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

1.) Roll Call.

Date & Time: March 21, 2013 at 4:30 PM

Commissioners Present: Marvin Repinski, Vice-Chair
Marilyn Prenosil, Secretary
Roger Boughton
Shirley Schlieve
Judy Enright
Janet Anderson

Commissioners Absent: Joyce Poshusta, Chair

HRA staff present: Jon Erichson, Executive Director
Karen Mattson, Property Manager
Cindy Dugstad, Section 8 Specialist

There being a quorum, the meeting was called to order by Vice-Chair Repinski.

2.) Approval of Minutes.

It was moved by Commissioner Boughton and seconded by Commissioner Enright to approve the minutes of the regular meeting of February 21, 2013. All present voted in favor thereof, none in opposition thereto. The Vice-Chair declared the motion passed and carried.

3.) Approval of Accounts Payable.

Commissioner Repinski had concerns about the snow removal expenses and requested there be no more snow hauled away. Executive Director Erichson explained that snow was only hauled away once at Twin Towers at the

direction of HRA staff because the pile was affecting tenants' parking spots. Commissioner Prenosil agreed the piles of snow do not need to be removed with Commissioner Enright concluding as long as it was determined at staff direction. Commissioner Repinski asked Executive Director Erichson to notify Terry Plath and not have any further snow removed from the sites.

Commissioner Schlieve shared pictures with the board of the new chairs that were purchased for the laundry rooms at Twin Towers.

Commissioner Boughton asked about the cost of legal expenses to which Executive Director Erichson informed the board that one of the cell tower companies had wanted to terminate their Twin Towers lease. We asked the attorney to draft a response to the termination notice because we were refuting the reason for the termination. The HRA took the position that we would not let them terminate the lease for the reason stated.

Commissioner Schlieve asked if the bids were in yet for the Generators at Twin Towers. Executive Director Erichson said there was a possibility of sharing the costs of a new generator with the Cell Tower companies.

Commissioner Schlieve also inquired about the new windows at Twin Towers, and Executive Director Erichson said we were not that far along yet.

Commissioner Enright asked what a Key person was. It was explained that the HRA pays a person in each building to have a master key to let tenants into their apartments who may have locked themselves out of their apartment.

It was moved by Commissioner Prenosil and seconded by Commissioner Boughton to authorize payment of the list of accounts payable. All present voted in favor thereof, none in opposition thereto. The Vice-Chair declared the motion passed and carried.

4.) Other Business:

a. Audit report for FYE 9/30/12 presented by Kim Hillberg from CliftonLarsonAllen. Kim Hillberg of CliftonLarsonAllen presented the report of Financial Statements and Supplementary Information for the year ended September 30, 2012. Ms. Hillberg outlined the audit process and explained the most significant parts of the report. The finances of the HRA were found to be stated accurately. Ms. Hillberg explained the HRA received an unqualified opinion which is the best opinion you can get. She reported there were two audit findings. Someone should be reviewing the year-end journal entries and also the Capital Fund Grant draws that Finance Director Detloff prepares. In a prior year, Tom Dankert reviewed year-end journal entries. Going forward either Tom Dankert or Jon Erichson will review year-end journal entries as well as Jon Erichson will be reviewing all Capital Fund Grant draws to meet this requirement.

It was moved by Commissioner Anderson and seconded by Commissioner Schlieve to accept the Audit Report for FYE 09/30/12. All present voted in favor thereof, none in opposition thereto. The Vice-Chair declared the motion passed and carried.

b. Flood Property Acquisitions - Memorandum of Understanding between City of Austin and Austin HRA.

Executive Director Erichson explained in the earlier years, the HRA was the recipient of the flood grants then in later years as the grants and scope became bigger and the Executive Director at that time left, the grants came to the City of Austin. In previous years, there were no reimbursements from the City for time that the HRA staff spent on this program, but said this is tracked on timesheets and could then allow for any possible reimbursement. Time has been tracked previously when the City has to show an in-kind contribution for grant reports.

