

# CITY COUNCIL PROCEEDINGS

## BEMIDJI, MINNESOTA

### Work Session – April 26, 2010

Pursuant to due call and notice, a work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, April 26, 2010, at 5:30 p.m. in the Conference Room of City Hall, Mayor Lehmann presiding.

Upon roll call, the following Councilmembers were declared present: Lehmann, Johnson, Negard, Downs, Hellquist Absent: Waldhausen, Meuers

Staff Present: City Manager John Chattin, Public Works Director/City Engineer Craig Gray, City Clerk Kay Murphy

**Motion by Downs, seconded by Johnson, to approve the agenda as presented. Motion carried unanimously.**

#### Bemidji Town Homes Development

Chattin stated that Steve Kuepers and Bill Kemp were present to discuss their requests in creating a low and moderate income housing development in Bemidji. The Council approved a resolution in 2009 supporting a tax credit application for this project; however, they did not receive funding.

Steve Kuepers, Kuepers Inc. Architects & Builders, stated that their application for funding with Minnesota Housing Finance Agency (MHFA) received a score of 60 points and the cut off was 71 points. They are applying again with MHFA for funding for supportive housing and in order to make their application competitive they now have a non-profit with 51 percent ownership of the project. Furthermore, they have reduced the proposal from 32 units to 30 units. He stated that they are seeking another resolution of support from the City of Bemidji.

Bill Kemp, Podawiltz Development, stated they have evaluated how to get more points to make their project more competitive with the MHFA and they are hoping to score higher than 71 points. He listed the following as actions requested by the developer of the City: 1) support the resolution and provide a "threshold letter" to MHFA; 2) consider tax increment financing; and, 3) additional points through donation of or waiver of building permit fees, SAC and WAC fees, and fast-tracking the building permit process.

Discussion continued regarding the availability of TIF. Mayor Lehmann stated that TIF is available for the Council to use; however, it is not desirable. If the Council passed the resolution, it does not mean that the council will approve TIF. He further stated that he is not comfortable putting TIF in the resolution.

Mr. Kuepers stated that what it boils down to is if how much the City wants affordable housing and what it is willing to do to get it.

Council discussed the following:

- Section 8 voucher – 3 or 4 of the units could qualify for Section 8.
- Downs expressed concerns about the possibility of an increase in police calls.
- Jobs created as a result of the development; -resident manager and maintenance, hire local contractors and lawn service.

Staff will prepare a resolution for the Council's consideration at their May 17, 2010 regular meeting.

#### Strategic Plan Update

Chattin provided an update of the Council's five highest priorities as identified at a strategic planning session with Jim Brimeyer in January 2010. He noted that marketing of the south shore continues and there are discussion with a potential hotel partner. He has contacted Boonestroo regarding the QNI Study and a revised timeline will be provided in the near future.

**ADJOURN**

There being no further business, motion by Hellquist, seconded by Downs, to adjourn the meeting. Motion carried. Meeting adjourned at 6:38 p.m.

Respectfully submitted,



Kay M. Murphy  
City Clerk