

**CITY OF PLYMOUTH
AGENDA
Regular Housing and Redevelopment Authority
Council Chambers
3400 Plymouth Boulevard, Plymouth, MN
January 22, 2026, 7:00 PM**

1. CALL TO ORDER

2. PUBLIC FORUM - Individuals may address the Housing and Redevelopment Authority (HRA) about any item not contained on the regular agenda. A maximum of three minutes is allotted per individual with a total of 15 minutes for the forum. If the full 15 minutes are not needed for the forum, the HRA will continue with the agenda. The HRA will take no official action on items discussed at the forum, with the exception of referral to staff for future report.

3. APPROVE AGENDA - HRA members may add items to the agenda for discussion purposes or staff direction only. The HRA will not normally take official action on items added to the agenda.

4. CONSENT AGENDA - These items are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items unless an HRA member or individual so requests, in which event the item will be removed from the consent agenda and placed elsewhere on the agenda.

- 4.1** Adopt proposed minutes
 - 1. HRA 12-04-2025 - minutes

5. PUBLIC HEARINGS

6. NEW BUSINESS

- 6.1** Adopt 2026 Work Plan
 - 1. 2025 Work Plan HRA
 - 2. Plymouth HRA Strategic Plan_March 25 2021
 - 3. Proposed 2026 HRA Work Plan
 - 4. Chair Williams work plan email

7. UPDATES

- 7.1** HRA Updates

8. ADJOURNMENT



To: Housing and Redevelopment Authority

Prepared by: Steven Schmidt, Housing Manager

Reviewed by: Grant Fernelius, CED Director

Item: **Adopt proposed minutes**

1. Action Requested:

Adopt minutes from December 4th, 2025 HRA Commission meeting

2. Background:

3. Budget Impact:

N/A

4. Attachments:

1. HRA 12-04-2025 - minutes

**DRAFTED MINUTES
PLYMOUTH HOUSING AND REDEVELOPMENT AUTHORITY
DECEMBER 4, 2025**

MEMBERS PRESENT: Chair James Williams, Commissioners Wayne Peterson, Ronald Kelner, Tony Kuechle, Bob Swanson, Barbara Patrin, Rahfat Hussain

ABSENT: None

STAFF PRESENT: HRA Executive Director Grant Fernelius, Housing and Economic Development Manager Steven Schmidt, Permit Technician Emily Vandergon, Housing Policy and Grant Coordinator Grace Sconover, and Mayor Wosje

OTHERS PRESENT:

1. CALL TO ORDER

Chair Williams called the Plymouth Housing and Redevelopment Authority meeting to order at 7:00 p.m.

2. PUBLIC FORUM

Chair Williams opened and closed the Public Forum, as there was no one present to speak.

3. APPROVE AGENDA

MOTION by Commissioner Kelner, seconded by Commissioner Kuechle, to approve the Agenda. **Vote.** 7 Ayes. **MOTION** passed unanimously.

4. CONSENT AGENDA

4.1. Approved minutes from October 23, 2025.

MOTION by Commissioner Peterson, seconded by Commissioner Swanson, to approve the Consent Agenda. **Vote.** 7 Ayes. **MOTION** passed unanimously.

5. PUBLIC HEARINGS

No public hearings.

6. NEW BUSINESS

6.1. Review HRA budgets and recommend the city council approve the 2026 HRA budgets

HRA Executive Director Fernelius gave an overview of the staff report.

Commissioner Kuechle asked where funding would come from if there were an unexpected

capital need for one of the buildings.

HRA Executive Director Fernelius replied there are reserves within the CIP for the two senior buildings, acknowledging that it would depend upon the level of the expense, but generally, there are funds set aside for that purpose.

Chair Williams acknowledged the statement that federal revenue is anticipated to remain at the same level, but had some concerns with potential cuts at the federal level that could trickle down.

HRA Executive Director Fernelius stated that the CDBG budgets vary from year to year and the budgets are adjusted appropriately. He stated that if cuts were made to the housing choice voucher program, the city would not be able to fill that gap and would have to scale down the program. He stated that there does not seem to be support from Congress on the skinny budget, which included that 40 percent HUD cut.

Commissioner Peterson referenced language within the draft resolution related to the levy, which includes a percentage that the levy cannot exceed, and asked how the proposed levy compares to that percentage.

HRA Executive Director Fernelius replied that is the statutory threshold and confirmed that the proposed levy is under that threshold.

Commissioner Peterson asked if the actual percentage should be included in the draft resolution.

HRA Executive Director Fernelius provided additional clarification on the language that is included in the resolution.

Commissioner Peterson asked if more specific language should be included in the draft budget resolution related to the dollar amount, or as presented at the December 4, 2025, HRA meeting.

HRA Executive Director Fernelius confirmed that additional language could be added.

MOTION by Commissioner Kelner, seconded by Commissioner Kuechle, to recommend city council approval of HRA resolution #2025-08 authorizing the 2026 HRA levy with an amendment to include the levy amount of \$698,946. **Vote.** 7 Ayes. **MOTION** passed unanimously.

MOTION by Commissioner Kelner, seconded by Commissioner Patrin, to amend draft HRA resolution #2025-07 to include the language "as presented at the December 4, 2025, HRA meeting". **Vote.** 7 Ayes. **MOTION** passed unanimously.

MOTION by Commissioner Peterson, seconded by Commissioner Kelner, to recommend city council approval of HRA resolution #2025-07 authorizing the 2026 HRA budget as amended. **Vote.** 7 Ayes. **MOTION** passed unanimously.

