



City of Northfield

City Hall
801 Washington Street
Northfield, MN 55057
ci.northfield.mn.us

Meeting Minutes - Draft Housing & Redevelopment Authority

Monday, April 17, 2017

11:00 AM

Rollcall

Also Present: Janine Atchison - Housing Coordinator, Chris Heineman - Community Development and Planning Director, Joy Watson - Rice County HRA, Nate Carlson - Economic Development Coordinator, Diana Dyste and Kayla Schuchman - Common Bond Communities, Jim Blaha - Northfield Community Action Center and Barb Neitzel - Recording Secretary

Present: 4 - Jayne Hager Dee, Dayna Norvold, Kevin Fink and Erica Zweifel

Absent: 1 - Kris Vohs

I. Call to Order and Approval of Agenda

A motion was made by Board Member Fink, seconded by Board Member Dee, to approve the April 17, 2017 HRA Agenda . The motion carried by the following vote:

Yes: 4 - Board Member Dee, Board Member Norvold, Board Member Fink and Board Member Zweifel

II. Approval of Minutes

1. [17-757](#) March 9, 2017 HRA Minutes

Attachments: [03-19-17 HRA Minutes](#)

A motion was made by Board Member Zweifel, seconded by Board Member Dee, to approve the March 9, 2017 HRA Minutes. The motion carried by the following vote:

Yes: 4 - Board Member Dee, Board Member Norvold, Board Member Fink and Board Member Zweifel

IV. New Business Items

2. [17-758](#) Introduction: Nate Carlson, Economic Development Coordinator

Nate Carlson, Economic Development Coordinator, introduced himself and provided information on his background. He spoke on the Metropolitan Summit scheduled for June 7th from 10:00 a.m. - 2:00 p.m. He asked if the HRA would be interested in helping sponsoring this event or refer representatives to speak about workforce housing and senior housing.

HRA members agreed to discuss questions and referrals at a future meeting.

3. [17-759](#)

Bridges Rental Assistance

Joy Watson, Executive Director of Rice County HRA, spoke on the Bridges grant in the amount of \$136,000 that was awarded to them through the Minnesota Housing Finance Agency. These funds will provide rental assistance for people with mental illness and those experiencing homelessness. It is similar to the Section 8 program but has the benefit of mental health case management. Participants are required to apply for Section 8. It is a 17 month program and is eligible for renewal. There is enough funding to provide assistance to 10 families per month. Currently, they have met with six families and also have a waiting list. She asked the HRA to help with the outreach portion to inform residents about the grant funding.

Staff also inquired about the status of a housing study. Joy stated they are in the planning stages and are in the process of preparing a Request for Proposal. They would like to focus on workforce housing. Each city will be looked at individually for unique issues and challenges. They are looking for grant dollars to pay for the study; however, if they are not able to garner funding they will be asking the HRA to assist with the cost. The HRA will also have the opportunity to help formulate the makeup of the study.

4. [17-760](#)

Common Bond Communities

Project Managers Kayla Schuchman and Diana Dyste of Common Bond Communities were present to speak on city housing goals and development partnerships.

Diana Dyste provided background on Common Bond Communities which include the following:

- Has provided affordable housing in Minnesota, Wisconsin and Iowa for 40 years.*
- Have developed and managed over 5,600 affordable units.*
- Have provided subsidized housing and worked with HUD and tax credit programs throughout the state.*

Kayla Schuchman reported on their interest in acquiring unsubsidized properties and preserving existing properties. They are currently working with the owners of Koester Court apartments to purchase and preserve the four separate buildings that serve both families and seniors. Of the 95 units 50 are provided rental assistance. However, the units are 35-40 years old and are in need of renovations. They are seeking funding from MFHA and also non competitive housing tax credits. Applications will also look at local commitments. She asked the HRA if they would be willing to support this project since the Common Bond application funding would need to show local support in the form of up to 5% of the \$10-11M dollar project. The application deadline is June 15, 2017.

HRA members spoke highly of Common Bond's reputation and were in favor of supporting the project. C. Heineman stated it could be an opportunity for tax abatement.

