



308 Second Ave. NE, Austin, MN 55912
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REGULAR MEETING AGENDA

WEDNESDAY, JUNE 10, 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 May 14, 2015.
3. Review **Accounts Payable.**
4. **Public Housing:**
 - a. Resolution to amend Declaration of Trust with HUD to change Scattered Site house relocation from old address to new address.
5. **Executive Director Reports:**
 - a. Tax Forfeited Properties – Demo 1 house and rehab. 1 house.
 - b. Fox Pointe Development:
 - 1.) Option to purchase entire parcel (approx. 18 acres) from Pro-Growth Bank.
 - 2.) Resolution to support the Three Rivers Community Action's Section 42 Tax Credit application and donate 4.5 acres from the Fox Pointe Development upon successful purchase and successful award.
6. **Adjourn.**



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

1.) Roll Call.

Date & Time: June 10, 2015 at 4:30 PM

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

Commissioners Absent: Judy Enright, Chair

HRA staff Present: Jon Erichson, Executive Director
Sherri Detloff, Finance Director

Others Present: Susan Strandberg, Three Rivers Community Action

There being a quorum, the meeting was called to order by Chair Enright.

2.) Approval of Minutes.

It was moved by Commissioner Anderson and seconded by Commissioner Ruehmann to approve the minutes of the regular meeting on May 14, 2015. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

3.) Approval of Accounts Payable.

Finance Director Detloff verbally added some invoices to the list of accounts payable. It was moved by Commissioner McCarthy and seconded by Commissioner Hagen to authorize payment of the list of accounts payable. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

4.) Public Housing:

a. Resolution to amend the Declaration of Trust with HUD to change a Scattered Site house being relocated from the old address to the new address.

The Austin HRA sold the Scattered Site lot located at 1105 15th Ave. NE that was in the Hormel Institute housing development area to Leaning Tree. The house located on that lot is now being moved to 409 2nd St. SW. The Declaration of Trust that we have with HUD lists the legal addresses of all Public Housing units and that document needs to reflect the new address and deletion of the old address on that house.

The following Resolution was introduced by Commissioner McCarthy and seconded by Commissioner Anderson to authorize the Executive Director to sign said document.

RESOLUTION #556 RESOLUTION TO AMEND THE DECLARATION OF TRUST

All present voted in favor thereof, none in opposition thereto. The Resolution was declared passed and adopted.

5.) Executive Director Reports.

a. Tax Forfeited properties:

- **609 10th Ave. NW.**

At the May Board meeting the Board was receptive to the idea of rehabbing one of the properties that was tax forfeited at 609 10th Ave. NW. Improvements made to the property would have a budget of \$50,000 with the goal to break even on the sale of the house. It was moved by Commissioner Repinski and seconded by Commissioner Hagen to acquire said property and rehab it. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

- **1206 9th St. NE.**

This house is located within the Small Cities Grant - Crane Neighborhood. The Austin HRA would acquire this house and use the funds as designated from the Hormel Foundation for this neighborhood to complete environmental mitigation and demolish it. Once this work is complete the HRA would transfer to Habitat with Habitat to start construction of a new single family home in the fall of 2015. It was moved by Commissioner McCarthy and seconded by Commissioner Repinski to acquire said property and demolish the house. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

- **707 12th St. NE**

Habitat for Humanity is interested in acquiring and rehabbing this house as they have other housing in the neighborhood they are currently working on and will work with the City of Austin to acquire.

b. Fox Pointe Development:

1.) Option to purchase entire parcel (approx. 18 acres) from Pro-Growth Bank.

The HRA is actively pursuing efforts to develop additional housing in Austin that was identified as being needed in the 2013 Housing Study. Three Rivers Community Action has been putting together a grant application for tax credit funding with Minnesota Housing Finance Agency (MHFA) to build 38 rental townhomes in Austin. In order to make the grant more competitive, the following needs to be demonstrated: a.) The property has to be in control of the applicant and b.) Local Commitment to the Project.

Executive Director Erichson has been in negotiations with ProGrowth Bank to come to an agreement on an option to purchase approx. 18 acres in Fox Pointe located at 21st Ave. NW and 7th St. NW just east of the Village Coop with the Fox Point Townhome project to be located on approx. 4.5 acres of this parcel. The price agreed to was \$640,000 with the HRA being responsible for some infrastructure costs.

This option to purchase would have the following contingencies before an acquisition would occur:

- 1.) A successful application by Three Rivers Community Action for Tax Credits.
- 2.) Approval of the HRA Board to fund 50% of the acquisition price using General fund dollars.
- 3.) Approval of funding request from outside agencies to fund the other 50% of acquisition costs.
- 4.) Approval by the City of Austin for replatting and rezoning.

It was moved by Commissioner Hagen and seconded by Commissioner Anderson to move forward with the option to purchase in the amount of \$640,000 from Pro-Growth Bank with contingencies as stated above and to fund 50% of the acquisition price using General Fund dollars. All present voted in favor of the motion, none in opposition thereto. The motion was declared passed and carried.

ED Erichson stated that there would be approx. 13.5 acres remaining for future housing development opportunities if everything falls into place.

2.) Resolution to support the Three Rivers Community Action's Section 42 Tax Credit application and donate 4.5 acres from the Fox Pointe Development upon successful purchase and successful award.

Susan Strandberg from Three Rivers Action Council reviewed the proposed townhouse development and was here to answer questions the Commissions had on the proposed project.

It was moved by Commisioner McCarthy and seconded by Commissioner

Repinski to donate 4.5 acres from the Fox Pointe Development contingent upon successful acquisition of the property by the HRA and Three Rivers Community Action receiving the Section 42 Tax Credits.

RESOLUTION #557

**RESOLUTION BY THE AUSTIN HRA SUPPORTING THE
SECTION 42 TAX CREDIT APPLICATION
TO MINNESOTA HOUSING FINANCE AGENCY
BY THREE RIVERS COMMUNITY ACTION, INC.**

All present voted in favor thereof, none in opposition thereto. The Resolution was declared passed and adopted.

6.) Adjourn:

There being no further business it was moved by Commissioner Hagen and seconded by Commissioner McCarthy 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 5:30 PM.

Judy Enright, Chair

SEAL

Janet Anderson, Secretary