

CITY OF RICHFIELD, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY REGULAR MEETING
MONDAY, SEPTEMBER 19, 2011
RICHFIELD MUNICIPAL CENTER
6700 PORTLAND AVENUE
COUNCIL CHAMBERS

7:00 P.M.

AGENDA

Call to order

Roll call

1. Approval of minutes of Regular HRA Meeting of August 15, 2011
2. HRA approval of agenda
3. Consideration of resolution authorizing conveyance of 515 64th Street West to Woodlake Apartments, LLC

Staff Report No. 44

Notes:

4. HRA discussion items

Notes:

5. Executive Director report

Notes:

6. Claims and payroll

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.

City of Richfield Calendar

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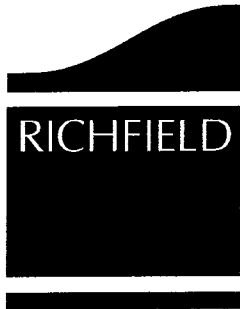
September 2011

Monday		Tuesday	Wednesday	Thursday	Friday
29	Aug	30	31	1 Sep	2
				7:00p Arts Commission @ 7000 Nicollet Ave	
5		6	7	8	9
City Administrative offices closed -- Labor Day holiday	11:30a Richfield Tourism Promotion Board @ 6601 Lyndale Ave, Suite 106 6:30p Human Rights Commission	CANCELED - 7 PM Transportation Commission Meeting			
12	13	14	15	16	
5:30 PM Special City Council Meeting (budget)	6:00p City Council/Planning Commission Worksession 7:00p City Council Regular Meeting		7:00p Friendship City Commission		
19	20	21	22	23	
6:00p Advisory Board of Health 7:00p Housing and Redevelopment Authority (HRA)	8:00a Civil Service Commission (Babcock Room) 7:00p Community Services Commission @ 7000 Nicollet Ave			SATURDAY, SEPT. 24 9:30 a.m. - 10:30 a.m. Mayor's Hour @ Farmers' Market	
26	27	28	29	30	
5:30p Human Services Planning Council 7:00p Planning Commission	5:30p Special City Council Worksession 6:00p Special City Council/HRA/ Planning Commission Worksession 7:00p City Council Regular Meeting				

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HOUSING AND REDEVELOPMENT AUTHORITY MEETING MINUTES

Richfield, Minnesota

Regular Meeting

August 15, 2011

CALL TO ORDER

The meeting was called to order by Chair Sandahl at 7:00 p.m.

ROLL CALL

HRA Members Present:

Sue Sandahl, Chair; Doris Rubenstein, Debbie Goettel and Steven Quam

HRA Members Absent:

Joan Helmberger

Staff Present:

John Stark, Acting Executive Director; Karen Barton, Community Development Manager; Myrt Link, Community Development Accountant; Chris Regis, Finance Manager; Julie Eddington, Attorney and Cheryl Krumholz, Recording Secretary.

Item #1	APPROVAL OF MINUTES OF (1) REGULAR HRA MEETING OF JULY 18, 2011 AND (2) SPECIAL HRA MEETING OF JULY 25, 2011
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M/Goettel, S/Rubenstein to approve the minutes of the Regular HRA Meeting of July 18, 2011 and Special HRA Meeting of July 25, 2011.

Motion carried 4-0.

Item #2	HRA APPROVAL OF AGENDA
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M/Sandahl, S/Quam to approve the agenda.

Motion carried 4-0.

Item #3	PRESENTATION AND CONSIDERATION OF ACCEPTING RICHFIELD HRA ANNUAL TAX INCREMENT DISTRICT STATUS UPDATE (STAFF REPORT NO. 38)
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Rebecca Kurtz, Ehlers and Associates, presented the update. She said the HRA is able to meet all of its TIF District obligations. The cash balances have some significant use restrictions so she recommended being conservative in making changes.

M/Sandahl, S/Rubenstein to accept the Richfield HRA annual tax increment district status update.

Motion carried 4-0.

