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

June 15, 2011

1.) Roll Call.

The regular meeting of the Housing & Redevelopment Authority of Austin, Minnesota was held June 15, 2011 at 4:30 P.M. at the HRA Office. The meeting was called to order by Chairman Repinski. Present were Commissioners Poshusta, and Prenosil. Also present were Executive Director Hurm, Finance Director Detloff, Deputy Director for Community Development Smith, Property Manager Mattson, and DCA Director John Garry. Commissioners Schlieve and Boughton were absent.

2.) Approval of Minutes.

It was moved by Commissioner Prenosil and seconded by Commissioner Poshusta to approve the minutes of the regular meeting of April 20, 2011. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

3.) Approval of Accounts Payable.

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

4.) Public Housing:

a. Scattered Sites:

1.) Resolution to sell 2 SS lots to Leaning Tree.

Leaning Tree LLC has made an offer to purchase the scattered site properties located at 905 15th Ave. NE and 907 15th Ave. NE. Leaning Tree will retain the land and the HRA will use the sale proceeds of

\$70,400 for each property to relocate the homes to alternate sites in the City of Austin. The following resolution was introduced by Commissioner Poshusta and seconded by Commissioner Prenosil.

**RESOLUTION #504
RESOLUTION AUTHORIZING THE AUSTIN HRA
TO SELL TWO PUBLIC HOUSING SCATTERED SITES**

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

2.) Resolution to buy two vacant lots in Mower County. Two tax forfeited lots that are suitable for the relocation of the two scattered site homes have been located. One is at 1101 10th Ave. SW with a purchase price of \$4,966.42. The second lot is at 804 6th Ave. NE, with a sale price of \$4,285.82. The lot at 1101 10th Ave. SW is a corner lot and will require a 1.5 foot variance on the set back requirement. It was moved by Commissioner Poshusta and seconded by Commissioner Prenosil to submit a request for 1.5 foot setback variance for the lot at 1101 10th Ave. SW. All present voted in favor of the motion, none in opposition thereto, the Chairman declared the motion passed and carried.

The following resolution was introduced by Commissioner Poshusta and seconded by Commissioner Prenosil.

**RESOLUTION #505
RESOLUTION AUTHORIZING THE AUSTIN HRA
TO PURCHASE TWO VACANT LOTS**

All present voted in favor of the resolution, none in opposition thereto, the Chairman declared the motion passed and adopted. Purchase of the corner lot will be contingent on the approval of the setback variance.

3.) Motion to award bid to roof 18 units. Bids were solicited to re-roof 18 scattered site units. Five bids were received. It was moved by Commissioner Prenosil and seconded by Commissioner Poshusta to award the roofing contract to JB Siding and Roofing

for \$43,500. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

4.) Motion to award bid and pour concrete pads for 56 storage sheds. Each of the scattered site homes has a storage shed. The sheds were built on a wooden base that has become uneven over the years. Karen is proposing that the old wooden bases be removed and the sheds will be repositioned on new concrete pads. It was moved by Commissioner Prenosil and seconded by Chairman Repinski to accept the low bid of \$24,799.50 from Hutch & Sons for new concrete pads under the scattered site storage sheds. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

b. **All Public Housing Units:**

1.) Discussion and resolution to make changes to the Public Housing Lease to become effective 1/1/2012.

Staff is recommending several changes in the Public Housing Lease. The following changes are recommended.

- 1.) Add a \$10 dishonored check/ACH fee. (For insufficient funds, closed accounts, etc.)
- 2.) Add language that states rent shall be paid by check, money order or cashier's check. No cash will be accepted.
- 3.) Change the storage of tenant items left behind from 60 days to 28 days. This follows MN State Statute.
- 4.) Change the interest rate on security and pet deposits to read "Calculated in accordance with current MN State Statute rates".
- 5.) Designate all Public Housing units to be "Smoke Free".

Comments on the changes from the Commissioners were positive. The following resolution was introduced by Commissioner Prenosil and seconded by Commissioner Poshusta.

**RESOLUTION #506
RESOLUTION TO CHANGE THE PUBLIC HOUSING LEASE**

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

5.) Executive Director's Report:

- a. **Motion to designate redevelopment funds for the Housing Improvement Program (HIP).** Director Hurm presented the framework for a program to improve Austin's housing stock in the coming years. The program will encourage partnerships with a variety of organizations both public and private to implement the program. Director Hurm requested that \$159,674 be designated from the redevelopment project line item of the HRA's General Fund budget to finance a demonstration program. Details of the program have not yet been determined. Eligibility and type of assistance will be related to income. Assistance will be in the form of loan interest loans, deferred loans, or grants.

Commissioners agreed that there is a need for housing improvement. Commissioners Prenosil and Poshusta did not support assistance for landlord owned houses. Commissioner Prenosil said Austin needed a rental licensing ordinance and enforcement of existing codes. Staff said that any landlord assistance would be tied to controls over rent. It was moved by Commissioner Poshusta and seconded by Chairman Repinski to designate \$159,674 for the HIP demonstration project. Commissioner Poshusta and Chairman Repinski voted in favor of the motion. Commissioner Prenosil abstained. Chairman Repinski declared the motion passed and carried.

It was moved by Commissioner Poshusta and seconded by Commissioner Prenosil to not include rental property in the HIP program. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried. Once a specific program is defined for rental units it can be brought back for consideration for inclusion in the HIP program at a later time.

6.) Other:

- a. **DCA Report.** John Garry reported that work on the Vision 2020 program was in the planning stage. A steering committee of ten has been established. Broad community involvement is being encouraged to make Austin a better place to live, work, and play.

7.) Adjournment: There being no further business it was moved by Commissioner Prenosil and seconded by Commissioner Poshusta to adjourn the meeting. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

Marvin Repinski, Chair

SEAL

Joyce Poshusta, Vice-Chair