



HOUSING AND REDEVELOPMENT AUTHORITY MEETING MINUTES

Richfield, Minnesota

Regular Meeting

October 21, 2019

CALL TO ORDER

The meeting was called to order by Chair Supple at 7:00 p.m. in the Council Chambers.

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

HRA Members Absent: Maria Regan Gonzalez

Staff Present: John Stark, Executive Director; Julie Urban, Housing Manager

APPROVAL OF THE MINUTES

M/Elliott, S/Sandahl to approve the minutes for the Concurrent City Council, Housing and Redevelopment Authority and Planning Commission Work Session of September 16, 2019, the minutes for the Regular Housing and Redevelopment Authority meeting of September 16, 2019, and the minutes for the Concurrent City Council, Housing and Redevelopment Authority and Planning Commission Work Session of September 24, 2019.

Motion carried 4-0.

Item #2	CONSENT CALENDAR
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Executive Director Stark presented the Consent Calendar:

- A. Consideration of an adjustment to the payment standard for the Section 8 Housing Choice Voucher Program.

In response to a question from Commissioner Elliott, Housing Manager Urban explained that Fair Market Rents are determined once a year by the Department of Housing and Urban Development, but there was a delay in publication this year, and we needed to be in compliance with HUD regulations, especially for efficiency apartments, so this was the second time in 2019 the HRA was being asked to adjust the payment standards.

M/Vrieze Daniels, S/Sandahl to approve the Consent Calendar.

Motion carried 4-0.

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

Item #4	CONSIDERATION OF AN AMENDMENT TO THE CONTRACT FOR PRIVATE DEVELOPMENT FOR 6812 EMERSON LANE (SR NO. 35)
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Housing Manager Urban presented the staff report explaining that survey work has shown a reduced parcel resulting in the five-home proposal originally approved not meeting several of the City's subdivision requirements. Staff and the builder are presenting a four-home concept that would meet the subdivision requirements but could require an additional subsidy of up to \$60,000. She explained that appraisal information is expected by the end of October that will help to determine the final amount. She reminded Commissioners that the Community Development wears two "hats," one as representative of the HRA seeking to meet its housing goals and make the best financial deal possible and one as planners who need to make land use decisions and administer the City's subdivision ordinance.

Commissioner Elliott stated that he wasn't comfortable making a decision until the appraisal information was available. He also requested that the entire contract be included when amendments are under consideration. He stated concern that \$390,000 was too great a subsidy for this development.

Commissioners Sandahl and Chair Supple expressed concern with the timing of a decision. Housing Manager Urban stated that the builder would like to begin constructing utilities this Fall and is attempting to finish them before the mill and overlay project begins in the Spring. She stated that Public Works Director Asher has agreed that the road schedule could be adjusted but that wasn't ideal.

Dustin Endres of Endres Custom Homes showed both the four and five-house layouts, describing the changes in the lot widths and sizes and stated that he was willing to build either four or five houses.

In response to a question from Jeri Scott, 6608 Emerson Avenue, Mr. Endres explained that his potential buyers have visited the site.

John Powell, 6800 Emerson Lane, urged the Commissioners to follow the original project deadline, and read a list of written questions and statements presented to the Commissioners. His comments included asking who would be paying for the survey work, how four houses deviated from the five or two houses determined to be most feasible at the April work session, what the subsidy would be and whether or not it was an appropriate use of tax payer money, he suggested that lot sizes should be consistent with other lots in the neighborhood, and that the lots be staked ahead of time. He reported what taxes would be collected from four versus five houses and questioned what the City's Return on Investment would be for the project. He asked that the neighbors be informed of all future consideration of the project.

Executive Director Stark clarified that part of the reason for bringing the four house concept to the HRA was based on the assumption that the neighbors would prefer fewer units.

Sarah Witty, 6633 Emerson Avenue, asked whether the design of the homes was changing, expressed a desire for more information and stated that they should decide whether four or five homes would be built before anything is done.

David Paxson, 6732 Emerson Avenue, questioned a statement made at the previous public hearing about there being a 10-year return on the HRA's investment. Executive Director Stark explained that that figure was based on taxes collected by all taxing jurisdictions and that it is just an estimate. He reminded the Commissioners that the majority of the investment was 15 years ago and that the goal is to try and make the best of the situation that investment has created.

