



**ECONOMIC DEVELOPMENT AUTHORITY MEETING
RICHFIELD MUNICIPAL CENTER, COUNCIL CHAMBERS
OCTOBER 15, 2018
7:15 PM (IMMEDIATELY FOLLOWING THE HRA MEETING)**

Call to Order

Approval of the minutes of the regular Economic Development Authority meeting of August 20, 2018.

AGENDA APPROVAL

1. Approval of the Agenda

RESOLUTIONS

2. Consideration of the adoption of a resolution approving an Inclusionary Affordable Housing Policy.
Staff Report No. 6

OTHER BUSINESS

3. Consideration of the adoption of an amended version of the Bylaws of the Richfield Economic Development Authority.
Staff Report No. 7
4. Consideration of the appointment of a new Executive Director of the Economic Development Authority to serve following the retirement of current Executive Director Steve Devich.
Staff Report No. 8

EDA DISCUSSION ITEMS

5. EDA Discussion Items

EXECUTIVE DIRECTOR REPORT

6. Executive Director's Report

CLAIMS AND PAYROLLS

7. Claims and Payrolls
8. Adjournment

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9738.



ECONOMIC DEVELOPMENT AUTHORITY MEETING MINUTES

Richfield, Minnesota

Regular Meeting

August 20, 2018

CALL TO ORDER

The meeting was called to order by President Supple at 8:23 p.m.

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

Staff Present: Steve Devich, Executive Director; John Stark, Community Development Director, and Kate Aitchison, Housing Specialist.

APPROVAL OF THE MINUTES OF THE REGULAR ECONOMIC DEVELOPMENT AUTHORITY MEETING OF MARCH 19, 2018.

M/Vrieze Daniels, S/Howard to approve the minutes of the regular Economic Development Authority meeting of March 19, 2018.

Motion carried 5-0.

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

Motion carried 5-0.

Item #2	CONSIDERATION OF THE ADOPTION OF RESOLUTIONS APPROVING PROPOSED PROPERTY TAX LEVY FOR PAYABLE 2019 FOR CERTIFICATION TO HENNEPIN COUNTY. (S.R. NO. 5)
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Community Development Director Stark presented Staff Report No. 5.

Commissioner Sandahl asked how many transformation loans could be made with the \$130,000 budgeted. Housing Specialist Aitchison stated that 6 were made this year, but the overall number depends on the loan amount. Recipients can receive anywhere from \$7,500-\$25,000

Chair Supple questioned how the Kids@Home program is marketed. Community Development Director Stark stated that a partnership with the school has always been part of it, but that staff is exploring other ways as well.

M/Howard, S/Vrieze Daniels to adopt resolutions approving the 2019 Proposed Economic Development Authority Budget and Tax Levy and 2018 Revised Economic Development Authority Budget.

Commissioner Howard stated that in the second year, the EDA is doing a good job of laying out priorities and tweaking things.

Motion carried 5-0.

Item #3	EDA DISCUSSION ITEMS
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None.

Item #4	EXECUTIVE DIRECTOR REPORT
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Devich stated that he has nothing to report.

Item #5	CLAIMS AND PAYROLL
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M/Howard, S/Sandahl that the following claims and payroll be approved:

U.S. BANK	4/16/2018
EDA Checks: 20044-20053	\$6,475.00
TOTAL	\$6,475.00

U.S. BANK	5/21/2018
EDA Checks: 20054-20064	\$6,920.25
TOTAL	\$6,920.25

U.S. BANK	6/18/2018
EDA Checks: 20065-20075	\$6,357.25
TOTAL	\$6,357.25

U.S. BANK	7/16/2018
EDA Checks: 20076-20085	\$10,475.00
TOTAL	\$10,475.00

U.S. BANK	8/20/2018
EDA Checks: 20086-20094	\$5,475.00
TOTAL	\$5,475.00

Motion carried 5-0.

ADJOURNMENT

The meeting was adjourned by unanimous consent at 8:32 p.m.

