

# CITY COUNCIL MEETING MINUTES

Richfield, Minnesota



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

**March 20, 2017**

### CALL TO ORDER

The concurrent work session was called to order by HRA Chair Supple at 6:00 p.m. in the Bartholomew Room.

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

*HRA Members Present:* Mary Supple, Chair; Pat Elliott; Michael Howard; Doris Rubenstein; and Sue Sandahl.

*Staff Present:* Steven L. Devich, City Manager/Executive Director; and John Stark, Community Development Director.

**Item #1**

**DISCUSSION REGARDING THE FORMATION OF AN ECONOMIC DEVELOPMENT AUTHORITY (COUNCIL MEMO NO. 28/HRA MEMO NO. 8)**

City Manager/Executive Director Steve Devich introduced the topic of creating a Economic Development Authority (EDA).

Community Development Director John Stark presented background for considering the establishment of an EDA. Stark presented the authority for and mission of an EDA.

Council Member/HRA Commissioner Michael Howard asked staff to look at what the needs are and how the funding would be used.

There was general consensus from the Council Members and HRA Commissioners that the City move ahead with the EDA.

The concurrent work session was adjourned by unanimous consent at 6:43 p.m.

Date Approved: April 11, 2017

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Pat Elliott  
Mayor

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Jared Voto  
Executive Aide/Analyst

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Steven L. Devich  
City Manager



# HOUSING AND REDEVELOPMENT AUTHORITY MEETING MINUTES

Richfield, Minnesota

## Regular Meeting

### March 20, 2017

#### 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; Michael Howard; Doris Rubenstein; and Sue Sandahl.

*Staff Present:*

Steve Devich, Executive Director; John Stark, Community Development Director; Karen Barton, Community Development Assistant Director; and Elizabeth VanHoose, City Clerk.

#### OATH OF OFFICE OF RICHFIELD HRA COMMISSIONER, MICHAEL HOWARD OATH OF OFFICE OF RICHFIELD HRA COMMISSIONER, SUE SANDAHL

City Clerk VanHoose administered the oaths of office to HRA Commissioners Michael Howard and Sue Sandahl.

#### APPROVAL OF THE MINUTES OF THE REGULAR HRA MEETING OF JANUARY 17, 2017

M/Elliott, S/Sandahl to approve the minutes of the regular HRA Meeting of January 17, 2017.

Motion carried 5-0.

#### ITEM #1

#### APPROVAL OF THE AGENDA

Chair Supple and the other Commissioners expressed their thanks to former Commissioner David Gepner for his work on the HRA.

M/Rubenstein, S/Elliott to approve the agenda.

Motion carried 5-0.

#### ITEM #2

#### 2016 YEAR IN REVIEW

Community Development Assistant Director Karen Barton presented a PowerPoint of the 2016 Year in Review.

Commissioner Rubenstein asked who would be responsible for maintaining the park next to Audi and stated we need to celebrate the accomplishments publicly.

Barton responded that the park is Audi's responsibility.

Commissioners thanked Barton for the report.

<b>ITEM #3</b>	<b>HRA APPROVAL OF THE CONSENT CALENDAR</b>
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Executive Director Devich presented the consent calendar.

- A. Consideration of the approval of a resolution designating certain financial institutions as depositories for the Housing and Redevelopment Authority for 2017. (S.R. No. 9)

RESOLUTION NO. 1249  
RESOLUTION DESIGNATING CERTAIN FINANCIAL INSTITUTIONS  
AS DEPOSITORIES FOR THE INVESTMENT OF HOUSING AND  
REDEVELOPMENT AUTHORITY OF RICHFIELD FUNDS IN 2017

This resolution appears as Resolution No. 1249.

- B. Consideration of the approval of revisions to the Transformation Loan Program Guidelines updating the administration of the Program. (S.R. No. 10)
- C. Consideration of the approval of revisions to the Richfield Rediscovered Lot Sale Guidelines and the Redevelopment Credit Program Guidelines. (S.R. No. 11)
- D. Consideration of the approval of recommended revisions to the New Home Program Guidelines. (S.R. No. 12)
- E. Consideration of the approval of a resolution authorizing an interfund loan up to \$400,000 for advance of certain costs in connection with the Interchange Tax Increment Financing District. (S.R. No. 13)

RESOLUTION NO. 1250  
RESOLUTION AUTHORIZING AN INTERFUND LOAN FOR  
ADVANCE OF CERTAIN COSTS IN CONNECTION WITH THE  
INTERCHANGE TAX INCREMENT FINANCING DISTRICT

This resolution appears as Resolution No. 1250.

