

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

**March 15, 2006**

**1.) Roll Call.**

The regular meeting of the Housing and Redevelopment Authority of Austin, MN was held at 4:30 PM, March 15, 2006, at the HRA Office. The meeting was called to order by Chairman Jay Nelson. Present were Commissioners Lang, Nordin, Pacholl, Christopherson, Schlieve, and Hecimovich. Also present were Executive Director Hurm, Deputy Director for Community Development Smith, HRA Finance Director Detloff, Deputy Director of Housing Volstad, Family Housing Specialist Ackland, and City Engineer Jon Erichson.

**2.) Approval of the meeting minutes of December 15, 2005, December 21, 2005 and March 6, 2006.**

It was moved by Commissioner Nordin and seconded by Commissioner Pacholl to approve the minutes of the special meeting of December 15, 2005. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

It was moved by Commissioner Lang and seconded by Commissioner Nordin to approve the minutes of the regular meeting of December 21, 2005. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

It was moved by Commissioner Hecimovich and seconded by Commissioner Nordin to approve the minutes of the special meeting of March 6, 2006. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

### **3.) Approval of Claims for Payment.**

It was moved by Commissioner Pacholl and seconded by Commissioner Lang to authorize payment of the list of claims for payment as presented. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

**4.) Executive Director Reports:** Jon Erichson provided details on the plan to remove the bridges and raise Oakland Avenue between 1<sup>st</sup> Street SE and 4<sup>th</sup> Street SE. The bridges were installed as a WPA project in the 1930's to separate railroad traffic from street traffic. Since removal of the railroad tracks, the bridges no longer serve a necessary function. In addition, the bridges are in need of extensive repair and the underpass presents a safety hazard during major flood events.

An application for grant funds totaling \$1.7 million was approved and funded through federal gas tax money. The application considered several alternatives to the approved project. None of the alternatives appeared feasible. The complete project should cost between 2 and 2.2 million with construction planned for 2007. Mr. Erichson said that water filling the underpass during floods is in the flood fringe and the water displacement would have no effect on the depth of flooding elsewhere or cause problem for any of the adjacent properties.

It was the consensus of the commissioners that the project was sensible and they expressed support. It was requested by the commissioners that the City Engineer schedule informational meetings with residents of the affected HRA projects to answer any resident concerns.

### **5.) Public Housing:**

**a. Public Housing - Resolution approving the Calendar Year 2006 Operating Subsidy calculations.** Sherri Detloff presented to the Board HUD Form 52723 which shows the anticipated operating subsidy for public housing the Austin HRA would receive for calendar year 2006. The following resolution was introduced by Commissioner Hecimovich and seconded by Commissioner Nordin.

**RESOLUTION # 436  
RESOLUTION APPROVING CALCULATION  
OF PERFORMANCE SYSTEM OPERATING SUBSIDY**

All present voted in favor of the resolution, none in opposition thereto. The Chairman declared the resolution passed and adopted.

**b. Public Housing - Resolution to amend Declaration of Trust for HUD Project MN085001.** HUD requested that the Declaration of Trust for the Twin Towers and forty original scattered sites be amended to correct incomplete legal descriptions of the subject properties. The following resolution was introduced by Commissioner Hecimovich and seconded by Commissioner Christopherson.

**RESOLUTION #437  
RESOLUTION APPROVING AND AUTHORIZING  
EXECUTION AND RECORDATION OF  
AMENDED DECLARATION OF TRUST**

All present voted in favor of the resolution, none in opposition thereto. The Chairman declared the resolution passed and adopted.

**c.) Pickett Place Elevator Modernization Project.** A bid opening for the elevator modernization project was held on March 10, 2006. When the first bid was opened it was found that no bid bond was provided. The bidder showed specifications he received electronically from the Elevator Advisory Group, the project consultant. The specifications did not refer to a bid bond requirement. Attorney David Hoversten was consulted and he recommended rejection of all bids. No bid amounts were viewed or disclosed.

It was moved by Commissioner Nordin and seconded by Commissioner Pacholl to reject all bids on the project and arrange a re-bidding. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

**d. Capital Fund Program - Resolution to close Year 2002 Grant and 2003 Grants.** Work on HUD Capital Fund projects using funds from years 2002 and 2003 is complete and all funds have been expended. HUD requires resolutions closing out these years.