6.2 Recommend housing improvement area policy adoption by city council

Housing and Economic Development Manager Schmidt gave an overview of the staff report.

Chair Williams asked when this would be anticipated to move to the city council.

HRA Executive Director Fernelius replied that it is tentatively scheduled for the second meeting in January.

Commissioner Swanson referenced the proposed sequence of events, including the acceptance of applications, review, and approval. He asked if the intent would be for that process to occur and construction of the project to take place the following spring, as many of the improvements may be exterior repairs, or whether the dates should be moved.

Housing and Economic Development Manager Schmidt replied that the timeline is a frame of reference, but is also very ambitious. He stated that in discussion with neighboring communities, the process can take one to two years.

Chair Williams asked if the process could be amended if the timeline is found to be too aggressive.

Housing and Economic Development Manager Schmidt agreed that the policy could be amended as they move forward to make any necessary adjustments.

Chair Williams invited public comment.

Sara Martinson, Ward 2 resident, commented that she has lived in Plymouth for 19 years and was able to purchase her home through an HRA program. She supported the policy and spoke in representation of her HOA. She commented that they have a siding project that has been discussed for the 19 years she has been there, but it is yet to be completed as it is beyond their reserve study and means of financing.

Brad Caron, Treasurer for Sunrise Bay East Condominiums, commented that their development was built in 1978/1979 and needs repair. He stated that the development would meet the requirements of the HIA policy and commented that this is great timing. He noted that some companies like to work in the winter because of the frozen ground conditions. He asked if Sunrise Bay could move quickly through this process, as they already have the design and bids, and they have been preparing for the past year.

Commissioner Kelner stated that the HRA is making a recommendation to the city council on this policy.

Kim Vohs, 1304 W Medicine Lake Drive, commented that he also lives in the same community as

the last speaker and agreed that there is a dramatic need for their project. He stated that he intended to speak about the need for affordability assistance, but recognized the input that has been received from legal counsel. He stated that the building was constructed in the 1970s, and many people purchased their units at an affordable rate and have remained. He stated that the dues have been increased in an attempt to support the maintenance needs, and the assessment would come on top of that, which would not be affordable for some residents. He stated that some residents have stated that they may need to move as they would be unable to afford the additional charge. He stated that perhaps affordability could be addressed separately to protect the affordable housing and not cause an unintended consequence.

Commissioner Patrin asked if the condo building had completed any maintenance.

Mr. Vohs replied that they have completed a lot of improvements over the years, but the larger items are harder and more expensive to address. He noted that the building is at an age where some of the larger systems and elements need to be replaced.

Ed Goldsmith, 10101 Highway 55, introduced himself and stated that he is representing the Outreach Development Corporation (ODC). He spoke in favor of the HIA policy and commended staff for the excellent job on the latest draft. He believed that the issue of affordability is missing from the policy, acknowledging the comments from legal counsel. He stated that at the October HRA meeting, he presented proposed language as an example of what could be included to address affordability. He provided information on a previous program he was able to secure funding from to assist homeowners in a previous HIA that he administered. He believed that a statement should be included to offer mild support from the city to pursue available affordability funding that may be available to assist.

Commissioner Kelner stated that he would not want to go against the advice of the city attorney on the language that should or should not be in the policy. He noted that would not preclude staff from pursuing those alternative assistance options.

Commissioner Kuechle stated that this is intended to be a financing of last resort, and not a financing of last resort unless you cannot afford it. He stated that he would not want to commit staff and city resources to something that would be unknown.

Commissioner Peterson stated that this draft is a good compromise, as the policy would not include the language, but staff would provide a list of alternative resources they could pursue if needed.

MOTION by Commissioner Kelner, seconded by Commissioner Kuechle, to recommend city council approval of the housing improvement area policy as presented. **Vote.** 7 Ayes. **MOTION** passed unanimously.

6.3 Adopt 2026 work plan

Housing and Economic Development Manager Schmidt gave an overview of the staff report.

Chair Williams referenced a discussion at the October work session related to forming partnerships with organizations that can assist in issues of affordable housing and provided suggested language that could be incorporated into the work plan. He asked that the item be added to the first quarter.

Commissioner Swanson agreed that should be added to the work plan. He stated that it could also be helpful to have input from those organizations on the effectiveness of the HRA programs.

MOTION by Commissioner Swanson, seconded by Commissioner Patrin, to add an item to the work plan for quarter one to form strategic partnering relationships with Plymouth community entities, including Beacon, PRISM, Outreach Development Corporation, and Interfaith Outreach.

Further discussion: Commissioner Peterson asked for more information on the structure of this and whether the organizations would be invited to attend an HRA meeting to provide their input.

Chair Williams agreed that would be helpful. He confirmed that this would not set up another entity or committee, but would create a working relationship.

Commissioner Peterson believed that the language should be clearer to reflect that.

Commissioner Kuechle recommended tabling this portion of the resolution, as he believed there should be additional discussion without holding up the work plan.

Chair Williams believed that this would add more expertise and value to assist the HRA in operating more quickly and efficiently, and therefore, he would like to move forward rather than holding this back.

Commissioner Kuechle stated that other entities could provide value as well and was not comfortable taking this action tonight.

Mayor Wosje stated that the work plans are presented to the city council in February, and perhaps the HRA will postpone the approval of its work plan to the January meeting to allow additional discussion. He agreed that if this is added, it should be well defined and thought out so that staff can make a clear presentation to the council.

