



HOUSING AND REDEVELOPMENT AUTHORITY MEETING MINUTES

Richfield, Minnesota

Regular Meeting

July 15, 2019

CALL TO ORDER

The meeting was called to order by Chair Supple at 7:07 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; Katie Rodriguez, City Manager; LaTonia DuBois, Administrative Assistant.

APPROVAL OF THE MINUTES

M/Vrieze Daniels, S/Regan Gonzalez to approve the Regular Housing and Redevelopment Authority meeting of June 17, 2019.

Motion carried 5-0.

Item #1

APPROVAL OF THE AGENDA

M/Sandahl, S/Vrieze Daniels to approve the agenda.

Motion carried 5-0.

Item #2

PUBLIC HEARING AND CONSIDERATION OF THE APPROVAL OF A RESOLUTION AUTHORIZING THE SALE OF 6812 EMERSON LANE AND THE APPROVAL OF A CONTRACT FOR PRIVATE DEVELOPMENT BETWEEN THE HOUSING AND REDEVELOPMENT AUTHORITY AND ENDRES CUSTOM HOMES, INC. FOR THE CONSTRUCTION OF FIVE SINGLE FAMILY HOMES UNDER THE RICHFIELD REDISCOVERED PROGRAM (S.R. NO. 27)

Executive Director Stark presented Staff Report No. 27.

Executive Director Stark addressed questions submitted by neighbors prior to this meeting.

Executive Director responded to questions from Commissioner Vrieze Daniels and Chair Supple.

Chair Supple opened the public hearing.

Chuck Strauch, resident of 6601 Emerson Avenue, expressed concerns regarding property tax, how much the City has invested and how much more money the City will invest in the property and increased police and fire calls. Stated he would like the property left alone and sold to the neighbors.

Steve Archer, resident of 6720 Emerson Avenue, expressed concerns with the elevation of the new homes and would like three homes considered. Also expressed concerns with the current condition of the land.

Jody Powell, resident of 6800 Emerson Lane, inquired about the terms of the contract relating to the builder having purchase agreements by December 31 and not paying anything to hold the property until then. She also expressed concerns related to privacy fences and said five houses felt unnatural.

Sandi Sween, resident of 7121 Oak Grove Blvd, expressed concerns about building height and pollution from freeway and having kids live in the new homes. Suggested other uses would be more beneficial.

April Pream, resident of 6639 Emerson Avenue, spoke of how the proposal disrupts the landscape of existing homes and would have a negative impact on current resident's feelings about their own property. Expressed water run off concerns and potential costs that could be passed on to current residents.

John Powell, resident of 6800 Emerson Lane, expressed concerns with developments impact on the neighborhood. Does not believe five homes would be right. Powell asked if the neighborhood could be involved with the development if it goes forward and have an input regarding landscaping, privacy and the homes.

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

Motion carried 5-0.

Chair Supple inquired about the cost to the City. Executive Director Stark explained the costs to date and explained the intent and what is written in the contract is that the City would not incur any further expenses once Mr. Endres takes title to the property, the City may incur minimal holding costs for maintaining the property until Mr. Endres takes title. Executive Director Stark explained the extraordinary utility costs Mr. Endres is incurring to develop the land. Executive Director Stark mentioned if approved this would need to go to the City Council for sub division waiver approval. Executive Director explained the Housing and Redevelopment Authority (HRA) is not charging holding fees because it is not the practice of the HRA to charge holding costs.

Executive Director Stark addressed the privacy fences and screening concerns, expressing that the City has not seen the landscaping plan yet and the City would continue to listen to input from the neighborhood regarding screening.

Resident Chuck Strauch asked what it will cost the City for the road and utilities. Executive Director Stark explained cost for the road and utilities to the HRA would be zero, the developer will pay for the road and the City only has to pay to maintain the land until closing on the property.

Commissioner Sandahl inquired about future maintenance of the new road. Executive Director Stark explained the City would maintain the road as it does all roads in the City.

Commissioner Sandahl inquired about the term "hammer head" listed on the plans. Executive Director Stark explained "hammer head" refers to the road design which allows fire trucks to enter and exit the property.