Date Approved: October 15, 2018

Mary B. Supple
EDA President

Kate Aitchison
Housing Specialist

Steven L. Devich
Executive Director



STAFF REPORT NO. 6
ECONOMIC DEVELOPMENT AUTHORITY
MEETING
10/15/2018

REPORT PREPARED BY: John Stark, Community Development Director

DEPARTMENT DIRECTOR REVIEW: John Stark, Community Development Director
10/10/2018

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Steven L. Devich, Executive Director
10/10/2018

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the adoption of a resolution approving an Inclusionary Affordable Housing Policy.

EXECUTIVE SUMMARY:

In 2013, both the Richfield City Council and the Richfield Housing and Redevelopment Authority (HRA) adopted a Housing Policy Vision Statement that supports a "full range and balance of housing types that match the choices of its diverse residents." Furthermore, there have been many HRA discussions in the past eighteen months related to continuing support for affordable housing. As a part of the implementation of the Housing Visioning Statement, and in conformance with City Council direction, staff is recommending the adoption of a formal Inclusionary Affordable Housing Policy (Policy).

A preliminary draft of this Policy was presented to the City Council and Richfield HRA at a July 16 concurrent work session, with Economic Development Authority (EDA) Commissioners also in attendance. Much of this Policy has been consistently applied to developments receiving public assistance over the past twenty years. A formal Policy, however, will better define expectations and requirements in a more transparent manner.

The proposed Policy would require housing developers receiving public subsidy to either:

- Make at least 20% of all housing units to be affordable to either renters earning less than 60% of the Area Median Income (AMI) or owners earning less than 115% of the AMI, or;
 - Pledge 15% of the net-present-value of the subsidy they receive to the Richfield Housing and Redevelopment Fund, and;
 - Must provide 90-day notice of sale, and;
 - Must agree to not discriminate against renters receiving rental subsidies (including the Section 8 Housing Choice program).
- Based on feedback from the September 25, 2018 City Council meeting, the proposed Policy has been revised to state that it is to be applied only for development of 5 or more units and that, in the case of "scattered site" developments (Richfield Rediscovered and New Home) the 20% affordability requirement shall be applied cumulatively over a three-year period.

It is unknown at this time whether the EDA would ever provide public financial assistance for the construction of new housing. In the event that such financing were provided, this policy would be in effect.

RECOMMENDED ACTION:

By motion: **Adopt a resolution approving an Inclusionary Affordable Housing Policy.**

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

- In 2013 the Richfield City Council and HRA adopted a Housing Policy Vision Statement that supports a "full range and balance of housing types that match the choices of its diverse residents."
- Since April of 2017, the HRA has been considering the need to preserve the City's Naturally Occurring Affordable Housing (NOAH) and to insure the construction of a mix of housing affordability.
- In October 2017 the City Council and HRA established goals and a work plan for strengthening the City's apartment communities. The proposed Policy supports these goals and is one step in the work plan.
- In May 2018 the City Council and HRA directed staff to move forward on drafting a Policy.
- On July 16, 2018, the HRA reviewed a draft Policy.
- The City Council adopted the proposed Policy in concept at their September 25 meeting and will vote to affirm this action at their October 23 meeting.

B. POLICIES (resolutions, ordinances, regulations, statutes, etc):

- The proposed Policy furthers the stated goal to provide a mix of housing types (including a mix of affordability levels).
- This Policy applies to the inclusion of affordable housing units. In the coming months, staff will be researching and drafting a policy regarding the inclusion of physically accessible housing units and amenities.

C. CRITICAL TIMING ISSUES:

- If approved by the EDA, the Policy will become effective immediately for projects that receive financial assistance from the EDA.

D. FINANCIAL IMPACT:

- While there is no fiscal impact on City/HRA/EDA operational costs, a developer's election to pledge funds to the HRA's Housing and Redevelopment Fund would be available to assist in affordable housing costs throughout the community.

E. LEGAL CONSIDERATION:

- The Richfield City Attorney prepared the resolution.