Commissioner Kelner stated that perhaps a line item should be added to the first quarter to make an effort to review strategic partnership opportunities.

Commissioner Kuechle asked if the intent would be to support affordable housing, innovative housing, or many other elements related to housing.

Chair Williams acknowledged that could be a broad scope, but he would like to start small with the more immediate issues.

HRA Executive Director Fernelius stated that staff will ultimately implement the direction of the HRA and agreed with Mayor Wosje that clarity is very important. He felt that there needs to be additional conversation to better flesh out the details that will then need to be presented to the city council.

Chair Williams stated that perhaps he could work with staff to better define this, but would like this to be included in the first quarter. He stated that he could do that before the January meeting, where the item could be presented to the HRA.

HRA Executive Director Fernelius confirmed that he could follow up with Chair Williams to flesh out the details.

Commissioners Swanson and Patrin withdrew the motion.

MOTION by Commissioner Kuechle, seconded by Commissioner Peterson, to table the 2026 work plan to the January HRA meeting. **Vote.** 7 Ayes. **MOTION** passed unanimously.

7. UPDATES

HRA Executive Director Fernelius and Housing and Economic Development Manager Schmidt provided updates on items within the written report and other items of interest to the Commission.

8. ADJOURNMENT

MOTION by Chair Williams, with no objection, to adjourn the meeting at 8:24 p.m.

To: Housing and Redevelopment Authority

Prepared by: Steven Schmidt, Housing Manager

Reviewed by: Grant Fernelius, CED Director

Item: **Adopt 2026 Work Plan**

1. Action Requested:

Adopt 2026 HRA Work Plan

2. Background:

Every year the City Council requests its various advisory commissions adopt a work plan of priorities for the upcoming year. The City Council will review these work plans and approve them at the February 24th 2026 regular meeting. At the October 23rd HRA meeting, the HRA board reviewed the 2025 work plan and made several suggestions on priorities for 2026. The attached document reflects what staff heard at that meeting.

At the December 4th HRA meeting, staff presented the proposed 2026 work plan. An additional action item regarding the formation of partnerships with local housing organizations was introduced by Chair Williams. The HRA commission discussed the suggestion and asked for further clarification of the topic. Staff met with Chair Williams to gain a better understanding of the proposal. An email outlining the proposal is attached. Staff is requesting that the HRA board discuss the work plan, amend it as needed and make a recommendation to the City Council.

Regarding the proposal to invite outside groups to present to the HRA, staff believes the earliest this could happen is in March after the City Council has approved commission work plans on February 24th. Staff would also request direction from the HRA on the format (special meeting, regular meeting); location (city council chambers, Medicine Lake room, etc.); specific information the HRA is seeking from these groups (so that staff can provide direction); and any other details that would be helpful to the HRA.

3. Budget Impact:

N/A

4. Attachments:

1. 2025 Work Plan HRA
2. Plymouth HRA Strategic Plan_March 25 2021
3. Proposed 2026 HRA Work Plan
4. Chair Williams work plan email

Commission Purpose

The Plymouth Housing and Redevelopment Authority (HRA) promotes and contributes to the economic health of the community through the creation and maintenance of affordable, workforce and life-cycle housing and active participation in the City’s development and redevelopment processes.

	GOALS/PLANNING	Strategic Themes
ON-GOING	<ul style="list-style-type: none"> Monitor the HRA’s housing programs and services; the operations and finances of two senior buildings. 	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> N/A
FIRST QUARTER	<ul style="list-style-type: none"> Evaluate local 4d tax incentive program Review HRA legislative priorities and recommendations Review CDBG Annual Action Plan 	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> N/A <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> N/A <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> N/A
SECOND QUARTER	<ul style="list-style-type: none"> Evaluate new programming for Naturally Occurring Affordable Housing (NOAH) Review HRA budget and tax levy Review Met Council Livable Communities Act (LCA) program grant opportunities 	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> N/A <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> N/A <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> N/A
THIRD QUARTER	<ul style="list-style-type: none"> Review HRA Strategic Plan - Joint study session with City Council Review Housing Choice Voucher Administrative plan Evaluate Local Housing Trust Fund (LHTF) 	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> N/A <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> N/A <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> N/A
FOURTH QUARTER	<ul style="list-style-type: none"> Review annual Work Plan and new initiatives for 2026 Adopt HRA budget and tax levy 	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> N/A <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> N/A

2025 Work Plan

City Council Strategic Themes

- City Center 2.0 - Reimagining Plymouth City Center – the city’s central area – remains a top priority for City Council. Known as City Center 2.0, the city's long-term vision involves exploring land uses and improving infrastructure to encourage redevelopment that will draw people to the area and support commerce, art, recreation, inclusion and community vitality.
- Redevelopment Vision - The primary objective of this theme is to consider how Plymouth can articulate its vision for long-range redevelopment citywide. The city will work to establish clear expectations for projects while partnering with developers to meet the desired outcomes.
- Environment - Plymouth’s environmental efforts remain a priority, and the city will examine its impact and commitment to stewardship.
- City of Choice - City Council determined that the city must build on its strengths in order to remain a city of choice for residents, businesses, organizations, visitors and events.