The following resolutions were introduced by Commissioner Lang and seconded by Commissioner Nordin.

RESOLUTION #438  
RESOLUTION APPROVING THE PERFORMANCE AND  
EVALUATION REPORT FOR THE CAPITAL FUND GRANT  
PROGRAM FOR THE FEDERAL FISCAL YEAR  
ENDING JUNE 30, 2002  
CFP# MN46P08550102

RESOLUTION #439  
RESOLUTION APPROVING THE PERFORMANCE AND  
EVALUATION REPORT FOR THE CAPITAL FUND GRANT  
PROGRAM FOR THE FEDERAL FISCAL YEAR  
ENDING JUNE 30, 2003  
CFP#MN46P08550103

RESOLUTION #440  
RESOLUTION APPROVING THE PERFORMANCE AND  
EVALUATION REPORT FOR THE CAPITAL FUND GRANT  
PROGRAM FOR THE FEDERAL FISCAL YEAR  
ENDING JUNE 30, 2003  
CFP#MN46P08550203

All present voted in favor of the resolutions, none in opposition thereto. The Chairman declared the resolutions passed and adopted.

**6.) Section 8 and Homeownership:**

**a. Section 8 - Resolution to increase the Payment Standards.** Julie Ackland requested that Commissioners consider raising the Section 8 Housing Choice Voucher payment standards to equal the fair market rents for Mower County as determined by HUD. The increase will provide greater assistance to clients whose subsidies are being squeezed by increasing utility costs. It will also expand the number of units within Mower County that fall within rent limits.

The following resolution was introduced by Commissioner Nordin and seconded by Commissioner Hecimovich.

RESOLUTION #435  
RESOLUTION AUTHORIZING THE HOUSING AND  
REDEVELOPMENT AUTHORITY OF AUSTIN, MN TO INCREASE  
THE SECTION 8 RENTAL ASSISTANCE HOUSING CHOICE

## VOUCHER PAYMENT STANDARDS

All present voted in favor of the resolution, none in opposition thereto. The Chairman declared the motion passed and adopted.

**b. Section 8 - Resolution to make a change to the Section 8 Homeownership Admin Policy.** Julie Ackland requested an amendment to the Section 8 Homeownership Administrative Policy to exempt families with a disabled member from the required one year participation in the rental assistance program before participation in the homeownership program. The following resolution was introduced by Commissioner Hecimovich and seconded by Commissioner Nordin.

### RESOLUTION #434

#### RESOLUTION CHANGING THE SECTION EIGHT HOMEOWNERSHIP ADMINISTRATIVE POLICY OF THE HOUSING AND REDEVELOPMENT AUTHORITY OF AUSTIN, MINNESOTA

All present voted in favor of the resolution, none in opposition thereto. The Chairman declared the resolution passed and adopted.

**c. Homeownership Community Activity Set-aside (CASA) Programs - Motion to renew the Homebuyers CASA and the Housing Choice Voucher CASA and discontinue the Target CASA.**

The benefits offered through the CASA programs have been changed by the Minnesota Housing Finance Agency. Due to the changes, all existing CASA Program applications need to be re-submitted. Currently the Austin HRA offers three CASA programs. Julie Ackland recommended submitting applications to continue two of the programs while discontinuing participation in the Existing Target CASA program. Buyers eligible for the program can utilize the Homebuyer's Club CASA.

It was moved by Commissioner Nordin and seconded by Commissioner Hecimovich to authorize re-submission of applications for the Homebuyer Club CASA and the Housing Choice Voucher CASA. The Existing Target CASA will be discontinued. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

**7.) Other Business.**

**a. Motion to adopt the revised VEBA Adoption Agreement.**

Sherri Detloff reported that changes in Federal law require some changes in the language of the Adoption Agreement for the VEBA Plan. The key change clarifies how a participant's account would be distributed upon death.

It was moved by Commissioner Hecimovich and seconded by Commissioner Lang to approve the changes to the Adoption Agreement for the Minnesota Service Cooperatives VEBA Plan as presented. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

**8.) Adjourn.** There being no further business it was moved by Commissioner Nordin and seconded by Commissioner Hecimovich to adjourn the meeting. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

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Jay Nelson, Chairman

SEAL

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Gloria M. Nordin, Secretary