



HOUSING AND REDEVELOPMENT AUTHORITY MEETING MINUTES

Richfield, Minnesota
**Joint HRA and Council
Work Session Meeting
April 20, 2026**

ITEM #1	CALL TO ORDER
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Chair Hanson called the meeting to order at 6:05 p.m. in the Council Chambers.

HRA Present: Gordon Hanson, Chair; John Young; Sean Hayford Oleary; and Brett Stursa.

HRA Excused: Mary Supple.

Council Present: Walter Burk arrived at 6:33pm; *Council Member Hayford Oleary sits as a member of the Housing and Redevelopment Authority.*

Council Absent: Rori Coleman-Woods; Sharon Christensen.

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

ITEM #2	ITEM DISCUSSION
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- a. Continue discussion, 4d(1) tax classification impacts and possible policy.

Assistant Community Development Director Urban led a continued discussion on 4d(1) tax classification impacts and potential policy direction. She reviewed prior information on 4d(1) definitions, property tax impacts, housing data, and council-requested follow-up items, including geographic distribution of properties, comparisons to peer communities, tax capacity, TIF district impacts, and updated 2026 tax estimates. Assistant Community Development Director Urban highlighted a projected \$445,000 tax cost shift from current 4d(1) properties, with impacts of approximately \$28 annually to a median-valued homes and noted upcoming TIF district decertifications that will increase future tax capacity.

Staff presented comparisons showing Richfield's affordability relative to peer cities, reviewed levels of subsidized housing and 4d(1) usage, and summarized findings that Richfield is generally in line with comparable communities. Discussion included how 4d(1), TIF, and other tools differ in structure and long-term impacts, particularly regarding tax shifts and post-program affordability outcomes.

The HRA and staff noted ongoing development challenges such as construction costs and uncertainty for builders. HRA and staff discussed balancing housing options across the community, managing tax burden shifts associated with programs like 4d(1), and using such tools cautiously and on a case-by-case basis. HRA emphasized preference for clear policy guidance, thoughtful use of 4d(1) (including consideration of naturally occurring affordable housing), and prioritizing other funding tools before tax classification incentives.

Staff proposed potential policy direction, including using 4d(1) selectively or as a last-resort tool, prioritizing preservation of existing affordable housing, and focusing new development efforts on other financing tools such as TIF and housing trust funds. HRA and staff also discussed the importance of clear criteria for 4d(1) decisions, the feasibility of mixed-income development, and challenges posed by construction costs and market conditions. Staff noted continued work on policy updates and indicated they would continue refining scenarios and recommendations for future consideration.

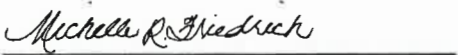
ITEM #3	ADJOURNMENT
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This meeting was adjourned by unanimous consent at 6:44 p.m.

Date Approved: May 18, 2026



Gordon Hanson
Chair



Michelle Friedrich
City Clerk



Melissa Poehlman
Executive Director