



HOUSING AND REDEVELOPMENT AUTHORITY MEETING MINUTES

Richfield, Minnesota

Special Concurrent City Council and Housing and Redevelopment Authority Work Session

May 20, 2019

CALL TO ORDER

The work session was called to order by Chair Supple at 5:30 p.m. in the Bartholomew Room.

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

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

Council Members Absent: Simon Trautmann.

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

Item #1	REDEVELOPMENT PRIORITIES
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Community Development Director Stark presented an overview of redevelopment and the agenda for the work session.

Policymakers spent time answering the question, "Why do we redevelop?" Community Development Director Stark and Assistant Community Development Director Poehlman described several geographic areas that are identified for potential redevelopment in the Comprehensive Plan, along with topic areas of Housing Opportunities and Missing Uses and described the strengths, weaknesses, opportunities, and threats (SWOTs) of each area. Policymakers added to SWOTs to each area.

Assistant Community Development Director Poehlman and Housing Manager Urban asked policymakers to then prioritize four of the areas. Working in pairs they narrowed down the priorities to two areas and presented those priorities to the group. Results indicated that specific geographic areas were less of a priority and that jobs, new/missing uses, and housing were important to the group.

ADJOURNMENT

The work session was adjourned by unanimous consent at 6:58 p.m.

Date Approved: June 17, 2019

Mary B. Supple
HRA Chair

Kate Aitchinson
Housing Specialist

John Stark
Executive Director



HOUSING AND REDEVELOPMENT AUTHORITY MEETING MINUTES

Richfield, Minnesota

Regular Meeting

May 20, 2019

CALL TO ORDER

The meeting was called to order by Chair Supple at 7:19 p.m. in the Bartholomew Room.

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

Staff Present: John Stark, Executive Director; Melissa Poehlman, Assistant Community Development Director; Julie Urban, Housing Manager; Julie Eddington, HRA Attorney; Rebecca Kurtz, Ehlers & Associations; and Kate Aitchison, Housing Specialist.

APPROVAL OF THE MINUTES

M/Regan Gonzalez, S/Elliott to approve the Special concurrent City Council and Housing and Redevelopment Authority meeting of April 15, 2019; Regular Housing and Redevelopment Authority meeting of April 15, 2019; and Special concurrent City Council, Housing and Redevelopment Authority, and Planning Commission work session of May 7, 2019

Motion carried 5-0.

Item #1	APPROVAL OF THE AGENDA
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M/Elliott, S/Vrieze Daniels to approve the agenda.

Motion carried 5-0.

Item #2	CONSENT CALENDAR
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Executive Director Stark presented the consent calendar:

- A. Consider adoption of a resolution authorizing the Housing and Redevelopment Authority to affirm the monetary limits on statutory municipality tort liability. (S.R. No. 18)
- B. Consider adoption of a resolution authorizing execution of a Development Agreement with the West Hennepin Affordable Land Housing Trust, dba Homes Within Reach, for the acquisition, rehabilitation and sale of houses under the New Home Program utilizing Federal Fiscal Year 2018 Community Development Block Grant funds. (S.R. No. 19)

- C. Consider adoption of a resolution approving an Assumption Agreement between NHH Companies, LLC, Cedar Point Investments LLC, and the Housing and Redevelopment Authority. (S.R. No. 20)
- D. Consider adoption of a resolution adopting a modification to the Tax Increment Financing Plan for the Lyndale Gardens Tax Increment Financing District. (S.R. No. 21)

M/Sandahl, S/Regan Gonzalez to approve the consent calendar.

Motion carried 5-0.

Item #3	CONSIDERATION OF ITEMS, IF ANY, REMOVED FROM CONSENT CALENDAR
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None.

Item #4	CONTINUATION OF A PUBLIC HEARING FROM APRIL 15, 2019 AND CONSIDER ADOPTION OF A RESOLUTION AUTHORIZING THE SALE OF 6310 IRVING AVENUE SOUTH TO TWIN CITIES HABITAT FOR HUMANITY AND THE APPROVAL OF A CONTRACT FOR PRIVATE DEVELOPMENT FOR THE CONSTRUCTION OF A SINGLE FAMILY HOME. (S.R. NO. 22)
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Housing Specialist Kate Aitchison presented Staff Report No. 22.

Commissioner Sandahl asked about the alley serving the property and the scenarios that have been explored by staff. Housing Specialist Aitchison explained the various options that were explored for this development.

Chair Supple opened the public hearing.

Thomas Dallman, 6309 James Avenue, expressed his disappointment that the alley will continue to be in use. He stated that there are negative impacts on his property with cars and pedestrians accessing the alley. He stated that the adjacent home is very small and in poor condition and should be acquired to combine lots for more efficient size. He also inquired into the materials to be used for the alley.

