

**CITY OF ANOKA
HOUSING AND REDEVELOPMENT AUTHORITY
MEETING MINUTES – APRIL 13, 2015**

Call to Order: Chair Carl Youngquist called the meeting to order at 5:00 p.m.

Roll Call: Commissioners present were: Chair Carl Youngquist, Dave Bonthuis, Lynn Hopkins, Lori Manzoline, Colleen Werdien. Absent: None. Staff present were: Housing Manager Darin Berger, Finance Director Lori Yager.

Approval of the Agenda: MOTION BY COMMISSIONER BONTHUIS, SECONDED BY COMMISSIONER MANZOLINE, TO APPROVE THE AGENDA AS AMENDED, MOVING REVIEW OF QUARTERLY FINANCIAL REPORT AND UPDATE REGARDING WALKER PLAZA II PROJECT FORWARD.

UPON A VOICE VOTE, MOTION CARRIED.

Approval of Minutes:

March 9, 2015, Regular Meeting: MOTION BY COMMISSIONER WERDIEN, SECONDED BY COMMISSIONER BONTHUIS, TO APPROVE THE MARCH 9, 2015, REGULAR MEETING MINUTES AS PRESENTED.

Chair Youngquist noted the number of units for the Walker Plaza II project is now proposed at 72. Housing Manager Darin Berger said the number of units have ranged from 68-72 but that Walker has now finalized the number of proposed units to be 72.

UPON A VOICE VOTE, MOTION CARRIED.

Open Forum: No one appeared.

Oath of Office for Board Vacancy – Colleen Werdien: Chair Youngquist noted the Anoka County Council appointed Colleen Werdien at their March 16, 2015 meeting. The appointment is a partial term, lasting through 2015. Housing Manager Darin Berger issued the Oath of Office to Commissioner Werdien.

Chair Youngquist congratulated Commissioner Werdien on her appointment and welcomed her to the Commission.

New Business:

Review of Quarterly Financial Report: Finance Director Lori Yager shared the 2015 First Quarter Financials with the Board, stating the report will be finalized after the audit is completed in either late May or early June. She said the report does not show a lot of activity for the first three months and reflects accrued revenues but not much spent on the budget as we are just starting programs. She said the balance sheet shows \$766,000 in cash and \$1.7 million in land value available for resale, which is the largest asset for the HRA. Ms. Yager said liabilities

include deferred revenue such as loan receivables and a payable from one TIF fund to another but there is not much more information as we are pretty early in the process.

Action Requested: Review and comment on the 2015 First Quarter Financials.

Chair Youngquist clarified that receivables are not delinquent. Ms. Yager said that is correct, explaining that loans are receivable but not delinquent as they can go out over several years and this is how they are reflected. She said the \$52,000 noted while the taxes are actually delinquent we are actually just waiting to receive those payments.

Chair Youngquist commented on the budgeted Central Business District redevelopment TIF of \$600,000 for blighted scattered sites. Ms. Yager said we lump all redevelopment together so we have a pool of funds to use to further redevelopment in that TIF district or other areas downtown that are allowed.

Chair Youngquist said these amounts were once reflected individually and now are grouped together. Ms. Yager said that is correct, adding the budget is meant to spend on redevelopment projects but we never know what will come forward and want to be prepared. She noted funds can be rolled over to the next year if not spent.

Update Regarding Walker Plaza II Project: Mr. Berger stated Kaas Wilson Architects and Walker Methodist submitted their applications and supporting documents for approval of their site plan and rezoning on March 27, 2015. The Planning Commission will review these materials and give their recommendation at their May 5 meeting. From there the Council will review and determine approvals at their May 18 and June 1 (2nd reading) meetings. Prior to these meetings being held staff wanted comments from the HRA Board based on the drawings and site plans provided in the Board packets.

Action Requested: Review and comment on the preliminary drawings for the proposed Walker Plaza II project.

Mr. Berger introduced Greg Oppegard, Executive Director of Elder Care for Walker Plaza and Ben Delwiche from Kaas Wilson Architects then gave a presentation on the proposed project.