It was moved by Commissioner Repinski and seconded by Commissioner Schlieve to approve the Memorandum of Understanding between the City of Austin and the Austin HRA. All present voted in favor thereof, none in opposition thereto. The Vice-Chair declared the motion passed and carried.

c. HIP Program - A Brush With Kindness

Thomas H. Egan, coordinator with A Brush of Kindness, presented this new program to the Board. He explained that A Brush of Kindness is an adjunct program of Habitat for Humanity and that it started in Minneapolis and is going across the country to help low income homeowners maintain the exteriors of their homes. They are now working with Freeborn and Mower county residents. They decided to target recipients of energy assistance and with the help from SEMCAC, 900 letters were sent out to local homeowners. A Brush of Kindness helps with painting houses, as well as fix sidewalks, porches, doors and windows, but they don't fix or shingle roofs. Money is fronted to the homeowner for the materials and the homeowner pays this back at zero interest. A Brush of Kindness does not have the funding to front the money for roofs. They get Velspar Medallion paint at a low cost and the homeowner pays \$15.00/gal plus the tinting cost. They pressure wash the house and then have volunteers come in to paint. This started out slow, in 2010 they had three applicants, 2011 six to eight applicants, 2012 had 40+ inquiries, and this year so far they have 11 already from the current mailing.

Rock the Block is a combination of all programs, Vision 2020 is teaming up with A Brush of Kindness in a targeted area, and this is where the Austin HRA HIP program can come in to help out. There is also a subgroup of Vision 2020 called PRIDE where they take a distressed block and try to address some of the issues. Vision 2020 could go inside the homes for repairs, whereas, A Brush of Kindness does exterior repairs only. The Austin HRA HIP program could provide a very low or 0% interest rate loan and has set aside \$250,000 for this program. The interest rate would be set based on income.

Habitat for Humanity covers both counties, whereas Vision 2020 and Austin HRA HIP programs are strictly the Austin Area. The Lions club also wants to team up with Habitat for Humanity and start fixing up houses.

Director Erichson said he has something for the Board to think about. The HIP program has an emphasis on improving owner occupied properties and as you look around at certain neighborhoods that are becoming predominantly rental properties, those properties are

starting to look very distressed bringing down the value of owner occupied properties, the HRA should consider involvement to help improve these properties with loans to landlords also. The Board indicated that they were willing to consider rental properties if the proper policies were drafted and approved.

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

a. Report on how the sequestration cuts affects the Public Housing and Section 8 Programs.

Director Erichson updated the board that the HRA is receiving cuts to the Section 8 Voucher Program. There has been a 6% cut in program funding as well as a cut to the administrative reimbursement. Currently the HRA has put a freeze on issuing any additional new vouchers.

It was moved by Commissioner Anderson and seconded by Commissioner Enright to approve an operating transfer from the General Fund in the amount of \$15,433 to cover the deficit in the Section 8 Voucher account as of 12/31/12. All present voted in favor thereof, none in opposition thereto. The Vice-Chair declared the motion passed and carried.

Additional Comments:

Commissioner Repinski wanted to say he is very happy to have Jon as the Executive Director and adding City Council members to the board has made it a stronger board. Commissioner Schlieve wanted to say Jon is doing a good job and Commissioner Enright said she appreciates Jon's notes.

Commissioner Enright informed the board that Vision 2020 has a 3 word online survey that she is encouraging everyone to take part in. The Survey can be found at vision2020austin.com.

Director Erichson handed out a flyer for Tuesdays on Main Street, asking if the Board wants the HRA to sponsor a day. It was concluded not to sponsor an event as this does not meet the criteria of the mission statement of the HRA.

5.) **Adjourn:** There being no further business it was moved by Commissioner Enright and seconded by Commissioner Prenosil to adjourn the meeting. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried. The meeting was adjourned at 6:10 PM.

Marvin Repinski, Vice-Chair

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Marilyn Prenosil, Secretary