Plymouth HRA Strategic Plan

City of Plymouth Housing and Redevelopment Authority



Adopted: March 25, 2021

Table of Contents

Background.....Page 3-4
 The Process.....Page 5
 HRA Housing Priorities and Actions to ConsiderPages 6-13
 Implementation.....Pages 14-15

Plymouth HRA Mission & Values

Mission. The Plymouth Housing and Redevelopment Authority promotes and contributes to the economic health of the community through the creation and maintenance of affordable, workforce and life-cycle housing, and active participation in the City’s development and redevelopment processes.

Values. The Plymouth Housing and Redevelopment Authority is a facilitator and significant contributor to creating an economically healthy and diverse community:

- Which is supportive of quality affordable and workforce housing for all incomes and family sizes.
- That promotes a variety of affordable, workforce and life-cycle housing choices dispersed throughout the City to meet the needs of a diverse population, local employment needs, household stability and educational success of children.
- Where the existing housing stock is well maintained.
- Where some older commercial buildings and areas of the community are redeveloped in a timely fashion.
- Which acquires additional resources to proactively address affordable housing shortages and redevelopment needs.
- Where the HRA works in partnership with citizens, businesses, the City Council and other City departments, and other organizations.
- Where the social services necessary to support housing and jobs in the community are available and coordinated.
- Where the HRA is committed to promoting Fair Housing and equal access and opportunity in housing.

Background

The Plymouth Housing and Redevelopment Authority (HRA) has been an independent governmental entity since its initial creation by the City Council in 1975. The HRA is governed by a board of commissioners appointed by the City Council. Commissioners serve five-year staggered terms.

HRA members who participated in development of the HRA Strategic Plan include the following:

- Michelle Soderberg, HRA *Chair*
- Jeff Kulaszewicz
- Lucas Larson
- Aqueelah Whitfield
- Bob Huddleston
- Jim Davis, City Council Representative to the HRA

The HRA's charge is to oversee and guide in the implementation of Plymouth's housing programs and collaborate on redevelopment efforts of the City. They manage federal, state, and local grants for housing programs and administer eight active Tax Increment Financing (TIF) Districts. Funding for the HRA programs comes from the Federal Department of Housing and Urban Development (HUD) and Community Development Block Grants (CDBG), and an annual HRA levy. These funding sources support staff, existing program implementation, and the maintenance, management and administration of two HRA owned [senior housing properties](#); Plymouth Towne Square and Vicksburg Crossing.

2040 City Comprehensive Plan Value Statements

- **Maintain and enhance housing quality and diversity.** Plymouth values housing that is attractive, well-constructed and maintained to ensure quality of life for all residents. Plymouth also values diverse housing opportunities in neighborhoods throughout the community, including affordable housing, renter and owner-occupied housing, senior housing and lifecycle housing.
- **Meet the needs of all age groups within the City, with a particular focus on young people and the aging population.** Plymouth recognizes that the nation is aging. And the City is no exception. Plymouth will pay increased attention to the special needs of its aging population in all aspects of community life - housing, all forms of transportation, services and facilities and especially, sense of community.

Existing programs supported by the HRA include the following:

1. CDBG Programs:
 - a. First Time Homebuyer Program
 - b. Owner Occupied Home Rehabilitation Program
 - c. Owner Occupied Emergency Repair Program
 - d. Social Services
 - e. Rental Rehab Program
2. Housing Choice Voucher Program
3. Senior Rental Housing
4. Architectural Design Program
5. Home Energy Squad Plus
6. Multi-Family Fire Suppression Program
7. Housing Improvement Area Program
8. Community Land Trust Program
9. Scattered Site Rental Program
10. Private Utility Repair Program



2040 City Comprehensive Plan Housing Goals

- **Promote the development and preservation of a supply of quality housing that is affordable at all income levels and at all stages of the life cycle.**
- **Encourage and ensure that all housing and neighborhoods in Plymouth are well maintained.**
- **Promote development patterns that link housing with services and employment centers by all forms of transportation, particularly public transit and non-motorized forms of transportation.**
- **Metropolitan Council identifies that Plymouth’s share of the regions need of affordable housing between 2021-2030 is 679 additional units, of which 87% should be affordable to those with incomes at or below 50% of the area median income.**
- **Plymouth has guided vacant land in the City to accommodate the construction of 736 affordable units.**

The Process

The HRA completed a process over the course of several months to develop a strategic plan that will solidify key HRA goals, priorities, actions and funding needs for the City and to gain consensus on the role of the HRA in supporting the housing and redevelopment needs of the City. The outreach and engagement process was conducted in a virtual format due to the limitation brought on by the Covid-19 pandemic.

The strategic planning process identified the priorities and actions outlined in this plan based upon review and evaluation of the following:

- 2040 Comprehensive Plan
- Comprehensive Rental Housing Market Study dated April 4, 2018
- Plymouth Hennepin County Consortium Consolidated Plan FY2020-2024
- 2013 Plymouth HRA Strategic Plan
- Strengths, Weaknesses, Threats and Opportunities Summary completed by the HRA and dated October 14, 2020
- Stakeholder input through Zoom and phone interviews and online surveys by residents, the City Council and HRA members.
- Stakeholder interviews including representatives from Interfaith Outreach Community Partners, Outreach Development Corporation (ODC) Board of Directors, RE/MAX, former Wells Fargo Community Lender, Summit Mortgage, Plymouth Covenant Church, Mount Olivet Church of Plymouth, Messiah Church and Wayzata Schools (Community Engagement and Partnership Coordinator, Academic Interventionist, Director of Community Education and Principal on Special Assignment.)
- A developer work session of the HRA and City Council on July 23, 2020 which included representatives from Doran Companies, Ryan Companies and CommonBond
- HRA and City Council online survey of priorities and needs completed by 80 percent of the members
- City of Plymouth flash vote completed by 1,042 Plymouth residents – 1,197 total participants which included 1,139 responding (62%) of the 1852 initially invited and 58 new participants