J. Blaha asked if any of the tenants would be displaced. K. Schuchman stated they have preliminarily looked at list of tenants and feel they can be handled through natural attrition.

K. Fink questioned funding for new construction. K. Schuchman noted they are open to new construction in the future but are focusing on the preservation of Koester Court at this time.

Staff will bring back discussion of this item at the May meeting.

5. [17-761](#) 2017 Rental Rates - HRA Rental Properties

Attachments: [2017 FMR Rates](#)
[2016 Rental Income& Expense Report](#)

Staff noted fair market rents decreased from 2016 by approximately 8.3%. The 2007 Hidden Valley Road rent needs to be addressed since Ruth's House of Hope will only receive reimbursement up to the 2017 fair market rent (\$1,136) which is \$103 dollars less than the current rental amount (\$1,239).

Staff also recommended retaining the rent of \$945 per month at 2330 and 2334 Elianna Drive since rent was already increased by \$25 in 2016.

A motion was made by Board Member Dee, seconded by Board Member Fink, to decrease the rent at 2007 Hidden Valley Drive from \$1,239 to \$1,136 starting July 1, 2017 and maintaining the same level of rent at 2330 and 2334 Elianna Drive. The motion carried by the following vote:

Yes: 4 - Board Member Dee, Board Member Norvold, Board Member Fink and Board Member Zweifel

III. Unfinished Business

6. [17-762](#) 2017 Street Assessment Assistance Program

Attachments: [2012-2016 Street Assessment Assistance Program](#)
[2017 Reclamation Projects Map](#)
[2017 Assessment Roll](#)

Staff noted the 2017 street project includes the reclamation of various streets in Northfield. More homes will be affected than last year. The assessment assistance would include 1/2 of the assessment or \$2,500, whichever is less. The biggest challenge relates to language brought up last year regarding homeowner tenure to be amended to disallow properties which have recently been purchased and amendments regarding defaulted taxes.

A motion was made by Board Member Fink, seconded by Board Member Dee, to approve the Street Assessment Assistance Program in the amount of \$40,000 for 2017 and to approve the following changes in policy language:

1.. Homes that are currently for sale, have been for sale and removed from the market, or sold/purchased since February 15, 2017 by the homeowner, or are currently in escrow are NOT eligible for this program.

2. Homeowners who are in default on their property taxes are NOT eligible for this program unless a sufficient payment plan established with the county for defaulted property taxes has been established.

The motion carried by the following vote:

Yes: 4 - Board Member Dee, Board Member Norvold, Board Member Fink and Board Member Zweifel

7. [17-763](#) First Quarter Financial Report

Attachments: [1st Qtr Revenue & Expense Report](#)

Staff noted the first quarter report does not reflect taxes paid.

A motion was made by Board Member Dee, seconded by Board Member Fink, to file the First Quarter Financial Report. The motion carried by the following vote:

Yes: 4 - Board Member Dee, Board Member Norvold, Board Member Fink and Board Member Zweifel

8. [17-764](#) Quarterly Rental Income & Expense Report

Attachments: [2017 Rental Income & Expense Report](#)

Staff noted this report does not reflect taxes paid. She added that the keys to the upper unit have been turned over to the Community Action Center.

A motion was made by Board Member Dee, seconded by Board Member Fink, to file the Quarterly Rental Income and Expense Report. The motion carried by the following vote:

Yes: 4 - Board Member Dee, Board Member Norvold, Board Member Fink and Board Member Zweifel

V. Reports and Discussion Items

The HRA discussed speakers for the Metropolitan Summit. Staff noted Lynn Johnson from Coldwell Banker and possibly Jenny Larson from Three Rivers would be good choices.

J. Dee requested an update on the Downtown Rehabilitation Project. Staff reported one application has been sent to the CDA for environmental review. Funding for this application will come from unspent CDBG dollars. She noted project funding is available for 4 years.

The board discussed conflicts with the June 8, 2017 meeting date. Staff will send out a doodle poll for an alternative meeting date.

- a) Commissioner Comments and Reports**
- b) Staff Updates and Reports**
- c) Comments from the Chair**

VI. Adjournment

The meeting adjourned 12:24 p.m.