Mr. Paxson then questioned what the return on investment would be if the property were part of the Nature Center. Executive Director Stark explained that the return would be other benefits to the community and not financial.

Jody Powell, 6800 Emerson Lane, pointed out that the builder has no purchase agreements and therefore couldn't move forward. She questioned what had been done since July and why there was only one buyer.

April Pream, 6639 Emerson Avenue, described her own remodeling experience and that she was told that variances weren't possible, so she asked why the City would approve variances for herself.

Mr. Endres explained that the exceptions required for the five-lot plan were to lot sizes and lot widths, not setbacks and stated that many of the side setbacks exceed the required five feet.

Commissioner Sandahl stated that she also assumed the neighbors would prefer four houses and was comfortable with the additional subsidy given the housing that would be added to the community, meeting a goal of the HRA.

Commissioner Vrieze Daniels stated that she doesn't want to amend the Contract and wants to see no more subsidy provided.

Commissioner Elliott stated that he did not want to vote until the appraisal information comes back.

Chair Supple confirmed that three votes were required to pass a motion. Commissioner Sandahl then proposed an alternative motion:

M/Sandahl, S/Supple to amend the Contract with Endres Custom Homes extending the deadline for three months until March 31.

Chair Supple stated that the three-month extension was appropriate given the delay caused by the survey, which was no fault of the Builder. Executive Director Stark asked if the appraisal came back with a lower subsidy, would that make a difference for the Commissioners. Chair Supple stated that the amount of the subsidy did make a difference for her.

Chair Supple called for a roll call vote:

Elliott: yes

Vrieze Daniels: no

Sandahl: yes

Supple: yes

Motion carried: 3-1

Item #5	CONSIDERATION OF AN AMENDMENT TO THE CONTRACT FOR PRIVATE DEVELOPMENT WITH TWIN CITIES HABITAT FOR HUMANITY FOR 6310 IRVING AVENUE SOUTH TO ALLOW REIMBURSEMENT FOR ABATEMENT OF CONTAMINATED SOIL (S.R. NO 36)
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Housing Manager Urban presented the staff report explaining that Twin Cities Habitat for Humanity discovered asbestos siding in the soil at 6310 Irving Avenue and was requesting HRA assistance to help pay for the extraordinary costs of removing the contaminant.

Executive Director Stark confirmed that the expense is an eligible expense for the Housing and Redevelopment Fund.

M/ Sandahl, S/ Vrieze Daniels to amend the contract for private development with Twin Cities Habitat for Humanity for 6310 Irving to allow reimbursement for abatement of contaminated soil.

Motion carried 4-0.

Item #6	CONSIDERATION OF THE APPROVAL OF A RESOLUTION ACCEPTING CONTRIBUTIONS FOR THE 2019 TOUR OF REMODELED HOMES (SR NO. 37)
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Executive Director Stark presented the staff report explaining that five local businesses each donated \$200 as sponsors of the 2019 Tour of Remodeled Homes and thought it appropriate to identify the entities by name, which were: Builders by Design, The Center for Energy and the Environment, E.J. Hanson AIA, Sicora Design/Build and Steve Schneeberger of Keller Williams Realty.

M/ Sandahl, S/ Vrieze Daniels to approve a resolution accepting contributions for the 2019 Tour of Remodeled Homes.

Motion carried 4-0.

Item #7	HRA DISCUSSION ITEMS
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None.

Item #8	EXECUTIVE DIRECTOR REPORT
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None.

Item #9	CLAIMS AND PAYROLLS
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M/Elliott, S/ Vrieze Daniels that the following claims and payroll be approved:

U.S. BANK	10/21/2019
Section 8 Checks: 131117-131194	\$166,340.71
HRA Checks: 33721-33745	\$23,240.06
TOTAL	\$189,580.77

Motion carried 4-0.

Item #8	ADJOURNMENT
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The meeting was adjourned by unanimous consent at 8:18 p.m.

Date Approved: November 18, 2019

Mary B. Supple
HRA Chair

Julie Urban
Housing Manager

John Stark
Executive Director