Item #4	CONSIDERATION OF RESOLUTION ACCEPTING MONETARY CONTRIBUTIONS FOR COMMUNITY DEVELOPMENT EVENTS AND PROGRAMS (STAFF REPORT NO. 39)
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Acting Executive Director Stark presented Staff Report No. 39.

M/Rubenstein, S/Goettel that the following resolution be adopted and that it be made part of these minutes

HRA RESOLUTION NO. 1099

RESOLUTION AUTHORIZING RICHFIELD COMMUNITY DEVELOPMENT DEPARTMENT TO ACCEPT DONATIONS FROM THE LISTED BUSINESSES FOR DESIGNATED USES

Motion carried 4-0. This resolution appears as HRA Resolution No. 1099.

Item #5	PUBLIC HEARING REGARDING BUSINESS SUBSIDY NOT TO EXCEED \$650,000 AND CONSIDERATION OF RESOLUTION APPROVING BUSINESS SUBSIDY AGREEMENT WITH LYNDAL GARDENS, LLC AND FUNDING AGREEMENT WITH LYNDAL GARDENS, LLC (STAFF REPORT NO. 40)
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Community Development Manager Barton presented Staff Report No. 40.

M/Goettel, S/Sandahl to close the public hearing.

Motion carried 4-0.

Julie Eddington, Kennedy and Graven, explained the business subsidy agreement and funding agreement, including the job and wage goals. She added that the HRA would enter a contract with the developer and this would establish a partnership to provide tools to move the project forward with a common focus.

M/Goettel, S/Rubenstein that the following resolution be adopted and that it be made part of these minutes

HRA RESOLUTION NO. 1100

RESOLUTION APPROVING A FUNDING AGREEMENT AND A
BUSINESS SUBSIDY AGREEMENT

Motion carried 4-0. This resolution appears as HRA Resolution No. 1100.

Item #6	CONSIDERATION OF RESOLUTION ADOPTING MODIFICATION TO REDEVELOPMENT PLAN FOR RICHFIELD REDEVELOPMENT PROJECT AREA AND ADOPTING AMENDED AND RESTATED TAX INCREMENT FINANCING PLAN FOR 2010-1 HOUSING TAX INCREMENT FINANCING DISTRICT; WOODLAKE HOUSING (STAFF REPORT NO. 41)
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Community Development Director Stark presented Staff Report No. 41.

Community Development Director Stark distributed a revised plan which included minor changes.

Terry McNellis, developer, discussed the status of their HUD financing request application and the projects financing and demolition timelines.

M/Quam, S/Rubenstein that the following resolution be adopted and that it be made part of these minutes

HRA RESOLUTION NO. 1101

RESOLUTION ADOPTING A MODIFICATION TO THE REDEVELOPMENT PLAN
FOR THE RICHFIELD REDEVELOPMENT PROJECT AREA AND ADOPTING AN
AMENDED AND RESTATED TAX INCREMENT FINANCING PLAN FOR THE
2010-1 HOUSING TAX INCREMENT FINANCING DISTRICT (WOODLAKE
HOUSING)

Motion carried 4-0. This resolution appears as HRA Resolution No. 1101.

Item #7	CONSIDERATION OF: A. RESOLUTION APPROVING CONTRACT FOR PRIVATE DEVELOPMENT WITH WOODLAKE RICHFIELD APARTMENTS, LLC; B. RESOLUTION APPROVING ISSUANCE OF TAX INCREMENT LIMITED REVENUE NOTE, SERIES 2011A AND 2011B; AND C. RESOLUTION AUTHORIZING INTERFUND LOAN FOR ADVANCE OF CERTAIN COSTS IN CONNECTION WITH AMENDED AND RESTATED HOUSING TAX INCREMENT FINANCING DISTRICT 2010-1 (STAFF REPORT NO. 42)
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Community Development Director Stark presented Staff Report No. 42.

Julie Eddington, Kennedy and Graven, explained the conduit revenue bonds.

M/Sandahl, S/Rubenstein that the following resolutions be adopted and that it be made part of these minutes

HRA RESOLUTION NO. 1102

RESOLUTION APPROVING A CONTRACT FOR PRIVATE DEVELOPMENT BETWEEN THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF RICHFIELD AND WOODLAKE RICHFIELD APARTMENTS, LLC

This resolution appears as HRA Resolution No. 1102.