ALTERNATIVE RECOMMENDATION(S):

- The EDA may choose to:
 - Approve the Policy with changes;
 - Delay consideration of the Policy for further study; or
 - Not to adopt the Policy.

PRINCIPAL PARTIES EXPECTED AT MEETING:

N/A

ATTACHMENTS:

Description	Type
☐ Resolution	Resolution Letter
☐ Inclusionary Housing Policy	Backup Material
☐ 2013 Housing Visioning Statement	Backup Material

RESOLUTION NO. ____

**A RESOLUTION APPROVING THE ADOPTION OF
AN INCLUSIONARY AFFORDABLE HOUSING POLICY**

WHEREAS, both the Richfield Housing and Redevelopment Authority (HRA) and City Council adopted a Housing Policy Vision Statement in 2013 that supports a full range and balance of housing types that match the choices of its diverse residents; and

WHEREAS, the Economic Development Authority in, and of, the City of Richfield (EDA) wishes to further support development of high quality housing in the community for households of various income levels, ages and sizes in order to help the City meet its goals of preserving and promoting economically diverse housing options in the City; and

WHEREAS, without intervention, housing prices will continue to rise in new developments;

WHEREAS, the EDA wants to ensure that both the public and private sectors continue to create affordable housing opportunities in the City; and

WHEREAS, the EDA believes that adoption of a policy setting criteria and incentives for developers to build new affordable units will assist the City in achieving its inclusionary housing goals; and

NOW, THEREFORE, BE IT RESOLVED by the Economic Development Authority in, and of, the City of Richfield, Minnesota, that:

1. The Inclusionary Affordable Housing Policy is hereby approved and adopted.
2. EDA staff is authorized to carry out the policy effective immediately.

Adopted by the Economic Development Authority in, and of, the City of Richfield, Minnesota this 15th day of October 2018.

Mary Supple, President

ATTEST:

Steven L. Devich, Executive Director

City of Richfield
Richfield Housing and Redevelopment Authority
Richfield Economic Development Authority
Inclusionary Affordable Housing Policy

The City of Richfield, Richfield Housing and Redevelopment Authority, and Richfield Economic Development Authority are committed to building a community that is welcoming and affordable to a diverse population of individuals and families at all stages of their lives. As such, we hereby establish the following policy for the inclusion of affordable housing in development proposals.

Requirements

1. Housing Development Projects containing the construction of at least 5 new units which receive Financial Assistance from HRA, EDA or City:
 - a. Must contain at least 20% affordable units
 - i. At least 20% of rental housing units must be made affordable to tenant households earning no more than 60% of the Area Median Income over a period of ten years or the duration of the subsidy (whichever is longer);
 - ii. At least 20% of owner-occupied housing units must be made affordable to, and initially sold to, households earning no more than 115% of the Area Median Income;
 - iii. At least 20% of the grand total of housing units in a mixed rental/ownership development must be affordable at the affordability levels established in 1.a)i and 1.a)ii,
 - or;
 - b. Must contribute to the Richfield Housing and Redevelopment Fund
 - i. 15% of the “net present value” of Tax Increment generated by the project (or 15% of the net present value of other types of assistance) must be pledged to the Richfield Housing and Redevelopment Fund over a period of ten years or the duration of the subsidy (whichever is longer), or;
 - ii. A pro-rata combination of the above (i.e. 10% affordable units and a 7.5% contribution) may be considered, and;
 - c. Must agree to provide 90 days’ advance notice to the public body providing funding of any sale of the property,
and;
 - d. Must agree to not discriminate against households utilizing Housing Choice Vouchers (Section 8) or other forms of rental assistance.
2. Non-Housing Development Projects that receive Financial Assistance from HRA, EDA or City and which result in the loss of affordable housing:
 - a. Affordable housing units eliminated by the project must be replaced on-site or at another location in Richfield by the developer at similar affordability levels, or;
 - b. 5-15% (depending on the magnitude of the loss of affordable housing) of the “net present value” of the Financial Assistance provided must be pledged to the Richfield Housing and Redevelopment Fund over a period of ten years or the duration of the subsidy (whichever is longer).

