, 6608 Emerson Ave S, shared her concern about placing five homes and the increased traffic that would come into the street. She also was concerned about the height of these home compared to the ramblers currently there and aske the height to be reduced.

Paul Zobeck, 6714 Emerson Ave S, asked about the proposed costs of purchasing the lot.

Housing Manager Urban responded that they estimated \$60,000 per lot based on previous values.

Mr. Zobeck asked if neighbors had the potential to purchase the lot outright. He commented they purchased in 2009 and the driving force to purchase it was not having neighbors behind them and he was more in favor of one home than five homes.

April Pream, 6639 Emerson Ave S, commented on the quiet nature of the block and asked about the look of the proposed homes.

Urban stated they are the same model but they would change the roof lines and colors and would expect that from the builder.

Ms. Preem stated it would be helpful to see how the homes would actually look. She asked about the annual costs of maintaining the property currently and commented on the range of property values on the block and that any homes on the block above the price of the new homes might reduce in their value and those below the price of the new homes might increase in value.

Mayor Elliott commented on the availability of homes in Richfield and the limited options of lots for the HRA to purchase.

Urban asked the policymakers if there was an option they wanted staff to pursue.

Mayor Elliott did not see this project moving forward while he was on the Council and deferred to the other Council Members.

Council Member Regan Gonzalez stated she did not feel comfortable with the five house proposal.

Council Member Trautmann stated he shared questions about the property if the City is not gaining revenue from the development or sale and taking on certain costs with the public road.

Planning Commission Chair Hayford Oleary stated it is worse if it is three houses than five houses if it has to be a public road and considered if it was better to stay vacant, as it doesn't seem feasible with three homes.

Council Member Howard suggested having another work session in 2019.

ADJOURNMENT

The work session was adjourned by unanimous consent at 7:00 p.m.

Date Approved: January 15, 2019

HRA Chair

Kate Aitchison
Housing Specialist

John Stark
Executive Director