

City of East Bethel
Housing and Redevelopment Authority
June 16, 2010

The East Bethel Housing and Redevelopment Authority (HRA) met on June 16, 2010 for a regular meeting at City Hall at 6:30 PM.

MEMBERS PRESENT: Bill Boyer Steve Channer Kathy Paavola
 Steven Voss

MEMBERS EXCUSED: Greg Hunter

ALSO PRESENT: Douglas Sell, City Administrator
 Tammy Schutta, Asst. City Administrator/HR Director
 Stephanie Hanson, City Planner

Call to Boyer called the meeting to order at 6:32 PM.
Order

Adopt **Paavola made a motion to adopt the June 16, 2010 HRA meeting agenda. Channer sec**
Agenda **onded; all in favor, motion carries.**

May 5, 2010 **Paavola made a motion to approve the May 5, 2010 HRA Minutes as written. Voss sec**
Minutes **onded; all in favor, motion carries.**

Livable Natalie Steffen from Met Council worked with this staff for 12 years, they know what they
Communi-ti are doing. She said what they are going to be talking to Council about in terms of the Livabl
es Act e Communities Act is previously there were no grants going out to anyone but Minneapolis,
Presentation Burnsville, the bigger cities. Steffen said but now 60% of the funds have to come out to the
 suburbs and 30% can go to Minneapolis and St. Paul and one other large suburb. She said
 she believes the playing field has been leveled. Steffen said she can only spend an hour
 here, and then she has to go campaigning in District 1. She said trust these folks. She
 introduced Susan Hoyt, she is her rep out here, and she is a good person to talk to if you
 have questions. Steffen introduced Paul Burns; she said he is a good guy, helpful. She
 introduced Guy Peterson, Community Development Director, she said he never gets excited
 when she is going on about something like she does when she gets excited about something,
 he just understands her.

Guy Peterson explained that he is not here to sell the program; this is just Livable
Communities Act 101. He said this is an elective program; there is no mandate that
communities have to participate in this program. Peterson said this is done on a voluntary,
incentive-based approach for communities to expand housing choices, clean up polluted
lands for jobs and tax base and achieve connected development patterns that link housing,
jobs and services; and maximize the development potential of existing infrastructure and
regional facilities.

Peterson said we have goals in place with 105 communities for the period of 1996 to 2010
to add 16,000 affordable rental units and add 85,000 affordable ownership units. He said si
nce 1996 the Council has made the following awards for projects that successfully moved
forward: \$69.3 million for polluted site clean-up; \$81.8 million for community development
and redevelopment and \$20.0 million to create affordable housing.

Peterson said the results have been very good; we have become a model program. He said
we have had many other communities asking how they could get this type of program

going.

Peterson said there are three different accounts as follows:

LCA Tax Base Revitalization Account

The funding is a Fiscal Disparities Pool of \$5 million. He said the process is local units of government apply, the Met Council coordinates with MPCA & DEED, the review and grant award is done by Met Council and they also do the grant administration and payment monitoring. Peterson said the expected results to date are 238 grants in 38 communities; \$3.68 billion in private investment; \$62.5 million increase in net tax capacity; over 31,000 new or retained jobs, many at or above living wage and 1,600 acres of brownfields cleaned

Livable Communities Demonstration (LCDA):

Support development and redevelopment projects that achieve connected development patterns that link housing, jobs and services; and maximize development potential of existing infrastructure and regional facilities. The funding source is Metropolitan property tax levy of \$6.5 million for 2010. The process is the Council works with a 13-member advisory committee of subject-matter experts, who recommend projects for funding based on criteria set by the Council. The expected results are revitalized communities with owner and rental housing, commercial and public spaces and multi-use destinations and links to transit where available. Peterson said the expected results are 155 grants in 52 communities & 3 multi-city coalitions; \$2.95 billion in private development; leverage over \$1 billion in other public investment; redevelopment and infill development; and integrated mixed-use projects.

LCA Local Housing Incentives Account

Peterson said the purpose is to assist communities to create affordable and life-cycle housing. The funding source is Metropolitan property tax of around \$1.5 million. The process is to Coordinate review and award with Metropolitan Housing Implementation Group (MHIG) involving MN Housing and the Family Housing Fund. Peterson said expected results are 115 grants benefiting 50 communities, \$495 million in total private and public investment. Peterson said we got assistance to accomplish 1,888 new affordable rental units ; 717 affordable rehabilitated rental units; 462 new affordable ownership units; 352 rehabilitated affordable ownership units and over 1,100 home improvement loans.

Land Acquisition for Affordable New Development (LAAND)

Peterson said the purpose is loans to acquire land for future affordable housing. To obtain site control so that an affordable housing project can be assembled. The loan is repaid when the project is developed. The funding source is year-to-year shifts of funds from the LCDA account. Peterson said the process is Metropolitan Housing Implementation Group (MHIG) involving MN Housing and the Family Housing Fund. The expected results are 3 loan awards for 4 loans in 4 communities. Minimum of 20% of affordable units.

Peterson said this is an elective program; it is your decision if you want to participate. He said the only other requirement is an expectation that you have to spend a certain amount of money on affordable housing each year. Peterson said in 2005 the law changed. He said the monies that are generated are being levied by an HRA account.

Boyer said it is not any surprise he is saying this, but the largest impediments our community faces is lack of transit. He said for affordable housing for seniors, etc. we need transit services also. Peterson said there are a lot of people that could benefit from affordable housing that have their own transportation. Boyer said we are expecting to eventually have a City Center and thanks to Ms. Steffen's efforts we are now going to have a sewer district,

Livable but we don't have access to public transportation. He said some of this is due to our neighbor
Communi- or to the south and lack of participation in regional planning.
ti
es Act
Presentation Steffen asked have you had affordable housing defined to you. Boyer said in graduate
school. Peterson said we are talking about housing at 60% of the market rate which he believes
is \$180,000. Boyer said he is glad you are talking about that, because people do just
think about Section 8. Sell said there are a number of new opportunities to meet our goals,
this surprised him. He said when he reads about affordable housing he recalls articles on
Woodbury and how it is mixed with other housing and you can't tell it is affordable
housing. Peterson said we have had a lot of that.

Voss said this is a nice piece of information to have as we move forward. He said this is
one we shouldn't ignore. Boyer said nine years ago we thought we had a deal moving
forward for senior housing and it fell through. Paavola asked how long does this process
take. Peterson said grant processes are all different. He said some are twice a year, some
are once a year. Peterson said most have two years to fulfill their goals and can get an
extension to the third year. Steffen said she thought question was how long it takes before
you know if you get the grant. Paavola said no, she wanted to know how long the grant
process is. Boyer said he wants to thank Ms. Steffen for what she has done for this City.
Steffen said one thing accorded to her, have you talked to the county about a fixed route.
Sell said yes, we have talked to them. He said there was a grant that was applied for. Sell
said we have two park and ride facilities, but our biggest issue is our neighbor to the south.
He said with respect to other transport opportunities as development starts to show up on
our doorstep, those issues will need to be addressed.

Adjourn **Voss made a motion to adjourn the HRA meeting at 7:07 PM. Paavola seconded; all in
favor, motion carries.**

Attest:

Wendy Warren
Deputy City Clerk