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## **REGULAR MEETING AGENDA**

**THURSDAY, FEBRUARY 19, 2015 @ 4:30 PM**

Please let Jon or Sherri know if you cannot attend this meeting.

Four Commissioners must be present to constitute a quorum.

1. **Roll Call.**
2. Approve **Meeting Minutes** of January 15, 2015.
3. Review **Accounts Payable.**
4. **Executive Director Reports:**
  - a. DCA – Visit by John Garry.
  - b. Review 2015-2016 HRA Goals.
5. **Public Housing & Section 8:**
  - a. Scattered Sites – Motion to approve Utility Allowances.
  - b. Section 8 – Motion to authorize Operating Transfer for Admin. Expenses.
  - c. Section 8 – SEMAP Report Card.
6. **Market Rate Housing:**
  - a. Newsletter delivered to tenants regarding capital improvement projects.
  - b. Handout – Tenant breakdown by age.
7. **Budget changes:**
  - a. LED Light Bulb Replacement project affecting the following budgets:  
Twin Towers, Pickett Place, Austin Courtyard, Chauncey Apts. & General Fund
8. **Closed meeting:**

This portion of the meeting will be closed pursuant to MN Statute 13D.05 Subd 3(b) Attorney-client privilege to discuss litigation by a former tenant.
9. **Adjourn.**



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

**1.) Roll Call.**

**Date & Time: February 19, 2015 at 4:30 PM**

Commissioners Present: Judy Enright, Chair  
Joyce Poshusta, Vice-Chair  
Janet Anderson, Secretary  
Jerry McCarthy  
Marvin Repinski  
David Hagen  
Leona Ruehmann

Commissioners Absent: None

HRA staff Present: Jon Erichson, Executive Director  
Sherri Detloff, Finance Director  
Karen Mattson, Property Manager  
Cindy Johnson, Property Manager

Other Guests: John Garry, Development Corp. of Austin

There being a quorum, the meeting was called to order by Chair Enright. Leona Ruehmann was introduced as the new member of the HRA Board.

**2.) Approval of Minutes.**

It was moved by Commissioner McCarthy and seconded by Commissioner Hagen to approve the minutes of the regular meeting on January 15, 2015. All present voted in favor thereof, none in opposition thereto. The Chair declared the motion passed and carried.

**3.) Approval of Accounts Payable.**

After several questions, it was moved by Commissioner Repinski and seconded by Commissioner Anderson to authorize payment of the list of accounts payable. All present voted in favor thereof, none in opposition thereto. The Chair declared the motion passed and carried. Commissioner Poshusta had some questions regarding bed bug expenditures and asked if there should be consideration for buying our own equipment.

#### **4.) Executive Director Reports.**

##### **a. Development Corp. of Austin & Mower County – Visit by John Garry.**

John Garry gave an update on DCA activities such as job growth related to the Hormel Institute, partnerships with Riverland College in workforce training, business planning assistance and marketing assistance.

##### **b. Review 2015-2016 HRA Goals.**

Executive Director Erichson developed a list of goals for both housing and redevelopment activities to work on for years 2015-2016. An update will be given to the Commissioners every 3 to 6 months so that Board members can see the progress of these goals.

#### **5.) Public Housing & Section 8:**

##### **a. Scattered Sites - Motion to approve new Utility Allowances.**

Karen Mattson prepared spreadsheets showing the utility costs at each of the fifty-six scattered site units. Averages are calculated for each bedroom size. The utility allowance is subtracted from 30% of the family's adjusted gross income to arrive at their tenant rent. The family is responsible for paying their own utility bills to Austin Utilities.

It was moved by Commissioner Hagen and seconded by Commissioner Ruehmann to approve the Scattered Site Utility Allowances as presented to be effective April 1, 2015. All present voted in favor thereof, none in opposition thereto. The Chair declared the motion passed and carried.