- F. Consideration of the approval of a resolution approving a Subordination Agreement related to Urban Village. (S.R. No. 14)

RESOLUTION NO. 1251  
RESOLUTION APPROVING ASSIGNMENT AND SECOND  
AMENDMENT TO CONTRACT FOR PRIVATE DEVELOPMENT  
WITH RM SENIOR LIVING RICHFIELD LLC

This resolution appears as Resolution No. 1251.

M/Sandahl, S/Rubenstein to approve the consent calendar.

Motion carried 5-0.

<b>ITEM #4</b>	<b>CONSIDERATION OF ITEMS, IF ANY, REMOVED FROM THE CONSENT CALENDAR</b>
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None.

<b>ITEM #5</b>	<b>CONSIDERATION OF THE APPROVAL OF A RESOLUTION APPROVING THE ASSIGNMENT AND ASSUMPTION OF CONTRACT BETWEEN MESABA CAPITAL DEVELOPMENT, LLC, RM SENIOR LIVING RICHFIELD LLC, AND THE HOUSING AND REDEVELOPMENT AUTHORITY, AND SECOND AMENDMENT TO CONTRACT FOR PRIVATE DEVELOPMENT BETWEEN RM SENIOR LIVING RICHFIELD LLC AND THE HOUSING AND REDEVELOPMENT AUTHORITY. (S.R. NO. 15)</b>
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Community Development Assistant Director Karen Barton presented Staff Report No. 15.

Commissioner Elliott requested that in the future if the HRA approves a contract and there is reason to believe there will be an assignment of the contract it be brought forward earlier so the HRA understand who is going to be building, running, and/or managing the property, before the assignment takes place. He stated he would like to know up front of any other companies related to a project, rather than later on.

M/Howard, S/Elliott to approve a resolution approving Assignment and Second Amendment to Contract for Private Development with RM Senior Living Richfield, LLC.

RESOLUTION NO. 1252  
RESOLUTION APPROVING SUBORDINATION AGREEMENT  
RELATED TO RICHFIELD URBAN VILLAGE

Motion carried 5-0. This resolution appears as Resolution No. 1252.

<b>ITEM #6</b>	<b>CONSIDERATION OF THE APPROVAL OF A CONTRACT FOR PRIVATE DEVELOPMENT BETWEEN THE HOUSING AND REDEVELOPMENT AUTHORITY AND ENDRES CUSTOM HOMES, INC. FOR THE REDEVELOPMENT OF 6836 IRVING AVENUE UNDER THE RICHFIELD REDISCOVERED CREDIT PROGRAM. (S.R. NO. 16)</b>
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Community Development Assistant Director Karen Barton presented Staff Report No. 16.

M/Rubenstein, S/Howard to approve and authorize execution of a Contract for Private Development between the Housing and Redevelopment Authority and Endres Custom Homes, Inc. for the redevelopment of 6836 Irving Avenue through the Richfield Rediscovered Credit Program.

Motion carried 5-0.

<b>ITEM #7</b>	<b>HRA DISCUSSION ITEMS</b>
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Chair Supple asked about an update of Cedar Point II.

Community Development Assistant Director Karen Barton responded that we are continuing to work with the developer to try to move the project forward.

There was general discussion regarding the concern that the project seems not to be moving forward.

Chair Supple reported on an article in the Sunday (March 19) Star Tribune front page touting Richfield’s housing market.

<b>ITEM #8</b>	<b>EXECUTIVE DIRECTOR REPORT</b>
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Executive Director Steve Devich reported on the status of three Richfield bills in this year’s legislature.

Community Development Director John Stark gave a summary of a work session presented by Edina staff regarding the Southdale Library project.

<b>ITEM #9</b>	<b>CLAIMS AND PAYROLL</b>
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M/Elliott, S/Howard, that the following claims and payroll be approved:

<b>U.S. BANK</b>	<b>02/20/17</b>
Section 8 Checks: 128440 - 128530	\$167,188.01
HRA Checks: 32972 - 33008	\$298,570.52
<b>TOTAL</b>	<b>\$465,758.53</b>

<b>U.S. BANK</b>	<b>03/20/17</b>
Section 8 Checks: 128531 - 128621	\$163,387.31
HRA Checks: 33009 - 33037	\$182,360.44
<b>TOTAL</b>	<b>\$345,747.75</b>

Motion carried 5-0.

<b>ITEM #10</b>	<b>ADJOURNMENT</b>
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The meeting was adjourned by unanimous consent at 8:05 p.m.

Date Approved: April 17, 2017

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Mary B. Supple  
HRA Chair

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Kate Aitchison  
Housing Specialist

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Steve Devich  
Executive Director