



CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

Concurrent City Council, HRA and Planning Commission Work Session

September 24, 2019

CALL TO ORDER

The meeting was called to order by Mayor Regan Gonzalez at 5:45 p.m. in the Bartholomew Room.

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

Council Members Absent: Edwina Garcia

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

Planning Commission Members Present: Kathryn Quam; Susan Rosenberg; Sean Hayford Oleary; and James Rudolph.

Planning Commission Members Absent: Allysén Hoberg Chair; Bryan Pynn; and Peter Lavin.

Staff Present: Katie Rodriguez, City Manager; Neil Ruhland, Communication and Engagement Manager; Mary Tietjen, City Attorney; Melissa Poehlman, Asst. Community Development Director; and Blanca Martinez Gavina, Executive Analyst.

Others Present: Brian Bochman, Austin Morris and Adam Guy from Enclave Development

Item #1	PRELIMINARY CONSIDERATION OF A REDEVELOPMENT PROPOSAL FOR PROPERTIES AT THE NORTHEAST CORNER OF 65TH STREET AND LYNDAL AVENUE (6439 LYNDAL AVENUE SOUTH, 6437 LYNDAL AVENUE SOUTH, AND 415 - 64 1/2 STREET)
----------------	--

Asst. Community Development Poehlman introduced Brian Bochman, Austin Morris and Adam Guy from Enclave Development.

Austin Morris reviewed the plans for development for multi-family and human centric spaces that provide a community focused experience.

Commissioner Elliot expressed that the timing is impeccable for this project. He talked about the historical context of some developments like Lyndale Plaza and stated that he was excited about the possibilities of upgrading existing affordable housing.

Commissioner Vrieze Daniels asked clarifying questions on the amount of space that would be used for retail within the development.

Asst. Community Development Director stated that there are currently at least 30,000 sq. ft. or 15,000 sq. ft. per building.

Council Member Whalen asked for clarification on the TIF value and 15% in lieu payment would allot to.

Brian Bochman stated that the TIF amount is roughly \$3.9 million. There were further specifications of these amounts.

Council Member Whalen stated his objection to subsidizing market rate luxury developments and using TIF funds towards this type of development.

Austin Morris expressed the challenges with existing conditions of the building and reiterated that there are no current re-development projects within the 46 metros in a dense area that are not using TIF, with exception of downtown Minneapolis. He continued to state that it is a crucial time to redevelop downtown Richfield.

Asst. Community Development Director stated that TIF funds can only fund eligible items and not for amenities like granite countertops.

Commissioner Vrieze Daniels spoke to the ongoing reduction of affordable retail spaces and the challenge that it poses for small businesses.

Austin Morris remarked that this development is an effective use of land and that the company is trying to target rental rates in Richfield.

Council Member Supple expressed that parking is an issue; there is an overflow from Lyn-65. She also asked if there was a shadow study done.

Adam Guy stated that there are minimum shadows across the parking lot and most of the shadow impact is in December.

Council Member Whalen asked the Enclave team what the rental rates would be for these apartment complexes.

Brian Bochman responded as follows: Studios \$1,200, 2 bedrooms \$1,600.

Council Member Whalen stated that a renter's average income in Richfield is \$34,000.

Brian Bochman stated that the rates are compatible with projects that are going up the metro area and that it is impossible to fill the niche for everyone.

Commissioner Quam asked about design elements and wondered if the design was too modern to withstand changing architecture.

Asst. Community Development Director Poehlman shared information about a market study on 66th and Nicollet that stated the City has too much retail and that needs of residents lie on high end niche stores.

Brian Bochman gave information about projected taxes of \$80,000 annually.

Commissioner Supple spoke about the need to take action but to also be aware of unintended consequences. She further stated that it is important to be cognizant of the push for luxury housing but not at the expense of relocating residents.

Commissioner Elliot, commented that there is a ripple effects for decisions made and not made, willing and able to bring upon these issues.

Austin Morris commented that they focus on durability and not latest amenities.

ADJOURNMENT

The work session was adjourned by unanimous consent at 6:50 p.m.

Date Approved: October 8, 2019

Maria Regan Gonzalez
Mayor

Blanca Martinez Gavina
Executive Analyst

Katie Rodriguez
City Manager