Chair Youngquist complimented the project team on the redesign of the front and the importance of the building height being more environmentally friendly and fitting with the neighborhood, adding it may be even lower than the existing Walker building. Mr. Berger said the building may indeed be short by approximately 15 feet but will still be three stories and be a nice feature that will help blend into the neighborhood and give a more residential look as it transitions from downtown to the residential neighborhood.

Chair Youngquist noted the project will still be subject to Planning Commission recommendation and City Council approval.

Commissioner Bonthuis said the significant change on the entrance was very positive.

Mr. Opegard said they are on a fairly fast track considering and thanked the HRA, Mr. Berger and staff for their hard work that has resulted in some very positive outcomes. He noted while the name has not been finalized and are referring to this as Project Anoka for the time being they are getting close to name selection. Mr. Opegard said they have moved the project off Monroe Street and created a good connection for the existing building and skyway, which allowed for the creation of two parking areas, which drives the existing traffic patterns over to Project Anoka, such as food service deliveries, which should help with street traffic. He said the other footprint did not allow for front door experiences and now they will be able to use wayfinding signage on Monroe Street and 2nd Avenue and can staff the area for a 24-hour walk-in experience.

Chair Youngquist said a resident had commented about the existing building and concern about how busy the elevator is and how a freight elevator will help. Mr. Opegard agreed, stating a freight elevator will help relieve deliveries and move to other the facility and free up that elevator even more. He said they are considering changing the meal program too to help even more.

Mr. Opegard said they tried to procure a skyway from a business in Minneapolis for use here and to preserve its historic value but unfortunately they were unsuccessful and came in second so they will now be designing their own.

Commissioner Bonthuis asked if the two ponds on the south end of the site will be retention ponds or will hold water. Mr. Opegard said the ponds will do both, stating the new footprint disturbs more than originally intended and they will need to work with the water management district to identify how to address water retention. He said the upper pond is retention and perk and the second will be more holding with perk and infiltration but is still being discussed.

Commissioner Bonthuis asked if the terrain around the building will be grass. Mr. Opegard said the area will be grass with a concrete walking path. He noted the unit count changed from 68 units to a 72-unit plan, which fits within the tower.

Commissioner Manzoline said the parking was reduced and the surface stalls will be for cars coming and going but asked where staff will park. Mr. Opegard said they employ no more than 25-30 staff at any given time, even though they have a total of 50-75 employees. He said the employees will park at the existing facility too, adding while they tried to see if they could assist the City with some parking the footprint is not large enough to warrant that discussion. Mr. Opegard reiterated the site will have adequate parking as proposed.

Scott Riddle, CEO and President, said they are excited about Project Anoka and expanding their presence in Anoka, stating they have been here for over 25 years and this will be a great opportunity. He said they have a long way to go in determining costs and staffing but moving right along. Mr. Riddle said they know there is high demand for assisted living, memory care and care suites and are receiving calls already. He said they are excited to expand Walker's mission of enhancing the lives of older adults.

Chair Youngquist said they have always tried to make this a win-win and was pleased the way HealthPartners was able to move to the former Castle Field and help with the purchase of the

former clinic so this is a natural fit as a next step with Walker Plaza. He agreed there is a lot of work to do yet but said it is always nice to have such good cooperation. Chair Youngquist said the Board made it abundantly clear about the height of the building and thanked Walker for being receptive to that desire and by developing a building site that is very attractive and will be a welcome addition to the community.

Commissioner Bonthuis inquired about the current breakdown of units. Mr. Riddle said they are proposing 26 memory care units all on first floor with the remaining units configured as 46-assisted living, five of which are slated for care suites for high-need patients at a ratio of 5:1 of staff.

Commissioner Werdien asked what type of patients would require the care suite units. Mr. Riddle said those patients typically in their last year of life who are immobile and require a high level of care including medication management and IV needs. He said senior housing now is a lot like a nursing home was 10 years ago and is changing to more hospital-like with the advancements in technology advancements while still being in a home-like setting.

Mr. Berger said staff was looking for review and comment from the Board and staff will finalize their comments by the end of week. He said the application will go to the Planning Commission with a recommendation to the Council and will hopefully be finalized by June 1.