Incentives

3. Housing Development Projects which include affordable units (as outlined in 1a above) are eligible to apply to the City for the following considerations regardless of whether or not they receive Public Financial Assistance:
 - i. Building Permit Fee Reductions (10% reduction for rehabilitation and/or 5% reduction for new construction);
 - ii. 4d Property Tax Reduction (rental projects);
 - iii. Consideration of code flexibility (e.g., smaller setbacks, excessive impervious surface, etc.) in planned unit developments;
 - iv. A housing unit density bonus of 5-15% (e.g., a project in an area that allows 8-24 units/acre could add an additional 1-4 units/acre and remain in compliance).

Exceptions

4. With regards to “scattered-site single family housing development”, at least 20% of the units constructed in any three-year period must meet the proscribed affordability requirements.
5. The City Council or Board of Commissioners of the Housing and Redevelopment Authority or Economic Development Authority may vary the application of this policy as circumstances warrant with the adoption of findings of the reasons for doing so.

Adopted:

This 23rd day of October, 2018 by the Richfield City Council.

Mayor

Secretary

This 15th day of October, 2018 by the Richfield Housing and Redevelopment Authority.

Chair

Secretary

This 15th day of October, 2018 by the Richfield Economic Development Authority.

President

Secretary

Richfield Housing Vision Statement

Richfield is a sustainable community that is known for its strong, vibrant and eclectic, amenity-rich neighborhoods supported by a full range and balance of housing types that match the choices of its diverse residents at every stage of their lives.

THE MEANING OF WORDS IN THE VISION STATEMENT

Richfield is – *means that this is an aspirational statement. The Task Force members are describing the housing and community they want for their future.*

a sustainable community – *“community” was a theme repeated by the Task Force members throughout the process. Housing was acknowledged to be very important, but housing was viewed as a means to achieving a strong community. “Sustainable” is added to encompass environmental, economic and social considerations.*

that is known for its strong, vibrant and eclectic, amenity rich neighborhoods – *like community, strong neighborhoods were identified over and over again by the members throughout the process. The word “vibrant” means that these neighborhoods are prospering economically and socially. “Eclectic” was used to acknowledge that Richfield can have varied and unique neighborhoods, each building on distinct attributes and opportunities. “Amenity-rich” means environmental amenities like green space, trees, trails and other natural features, as well as community gathering places, coffee shops and similar cultural offerings.*

supported by a full range and balance of housing types – *the concept of housing supporting the neighborhoods is reinforced with these words.” Full range” of housing types means that there is a wide variety of housing options available for people to choose from when considering moving to or staying in Richfield. A “balance of housing types” means the avoidance of concentrations of any housing types.*

that match the choices of its diverse residents at every stage of their lives. – *“match the choices of diverse residents” means that the City has what residents want, not just what they have to adapt to. The Task Force supports a broad definition of diversity. These varied housing offerings mean that residents can stay in the community their whole lives and find housing that meets their needs and their preferences.*



STAFF REPORT NO. 7
ECONOMIC DEVELOPMENT AUTHORITY
MEETING
10/15/2018

REPORT PREPARED BY: John Stark, Community Development Director

DEPARTMENT DIRECTOR REVIEW: John Stark, Community Development Director
10/8/2018

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Steven L. Devich, Executive Director
10/10/2018

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the adoption of an amended version of the Bylaws of the Richfield Economic Development Authority.

EXECUTIVE SUMMARY:

Since its inception in 2017, Steve Devich has served as the Economic Development Authority (EDA) Executive Director. Mr. Devich has announced his retirement from this role effective November 30, 2018. Upon the announcement of his retirement, staff reviewed the EDA Bylaws related to the Executive Director position as described in Article III, Section 8. Based on this review, staff is recommending several minor modifications, including:

- An additional sentence stating that, "Regardless of who is appointed as Executive Director, the City Manager of the City of Richfield shall have ultimate authority in recommending an annual levy and budget."
- A change in language removing the requirement that an Acting Executive Director, as designated by the Executive Director, must be the Community Development Director.
- A change in wording to allow for the designation of a Recording Secretary.