HRA RESOLUTION NO. 1103

RESOLUTION APPROVING THE ISSUANCE OF, AND PROVIDING THE FORM, TERMS, COVENANTS AND DIRECTIONS FOR THE ISSUANCE OF ITS TAX INCREMENT LIMITED REVENUE NOTE, SERIES 2011A IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$822,000 AND ITS TAX INCREMENT LIMITED REVENUE NOTE, SERIES 2011B IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$500,000

This resolution appears as HRA Resolution 1103.

HRA RESOLUTION NO. 1104

RESOLUTION AUTHORIZING INTERFUND LOAN FOR ADVANCE OF CERTAIN COSTS IN CONNECTION WITH AMENDED AND RESTATED HOUSING TAX INCREMENT FINANCING DISTRICT 2010-1 (WOODLAKE HOUSING)

This resolution appears as HRA Resolution 1104.

Motion carried 4-0.

Item #8	CONSIDERATION OF RESOLUTIONS APPROVING 2012 PROPOSED HRA BUDGET AND TAX LEVY AND 2011 REVISED HRA BUDGET (STAFF REPORT NO. 43)
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Community Development Director Stark presented a PowerPoint presentation of the 2011 revised and 2012 proposed HRA budget.

Finance Manager Regis explained the reserve balances and the levy as it pertains to the General Fund.

M/Goettel, S/Quam that the following resolution be adopted and that it be made part of these minutes

HRA RESOLUTION NO. 1105

RESOLUTION APPROVING PROPOSED 2012 HOUSING AND REDEVELOPMENT AUTHORITY BUDGET AND CERTIFYING THE 2012 TAX LEVY

This resolution appears as HRA Resolution No. 1105.

HRA RESOLUTION NO. 1106

RESOLUTION AUTHORIZING REVISION OF THE 2011 BUDGET OF THE HOUSING AND REDEVELOPMENT AUTHORITY OF RICHFIELD

This resolution appears as HRA Resolution No. 1106.

Motion carried 4-0.

Item #9	HRA DISCUSSION ITEMS
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None.

Item #10	EXECUTIVE DIRECTOR REPORT
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None.

Item #11	CLAIMS AND PAYROLL
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M/Goettel, S/Quam that the following claims and payrolls be approved:

U.S BANK	08/15/2011
Section 8 Checks: 120849-120958	\$ 138,813.53
HRA Checks: 31262-31280	\$ 456,896.73
TOTAL	\$ 595,710.26

Motion carried 4-0.

ADJOURNMENT

The meeting was adjourned by unanimous consent at 8:05 p.m.

Date Approved: September 19, 2011

Suzanne M. Sandahl
Chair


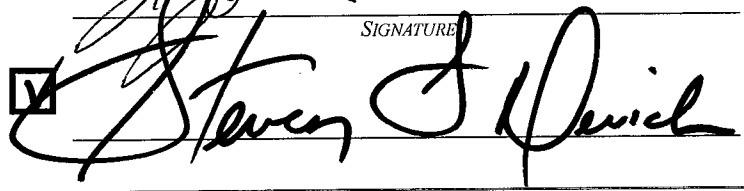
Cheryl Krumholz
Recording Secretary

John Stark
Acting Executive Director



STAFF REPORT

HOUSING AND REDEVELOPMENT AUTHORITY MEETING SEPTEMBER 19, 2011

REPORT PREPARED BY:	JOHN STARK, COMMUNITY DEVELOPMENT DIRECTOR <i>NAME, TITLE</i>
REPORT PRESENTER:	KAREN BARTON, ASSISTANT COMMUNITY DEVELOPMENT DIRECTOR <i>NAME, TITLE</i>
DEPARTMENT DIRECTOR REVIEW:	<input checked="" type="checkbox"/>  <i>SIGNATURE</i>
REVIEWED BY EXECUTIVE DIRECTOR:	<input checked="" type="checkbox"/> 

ITEM FOR HRA CONSIDERATION:
Consideration of a Resolution authorizing the conveyance of 515 64th Street West to Woodlake Apartments, LLC.

