



## SCNA May 13<sup>th</sup> Board Meeting

Creekview Park 6:30pm

Attendees: Brock Hanson (C), Jeff Johnson (VC), Jeffrey L. Strand (S), Lori Hanson, Virginia Bratton, Heather Benson, Pam Owens, Troy Parker, Brian Hitchcock

Guests: Linel Erwin(Humboldt Greenway resident and Homeowners Association), Matt Goldstein, Heather Benson,

1. Welcome and introductions by Chair Hanson at 6:37pm
2. Agenda Motion to add Committee reports 6a (extension of Advantage Minneapolis), Ms. Hanson, Ms. Owens, m-c
3. Humboldt Greenway Presentation: Matt Goldstein, City of Mpls CPED
  - a. History reviewed of the Humboldt Greenway.
  - b. Developer (Ross Feffercorn) not meeting obligations largely due to the current market.
  - c. CPED working on an alternative to present to City of Minneapolis
  - d. Some lots being threatened to go into foreclosure next year
  - e. Humboldt Greenway Development is developer that City has mortgage with. Lender is at the table as well.
  - f. Mr. Feffercorn's vision had some consistency and as one stop shop.
  - g. Currently he made a business decision to not pay the taxes.
  - h. This Friday the City Council looks at the proposal to purchase the property, then look at finding a developer to build on the lots. It would take the lots off the market and would reduce competition for other houses on market. Also allows City to control the future development for these sites.
  - i. City has to renegotiate with the developer. Developer would lose the deposits, lender would have to release the mortgages, then purchase for back taxes and making the county whole.
  - j. Out of pocket costs would be made up when the land was sold.
  - k. Source of the funds is TIF funds CPED receive from fees from doing bond administration and tax administration fees to cover the overhead. Fund is flexible money for this kind of purpose and possibly funding the Minneapolis Advantage program.
  - l. SCNA Board member: Doesn't sound like the City hasn't done it's part to keep the developer responsible. Developer was supposed to give financial statements. He did and only made 8% and then lost money.
  - m. Developer losing \$70,000 deposit, losing ability to capture future development. Costs spread over the cost of all the lots.
  - n. Some concerns raised by board regarding the change from affordable homes to high end pricing of homes.
  - o. SCNA Board member: The City seems to be taking the brunt of this-- what about the County? What is the financial burden and share by the County? 28 Million for the County: Traffic calming on Humboldt, Shingle Creek watershed, Greenway amenity. City investment was 4.5 million of bonds through TIF. County current obligation, differed land acquisition and public improvements. City agrees to pay for the street improvements and then the City would pay the County. CPED administering this.
  - p. SCNA Board member: Only the LLC is tied to the debt and now he can pretty much walk away without having to pay the debt. At the time, he was reviewed for his financial wherewith all. When the LLC is created there is no incentive to complete the project. It's still his credibility that's now in question with his lender.
  - q. SCNA raises question to what extent are we locked into the scheme for the side lot process? If the City strikes an agreement to acquire and hold the lots, then we would invite LBNA and SCNA to craft an RFP. 45 day comment period then once the proposals received then come

back to the neighborhoods. Will developer sign over plans to the City for future development?

- r. People don't always buy just because of the houses but also because of the amenities. We've lost schools, businesses. We want to make this neighborhood stand out a little bit by adding businesses.
- s. Bringing back the community businesses, sense of loss of community businesses. It's difficult but possible to do. Market feasibility would be good. What do you think you'd want. What would it take for you to consider this area?
- t. We haven't had an opportunity like we have now. Now is a new time. There are so many things we could really do. Hope and opportunity for us.
- u. SCNA responds like hearing there's flexibility not focusing on getting same houses built
- v. SCNA, LBNA created in early 1990's through NRP. The marketing of the new projects was, "The Humboldt Greenway Neighborhood" being marketed. Up to now there hasn't been a lot of communication between the HG Association and the neighborhoods. Ross would keep the homes currently improved and built.
- w. Townhome, Single Family, Master Homeowners Association, and the management of the associations was given to the City's management.
- x. Timeframe? Staff goal to have a new arrangement by the end of June in order for Tax exempt status to hit Jan 1. City Council to look at on Friday.
- y. Both Ways and Means and Planning have looked at this already.
- z. Some of the financials should be looked at. Ross had to give cash to the City. Two years of losses posting 2%.
- aa. First mortgage for building and then a line of credit. City has a second mortgage. Do you really want to foreclose on these properties.
- bb. Humboldt Homeowners Association just took ownership a few months ago and primary focus is to bring property values back up. Many homeowners have had issues with Ross. So working on those also.

