



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

**THURSDAY, JULY 20, 2017 @ 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 June 20, 2017.
3. Review **Accounts Payable.**
4. **Public Housing:**
  - a. Discuss joining lawsuit against HUD for withholding 2012 Operating Subsidy.
  - b. Resolution to accept the 2017 Capital Fund Grant.
5. **Market Rate Housing:**
  - a. Courtyard & Chauncey - Resolution to adopt budget for FYE 9/30/18 and rent schedules.
  - b. Courtyard – Award Bid for replacement of smoke detectors.
6. **Executive Director Reports:**
  - a. DCA Funding Request – Discuss contribution amount.
  - b. Fox Pointe Townhome Project:
    - 1.) Acquisition of Land.
    - 2.) Environmental Review.
    - 3.) Platting of Land.
    - 4.) Updated/Final TIF Plan.
7. **Adjourn.**



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

**1.) Roll Call.**

**Date & Time: July 20, 2017 at 4:30 PM**

Commissioners Present: Janet Anderson, Vice-Chair  
Jerry McCarthy, Secretary  
David Hagen  
Marvin Repinski  
Carole Granholm  
Vernon Lippert

Commissioners Absent: Judy Enright, Chair

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

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

**2.) Approval of Minutes.**

It was moved by Commissioner Lippert and seconded by Commissioner Hagen to approve minutes of the regular meeting held on June 20, 2017. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

**3.) Approval 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. Discuss joining lawsuit against HUD for withholding 2012 Operating Subsidy.**

In 2012, HUD withheld Operating Subsidies of all housing authority that had more than 6 months operating reserves held in cash. In response a number of housing authorities filed a lawsuit against HUD for this action and won in court. Since the outcome was favorable, there is another chance for those housing authorities that did not participate in the original lawsuit to file suit before August 15, 2017. The legal fee to join the lawsuit against HUD is \$3,000. Funding for this has to come from Non-Federal funds. The operating subsidy that was lost in 2012 amounted to \$429,311.

It was moved by Commissioner Hagen and seconded by Commissioner McCarthy to join the lawsuit and pay the \$3,000 fee. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

**b. Resolution to accept the 2017 Capital Fund Grant.**

The Austin HRA will be receiving \$520,607 for public housing capital fund improvements. HUD requires that we either accept or decline the grant and if accepted submit paperwork on the projects that are planned for these 2017 grant funds. These funds had an increase due to the HRA receiving High Performer classification.

The following Resolution was introduced by Commissioner McCarthy and seconded by Commissioner Hagen accepting the 2017 Capital Grant.

**RESOLUTION #590  
RESOLUTION APPROVING AND ACCEPTING THE  
2017 CAPITAL FUND GRANT #MN46P08550117**

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

**5.) Market Rate Housing:**

**a. Courtyard & Chauncey – Resolution to adopt the budget for FYE 9/30/18 and new rent schedules.**

A budget for Austin Courtyard and Chauncey Apartments was presented to the Board for FYE 9/30/2018. Based on the budget, there will be no rental price increase for tenants. A memo depicting some notable changes in expenses was given to the Board.

The following Capital Projects were also identified that will be paid for with funds in our Replacement Reserve Account: Courtyard to start replacing windows and cupboards as necessary and replace balcony decking. Chauncey needs a new treadmill and both buildings to consider outdoor patio/grilling areas.

The following resolution was introduced by Commissioner Lippert and seconded by Commissioner McCarthy to approve the budget for FYE 9/30/2018.

**RESOLUTION #589  
RESOLUTION APPROVING THE BUDGET FOR THE  
AUSTIN COURTYARD AND CHAUNCEY APARTMENT BUILDINGS  
FOR THE FISCAL YEAR ENDING 9/30/2018**

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

**b. Austin Courtyard – Award bid for replacement of smoke detectors.**

Bids to replace smoke detectors and CO2 units at Austin Courtyard were received on July 12, 2017 by the following contractors:

Austin Electric	\$11,948
Fox Electric	\$16,060

It was moved by Commissioner McCarthy and seconded by Commissioner Lippert to award the low bid to Austin Electric in the amount of \$11,948. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

**6.) Executive Director Reports:**

**a. DCA Funding Request – Discuss contribution amount.**

The HRA currently provides \$12,000 per year to the DCA for economic development activities. The DCA is requesting \$15,000 for year 2018. After some discussion, it was moved by Commissioner McCarthy and seconded by Commissioner Repinski to keep the amount the same at \$12,000 per year. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

**b. Fox Pointe Townhomes:**

**1.) Acquisition of Land:** The HRA has purchased approx. 7 acres of land from Pro-Growth Bank for \$360,000. The closing was held July 20, 2017. The HRA will donate approx. 4 acres to Three Rivers Community Action to build 38 townhome units on and the other 3 acres has been platted for the HRA to sell 9 lots for homeowners to build single-family houses on.

**2.) Environmental Review:** There is some contamination on the site purchased and ED Erichson has registered the property with the MPCA prior to acquisition which establishes that the HRA was not the party that generated the pollution. The next step will be to work with the MPCA and Three Rivers to determine how the existing pollution needs to be mitigated.

**3.) Platting of the land:** The City Council approved the plat on 7/17/17 contingent upon vacation of existing street right of way and easements. Hearings for the vacation of street right of way and easements are scheduled for the second Council meeting in August.

**4.) Updated/Final TIF Plan:** A Resolution was adopted last month by the HRA Board but some final numbers had to be adjusted on the TIF Plan. Upon ending the TIF District payment plan in 2045, the HRA should be reimbursed up to \$465,000 for the cost of the land, environmental remediation costs, site preparation costs and administrative expenses. The TIF will only reimburse for actual costs incurred.

It was moved by Commissioner Hagen and seconded by Commissioner McCarthy to approve the updated/final TIF Plan. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

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**7.) 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.

SEAL

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Janet Anderson, Vice-Chair

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Jerome McCarthy, Secretary