

**MINUTES OF THE SPECIAL MEETING  
OF THE HOUSING AND REDEVELOPMENT  
AUTHORITY OF AUSTIN, MINNESOTA**

**February 5, 2003**

A Special Meeting of the Housing and Redevelopment Authority of Austin, Minnesota was held at 4:30 PM, February 5, 2003 at the HRA Office. The meeting was called to order by Chairman Lang. Present were existing Commissioners Jorgenson and Nordin and newly appointed Commissioners Goodnature and Chamberlain. Also present were Deputy Director for Housing Volstad, HRA Finance Director Detloff, City Finance Director Dankert, Community Development Director Hoium and HRA Attorney Craig Johnson. Commissioner Nelson was absent.

**Election of Officers for the HRA Board:**

**Chairperson:** Nordin nominated Lang and Goodnature nominated Jorgenson. Lang declined the nomination and receiving no other nominations from the floor called for a white ballot. All present voted in favor of naming **Jorgenson as Chairperson**, none in opposition thereto.

**Vice-Chairperson:** There were no nominations received from the floor. Goodnature offered to fill this position. All present voted in favor of naming **Goodnature as Vice-Chairperson**, none in opposition thereto.

**Secretary/Treasurer:** Jorgenson nominated Nordin and no other nominations were received. All present voted in favor of naming **Nordin as Secretary/Treasurer**, none in opposition thereto.

**Railroad property - Presentation of Development Concept Plan and Offer to Purchase:** Craig Hoium presented an offer that was received by the City to purchase the 12 acre Milwaukee railroad parcel that is for sale by the Austin HRA. The offer came from Rochester business owners Mark J. Stevens and Edward VanKirk. The property will be developed in 2 phases. Phase I will be divided into 5 sites and 2 of the sites will consist of an auto repair facility and a trucking terminal leaving the other 3 sites open for future development. Deals for these other 3 sites are currently being worked on by the

purchasers. Phase I's 2 proposed building sites will be completed within 12 months after title to property is transferred.

Phase II will initially consist of a 12,500 SF building to house 10 Business Condominiums. Final completed size is 20 units. The first 10 units of Phase II will be completed within 24 months after title to property is transferred. On both phases two (2) 6-month extensions shall be available to the buyer for unforeseen factors.

Lang was concerned about outside storage and wanted language added to reflect that items placed outside should be organized and fenced.

Included in the 12 acre parcel is a Retention Pond which would become the buyers responsibility to maintain. There is also a small parcel of land directly in back of the Lakeside Shopping Center that is in the flood-plain which will be offered to Jim Baldus free of charge and simply deeded over if he wants it.

In exchange for DTED clean-up monies, there are stipulations for developers locating on the site. Some of the stipulations are 1.) At least 3 full-time employees must be employed by each business and 2.) The HRA has to report all jobs to DTED.

The purchaser will be responsible for the following costs:

\$45,000	To the Austin HRA for future redevelopment use anywhere in Austin.
\$31,008	Assume remaining assessments for 11 <sup>th</sup> St. NE
\$33,000	Estimated costs for the public right-of-way extension of 4 <sup>th</sup> Ave. NE.
<u>\$50,000</u>	Estimated costs for the public right-of-way extension of 1 <sup>st</sup> Ave. NE.
\$159,008	TOTAL ESTIMATED COSTS
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The buyers are to pay all Utility Services provided by Austin Utilities.

The \$159,008 the purchasers will spend translates to \$19,157 per developable acre (\$159,008/8.3 Acres).

The buyers would like to close on the land by April 1,

2003.

**Railroad Property - Motion to Grant Concept Approval:**

A motion was introduced by Commissioner Nordin and seconded by Commissioner Goodnature to Grant Concept Approval subject to receipt and approval of detailed site and building plan. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

**Railroad Property - Motion to Grant Preliminary Approval to the Purchase Agreement:**

A motion was introduced by Commissioner Nordin and seconded by Commissioner Goodnature to Grant Preliminary Approval to the Purchase Agreement. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

**Adjournment:** There being no further business it was moved by Commissioner Goodnature and seconded by Commissioner Lang to adjourn the meeting. All present voted in favor of the motion, none in opposition thereto. The Chairperson declared the motion passed and carried.

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Michelle Jorgenson, Chairperson

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Gloria Nordin, Secretary/Treasurer