##### **b. Section 8 – Motion to authorize operating transfer from General fund for Section 8 admin. funding shortfall.**

Due to cuts to the administrative fees we receive from HUD to operate the Section 8 program, it is necessary to cover these shortages from the General Fund. Administrative fees cover salaries & benefits, office supplies, postage and other costs to run the Section 8 program. A request was made to transfer funds from the General Fund in the amount of \$1,505.67 to cover the administrative short fall for the period 10/1/14 to 12/31/14.

It was moved by Commissioner Anderson and seconded by Commissioner McCarthy to authorize this transfer. All present voted in favor thereof, none in opposition thereto. The Chair declared the motion passed and carried.

##### **c. Section 8 – Management Assessment Program (SEMAP) score.**

The Austin HRA received a score from HUD of 130 points out of 130 total possible points for our Section 8 program. There are 15 indicators that comprise this score. We are designated as a High Performer for this program by HUD.

## **6.) Market Rate Housing:**

### **a. Newsletter delivered to tenants regarding capital improvement projects at Austin Courtyard and Chauncey Apts.**

Executive Director Erichson gave a copy to the Board of a newsletter that was distributed to all tenants at Courtyard & Chauncey. It included vacancy rates, capital projects done in 2014 and capital projects projected to be done in 2015. The projects at Chauncey include re-shingling the roof, correct the water leaking issue in the underground garage and repair the brick on the outside canopy. The projects at Courtyard include outdoor patio & grill area, exercise room upgrades and some new furniture.

### **b. Handout – Tenant breakdown by age.**

Finance Director Detloff presented a breakdown of tenants' ages in their 20's, 30's etc. through 100's and showed what the ages were 10 years ago and again at present which shows how both buildings' demographics are changing. The population is getting younger in both buildings; however tenants in their 80's & 90's still comprise the largest percentage.

## **7.) Budget changes for all apartment buildings:**

### **a. LED light bulb replacement project that affected Twin Towers, Pickett Place, Austin Courtyard, Chauncey Apts. and the main office/General Fund budgets.**

Austin Utilities was offering a large rebate on LED bulbs which ended 12/31/14. Thereafter, the rebate offered was going way down. It was decided to replace the bulbs in all apartment buildings with LED bulbs by the end of the year to take advantage of the larger rebate. The LED bulbs for all buildings cost \$107,535 and the rebates totaled \$104,285. This was not budgeted for when the budgets were prepared and because of the large income (rebates) and expenses for all buildings, a breakdown was given to the Board to amend each budget.

Additionally, it was asked by the Board to also approve a budget revision for grant income received from our insurance pool carrier to start an employee wellness program along with an expense of the same amount for fitbits and fitness membership incentives for employees.

It was moved by Commissioner McCarthy and seconded by Commissioner Anderson to adopt all changes as presented for all budgets. All present voted in favor of the motion, none in opposition thereto. The motion was passed and carried.

## **8.) Closed meeting:**

A motion was made by Commissioner McCarthy and seconded by Commissioner Poshusta to close the meeting pursuant to MN Statute 13D.05, Subd. 3(b) attorney-client privilege to discuss litigation by a former tenant. Discussion was taped.

A motion was made by Commissioner McCarthy and seconded by Commissioner Anderson to adjourn the closed session and reopen regular meeting.

It was moved by Commissioner McCarthy and seconded by Commissioner Ruehmann to authorize Jon Erichson and Steven Hovey, our attorney, to retain the services of an expert witness at cost not to exceed \$10,000. All present voted in favor of the motion, none in opposition thereto. The motion was passed and carried.

**9.) Adjourn:**

There being no further business it was moved by Commissioner McCarthy and seconded by Commissioner Ruehmann to adjourn the meeting. All present voted in favor of the motion, none in opposition thereto. The motion was passed and carried. The meeting was adjourned at 6:30 PM.

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Judy Enright, Chair

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Janet Anderson, Secretary