

City of East Bethel
Housing and Redevelopment Authority
September 1, 2010

The East Bethel Housing and Redevelopment Authority (HRA) met on September 1, 2010 for a regular meeting at City Hall at 7:00 PM.

MEMBERS PRESENT: Bill Boyer Greg Hunter Kathy Paavola
 Steven Voss

MEMBERS EXCUSED: Steve Channer

ALSO PRESENT: Douglas Sell, City Administrator
 Tammy Schutta, Asst. City Administrator/HR Director
 Stephanie Hanson, City Planner
 Rita Pierce, Fiscal and Support Services Director

Call to Order Boyer called the meeting to order at 7:00 PM.

Adopt Agenda **Paavola made a motion to adopt the September 1, 2010 HRA meeting agenda. Hunter seconded; all in favor, motion carries.**

Approve June 16, 2010 Minutes **Paavola made a motion to approve the June 16, 2010 HRA minutes. Voss seconded. Hunter abstained, rest in favor, motion carries.**

EBHRA 2011 Budget - Resolution 2010-05 Adopting a Tax Levy in 2010 Collectible in 2011 Schutta said per MN State Statute 469.033, subdivision 6, the East Bethel HRA must each year formulate and file a budget in accordance with the budget procedure of the City in the same manner as required of executive departments of the City.

To request an HRA levy, the EBHRA must adopt a resolution and budget and transmit a certified copy to the Anoka County Auditor. A copy of the resolution is also presented to the City of East Bethel City Council.

City staff has prepared a 2011 HRA Budget based on .01241% HRA Levy and the taxable market value of \$1,015,785,900 for a proposed total of \$126,058 in tax revenue generated for the 2011 HRA Budget.

Staff is proposing a budget of \$50,000 for legal services for the current litigation regarding Anoka County Housing and Redevelopment Authority.

The HRA is required to prepare a Housing Plan and the HRA levy can be used to fund the preparation of a Housing Plan. The Housing Plan must describe the activities the HRA will undertake to achieve the goals indentified in the Comprehensive Plan, state statutes and federal regulations. The preparation of a Housing Plan can is estimated to cost \$5,000 to \$10,000. Staff is proposing a budget of \$10,000 for the preparation of a Housing Plan.

The HRA currently contracts with the City for administrative support staff services to support the administrative undertakings, including fiscal support services of the HRA and such other responsibilities such as recording and maintaining accurate records of the

meetings of the HRA and of all official actions taken by or on behalf of the HRA. The proposed 2011 Budget includes a transfer of \$15,000 to City General Fund to support the Executive Director, Assistant City Administrator, City Planner and Fiscal and Services Support Director. This number is based on one day a month for both the Assistant City Administrator and the City Planner. It also includes one day a quarter for the City Administrator/Executive Director and the Fiscal and Services Support Director.

Staff is also proposing a transfer \$47,558 to the HRA Contingency Fund to be used for future housing and redevelopment projects. Once the HRA Housing Action Plan is developed, funds can be allocated to specific projects, such as Senior Housing.

Attached is a draft 2011 EBHRA Budget for your review.

Voss said he thinks the most substantial question is if Anoka County is going to honor this levy. He asked how the appeal affects this. Sell said it does not affect your to right to levy. Voss said we took the action of filing an injunction. Sell said that is correct; there is a motion before the court to return the bond to us. He said the injunction has been removed, so there is no need for the bond. Sell said the question is if the county is going to prevent us from levying. He said the judge’s order is a blanket on every municipality in Anoka County that has their own HRA. Sell said Mr. Hoff thinks that as part of the appeal that blanket will get modified, but that won’t affect us. He said the county attorney asked if we would mind if they levied on top of our levy and he advised Mr. Hoff to advise them that we would object to them levying at all.