Stakeholder Comments

- As the gap between housing costs and incomes increases there is a higher risk of families and children becoming homeless – *ODC*
- There is a need for larger (3 and 4 bedroom) affordable housing units for families – *ODC*
- Support higher densities to provide more opportunities for the private sector to develop new housing and commercial options desired by residents – *Developer Roundtable*
- Support zoning land for higher densities and being more flexible in local land use, building requirements and processing time is important – *Developer Roundtable*
- The top three Flashvote responses on what residents (986) would like to see more of included:
 - 55% renovate older buildings
 - 45% mixed use housing
 - 42% first time homebuyer assistance

HRA Priorities

1. Preservation of Existing Housing and Tenant Protections

The most affordable housing is within the existing older properties, referred to as Naturally Occurring Affordable Housing (NOAH).

HRA Priority: Support preservation of existing rental housing and protect vulnerable and low-income households.

- **Tenant Protection Ordinance:**

- **Goal:** Protect vulnerable and lower income residents from being displaced due to rent increases without time to find alternate housing and provided an opportunity for residents at risk of losing housing to be connected to housing and social assistance.
- **Action:** Consider adoption of a tenant protection ordinance that would outline requirements to protect tenants from being displaced when properties change ownership. Best practices include providing tenants a three (or longer) months period where there is a pause on rent increases, tenant re-screening, and non-renewal of leases without cause. An ordinance can spell out options where a new owner chooses or does not comply with the pause that can include a requirement to pay relocation benefits to tenants.

The Facts: Need for Preservation and Protection of Tenants

- **The City's existing rental housing stock is aging** - 47% of the **rental housing** in the City was built in the 1970s and 1980s.
- **28% of the City's residents** live in rental housing.
- **43% (3,736) of renter households**, are paying more than 30% of their income on housing cost, increasing the risk of residents choosing between paying rent, eating, covering healthcare costs and other critical life and safety needs.
- **Median rent increased 18% from 2010 to 2018**; at the same time there was less available housing with a 29% reduction in the vacancy rate from 5.5% to 3.9%.
- From 2010 to 2018, **10 apartment properties sold representing 3,456** units in the City.
- **In-demand jobs in the Twin Cities do not pay enough to afford the median rent or mortgage in Plymouth.** These include critical workers to support business vitality and resident services such as cashiers, retail workers, personal care aides, nursing assistants, janitors and customer service representatives.

Sources: Plymouth Maxfield Study, Plymouth 2040 Comprehensive Plan, MHP's Plymouth Rental Snapshot, MHP's Market Watch; Hennepin County Report

- **Local 4d Affordable Housing Incentive**

- **Goal:** Protect vulnerable and lower income residents by preserving existing unsubsidized affordable rental units in exchange for a lower tax applied to those units. In many cases, existing properties are already providing rents at or below 60% of the area median income. However, those units are most at risk of rent escalation as vacancy rates lower and the availability of lower rental housing is reduced.
- **Action:** Evaluate adoption of a local 4d Affordable Housing Incentive that would provide qualifying **existing rental property owners** a rate reduction in property taxes from the current 1.25% to .75% per MN Statute 273.128 for qualifying rent restricted units. Per the state statute a minimum of 20% of the total units would need to have rent and income restrictions for those at or below 60% of the current area median income to be eligible for the reduced tax rate on those units. To trigger the program, the HRA, as the local unit of government, would provide nominal financial assistance to the property owner who then enters into a development agreement which outlines the rent restrictions and terms. The total amount of the reduction would be evidenced by a document recorded against the property.

- **NOAH Rehabilitation and Maintenance Program**

- **Goal:** Encourage property improvements that increase property values while protecting vulnerable and lower income residents by ensuring that a portion of a property's rents remains affordable when these properties are improved to protect the health, safety and livability of the City's older rental properties.
- **Action:** Consider expanding funding and criteria for restricting rents focused on providing assistance to **existing older rental properties** that are in need of renovation such as exterior improvements, energy efficiency upgrades, fire suppression systems and other health, safety, crime reduction and livability improvements. The assistance would be provided to help finance improvements in exchange for ensuring that a portion of the rents are kept affordable at or below 60% of the current area median incomes. The financial assistance could be structured as a loan or grant. A development agreement with the property owner that would include a covenant on the deed of the property, would be required to ensure the owners comply with the income requirements.

HRA Housing Priorities (continued)

2. Increase Housing Affordability to Diversify Housing Options and Opportunity in the City

To achieve the mission of the HRA, it is important to provide opportunities to diversify the housing options and support new affordable housing including seniors, low-income families and the younger generation.

HRA Priority: Support more development of affordable housing and increase housing options and opportunities in the City.

- **Mixed Income Housing Policy**
 - **Goal:** Ensure high quality housing in the City is accessible to households with a variety of incomes, ages, and sizes and to increase the supply of new affordable senior and rental housing options.
 - **Action:** Consider and evaluate options for adoption of a mixed income housing policy. Mixed income housing policy (referred to as inclusionary housing policy) can tie financial or land use assistance for new housing to include a certain percentage of the total units as affordable. Some policies allow a financial contribution rather than providing units within the proposed development. Evaluations would consider the parameters that trigger the policy and outline the percentage of affordable units and/or cash contribution formula. Mixed income policy options include various triggers (city assistance, land use change, number of units, etc.) that is outlined when created and adopted.