Commissioner Elliott asked about whether the neighbors would be assessed for this alley improvement. Housing Specialist Aitchison stated that Twin Cities Habitat for Humanity would assume the full cost of the construction of the alley.

Judy Moe, currently displaced but a former resident of Richfield, stated her support for the development of this property. She stated she is in the process of applying for housing with Twin Cities Habitat for Humanity and hopes to stay in Richfield in the future. She stated her support for this type of housing, as it is very important for the community.

Raven Moe, currently displaced by a former resident of Richfield, stated that she doesn't currently have permanent housing. She voiced her support for this type of development because the accessibility components included are important.

M/Sandahl, S/Vrieze Daniels to close the public hearing.

Motion carried 5-0.

Chair Supple asked about the value and sale price of the property. Housing Specialist Aitchison responded and provided more details about the \$1 price for Twin Cities Habitat for Humanity.

Commissioner Vrieze Daniels asked about garbage pickup. Housing Specialist Aitchison responded with details about garage placement and alley layout.

M/Regan Gonzalez, S/Sandahl to adopt a resolution authorizing the sale of 6310 Irving Avenue South to Twin Cities Habitat for Humanity, and approve a Contract for Private Development with Twin Cities Habitat for Humanity for the construction of a single family home, contingent upon final Housing and Redevelopment Authority's Attorney review.

Commissioner Vrieze Daniels stated that the positive features of this development outweigh the negatives and has her support.

Chair Supple stated her support for the accessibility-features included in development.

Motion carried 5-0.

Item #5	PUBLIC HEARING AND CONSIDER ADOPTION OF A RESOLUTION APPROVING A CONTRACT FOR PRIVATE DEVELOPMENT WITH MWF PROPERTIES FOR REDEVELOPMENT OF THE CITY GARAGE SOUTH SITE AT 7700 PILLSBURY AVENUE S WITH 55 UNITS OF AFFORDABLE WORKFORCE HOUSING. (S.R. NO. 23)
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Housing Manager Julie Urban presented Staff Report No. 23. Executive Director John Stark added that two work sessions were held with policymakers and that while there are some unanswered questions about design, those would still be addressed during the approvals process with the Planning Commission and City Council.

Chair Supple opened the public hearing.

Tim Carter of Richfield Bloomington Honda, located at 501 77th Street West, stated that he is currently leasing the site from the city for employee parking, and that 170 employees park there and walk to work. He anticipates future growth in his business and number of employees and would need to find a new solution for parking for his employees. He stated he appreciates the communication that he has received from the city about this projects and its impacts on his business.

Luci Peterson, 2500 66th Street West, Apartment 308, spoke in favor of the project. Peterson stated that a flyer at VEAP's office in Bloomington shows that Richfield has fewer affordable housing opportunities than surrounding communities. Peterson stated the need for affordable housing and shared their personal experience looking for supportive, affordable housing.

Judy Moe, currently displaced but a former resident of Richfield, stated her support for the project. She explained her current housing situation and the high costs of rent. She stated her need for housing with an elevator, hardwood floors and wider doorways to accommodate her daughter's wheelchair. She stated that she believes the site is good because it is on a bus route, near amenities. She stated that she would live there and many others in need of housing would as well. She stated that she believes some concerns can be addressed, and then people should be given the ability to decide if they want to live at this property.

M/Regan Gonzalez, S/Vrieze Daniels to close the public hearing.

Motion carried 5-0.

Commissioner Elliott stated that he is planning to vote against the project as he has continued objections to this specific site for housing.

Commissioner Elliott asked how site control under the developer will impact Mr. Carter's current situation. Housing Manager Urban stated that the closing of the property wouldn't happen until the Tax Credits are awarded, likely in the year 2020. Commissioner Elliott asked for clarification on what 'site control' means for the developer. Housing Manager Urban stated that it means the developer has a Purchase Agreement and has shown they have the ability to officially acquire the property.

Commissioner Elliott asked if 4(D) tax credits will impact the TIF analysis. Executive Director Stark stated that the TIF analysis does include those tax credits and still allows for the city to receive the expected TIF payment. Commissioner Elliott asked for clarification on the timeline for the project. Housing Manager Urban responded.

Commissioner Elliott asked for clarification on the income-averaging that will occur with the tenants of this project.

Chris Stokka, MWF Properties, explained the new formula that is being used for the tax credit applications. He explained that a certain number of units will be allocated at each income level. No households will be over 70% of Median Area Income.

Commissioner Elliott asked for clarification on rent prices. Mr. Stokka responded and provided estimated rents for the units.