#### 4. Elections:

- a. Officer Elections:
    - i. Chair Nominate Brock Hanson for Chair by Jeff Strand, Brian Hitchcock
    - ii. Vice Chair: Nominate Jeff Johnson by Brian Hitchcock, Pam Owens
    - iii. Treasurer: Nominate Lori Hanson, by Heather Bensonen, Jeff Strand,
    - iv. Secretary: Nominate Jeff Strand by Troy Parker, Heather Bensonen
- Motion to approve the nominated slate by Troy Parker, Jeff Strand, m-c

#### 5. Officers Report:

- a. Treasurer's Report: Motion to approve the Treasurer's report and pay the bills, Mr. Strand, Ms. Hanson, m-c
  - i. SCNA 990: Motion to approve the SCNA 990 Mr. J. Johnson, Ms. Bensonen m-c
  - ii. Annual Filing \$25.00 Motion to approve the Annual filing for the board of directors, Mr. Strand, Ms. Hanson, m-c
- b. Secretary's Report
  - i. Annual Meeting: Motion to approve the minutes with following corrections: 7d Sara Goodnough typo, Finance Committee correct Troy Parker names. Ms. Bensonen was at May 5<sup>th</sup> Finance Committee Meeting, Mr. J Johnson, Mr. Strand, m-c
- c. Committee Reports:
  - i. Shingle Creek Reuse: MPS will be looking to move forward with the landswap idea regarding the Shingle Creek Elementary.
  - ii. Park Board would be getting a little bit better deal.
  - iii. School Board and Park Board need to be approached and let them know this is what the community would want.
  - iv. Talked about potential art reuses and other tenants
  - v. What guarantees do we have that the MPRB doesn't demolish the properties?
  - vi. Does the MPRB have experience with this? Taking it on and then

- vii. Samples given: Green Central? Whittier? NE?
- viii. MPS has seen the need for more programming. Felt more optimistic than had in a long time. Jim Roth, Jean Bain also in attendance.
- ix. Pilot City/NorthPoint, Has dentist currently, always demand for these services even something like that would be a good potential fit. ESL. Would like to see it utilized as something?
- x. Should we be talking to CPED also: Patrick Connoy. Might want to talk to him regarding a potential business incubator. Makadea Zulu Gillespie. University of Minnesota some viable some not.
- i. Finance Committee: Terminated one CD. \$19.45 from interest on 3 month CD and will take care of signatures

#### 6. Old/New Business

- a. Possible extension of Advantage Minneapolis
  - i. Results Minneapolis document online. 2007
  - ii. 694 in 4<sup>th</sup> ward most in the City.
  - iii. Shingle Creek 6 calls to 311 regarding foreclosure
  - iv. Vacant buildings citywide: 40% under 6months,18% nonhomestead currently.
  - v. Interesting LBNA, SCNA, Victory left off of Minneapolis Advantage Minneapolis. Based on 249 list, \$10,000 homebuyers assistance supplemented by NRP.
  - vi. Why wouldn't you give the SCNA and LBNA neighborhoods the same advantage as other neighborhoods?
  - vii. \$500,000 in this fund and would help 50 properties.
  - viii. If the Humboldt Greenway funds are being used for Advantage program, other neighborhoods should be involved.
- b. Potential movement at the capitol regarding the bills regarding NRP. Still yet to be determined.
- c. Card read by Chair Hanson from Ms. Anderson.
- d. Headshot photos after the meeting
- e. SC Clean-up 22,000 pounds this year, 5,000 extra this year.
- f. Talked to Craig Cooper in October, maybe we could do something for him in September like a retrospect for SCNA as founding chair. And recognize out going board members Andersons, Hauger.
- g. July 27<sup>th</sup>, Tour de Camden this year possible stations to go individually or group ride. There is a planning group: Michaeleen Kelzenberg LBNA, Tim Nelson VINA, Jon Munger.
- h. Jeff Johnson thanks everyone for coming and bringing talents and respect.

#### 7. Adjourn at 8:25pm Mr. Strand, Ms. Owens.

Respectfully submitted

Amy Luesebrink

SCNA staff