

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

**July 16, 2008**

**1.) Roll Call.**

The regular meeting of the Housing and Redevelopment Authority of Austin, Minnesota was held July 16, 2008 at 4:30 PM at the HRA Office. The meeting was called to order by Chairman Nelson. Present were Commissioners Hecimovich, Christopherson, Dick Pacholl, Scott Pacholl, Lang, and Schlieve. Also present were Executive Director Hurm, Deputy Director for Community Development Smith, and HRA Finance Director Detloff.

**2.) Approval of the meeting minutes of May 21, 2008.**

It was moved by Commissioner Hecimovich and seconded by Commissioner Christopherson to approve the minutes of the regular meeting of May 21, 2008. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

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

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

**4.) Railroad Yard - Vel-Ved Transportation:**

Chairman Nelson, Executive Director Hurm, and Craig Hoium met with Velomar Pejic the owner of Vel-Ved Transportation. They discussed the failure to hard surface

the parking lot as required in the Contract for Private Redevelopment. Mr. Pejic said that difficult business conditions have made it impossible to finance the surfacing at this time. He said that he may be able to do the work in phases. Entrance drives and areas near the building could be done this year and the remainder could be done next year. It was moved by Commissioner Hecimovich and seconded by Commissioner Dick Pacholl to authorize staff to work with Vel-Ved Transportation to have the hard surfacing completed in phases as discussed. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

**5.) Housing Business:**

**a. Public Housing - Resolution to approve the 2008 Annual Plan which includes the 2008 Capital Grant Funding.** HUD requires a resolution from the HRA approving the annual plan for the fiscal year beginning October 1, 2008. The Annual Plan covers HRA housing, occupancy and management policies and the Capital Fund Plan. Sherri Detloff went over the open Capital Fund projects for years 2005, 2006 & 2007 and the proposed 2008 Capital Fund Projects.

The following Resolution was introduced by Chairman Hecimovich and seconded by Commissioner Christopherson.

**RESOLUTION APPROVING THE STREAMLINED ANNUAL PHA PLAN AND CERTIFICATION OF COMPLIANCE WITH PHA PLANS AND RELATED REGULATIONS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2008.**

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

**b. Austin Courtyard and Chauncey Apts. Resolution to approve budget and rent schedules for FYE 9/30/2009.** Sherri Detloff presented the projected budget for the Austin Courtyard and Chauncey Apartments for the fiscal year beginning 10/1/2008. The budget includes a \$10 monthly rent increase for all apartments. The following resolution was introduced by Commissioner Hecimovich and seconded by Commissioner Christopherson.

**RESOLUTION #465**

**RESOLUTION APPROVING THE AUSTIN HRA BUDGET FOR  
AUSTIN COURTYARD AND CHAUNCEY APARTMENT BUILDINGS  
FOR THE FISCAL YEAR ENDING 9/30/2009.**

All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

It was further reported that it would make financial sense to refinance the Chauncey Apartments debt under a general obligation bond issue vs. a gross revenue issue such as it is currently. This would involve asking Mower County to pledge their backing on Chauncey as was done on Austin Courtyard with the City of Austin. Refinancing as a general obligation issue would save approx. \$1.7 million dollars over the life of the bonds whereas refinancing as a gross revenue issue would save approx. \$700,000 over the life of the bonds.

It was moved by Commissioner Christopherson and seconded by Commissioner Hecimovich to make a request to the Mower County Board of Commissioners to authorize the refinancing of the Chauncey Apartments with a general obligation bond issue backed by Mower County. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

**6.) Executive Director Reports:**

**a. Report on testing for a geothermal system adjacent to the Twin Towers Parking Lot.** Testing for the feasibility of a geothermal system for the Justice Center on the Robbins block has been completed. It was determined that the site could work. The County is requesting the City's permission to test alternate geothermal sites near the Mill Pond in the municipal pool parking area. That site could prove more productive.

**Adjournment:** There being no further business it was moved by Commissioner Hecimovich and seconded by Commissioner Christopherson 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

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Shirley Schlieve, Secretary