RECOMMENDED ACTION:

By motion: Adopt an amended version of the the Bylaws of the Richfield Economic Development Authority.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

- Staff plans to routinely review the EDA Bylaws to ensure that they meet both current practice and the future needs of the EDA.

B. POLICIES (resolutions, ordinances, regulations, statutes, etc):

- The Levy and Annual Budget of the Richfield EDA has an impact on the overall tax impacts of the city as a whole. The authority to formally recommend a Levy and an Annual Budget, therefore, should be placed with the City Manager of the City of Richfield.

C. CRITICAL TIMING ISSUES:

- The current Executive Director of the EDA has announced his retirement, effective November 30,

2018. Staff recommends that the Bylaws related to the Executive Director should be modified prior to his departure.

D. FINANCIAL IMPACT:

- None

E. LEGAL CONSIDERATION:

- EDA Legal Counsel has been apprised of this recommended action.

ALTERNATIVE RECOMMENDATION(S):

- Do not approve the amended EDA Bylaws, or;
- Approve a modified version of the amendments to the EDA Bylaws to better reflect the direction of the Authority.

PRINCIPAL PARTIES EXPECTED AT MEETING:

N/A

ATTACHMENTS:

Description	Type
▢ Amended Bylaws	Backup Material

**BYLAWS OF THE
RICHFIELD ECONOMIC DEVELOPMENT AUTHORITY**

ARTICLE I – THE AUTHORITY

Section 1. Name of Authority. The name of the economic development authority shall be the “Richfield Economic Development Authority” (the “Authority”).

Section 2. Seal of Authority. The seal of the Authority shall be in the form of a circle and shall bear the name of the Authority.

Section 3. Office of Authority. The offices of the Authority shall be at City Hall in the City of Richfield, Minnesota, but the Authority may hold its meetings at such other place or places as it may designate by resolution.

Section 4. Official Newspaper. The official newspaper shall be the official newspaper designated by the City as its official newspaper each year.

ARTICLE II – BOARD

Section 1. Number and Appointment of Commissioners. The Authority shall consist of a governing body of five commissioners (the “Board”). Two commissioners shall be members of the City Council and three commissioners shall be members at large. The terms of the commissioners who are also members of the City Council shall coincide with their terms of office as members of the City Council. The three at large commissioners shall be the three at large commissioners of the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota (the “HRA”). The terms of the commissioners at large shall be six years. At any time an at large commissioner of REDA is not also a commissioner of the HRA, such commissioner’s term on REDA shall terminate.

ARTICLE III – OFFICERS

Section 1. Officers. The officers of the Authority shall be a President, Vice-President, Treasurer, Secretary, and Assistant Treasurer, each of whom shall have the usual duties and powers of such offices, the duties and powers given to them by the Board from time to time, and those duties and powers prescribed by Minnesota law or these bylaws. The President, Treasurer, and Secretary shall be elected annually by the Board. No commissioner may be both President and Vice-President simultaneously. No commissioner may be both Treasurer and Assistant Treasurer simultaneously. The Secretary and the Assistant Treasurer need not be commissioners.

Section 2. President. The President shall preside at all meetings of the Board. Except as otherwise authorized by resolution of the Board, the President shall sign all contracts, deeds, and other instruments made or authorized by the Board. At each meeting the President shall submit such recommendations and information as he or she may consider proper concerning the business, affairs, and policies of the Authority.

Section 3. Vice-President. The Vice-President shall perform the duties of the President in the absence or incapacity of the President. In case of the resignation or death of the

President, the Vice-President shall perform the duties of the President until such time as the Board shall elect a new President.