Commissioner Regan Gonzalez asked Executive Director Stark to explain the sub division waiver. Executive Director Stark explained the sub division waiver.

Commissioner Regan Gonzalez asked that what was discussed at the previous work session regarding property tax, building the homes verses selling the property be reviewed. Commissioner Vrieze Daniels read the notes from the work session. Executive Director Stark explained the taxes would be aggregate.

Chair Supple asked about landscaping being part of the motion.

Commissioner Elliott mentioned working with neighbors to address landscaping concerns. Executive Director Stark stated the motion would include that the Executive Director would need to approve landscaping plans and stated that the concerns would be taken seriously.

M/Sandahl, S/Supple to adopt a resolution authorizing the sale of 6812 Emerson Lane to Endres Custom Homes Inc. and authorize execution of a Contract for Private Development between the Housing and Redevelopment Authority and Endres Custom Homes, Inc. for the construction of five single family homes under the Richfield Rediscovered Program, with the understanding that the Executive Director would be responsible for final approval of the landscaping plan and the neighbors will be consulted in terms of landscaping, screening and privacy.

Commissioner Vrieze Daniels stated she was torn about this project, mentioned holding cost, sale price and future development opportunities on the site.

Commissioner Elliott stated the Housing and Redevelopment Authority and the neighbors are not crazy about putting five homes on a small piece of land, the street is boxed in and he is against the project. There are grading concerns, the project is overcrowding and is beneath what Richfield aspires to.

Commissioner Sandahl spoke in favor of the project, recovery from taxes and how other developments in the City on smaller sites have worked. They will be nice homes for families and will be a plus for the community, providing more homes for families and disagreed that the area would be crowded. Executive Director Stark explained lot sizes.

Commissioner Regan Gonzalez asked about what would happen to the land if this project was not approved. Executive Director Stark explained that it would depend and how developing three or four homes could be economically unfeasible for a builder.

Commissioner Elliott inquired about what would happen if the builder did not have five purchase agreements by the deadline. Executive Director Stark explained the development agreement would become invalid. Commissioner Elliott mentioned other projects that sat around too long. Executive Director Stark stated that the project would come back to the Housing and Redevelopment Authority for review if the builder did not fulfill the terms of the contract.

Commissioner Sandahl spoke in favor of Endres Custom Homes, Inc.

Commissioner Regan Gonzalez asked about other options could be considered. Commissioner Elliott spoke of homeowners and believes the homeowners have a desire to purchase the property and would like to give the homeowners another shot.

Commissioner Sandahl spoke of current untended condition of site and believes it will provide upscale housing.

Executive Director Stark spoke of time constraints of project relating to future work being planned by Public Works and the current housing market.

Chair Supple mentioned the water run off situation and wants to make sure it is clearly looked at by engineering staff.

Commissioner Sandahl stated it is a good opportunity that may not come back. Commissioner Vrieze Daniels stated that she agrees with giving the development a shot.

Dustin Endress, of Endress Custom Homes, Inc., addressed drainage concerns and spoke of how building four homes opposed to five would not change anything other than driving up the cost of the four homes. Five homes are required to cover the cost of the road without being priced higher than other homes.

Chair Supple took the vote.

Motion carried 3-2, with Commissioners Regan Gonzalez and Elliott voting against the proposal.

Item #5	HRA DISCUSSION ITEMS
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None

Item #6	EXECUTIVE DIRECTOR REPORT
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Executive Director Stark shared construction updates for the Chamberlain Apartments. Commissioner Sandahl inquired about another tour of the Chamberlain Apartments to which Executive Director Stark stated he would look into.

Item #7	CLAIMS AND PAYROLLS
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M/Vrieze Daniels, S/Sandahl that the following claims and payroll be approved:

U.S. BANK	07/15/2019
Section 8 Checks: 130876 – 130956	\$161,184.20
HRA Checks: 33658 - 33688	\$189,925.08
TOTAL	\$351,109.28

Motion carried 5-0.

Item #8	ADJOURNMENT
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The meeting was adjourned by unanimous consent at 8:28 p.m.

Date Approved: August 19, 2019

Mary B. Supple
HRA Chair

LaTonia DuBois
Administrative Assistant

John Stark
Executive Director