The Facts: Importance of Diversifying Housing Options

- **Only 1% (18 units) of the new housing constructed in the City between 2015-18 can be considered “affordable”** to a household earning less than 60 percent of the area median income which is \$60,000 for a family of four.
- **Senior Housing Need:** The population growth from 2017 to 2022 for those age 75 to 84 is projected to have the greatest percentage growth at 32%. Incomes of current older residents are lower than the median incomes in the City. In 2017, 10% of those senior households had incomes below \$15,000 per year. Many City senior households wish to remain within their existing homes or may wish to move out but cannot afford other alternatives.
- **Entry Level Housing Need:** The population of 18 to 34-year old’s is expected to increase slightly 445 people (+1.4%) between 2017 and 2022. These are the residents that tend to rent and may be looking to put down roots in the community by purchasing their first home.
- Through October of 2020, 1,300 homes were sold with a median sales price of \$392,000: up 3% from the previous year; **an unaffordable option for many first-time buyers.**

Sources: Plymouth Maxfield Study, MHP’s Plymouth Rental Snapshot, Realtor Association Sale Data

- **Affordable First-Time Buyers Options**

- **Goal:** Increase the opportunity of affordable first-time homebuyers and to revitalize existing older single-family neighborhoods.

- **Action:** Evaluate expanding program criteria and policies to support the purchase and/or development of affordable, first time home buyer options. Programs and policies to be evaluated will include the enhancement of existing support for Community Land Trusts, down payment assistance and lower mortgage options. In addition, innovative program options to consider can include partnering with non-profit housing providers by providing gap funding to facilitate the connection with first time buyers to purchase existing homes from senior households who wish to sell their home.



- **Collect and Share Information on the Importance of Addressing the City's Affordable Housing Needs**

- **Goal:** Identify the economic and social benefits of a diverse and inclusive community that provides housing affordability options to all residents and workers in the City.
- **Action:** Collect and share data with residents, property owners, landlords, property managers, and government leadership on market realities, educational attainment impacts, worker recruitment and retention and health benefits of a diverse and inclusive community with a full range of housing options.

HRA Housing Priorities (continued)

3. Proactively Support Redevelopment Efforts of the City

As the City of Plymouth becomes fully developed, reuse and redevelopment of property will become more important to ensure that property values remain stable and to increase options and opportunities for residents and businesses. Reuse of land that includes a mix of uses and more compact development provides options for active living, such as walking or biking, within proximity to retail, services and other amenities.

HRA Priority: Assist in prioritizing redevelopment opportunities and future land uses to support a mix of land uses and options for compact living.

- **Identify and Prioritize Areas for Redevelopment**
 - **Goal:** Provide clarity, consistency, and flexibility to attract private investment in redevelopment areas of the City and ensure that market demand and community vision align.
 - **Actions:** In cooperation with the City Council and other City departments, the HRA will assist with the following redevelopment efforts, where appropriate.
 - Provide input on and identify key areas of the City that need redeveloping.
 - Identify acceptable mixes of future land uses such as affordable housing, ownership/rental mix and mix of uses for redevelopment areas.
 - Identify best practices and policies for fast-track approvals and flexibility when the project meets certain requirements.

- **Assist with Assembly of Land for Redevelopment**

- **Goal:** Increase partnerships and opportunities in the redevelopment of land by leveraging property control to support community goals, facilitate and promote private investment and increase availability of affordable housing.
- **Action:** Provide assistance in identifying site acquisition tools and financing options to support assemblage of key (re)development sites under multiple ownership.

- **Identify and Share the Benefits of Investing in Redevelopment**

- **Goal:** Facilitate and support agreement on redevelopment priorities through education, collaboration and increased engagement of residents to support a healthy and vibrant community.
- **Actions:** Collect and share information on current market realities, redevelopment goals, and plans including:
 - Providing information to newly elected and appointed policy leaders on HRA mission, values, priorities and goals.
 - Offering site visits and tours of successful regional redevelopment projects.
 - Conducting stakeholder engagement sessions/neighborhood meetings and engaging underrepresented populations.
 - Clearly document stakeholder support for the redevelopment plan(s).



HRA Housing Priorities (continued)

4. Coordinate Funding Sources and Financial Strategies

To adequately support the HRA Strategic Plan, additional and aligned funding resources will be important. As federal and state resources become more constricted, local sources of funding for housing and redevelopment will become more important to ensure that the priorities and goals of the City and HRA are achieved.

HRA Priority: Proactively meet the housing and redevelopment needs of the City and be a partner with the private sector in development and redevelopment that achieves the HRA mission.