Boyer asked and the county levy was. Schutta said \$201,000. She said they levied to the full potential. Boyer said or roughly 50% more than we are. Sell said the other observation Mr. Hoff had was Anoka County wants us to agree to something the judge has ordered them not to do. Voss asked wasn’t there some discussion that the \$201,000 that the county levied about having the City somehow recover those funds. Sell said the \$201,000 was posted in the judge granting our injunction. He said if the court of appeals overturns the judges ruling, you don’t go back. Voss said the \$201,000 the county levied last year, are those monies going to be turned over to us. Sell said they did not collect, that is why we had to post the bond. Voss asked for clarification, he assumes the same this year \$15,000 is budgeted to general fund, it is not additional staff time, \$15,000 less is coming out of general fund, it is not additional funds. Sell said that is correct.

Hunter made a motion to adopt Resolution 2010-05 Adopting a Tax Levy in 2010 Collectible in 2011. Paavola seconded; all in favor, motion carries.

Resolution 2010-06 Supporting the Livable Communities Act (LCA)

Schutta explained that at the June 16, 2010 meeting, the Housing and Redevelopment Authority met with staff from the Metropolitan Council. Information was presented pertaining to the Metropolitan Livable Communities Act (LCA).

The Livable Communities Program is a voluntary, incentive-based program for communities to address the region’s affordable and lifecycle housing needs, clean-up polluted lands for jobs and tax base, achieve connected development patterns that link housing, jobs, and services, and, maximize the development potential of existing infrastructure and regional facilities.

Should the City volunteer to participate in the program, the city would be eligible to apply for funding from any or all of the three LCA grant programs. These grant programs will provide assistance to the City for investment in affordable and life-cycle housing. The grant programs are the Tax Base Revitalization (TBR), Livable Communities Demonstration (LCD), and Local Housing Incentives (LHI).

The Livable Communities Act also addresses affordable housing units and certain life-cycle housing. Life-cycle housing refers to varied housing options that meet people's circumstances at all of life's stages by providing a balance of single-family homes, condominiums, townhomes, senior housing and assisted living options.

Should the East Bethel City Council adopt a resolution to participate in the Livable Communities Act, the next step would be to develop a Housing Action Plan. The East Bethel Housing and Redevelopment Authority would take an active role in the development of the Housing Action Plan. The Housing Action Plan must be submitted to the Metropolitan Council by June 30, 2011.

Voss said the cost associated with being entered into this is. Hanson said there is a cost for this each year, and she thinks this year it would have been \$27,000, but we can do it with in house services such as code enforcement. She said that would be the only cost at this time. Voss said so what we are doing at this time with code enforcement would cover it. Hanson said yes. Voss asked what do we get from this next year in 2011. Boyer said he doesn't want to put words in any ones mouth, but Council has been interested in senior housing for a long time. Voss said but that is a couple years out. He asked what the reward for joining now is. Boyer said he doesn't remember the grant schedule for awarding, but it is not a couple months. Voss said he doesn't know that we are going to have development in contaminated areas right now. He said it is nice to know 85% of cost is taken care of, that there is not much of a dollar investment. Sell said it is not going to cost much to join this year. Voss said it is going to cost a few grand, it is \$27,000, 85% is covered with code enforcement and we have to cover the other 15%. Hanson said right now the way the Met Council is looking at it and they have dropped the number to 65%, and they have been pretty flexible. Voss said so what he understood is up to 85% can be deferred. Hanson said yes, 85% of \$27,000 is our responsibility and we can do that with in house code enforcement. Boyer said Voss is looking at 100% of the \$27,000 is our responsibility. Hanson said no, you just have to meet 85%, and this last year they lowered it to 65%. Sell said and our current activities in code enforcement we could make 100%.

Voss made a motion to adopt Resolution 2010-06 Supporting the Livable Communities Act (LCA). Hunter seconded. Voss said this goes to Council for approval, correct. Schutta said that is correct. **All in favor, motion carries.**

Adjourn **Hunter made a motion to adjourn the HRA meeting at 7:19 PM. Paavola seconded; all in favor, motion carries.**

Attest:

Wendy Warren
Deputy City Clerk