

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

**July 19, 2006**

**1.) Roll Call.**

The regular meeting of the Housing and Redevelopment Authority of Austin, Minnesota was held at 4:30 PM, July 19, 2006, at the HRA Office. The meeting was called to order by Vice-Chairman, Norm Hecimovich. Present were Commissioners Lang, Nordin, Pacholl, Christopherson, Schlieve, and Chairman Nelson (arrived after roll call). Also present were Executive Director Hurm, Deputy Director for Community Development Smith, HRA Finance Director Detloff, Deputy Director of Family Housing Mattson, and City Engineer Jon Erichson.

**2.) Approval of the meeting minutes of May 17, 2006.**

It was moved by Commissioner Pacholl and seconded by Commissioner Nordin to approve the minutes of the regular meeting of May 17, 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 Nordin and seconded by Commissioner Hecimovich to authorize payment of the list of claims for payment with the following additions:

Dwight Matter (Scattered Site Cabinets)	\$ 7,627.00
Gary Groh (Scattered Site Concrete)	\$27,689.56
Workmen's Comp. Prem., 7-1-06 to 7-1-07	\$11,856.00

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

**4.) Other Business:**

**a. Railroad Property.**

**1. Discussion of additional charges for excavation and removal of debris.** When property in the railroad redevelopment site was sold to Jim's Super Valu and the Austin Eagles, the property was marketed as "ready to build". During the course of excavation the contractor found significant amounts of concrete buried on the site. The buried debris was not discovered during the initial cleanup process. Jon Erichson and the City Engineering staff have monitored the situation and are verifying the volume of concrete removed and the associated costs of disposal and granular fill required for replacement. His estimate of the additional cost is \$60,000.00. It was determined that no cost had been incurred in the area of removal of this material and the HRA is responsible for removal at this time.

**2. Motion authorizing payment of overages from Tax Levy fund balance for item 1 above.** It was moved by Commissioner Nordin and seconded by Commissioner Pacholl to authorize the expenditure of roughly \$60,000.00 from the HRA tax levy account to pay for removal of concrete/debris and replacement with granular fill at the excavations for Jim's Super Valu and the Austin Eagles. Actual job costs will be verified by Jon Erichsen. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried. Mr. Hurm thanked Jon Erichson for his work on this. It is a fair and reasonable solution to this problem.

**b. Resolution adopting the updated Investment Policy.**

The Investment Policy of the HRA was approved in 1994. The auditor's have recommended that that the policy be updated to reflect current practices and HUD regulations.

The new Investment Policy was reviewed by the Commissioners. The following resolution was introduced by Commissioner Nordin and seconded by Commissioner Hecimovich.

**RESOLUTION #442  
RESOLUTION ADOPTING THE INVESTMENT POLICY  
OF THE AUSTIN HRA**

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

- c. **Any other business.** Director Hurm reported that Craig Hoium has been contacted by a developer who is interested in developing single family housing on Lot 1, Block 1, of Murphy Creek Addition in the Murphy Creek development area. The property is owned by the HRA. Mr. Hoium may request a special meeting of the HRA early in August to review a development proposal. Commissioners will be contacted if a special meeting is warranted.

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

- a. **Public Housing & Section 8 - Resolution to change the waiting list procedures for the Family Public Housing and Section 8 Applicants.** Karen Mattson reported that the HRA mails a number of family housing and Section 8 applications weekly to individuals who have discovered through the internet that the Austin HRA is accepting applications. Many of those making contact live far away and are totally unfamiliar with Austin. They seldom respond to correspondence and fail to keep appointments in Austin. Karen recommended that the HRA discontinue the practice of mailing applications. All applicants with the exception of families with members who are over 62 or disabled will be required to pick up applications in person at the HRA office. The following resolution was introduced by Commissioner Hecimovich and seconded by Commissioner Nordin.

**RESOLUTION #443  
RESOLUTION AUTHORIZING THE HOUSING  
AND REDEVELOPMENT AUTHORITY OF AUSTIN, MN TO CHANGE THE  
WAITING LIST PROCEDURES FOR THE SECTION 8 AND FAMILY  
HOUSING APPLICANTS**

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

b. **Public Housing - Capital Fund Grant Program - Resolution to approve the Annual and 5-Year Plan.** Staff has completed the required 2006 Annual plan for the HRA. The plan includes HRA policies with regard to the operation of the public housing programs along with needs assessments and the capital fund program plan.

Following presentation and questions, the following resolution was introduced by Commissioner Nordin and seconded by Commissioner Hecimovich.

**RESOLUTION TO APPROVE THE 2006 ANNUAL PLAN**

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

c. **Pickett Place - Award bid for new Water Heater.** Tom Smith reported that the building water heater at Pickett Place is nearing the end of its useful life and should be replaced. The following two bids were received.

Harty Mechanical	\$6,660.00
M.J. O'Connor Inc.	\$6,800.00

It was moved by Commissioner Hecimovich and seconded by Commissioner Pacholl to award the contract for replacement of the water heater at Pickett Place to Harty Mechanical. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

6.) **Market Rate Housing:**

a. **Resolution to approve the FYE 9/30/07 Budget and Rent increases to become effective 1/1/07.** Sherri Detloff presented the proposed operating budget and rent schedule for Austin Courtyard and Chauncey Apartments. The budget covers the fiscal year ending 9/30/07. Rent changes will be effective 1/1/07. Copies of the budget and rent schedule were distributed and a number of questions were answered. Rent increases are primarily needed to cover increased utility costs.

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

**RESOLUTION #444**  
**RESOLUTION APPROVING THE HOUSING AND REDEVELOPMENT**  
**AUTHORITY OF AUSTIN BUDGET FOR THE AUSTIN COURTYARD**  
**AND CHAUNCEY APARTMENT BUILDINGS FOR THE**  
**FISCAL YEAR ENDING 9/30/2007**

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

**7.) Adjourn.** There being no further business it was moved  
by Commissioner Nordin 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

SEAL

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Gloria M. Nordin, Secretary