- **Assist in Identifying Adequate Funding Sources in the Support of the HRA Mission, Values and Priorities**
 - **Goal:** Annually review options and opportunities to support the programs and policies outlined in the HRA Strategic Plan through the City budgeting process.
 - **Action:** Evaluate public, private and philanthropic resources to implement the priorities and programs identified in the HRA Strategic Plan. Work with City administration on incorporating and analyzing the effects on utilizing local resources on the City's 10-Year Financial Plan.
 - **HRA Levy:** The primary method of financing the delivery and administration of housing and redevelopment programs is through the HRA authority provided through Minnesota State Statute 469. The statute allows the HRA, with approval by the City Council, to *levy a tax to give, sell, buy, transfer, or convey properties as necessary to remove blight and promote affordable, safe and decent housing*. The HRA levy is evaluated and set annually by the City Council upon the recommendation of the HRA.
 - **Pooled Tax Increment Financing:** Tax Increment Financing is a local government tool that can be utilized to support redevelopment and affordable housing as allowed by Minnesota State Statute 469. A portion of tax increments can be pooled and utilized outside of the boundaries of the district from which they were collected and can be a source to support priorities outlined in the HRA Strategic Plan.

- **Adopt a Public Subsidy Policy**

To be successful in achieving the priorities for housing and redevelopment, it is important for the HRA and City Council to clearly outline the goals and objectives of providing public funds toward that effort. This includes identifying public subsidy policies accepted and utilized for the purpose of implementing the HRA Strategic Plan. Clarity and consistency in how the HRA and City respond to requests for assistance for development proposals decreases uncertainty and risk resulting in lower costs to preserve and build affordable and market rate housing and redevelopment projects.

- **Goal:** Ensure that the City and HRA leaders are accountable to City residents on the utilization of public resources and provide clarity to the development community on what is acceptable public support to achieve the mission and vision of the City.
- **Action:** In partnership with the City Council and other City departments, seek financial consulting assistance to adopt a clear and strong public finance policy.



Implementation

The **four priorities** outlined in the HRA strategic plan and implementation of the action steps will require the HRA to prioritize their time, staff capacity and financial resources to be successful. The following is a schedule to help guide the HRA and staff in the successful planning and implementation of the HRA Strategic Plan action steps.

Priority	Actions Steps	Timing	Financial Resources	Impact on HRA Mission
1.a	Tenant Protection Ordinance	⌚ ⌚	\$	☆☆
1.b	Local 4d Affordable Housing Incentive	⌚ ⌚	\$⤵	☆☆☆
1.c	NOAH Rehabilitation and Maintenance Program	⌚ ⌚	\$\$	☆☆⌚
2.a.	Mixed Income Housing Policy	⌚ ⌚ ⌚	\$⤵	☆☆⌚
2.b.	Increase Options for Affordable First-Time Buyers	⌚ ⌚	\$\$	☆☆
3.a	Identify and Prioritize Areas for Redevelopment	⌚ ⌚ ⌚	\$⤵	☆☆
3.b	Assist with Assembly of Land for Redevelopment	⌚ ⌚	\$\$	☆☆
3.c.	Educate the Community and Policy Leaders on the Benefits of Investing in Redevelopment	⌚ ⌚	\$	☆☆
4.a	Increase HRA Levy Dollars	⌚ ⌚	\$\$	☆☆⌚
4.b.	Adopt a Public Subsidy Policy	⌚ ⌚	\$	☆☆

Timing Key		
Short Term	Median Term	Longer Term
⌚	⌚ ⌚	⌚ ⌚ ⌚
Work on Immediately and will have the most substantive impact on achieving the HRA mission.	Policies and programs that require additional research and collaboration	Outside resources, stakeholder input and collaboration required to fully understand the implication of the policy or program
Complete in 2021	Complete within 1-3 years	Complete within 3-5 years

Financial Resources Key		
Low Cost	Medium Cost	High Cost
\$	\$\$	\$\$\$
Ability to complete with existing resources	A modest increase in the HRA levy and budget would be required	A substantial increase in the HRA Levy and budget would be required

Impact in Achieving HRA Mission		
Low Impact	Medium Impact	High Impact
★	★★	★★★
Limited number of residents benefit and little to no property value increase from implementation of program or policy	Several residents benefit and/or increased property value results from implementation of program or policy	Many residents benefit and/or larger property value increase resulting from implementation of program or policy

Commission Purpose

The Plymouth Housing and Redevelopment Authority (HRA) promotes and contributes to the economic health of the community through the creation and maintenance of affordable, workforce and life-cycle housing and active participation in the City’s development and redevelopment processes.

	GOALS/PLANNING	Strategic Themes
ON-GOING	<ul style="list-style-type: none"> Monitor the HRA’s housing programs and services; the operations and finances of two senior buildings. 	<input checked="" type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A
FIRST QUARTER	<ul style="list-style-type: none"> Review programing of LAHA funds Review CDBG Annual Action Plan Economic Development Strategy review 	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A <input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A <input checked="" type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A
SECOND QUARTER	<ul style="list-style-type: none"> 2050 Comp plan housing chapter Review HRA budget and tax levy Joint Study Session with City Council 	<input checked="" type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A <input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A <input checked="" type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A
THIRD QUARTER	<ul style="list-style-type: none"> Update HRA Strategic Plan Review Housing Choice Voucher Administrative plan Bring it Home Program update 	<input checked="" type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A <input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A <input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A
FOURTH QUARTER	<ul style="list-style-type: none"> Review annual Work Plan and new initiatives for 2027 Adopt HRA budget and tax levy 	<input checked="" type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A <input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A

2026 Work Plan

City Council Strategic Themes

- City Center Reimagined - A vibrant hub for living, working, dining and recreating.
- A Connected and Thriving Community - Residents have a safe place to live with high quality infrastructure and recreational opportunities.
- Environmental Stewardship - Plymouth’s environment and natural resources are clean and healthy for future generations.
- Economic Stability and Vitality - A business-friendly environment that fosters economic opportunities and innovation.
- Operational Excellence - A community where employees choose to work, residents choose to live, businesses choose to grow, and visitors choose to return.