I. RECOMMENDED ACTION:
By Motion: Approval of a Resolution authorizing the conveyance of 515 64th Street West to Woodlake Apartments, LLC.

II. BACKGROUND

A Contract for Private Development (Contract) with Woodlake Apartments, LLC. (Developer) was approved by the Richfield Housing and Redevelopment Authority (HRA) at its August 15, 2011 meeting. This Contract relates to the development of a 94-unit apartment building at Lyndale Avenue and 64th Street West. In addition to the property already owned by the Developer, the development also contains a property currently owned by the HRA at 515 64th Street West.

The approved Contract contemplates that the HRA "will be conveying the HRA property to the Developer for a cash payment of \$1.00 and with the understanding that the Tax Increment generated... will be used to reimburse the HRA for the actual value... which is \$85,000 plus [4%] interest."

While the Contract obligates the HRA to sell the property to the Developer, a formal Resolution authorizing the sale of the property is legally required.

III. BASIS OF RECOMMENDATION

A. POLICY

- The HRA has approved a Contract obligating to sell the property at 515 64th Street West to Woodlake Apartments, LLC.
- A Resolution authorizing the conveyance of the property is legally required.

B. CRITICAL TIMING ISSUES

- The Developer hopes to close on their financing during the week of September 26, 2011. Proof of ownership of this property is a prerequisite of that closing.

C. FINANCIAL

- The HRA will be reimbursed for the actual value (\$85,000) plus 4% interest for this property via the Tax Increment generated by the 94-unit apartment development.

D. LEGAL

- Legal Counsel drafted the attached Resolution.

IV. ALTERNATIVE RECOMMENDATION(S)

- Defer consideration of this item to a later HRA meeting in order to address any outstanding concerns; this would require either the scheduling of a special HRA meeting prior to September 26, 2011 or would delay the Developer's closing on real estate financing.

V. ATTACHMENTS

- Resolution

VI. PRINCIPAL PARTIES EXPECTED AT MEETING

- None

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE CONVEYANCE OF
INTEREST IN CERTAIN LAND

WHEREAS, the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota (the "HRA"), and Woodlake Richfield Apartments, LLC (the "Developer") has approved the execution of a Contract for Private Redevelopment to be dated on or after September 1, 2011 (the "Contract"); and

WHEREAS, pursuant to the terms of the Contract, the HRA is required to convey to the Developer all of the HRA's right, title and interest in a parcel of land that constitutes the "HRA Property" as that term is defined in the Contract, located at 515 64th Street West in Richfield, Minnesota and legally described as:

Lot 10, Block 6, "Lyndale Oaks," according to the recorded plat thereof, Hennepin County, Minnesota, including ½ of adjacent vacated alley; and

WHEREAS, the Contract requires that the HRA to convey the HRA property to the Developer for \$1.00 and the HRA will be reimbursed for the fair market value of the HRA property with tax increment revenues generated by the Tax Increment Financing District No.2010-1 (Woodlake Housing) (the "TIF District"); and

WHEREAS, pursuant to the Contract, the Developer is required to construct a 94-unit multifamily housing project on several parcels of property, including the HRA property; and

WHEREAS, on the date hereof, the HRA held a duly noticed public hearing regarding the conveyance of the HRA property pursuant to Minnesota Statutes, Section 469.029, subd. 2; and

WHEREAS, the proposed conveyance of the HRA property is in accordance with the Redevelopment Plan for the Richfield Redevelopment Project Area and the Amended and Restated Tax Increment Financing Plan for the TIF District; and

NOW, THEREFORE, BE IT RESOLVED, by the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota as follows:

1. The conveyance of the HRA's right, title and interest in the HRA Property described herein is hereby approved.
2. The Chairperson and the Executive Director are hereby authorized to execute and deliver to the Developer, such quit claim deed and certificates as are required to carry out this Resolution.

Adopted by the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota this 19th day of September, 2011.

Suzanne M. Sandahl, Chair

ATTEST:

Joan Helmberger, Secretary