Section 4. President Pro Tem. In the event of the absence or incapacity of both the President and the Vice-President at any meeting, the Board may appoint any remaining commissioner as President Pro Tem to preside at such meeting.

Section 5. Secretary. The Secretary shall keep the minutes of all meetings of the Board and shall maintain all records of the Authority and shall have such other duties and responsibilities as the Board may from time to time prescribe by resolution.

Section 6. Treasurer. The Treasurer shall have the care and custody of all funds of the Authority and shall deposit the same in the name of the Authority in such national or state bank or banks in Minnesota as the Board may select. The Treasurer shall sign all Authority orders and checks for the payment of money and shall pay out and disburse such moneys under the direction of the Board. The Treasurer shall keep regular books of accounts showing receipts and expenditures and shall render to the Board, at least annually (or more often when requested), an account of such transactions and also of the financial condition of the Authority by filing a detailed financial statement with the Secretary. The Treasurer is responsible for the acts of the Assistant Treasurer and must give bond as required by law.

Section 7. Assistant Treasurer. The Assistant Treasurer has the powers and duties of the Treasurer if the Treasurer is absent or disabled.

Section 8. Executive Director. The Authority shall employ an Executive Director who shall be the chief executive officer of the Authority and shall have general supervision over the administration of the Authority's business and affairs, subject to the direction of the Authority. He or she shall have such additional responsibilities and authority as the Board may from time to time by resolution prescribe. Regardless of who is appointed as Executive Director, the City Manager of the City of Richfield shall have ultimate authority in recommending an annual levy and budget. The Executive Director may designate an acting Executive Director during periods when the Executive Director is absent or incapacitated.

Section 9. Other Administrative Officers. The Authority may designate a Recording Secretary who shall keep the records of the Authority, shall act as recorder of the meetings of the Authority and record all votes, and shall keep a record of the proceedings of the Authority in a journal of proceedings to be kept for such purpose, and shall perform all duties incidental to his or her office. He or she shall keep in safe custody the seal of the Authority and shall have power to affix such seal to all contracts and instruments authorized to be executed by the Authority.

Section 10. Additional Employees. The Authority may from time to time such personnel as it deems necessary to exercise its powers, duties, and functions, including but not limited to a chief engineer, other technical experts and agents, and other employees. The selection and compensation of such personnel shall be determined by the Board.

Section 11. Advisory Committees. The Authority may by resolution establish one or more advisory committees to the Authority.

Section 12. Signature Authority. The following signature authority shall be authorized for transactions executed under direction of the Board:

(A) All orders and checks of the Authority for payment of money as directed by the Board shall be signed by the President and the Executive Director.

(B) All contracts, deeds, and other instruments made or authorized by the Board, except as otherwise authorized by resolution of the Board, shall be signed by the President and the Executive Director.

(C) The Vice-President shall have the capacity to sign as an alternate officer of the Authority under extenuating circumstances such as lengthy executed absence, vacancy, termination, resignation, incapacitation or death of the President or of the Executive Director. The Vice-President may sign as an alternate for only one absent individual for any Authority matter until the absent individual has returned or a successor is appointed to fill the office. The Vice-President may not sign in the capacity of more than one individual for any particular item requiring more than one signature. For purposes of this definition, absent is defined as a period, usually significant in length, during which an officer is away and/or unable to fulfill the officer's role within the Authority leading to the potential for business issues of the Authority to be delayed and/or deadlines to be missed.

ARTICLE IV – FINANCIAL MATTERS

Section 1. Fiscal Year. The fiscal year of the Authority shall be the same as the fiscal year of the City.

Section 2. Accounting System and Audits; Books and Records. The financial records and financial statements of the Authority shall be prepared, audited, filed, and published or posted in the manner required for the financial statements of the City. The books and records of the Authority shall be public records maintained in accordance with state law and with such rules, regulations, and ordinances adopted by the City for maintaining public records.

Section 3. Public Money; Checks. All Authority money is public money. An Authority check must be signed as provided in Section 12 under Article III – Officers. The check must state the name of the payee and the nature of the claim for which the check was issued.