Steven Schmidt

From: JAMES E WILLIAMS <jwilli99@comcast.net>
Sent: Thursday, December 11, 2025 8:44 AM
To: Grant Fernelius
Cc: Steven Schmidt
Subject: BIH Agreement & Miscellaneous Matter



Good Morning Gentlemen,

Please be advised that I have reviewed the above-referenced matter and have found it acceptable. I executed the Agreement this morning at 8:18 AM. In addition, I would like to discuss the following with you tomorrow morning.

I am suggesting for our approval at our January meeting to invite representatives from Beacon, Interfaith, Outreach Development and PRISM to a study session to be held prior to our February meeting. Each organization would be charged to address the following points:

1. What is your assessment of the need for affordable housing and rental assistance in Plymouth with specifics numbers and client experiences?;
2. What is the impact of the services provided by the Plymouth HRA and the available resources?; and
3. What actions do they propose the Plymouth HRA take under consideration?

From this session we would be more aware of what is really happening and it may trigger some new HRA initiatives. This will hopefully address some of the questions raised at our December 4th HRA meeting. I am hopeful that a study session will provide some clarity, and collectively we, i.e. HRA, HRA staff, the Mayor and the City Attorney will be able to develop a more comprehensive plan for immediate action. Thank you and I look forward to seeing you tomorrow at 11:00 AM.

James,

To: Housing and Redevelopment Authority

Prepared by: Steven Schmidt, Housing Manager

Reviewed by: Grant Fernelius, CED Director

Item: **HRA Updates**

1. Action Requested:

No action is needed at this time. This is provided for informational purposes.

2. Background:

Development Updates

See link to our website on development activity:

[Development Docket | City of Plymouth, MN \(plymouthmn.gov\)](https://www.plymouthmn.gov/development-docket)

General Updates

Staffing Updates

The City of Plymouth has posted a job notice for an HRA Specialist position. In addition to helping balance the current workload of the Housing Choice Voucher program, this position will work with the implementation of the Bring it Home Rental Assistance Program.

City Council Study Session

On January 27th City Council will hold a study session on several housing-related polices, including 4d(1) Affordable Housing Incentive Program; Housing Improvement Area (HIA) Policy, and implementation of a local Affordable Housing Trust Fund. The meeting will begin at 5:00pm in the Medicine Lake conference room.

Met Council Housing Nexus Study

Staff attended a meeting hosted by the Met Council to receive an update on the regional

housing nexus study that the agency has initiated. The meeting was attended by a handful of cities and the consultant hired by the agency (CommunityScale). The study is intended to be used as a tool in the development of local Inclusionary housing policies. The focus of the meeting was to discuss current inclusionary housing/zoning policies, and to better understand successes and obstacles experienced by jurisdictions. In addition, Met Council and CommunityScale met with developers to better understand inclusionary housing policies from the developer's point of view. Met Council anticipates the Regional Housing Nexus Study will be completed with a results draft scheduled for later this spring.

Willow Wood Estates

The sale of Willow Wood Estates from CommonBond to Springhold LLC is anticipated to close in early 2026. In 2003, the Plymouth HRA provided an Affordable Housing Fund loan to support the purchase and rehabilitation of Willow Wood. Springhold had originally planned to assume the AHF loan, but now plans to pay off the loan to simplify the transaction. As of 1/31/2026, the payoff amount for this loan will be \$71,134.25.

Springhold still intends to preserve and improve the affordable housing at Willow Wood Estates. As the new ownership, Springhold will assume the property's existing HAP contract. After closing, Springhold hopes to partner with the city in a tax credit resyndication application to finance a rehabilitation and the continued affordability of Willow Wood Estates.

Housing Bond Allocation

Roers Companies and the city were successful in receiving an allocation of bonds and tax credits for an affordable housing project at The Boulevard. The project (referred to as The Melrose) will be a 100% affordable building at the former Prudential site. This is the most recent low-income housing tax credit project award in several years. The program uses a combination of low interest financing (tax-exempt bonds) and tax credits to raise capital for the project which will serve households earning up to 60% of Area Median Income (\$79,000 for a family of 4 people).

Plymouth Plaza Update

In late November, the City Council approved land use applications and development assistance to Marco McLane Development for the Plymouth Plaza project. Plymouth Plaza is a commercial retail center at the southwest corner of County Roads 6 and 101 (anchored by The Original Pancake House). The developer proposed to construct a new commercial building that will be occupied by the existing medical tenants (Northwest Family Clinics, Bayview Dental); tear down the vacant portion; preserve the existing retail businesses; and construct 195 units of mixed-income apartments. 20% of the units (39 total) will be affordable to households at 60% Area Median Income (AMI).

The city council approved a tax increment financing assistance package of up to \$4.7 million to assist the project with eligible redevelopment costs and housing affordability.

The total development costs are projected to be over \$62 million. One question that was raised at the meeting is whether the project should include Local Affordable Housing Aid (LAHA) to help off-set costs and reduce the amount of TIF assistance.

LAHA dollars are allocated to cities by the State of Minnesota through a metro-wide sales tax. Due to timing considerations the developer is not interested in pursuing LAHA dollars and would prefer a TIF-only assistance package.

3. Budget Impact:

N/A

4. Attachments: