



Richfield Economic Development Authority

Agenda

November 17, 2025 -- 7:15 PM

Note: Meeting begins immediately following HRA Meeting

Richfield Municipal Center
Council Chambers
6700 Portland Avenue South

1. **Call to Order**
2. **Roll Call**
3. **Open Forum**
 - a. Participants can share their comments in person, by voicemail, or email, and may also request to participate virtually. For more information on submitting comments, refer to the EDA Agenda and Minutes page on the [City's Website](#).
4. **Approval of the Agenda**
5. **Approval of Minutes**
 - a. Approval of the minutes of the Regular Economic Development Authority meeting of August 18, 2025.
6. **Presentations**
7. **Consent Calendar**

Consent Calendar contains several separate items, which are acted upon by the EDA in one motion. Once the Consent Calendar has been approved, the individual items and recommended actions have also been approved. No further EDA action on these items is necessary. However, any EDA Commissioner may request that an item be removed from the Consent Calendar and placed on the regular agenda for EDA discussion and action. All items listed on the Consent Calendar are recommended for approval.

 - a. Consideration of an Amended Agreement with the Center for Energy and Environment to authorize the budget for the administration of the Apartment Remodeling Program for 2026.
8. **Consideration of Items, if Any Removed From Consent Calendar**
9. **Public Hearings**
10. **Resolutions**
11. **Other Business**
12. **Executive Director's Report**
13. **EDA Discussion Items**
14. **Approval of Claims**
15. **Adjournment**

Auxiliary aids for individuals with accessibility needs are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9739.

Includes Materials - Materials relating to these agenda items can be found in the EDA agenda packet located by the entrance. The complete EDA agenda packet is available electronically on the [City of Richfield's website](#).



**ECONOMIC DEVELOPMENT
AUTHORITY MEETING MINUTES**
Richfield, Minnesota
Regular Meeting
August 18, 2025

CALL TO ORDER

Acting President Hanson called the meeting to order at 7:31 PM in the Council Chambers.

EDA Present: Gordon Hanson, Acting President; Mary Supple; Sean Hayford Oleary; John Young.

EDA Absent: Erin Vrieze Daniels, President.

Staff Present: Melissa Poehlman, Executive Director; Julie Urban, Assistant Community Development Director; and Michelle Friedrich, City Clerk.

OPEN FORUM

Commissioner Hanson gave instructions on how to participate in the open forum. No residents participated in the public comment opportunity.

APPROVAL OF THE MINUTES

MOTION: made by Supple, seconded by Hayford Oleary to approve the Minutes of the Regular Economic Development Authority meeting of May 19, 2025.
Motion carried: 4-0

ITEM #1	APPROVAL OF THE AGENDA
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MOTION: made by Hayford Oleary, seconded by Young to approve the agenda.
Motion carried: 4-0

ITEM #2	CONSENT CALENDAR
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Executive Director Poehlman noted no items on the Consent Calendar.

ITEM #3	CONSIDERATION OF ITEMS, IF ANY, REMOVED FROM CONSENT CALENDAR
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None.

ITEM #4	CONSIDER RESOLUTIONS APPROVING THE 2026 PROPOSED ECONOMIC DEVELOPMENT AUTHORITY BUDGET AND TAX LEVY AND 2025 REVISED ECONOMIC DEVELOPMENT AUTHORITY BUDGET
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Executive Director Poehlman presented Staff Report 7, reviewed the 2026 Economic Development Authority budget and tax levy and noted highlights and challenges.

**RESOLUTION NO. 61
RESOLUTION APPROVING PROPOSED 2026 ECONOMIC DEVELOPMENT AUTHORITY BUDGET AND CERTIFYING THE 2026 TAX LEVY**

**RESOLUTION NO. 62
RESOLUTION AUTHORIZING REVISION OF THE 2025 BUDGET OF THE ECONOMIC DEVELOPMENT AUTHORITY**

MOTION: made by Young, seconded by Supple to approve resolution 2026 economic development authority budget and certifying the 2026 tax levy.
Motion carries: 4-0

ITEM #5	EDA DISCUSSION ITEMS
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Commissioner Hayford Oleary noted specific business coordination.

ITEM #6	EXECUTIVE DIRECTOR’S REPORT
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Executive Director Poehlman noted the Richfield downtown branding survey was going to be available later in the week.

ITEM #7	CLAIMS
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MOTION: made by Supple, seconded by Young, to approve claims for June, July, and August 2025.

<u>U.S. BANK</u>	<u>June 16, 2025</u>
EDA Check #23715-23727	\$54,820.00
TOTAL	\$54,820.00

<u>U.S. BANK</u>	<u>July 21, 2025</u>
EDA Check #23728-23741	\$10,581.58
TOTAL	\$10,581.58

<u>U.S. BANK</u>	<u>August 18, 2025</u>
EDA Check #23742-23754	\$24,625.00
TOTAL	\$24,625.00

Motion carried: 4-0

ITEM #8	ADJOURNMENT
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This meeting was adjourned by unanimous consent at 7:44 p.m.

Date Approved: November 17, 2025

Gordon Hanson
Acting EDA President

Michelle Friedrich
City Clerk

Melissa Poehlman
Executive Director



Economic Development Authority Meeting 11/17/2025

Agenda Section: Consent Calendar

Agenda Item: 7.a.

Report Prepared By:

Julie Urban, Assistant Community Development Director

Department Director:

Melissa Poehlman, Community Development Director

Item for Consideration:

Consideration of an Amended Agreement with the Center for Energy and Environment to authorize the budget for the administration of the Apartment Remodeling Program for 2026.

EXECUTIVE SUMMARY

In 2024, the Economic Development Authority (EDA) approved an Origination Agreement (Agreement) with the Center for Energy and Environment (CEE) to administer the Apartment Remodeling Loan Program (Program) on behalf of the EDA. Contract Amendments are required each year to authorize new budgeted spending. The budget for 2026 provides \$100,000 for loans and \$3,000 for loan administration for a total Amendment budget of \$103,000.

The EDA's Apartment Remodeling Program provides zero-interest deferred loans to rental housing property owners to make building improvements.

RECOMMENDED ACTION

By motion: Approve an Amendment to the Multi-Family Improvement Program Origination Agreement with the Center for Energy and Environment authorizing up to \$103,000 in expenditures for the Apartment Remodeling Program in 2026.

HISTORICAL CONTEXT

- In March of 2018, the EDA approved the creation the Program to encourage investment in the City's apartment properties. In 2023, the EDA expanded the eligibility to include 1-3 unit rental properties when sufficient funds are available.
- The Program provides zero-interest, deferred loans, with a 15-year term and is focused on properties with rents affordable at 60% of the Area Median Income (AMI) or less (i.e., Naturally Occurring Affordable Housing or NOAH).

EQUITABLE OR STRATEGIC CONSIDERATIONS OR IMPACTS

- Investing in the City's rental housing communities advances equity for residents with lower incomes and those who are Black, Indigenous, and People of Color (BIPOC); BIPOC residents make up 54% of the City's rental housing community.
- The Program advances the Strategic Plan initiative to maintain Richfield as an

affordable place to live.

POLICIES (RESOLUTIONS, ORDINANCES, REGULATIONS, STATUTES, ETC.)

The Agreement incorporates the Program guidelines that were adopted by the EDA in 2018 and amended in 2023.

CRITICAL TIMING ISSUES

The Amendment would be in effect from January 1, 2026, through December 31, 2026.

FINANCIAL IMPACT

The EDA 2026 Budget allocates \$103,000 to the Program. The amount will cover loans and a \$775 administrative fee for each loan processed.

LEGAL CONSIDERATIONS

The EDA Attorney approved the Agreement.

ALTERNATIVE RECOMMENDATION(S)

Decide not to approve the Agreement with CEE to administer the Apartment Remodeling Program.

ATTACHMENTS

1. Amendment 3 Multi-Family Richfield (DRAFT)
2. Budget Exhibit B3 Richfield Multi-Family (DRAFT)
3. Guidelines Exhibit A3 Multi-Family (DRAFT) Richfield

AMENDMENT 3 to the LOAN ORIGINATION AGREEMENT
Between
RICHFIELD ECONOMIC DEVELOPMENT AUTHORITY
And
CENTER FOR ENERGY AND ENVIRONMENT

City of Richfield Home Improvement Loan Program

The Agreement made the 25th day of March, 2024 by and between the RICHFIELD ECONOMIC DEVELOPMENT AUTHORITY, with offices at 6700 Portland Ave, Richfield, MN 55423, (the “Authority”), and the CENTER FOR ENERGY AND ENVIRONMENT, with its offices at 212 3rd Avenue North, Suite 560, Minneapolis, Minnesota 55401 (“CEE”) is hereby amended.

Exhibit A2 shall be replaced by Exhibit A3 (attached)

Exhibit B2 shall be replaced by Exhibit B3 (attached)

Section 5. Term and Termination of the agreement shall read:

5.1

Unless earlier terminated as provided in the following paragraphs, this Agreement shall become effective on January 1, 2026 and continue through December 31, 2026

All other sections of the contract shall remain as written in the original and amended agreements.

IN WITNESS WHEREOF, the parties hereunder set their hands as of the date written below:

RICHFIELD ECONOMIC
DEVELOPMENT AUTHORITY

CENTER FOR ENERGY AND
ENVIRONMENT

By _____
Erin Vrieze Daniels, President

By _____
Stephanie Haddad, COO

Date _____

Date _____
#5286

By _____
Melissa Poehlman, Executive Director

TAX ID 41-1647799

Date _____

EXHIBIT B3

TOTAL PROGRAM BUDGET \$103,000

RICHFIELD LOAN PROGRAM BUDGET

A.

Multi-Family Improvement Loan Budget (does include Remodeling Advisor Visits and Loan Origination Fees) : 2026: \$103,000

Budget Notes:

1. CEE shall submit monthly invoices for loan program and administrative fees for that period.
2. Services performed by CEE will be funded from the Total Program Budget as stated above and paid in accordance with the following schedule.

(1) Annual Administration Fee	None (included in Residential Program)
(2) Multi-Family Improvement Loan Origination Fee	\$775 per loan closed
3. Marketing
Marketing efforts will be supported by CEE and marketing costs are not included in the administrative budget. Hourly rates are inclusive of all overhead expenses and will be charged only for hours directly related to the labor of all program marketing. CEE will also be reimbursed by City of Richfield for any non-labor, out-of-pocket expenses relating to these services on a dollar-for-dollar basis.

EXHIBIT A3

PROGRAM GUIDELINES

RICHFIELD LOAN PROGRAM GUIDELINES

The ECONOMIC DEVELOPMENT AUTHORITY is making funds available to rental property owners to assist with property maintenance and improvements of rental properties. Center for Energy and Environment shall serve as the administrator for the Richfield Multi-Family Improvement Loan Program.

Multi-Family Improvement Loan

Interest Rate: 0%

Amortization Type: Deferred

Loan Amount: Loan must be matched 1:1

- Minimum of \$5,000 and Maximum of \$50,000 for properties with 4+ units
- Minimum of \$3,000 and Maximum of \$25,000 for 1-3 unit properties
- \$5,000 maximum per unit for properties with at least 4 units
- \$10,000 maximum per unit for 1-3 unit properties
- Additional funds of \$1,000/unit up to \$10,000 for Energy Improvements identified through a Energy Audit or for accessibility improvements to accommodate tenants with disabilities

Loan term: 15 years. The loan is 100% forgiven after 15 years if the Borrower retains ownership, continues to rent the property, and maintains a current rental license. If the borrower sells or transfers the title of a 1-3 unit property to an existing renter with a household income no more than 80% AMI the loan will be 100% forgiven at time of sale or transfer. If the property is sold or no longer holds a current rental license prior to 15 years from the date of the loan the loan is due in full.

Eligible Properties: Residential rental properties located within the geographical boundaries of the City of Richfield. Properties must be **AT LEAST 30 years old AND have a current rental license**. Properties can be owned by a Contract-for-Deed, but the owner of the Contract-for-Deed must sign the mortgage document. If the property is 1-3 units it must have had a rental license for at least 3 years. **Properties with 1-3 units are NOT eligible until August 1st of each year.**

Ineligible Properties: Single-family owner-occupied properties, cooperatives, manufactured homes, or properties used for commercial purposes. Properties held in a Trust.

Eligible Borrowers: All borrowers must be legal residents of the United States OR a registered business with the MN Secretary of State. A business must have been in business for at least 2 years.

Ineligible Borrowers: A person or business with no ownership of the property.

Ownership/Occupancy: Owner- occupied (must be at least 2 units) or Absentee-owned. If the property is owner-occupied the loan funds can only be used for the rental unit(s).

Loan - to - Value Ratio: 110%. Half of the improvement value may be added to the initial property value. Value can be established by the Property Tax Statement, or an Appraisal dated within the past 12 months.

Income Limit: None.

Debt - to - Income Ratio: N/A.

Credit Requirements: The Borrower must be current on all Mortgages and Property Taxes.

Multiple Loans per Property/Borrower: More than one loan per property/borrower is allowed, however, the outstanding balance(s) for this loan CANNOT exceed the maximum loan amount allowed.

Eligible Use of Funds: Improvements that correct city code violations or health and safety concerns. Permanent Exterior Improvements including, but not limited to roofing, siding, windows, painting, doors, driveways, parking lots **if doing with other eligible improvements**, awnings, sidewalks/steps, garage repair, permanent landscaping and tuck pointing. Interior improvements including but not limited to structural work, accessibility improvements, plumbing, electrical, insulation, lawn sprinkler systems, flooring, permanent fixtures (cabinets/counters). Energy Star rated HVAC and Water Heaters, Solar Systems and Insulation. Questionable improvements will be brought to the city for approval. Note: If a property has open work orders from a rental licensing inspection report, the items must either be addressed before a loan application is submitted or as part of the loan rehabilitation plan.

Ineligible Use of Funds: Payment for work initiated prior to the loan being approved and closed, unless due to emergency. Recreation or luxury projects (pools, playground equipment, saunas, whirlpools, etc.), furniture, non-permanent appliances (unless part of a full kitchen remodel), and funds for working capital, debt service, homeowner labor or refinancing existing debts are NOT allowed.

Bids: Only 1 bid is required. All contractors must be properly licensed or registered and permits must be obtained when required.

Sweat Equity / Owner Labor: NOT PERMITTED

Post Installation Inspection: Permits must be obtained and signed off by a City inspector where required; when not required, a post installation inspection will be performed by a City representative to ensure the work has been completed before any funds will be released.

Loan Security: All loans will be secured with a mortgage in favor of the Richfield Economic Development Authority.

Borrower Fees: Borrower will be responsible for a 1% origination fee, title report, document preparation fee, mortgage filing and service fees, credit report fees and any applicable closing fee.

Work Completion: All work must be completed within **180** days of the loan closing. However, when warranted, CEE may authorize exceptions on a case-by-case basis.

General Program Conditions

Application Processing: Loans will be distributed on a first come first serve basis as borrowers qualify. 1-3 unit properties are NOT eligible until August 1st of each year. **Applicants must provide a completed application package including the following in order to be considered for funding.**

- Completed and signed application form
- Proof of Identity (drivers license, passport, etc.)
- Bids or estimates for proposed projects
- Other miscellaneous documents that may be required.

Program Costs: Loan origination will be paid out of the Program Budget. Loan program marketing efforts will be billed directly to the City of Richfield and is a separate expense should the city choose to commission CEE for marketing support.

Disbursement Process: Funds are disbursed to the borrower(s) on a reimbursement basis after work is completed and permits are closed/final.