Section 4. Reports to the City. Annually, at a time and in a form fixed by the City Council, the Authority shall make a written report to the City Council giving a detailed account of its activities and of its receipts and expenditures during the preceding calendar year, together with additional matters and recommendations the Authority deems advisable for the economic development of the City. The Authority shall also submit a report to the City Council annually within 60 days of the anniversary date of the adoption of the enabling resolution stating whether and how the enabling resolution should be modified.

Section 5. Financial Statement. Annually, or more often, the Authority shall examine the Treasurer's detailed financial statement, together with the Treasurer's vouchers, filed with the Secretary. The financial statement must show all receipts and disbursements, their nature, the money on hand, the purposes to which the money on hand is to be applied, the Authority's credits and assets, and the Authority's outstanding liabilities in a form required for the City's financial statements. If the Authority finds that the statement and vouchers are correct, it shall approve them by resolution and enter the resolution in its records.

Section 6. Budget to the City. The Authority shall annually, at a time fixed by the City, send its budget to the City Council. The budget must include a detailed written estimate of the amount of money that the Authority expects to need from the City to do Authority business during the next fiscal year. The needed amount is what is needed in excess of any expected receipts from other sources.

Section 7. Employees, Services, Supplies, and Contracts. The Authority shall have all of the power and do all of the things permitted by Minnesota Statutes, Section 469.097, as amended, including but not limited to employing an Executive Director, a chief engineer, technical experts and other employees as it may require; contracting for the services of consultants, agents, public accountants, legal services, and such other persons or services as it may need to perform its duties and exercise its powers; purchasing supplies and materials; and using City facilities, offices, and staff, including the City engineer and City attorney, in the exercise of its powers and the performance of its duties.

Section 8. Execution of Contracts. The Authority may make and enter into contracts pursuant to Minnesota Statutes, Section 469.101, as amended, and other applicable law. All contracts, notes, and other written agreements or instruments to which the Authority is a party or by which the Authority may be bound must be executed as provided in Section 12 under Article III – Officers. If the president or the executive director is absent or otherwise unable to execute a document, the vice president may execute the document in place of one individual but not both.

ARTICLE V – MEETINGS

Section 1. Annual Meeting. The annual meeting of the Authority shall be held on the third Tuesday in January immediately following the adjournment of the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota, which commences at 7:00 p.m. at the regular meeting place of the Authority.

Section 2. Regular Meetings. Monthly meetings shall be held without notice at the regular meeting place of the Authority on the third Monday of each month immediately following the adjournment of the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota, which commences at 7:00 p.m. unless the same shall be a legal holiday, in which event said meeting shall be held on the next succeeding secular day.

Section 3. Special Meetings. Special meetings of the Authority may be called by the President or any two commissioners of the Authority for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered at any time prior to the time of the proposed meeting to each member of the Authority or may be mailed to the business or home address of each commissioner of the Authority at least two (2) days prior to the date of such special meeting. At such special meeting no business shall be considered other than as designated in the call, but if all of the members of the Authority are present at a special meeting, any and all business may be transacted at such special meeting.

Section 4. Quorum. The powers of the Authority shall be vested in the commissioners thereof in office from time to time. Three commissioners shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other purposes, but a smaller number may adjourn from time to time until a quorum is obtained. When a quorum is in attendance, action may be taken by the Authority upon a vote of a majority of the commissioners present.

Section 5. Order of Business. At the regular meetings of the Authority the following shall be the order of business:

1. Roll Call.
2. Approval of the Minutes of the Previous Meeting.
3. Reports of the Executive Director.
4. Unfinished Business.
5. New Business.
6. Adjournment.

All resolutions shall be in writing and shall be copied in the journal of the proceedings of the Authority.

Section 6. Combining Administrative Offices; Compensation. The compensation of the Executive Director and other personnel of the Authority shall be determined by the Authority. Any two or more administrative offices may be combined.

