

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Special Work Session – August 29, 2023

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, August 28, 2023, at 5:30 p.m. in the Council Chambers of City Hall, Mayor Prince presiding.

Upon roll call, the following Councilmembers were declared present: Prince, Fiskevold Gould, Johnson, Rivera, Eaton, Thayer. Absent: Peterson

Staff Present: City Attorney Katie Nolting, City Engineer Sam Anderson, Building Official Matt Ridlon, Rental Inspector Ben Hein, Planning Director Jamin Carlson, Assistant Planner Melissa Fahrenbruch, Fire Chief Justin Sherwood, Deputy City Clerk Rachelle Barckholtz

Mayor Prince stated that the purpose of the meeting was to discuss the opportunities for the City to assist with and preserve affordable housing.

The council tasked City staff with, what can the City do in regards to city housings, specifically in regards to affordable housing. Staff took about 4 weeks to a month and spoke with many outlets, including: community members, County and State officials, the League of MN Cities, and anyone who would speak with staff. The staff put together steps the city can take to work towards a solution to creating more affordable housing.

Staff outlined ways to better prepare for any emergencies that may arise, but also what the City can do long term to assist in ensuring affordable housing to its citizens:

1. *Ordinance Changes*
 - a. Rental Ordinance
 - i. Require Structural Engineer Report every 10 years
 - ii. Require Landlords to provide temporary housing if tenants vacated from housing due to no fault of the tenant.
 - b. Planning and Zoning Ordinances
 - i. Full review of ordinance after January 1, 2024
 1. Add incentives for building affordable housing
 2. Certain fee forgiveness for building affordable housing
 3. Comp Plan requirements to address affordable housing
2. *Bemidji Economic Development (BEDA) Authority*
 - a. Acquire, purchase, sell, or lease property;
 - b. Eminent Domain;
 - c. Enter into contracts;
 - d. Enter into construction agreements and contracts;
 - e. Join in as a Limited Partner in a corporation;
 - f. Acquire easements;
 - g. Buy supplies and materials;
 - h. Accept public land, money, grants, or gifts;
 - i. Act as an agent for other local, state, or federal political bodies;
 - j. Public relations activities;
 - k. Take part in economic development activities, including land development;
 - l. Issue bonds and bond anticipation notes;
 - m. Take part in transactions in the “secondary” market;
 - n. Take part in seed and venture capital projects (with limits and stipulations);
 - o. Tax Levy up to .01813 for the EDA and HRA.
3. *Bemidji HRA*
 - a. Limited in abilities due to ordinance that created BEDA;
 - b. Manages the housing that was already created in 1989 when BEDA was formed
4. *Legal Options*
 - a. Tenant Remedies Actions & Emergency Tenant Remedies Actions
5. *Local Housing Trust Fund*
 - a. Can be matched by State grant for matching funds
 - b. City would need to fund

6. *Minnesota City Participation Program*

- a. City program that helps eligible first-time home buyers by providing up to \$15,000 for the down payment and closing costs on a home loan.
- b. Minnesota Housing Finance Agency (MHFA) would help facilitate to connect the City with approved lenders and market the program.

7. *Available Funding Options*

- a. Apply for funding and facilitate Minnesota Housing Financing Agency (MHFA) Funds
 - i. Publicly Owned Housing Program (POHP) – deferred, forgivable, no-interest loans to eligible cities and HRA's to preserve or rehabilitate existing HUD housing units
- b. Housing Infrastructure Bonds
 - i. State bond funds used to fund loans that finance specific multifamily housing development purposes.
- c. Funding for Emergency Management and CERT Program
 - i. Look towards grants to fund these initiatives

8. *Additional Staff Positions*

- a. Community Development Director
- b. Public Relations Officer
- c. Grant Writer/Grant Coordinator

Staff will continue working on identifying and building relationships with State and County Officials, along with Community Stakeholders with the goal of bringing more affordable housing to our community. Staff continues to work on preplanning emergency preparedness plans and options in high risk locations.

Upon Council discussion and questions, consensus of Council was preserving and creating affordable housing in our community is a high priority. Councilmembers agreed that another work session after the community after-action meeting would be beneficial to review questions and priorities in working to accomplish the goal of more affordable housing.

ADJOURN

There being no further business, motion by Eaton, seconded by Fiskevold Goud, to adjourn the meeting. Motion carried. Meeting adjourned at 7:45 p.m.

Respectfully submitted,



Rachelle Barckholtz
Deputy City Clerk