Commissioner Elliott asked about screening criteria for applicants and the status of individuals or families. Mr. Stokka stated that the management company they use is well versed in Fair Housing laws and that they will not discriminate on familial status.

Commissioner Elliott asked where the children who live in the building will play. Mr. Stokka responded that a 'tot-lot' will be on-site for children ages 3-7. Older children typically go off-site for activities. A community room and fitness center will also be provided.

Commissioner Elliott asked about pedestrian access across 77th Street. Mr. Stokka stated that further conversations haven't happened yet, but that it will be addressed as part of the land use approval process once the site is under contract.

Commissioner Elliott asked about the open house that was held. Mr. Stokka responded that the open house went well, and was attended by policymakers and city-staff. Executive Director Stark stated that it was a well-attended open house, and that numerous small-business owners attended as well. Their concerns were focused on future land-use of the area, as well as parking and traffic. Three residents attended and provided positive feedback.

Commissioner Elliott asked about traffic management plans. Housing Manager Urban stated that those concerns would all be addressed during the land use approvals process. Executive Director Stark stated that some high-level conversations have been had concerning 77th Street in a broader context.

Commissioner Regan Gonzalez stated she received three letters of support from residents for this property. She asked for clarification on the timing of this development. Housing Manager Urban responded that land use approvals would be required by June 1, 2020, and they would be expected to close in the Fall of 2020.

Chris Stokka, MWF Properties, stated they would be ready at the earliest in April or May of 2020, but they are willing to work with the city and Mr. Carter on timing.

Commissioner Regan Gonzalez clarified that this decision isn't final, and that there would be continued conversations about design and amenities. Mr. Stokka responded that yes, they would begin bringing in engineers and architects to really finalize the plans.

Commissioner Regan Gonzalez also stated that she believes it is a quality project that will benefit families, residents with disabilities and supportive services. She stated she believes it is important to keep addressing concerns from the nearby businesses. She stated she'd like to see what the impacts of 494 reconstruction and the Highway 77 underpass will have on this area. She also stated her desire to continue working with Mr. Carter on his parking needs.

Executive Director Stark stated that city staff has had conversations with Mr. Carter about other possibilities. He has a current Interim Use Permit (IUP), which can only last for 5 years, so the timing of the issue isn't based on this development. Both parties are exploring other options.

Commissioner Regan Gonzalez asked when the tax credits will be awarded. Mr. Stokka, MWF Properties, stated they will be notified on November 1, 2019.

Commissioner Vrieze Daniels stated her support for the project, despite the challenges that need to be addressed.

Commissioner Sandahl asked for clarification on the number of units. Mr. Stokka, MWF Properties, stated that it will be based on land use approvals from the city. Commissioner Sandahl asked about parking. Mr. Stokka stated that they are planning on 1.5 stalls/unit for parking. She stated her concern over this proposal being surrounded by commercial business, but that she will support it because it is a type of housing that we need. She suggested Mr. Carter talk to area churches about parking options.

Chair Supple stated her support for this project and its focus on lower-income households, as well as the accessibilities features and supportive services. She stated she did attend the open house and stated her desire to continue addressing concerns.

M/Regan Gonzalez, S/Vrieze Daniels to adopt a resolution approving a Contract for Private Development with MW F Properties for the City Garage South site at 7700 Pillsbury Avenue S and selling the Housing and Redevelopment Authority owned property to MW F Properties.

Motion carried 4-1, with Commissioner Pat Elliott voting nay.

Item #6	HRA DISCUSSION ITEMS
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Chair Supple announced upcoming Southdale Library Open Houses: May 30th from 6 PM – 8 PM, and June 8th from 10 AM – 12 PM.

Commissioner Regan Gonzalez thanked staff for the redevelopment study session that was held prior to the HRA meeting.

Commissioner Sandahl stated that the Richfield Bandshell Opening will be held on June 9th at 6 PM. There will be 2 bands performing.

Commissioner Vrieze Daniels asked about a concern voiced by residents that when they purchase a home they do not know what the zoning is. She asked that it be included in future conversations. Executive Director Stark stated that it can be addressed in the future.

Item #7	EXECUTIVE DIRECTOR REPORT
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None.

Item #8	CLAIMS AND PAYROLLS
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M/Sandahl, S/Regan Gonzalez that the following claims and payroll be approved:

U.S. BANK	05/20/2019
Section 8 Checks: 130707 - 130791	\$168,922.19
HRA Checks: 33636 - 33646	\$3,834.28
TOTAL	\$172,756.47

Motion carried 5-0.

Item #9	ADJOURNMENT
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The meeting was adjourned by unanimous consent at 8:29 p.m.

Date Approved: June 17, 2019

Mary B. Supple
HRA Chair

Kate Aitchison
Housing Specialist

John Stark
Executive Director