Section 7. Additional Duties. The officers of the Authority shall perform such other duties and functions as may from time to time be required by the Authority or the Bylaws or rules and regulations of the Authority.

Section 8. Executive Director. The Executive Director shall be appointed by the Authority. Any person appointed to fill the office of Executive Director or any vacancy therein, shall have such term as the Authority fixes, but no commissioner of the Authority shall be eligible for this office.

Section 9. Vacancies. A vacancy is created in the membership of the Authority when a commissioner who is also a City Council member ends his or her City Council membership. A vacancy for this or another reason must be filled for the balance of the unexpired term, in the manner in which the original appointment was made. The City Council may set the term of the commissioners who are members of the City Council to coincide with their term of office as members of the City Council. Should the office of President, Vice-President, or Secretary become vacant, the Authority shall elect a successor from its membership at the next regular meeting, and such election shall be for the unexpired term of said office.

ARTICLE V – AMENDMENTS

Section 1. Amendments to Bylaws. The Bylaws of the Authority shall be amended only with the approval of at least three of the members of the Authority at a regular or a special meeting.

Adopted: May 15, 2017
Ameded: October 15, 2018



STAFF REPORT NO. 8
ECONOMIC DEVELOPMENT AUTHORITY
MEETING
10/15/2018

REPORT PREPARED BY: John Stark, Community Development Director

DEPARTMENT DIRECTOR REVIEW: John Stark, Community Development Director
10/8/2018

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Steven L. Devich, Executive Director
10/10/2018

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the appointment of a new Executive Director of the Economic Development Authority to serve following the retirement of current Executive Director Steve Devich.

EXECUTIVE SUMMARY:

Since its inception in 2017, Steve Devich has served as the Economic Development Authority (EDA) Executive Director. Mr. Devich has announced his retirement from this role effective November 30, 2018. While his term is not formally designated, it customarily expires upon the election of officers at the regular January meeting of the Economic Development Authority (EDA) each year. In the interim, there will undoubtedly be EDA business to be undertaken, requiring the appointment of a new Executive Director.

In the EDA's first year, the Executive Director position has been filled by the City Manager of the City of Richfield. That practice, however, is not required by the EDA Bylaws and many EDA's employ someone other than the City Manager of the associated city as their Executive Director.

The Bylaws of the EDA state that the Executive Director "shall have such term as the Authority fixes." Given the state of transition of the City Manager's office, staff is recommending that the EDA appoint Community Development Director John Stark as Executive Director to serve out the remainder of 2018 (following Steve Devich's retirement) and the entirety of 2019 (until the regular meeting of the EDA in 2020).

RECOMMENDED ACTION:

By motion: Appoint Community Development Director John Stark as Executive Director of the Richfield Economic Development Authority following the retirement of current Executive Director Steve Devich for a term lasting until the first regular meeting of the EDA in 2020.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

- In its first year, the Richfield City Manager served as the Executive Director of the EDA. That practice, however, is not required by the EDA Bylaws and many EDA's employ someone other than the City Manager of the associated city as their Executive Director.

B. POLICIES (resolutions, ordinances, regulations, statutes, etc):

- The Bylaws of the EDA require it to employ an Executive Director.
- Current Executive Director, Steve Devich, has announced his retirement as of November 30, 2018.
- The EDA Bylaws allow to set the term of the Executive Director's time in office.

C. CRITICAL TIMING ISSUES:

- A new Executive Director should be appointed no later than the November 19, 2018, EDA meeting to ensure that there is no period of time that the EDA will lack someone in this role to conduct the business of the EDA.

D. FINANCIAL IMPACT:

- None

E. LEGAL CONSIDERATION:

- EDA Legal Counsel has been apprised of this recommended action.

ALTERNATIVE RECOMMENDATION(S):

- Appoint a new Executive Director only for the remainder of 2018 until the first regular meeting of the EDA in 2019.

PRINCIPAL PARTIES EXPECTED AT MEETING:

N/A