Chair Youngquist asked when they intend to begin construction. Mr. Opegard said they hope to begin construction mid-July with completion in 12 months.

Commissioner Bonthuis said he was disappointed to learn about the re-use of the walkway. Mr. Riddle agreed, saying the reuse made sense to them as well because of the historical value. He noted the individuals who won the RFP hired firm to do the design work in addition to the \$5,000 paid as additional commissions for the work but said the historical standpoint will not be enjoyed in the new location in Brainerd on private property.

Closed Session: Determination of Purchase Price for 1510 2nd Avenue: Chair Youngquist adjourned the HRA Regular Meeting at 5:43 p.m. to discuss a possible real estate transaction in a closed session.

The HRA Board reconvened at 6:22 p.m.

Unfinished Business:

North Suburban Home Improvement Show Update: Mr. Berger stated the 17th annual North Suburban Home Improvement Show was held on Saturday, March 21 at the Andover YMCA Community Center. This year's event was a huge success and drew around 1,400 attendees. In addition to the high attendance number there was also nearly 427 pounds of food and \$123.00 donated to ACBC Food Shelf that was collected by Cub Scout Pack 609. He said this amount was up significantly from last year and that marketing of the food shelf donations was increased which helped a lot.

Mr. Berger shared the results of the surveys, stating most learned about the event through the Shopper at 167. He said they received lots of positive comments, including from exhibitors who said one usually received 15 leads compared to 30 this year. He noted next year's event will be held on March 12, 2016, earlier than traditionally held in the past in order to not overlap with the Maple Grove home show. Mr. Berger thanked everyone who attended, the sponsors, and all who make this event a continued success.

Chair Youngquist thanked everyone for participating, including Commissioner Werdien.

Action Requested: No action is necessary at this time; informational only.

Chairpersons Quarterly Meeting Recap: Chair Youngquist said he attended the quarterly Chairperson Communication Board meeting on April 1 and gave a recap of what was discussed, noting PC and EDC and Charter but others do not attend, nice to get more participation. PC Gladstone Coop have to fill 70-percent out of 59 units on 2nd Avenue and Harrison Street, nice project, hopefully accepted. Walker on the radar, Park Advisory Board working on completing project across from Anoka Tech, noting 113 games which is more than they can handle and this year is only 97, thinking Northwoods League and not a lot of use but obviously not. Mr. Berger attended and gave HRA report and EDC doing business visits which is good. Charter will meet in October and will do revisions of Charter housekeeping items.

Action Requested: No action is necessary at this time; informational only.

633 East Main Street Commercial Loan Update: Mr. Berger stated that in July 2014 the HRA Board allocated funds for a loan of up to \$100,000 for a property located at 633 East Main Street for It's About Sleep. Since then, preliminary demolition work and asbestos removal has been done. Staff met with Community Pride Bank on April 1 to discuss how the process will look as we move forward this spring. Financing is in place and the closing of both loans will be taking place in the next month. From there we anticipate a construction period of four months, and Mr. Berger shared some photos of the building condition and area. He shared that the owner leases and wants to buy.

Chair Youngquist noted two-thirds of the front of the building will be demolished back to the warehouse area. Mr. Berger said this was once a single family home and with renovations the top half of the two-story was removed. He said there is a need for demolition, which will begin working over the next few weeks, adding he is pleased to see this project moving forward.

Chair Youngquist said he used to work in this building and agreed it has been pieced together and is great to see it being rehabilitated.

Action Requested: No action is necessary at this time; informational only.

Other Updates: None.

Discussion Items: None.

Tentative Agenda Items for Future Meetings: Mr. Berger said he will keep the Board informed as to potential future topics.

Chair Youngquist welcomed Commissioner Werdien to the Board and said they looked forward to working together in making a better community.

Adjournment: MOTION BY COMMISSIONER HOPKINS, SECONDED BY COMMISSIONER BONTHUIS, TO ADJOURN. The motion carried, the meeting was adjourned at 6:38 p.m.

Submitted by: Cathy Sorensen, *TimeSaver Off Site Secretarial, Inc.*