

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

August 16, 2006

1.) Roll Call.

The regular meeting of the Housing and Redevelopment Authority of Austin, Minnesota was held at 4:30 PM, August 16, 2006, at the HRA Office. The meeting was called to order by Chairman Jay Nelson. Present were Commissioners Lang, Nordin, Pacholl, Christopherson, Schlieve, and Hecimovich. Also present were Deputy Director for Community Development Smith, HRA Finance Director Detloff, Deputy Director of Family Housing Mattson, Deputy Director of Housing Volstad, City of Austin Community Development Director Hoium, James DeAngelo of Gerard Treatment Programs, and representatives from A+ Builders. Executive Director Hurm was absent.

2.) Approval of the meeting minutes of July 19, 2006.

It was moved by Commissioner Hecimovich and seconded by Commissioner Christopherson to approve the minutes of the regular meeting of July 19, 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 Pacholl to authorize payment of the list of claims for payment with the following addition:

Gary Groh (Scattered Site Concrete)	\$8,987.32
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All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

4.) Other Business:

- a. **Conduit Debt Request by Gerard for \$2.2 million of Bank Qualified Bonds to run through the HRA.** James DeAngelo, the CEO of Gerard Treatment Programs, requested the Austin HRA act as a conduit for the issuance of \$2.2 million in bank qualified bonds to finance the construction of a 32-bed addition to the Gerard Campus in Austin. Construction will be completed by the end of November. The bond issuance falls within the City's \$10 million federal limitation for calendar year 2006.

It was moved by Commissioner Nordin and seconded by Commissioner Hecimovich authorize the HRA to act as the conduit for the issuance of bonds for the \$2.2 million expansion project at the Austin Gerard Campus. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

- b. **Murphy Creek Addition - Review proposed sale of 3 Acres.** Craig Hoium presented a proposal from A+ Builder's of Owatonna to purchase a three acre parcel from the HRA. The parcel is described as Lot 1, Block 1, Murphy Creek Addition. A+ intends to divide the parcel into eleven lots and construct eleven three bedroom single family homes targeted to sell from \$175,000 to \$200,000.

When the purchase is completed, A+ Builders will construct a cul-de-sac, install utility lines, and begin construction on two homes. They hope to complete this work before winter.

It was moved by Commissioner Hecimovich and seconded by Commissioner Nordin to approve the sale of Lot 1, Block 1, Murphy Creek Addition to A+ Builders for a sale price of \$60,000.00. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried. A contract for private redevelopment will be presented for approval at a future meeting.

- c. **Resolution to approve Tax Levy Budget for FYE 9/30/2007.** Sherri Detloff presented the proposed Tax Levy Budget for FYE 9/30/2007. The budget is based on the City of Austin total market value as determined by the County Assessor and the HRA statutory tax capacity. The budget and its line items are very close to the 2006 budget.

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

**RESOLUTION #445
RESOLUTION AUTHORIZING THE LEVEY OF A SPECIAL
BENEFIT TAX PURSUANT TO MN STATUTE 469.033,
SUBDIVISION 6 AND APPROVAL OF A BUDGET FOR
FISCAL YEAR ENDING SEPTEMBER 30, 2007**

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

- d. **Tax Levy Account - Discussion on transferring funds from UBS in Rochester (formerly Piper Jaffrey) to Home Federal or Dain-Rauscher in Austin.** It was moved by Commissioner Hecimovich and seconded by Commissioner Pacholl to transfer the Tax Levy Account from UBS in Rochester to Home Federal in Austin. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

5.) Public Housing:

- a. **Resolution to approve and record property purchased for the Twin Towers north Parking Lot.** In 2002 the HRA acquired property on the southwest portion of Block 14, Original Village. The property was used to develop additional parking for the Twin Towers. HUD is now requiring the filing of Declaration of Trust to include the acquired property under the existing Annual Contributions Contract for project 85-1.

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

**RESOLUTION #446
RESOLUTION APPROVING AND AUTHORIZING
EXECUTION AND RECORDATION OF
DECLARATION OF TRUST**

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

- b. Scattered Sites - Motion to approve new Utility Allowances effective 10/1/06.** The HRA is required to review annually the utility allowances for the scattered site family housing tenants. Karen Mattson obtained consumption records for the units and factored in rate increases to arrive at average allowances for the three different size units.

It was moved by Commissioner Nordin and seconded by Commissioner Pacholl to approve the new scattered site utility allowance schedule as presented. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

6.) Adjourn. There being no further business it was moved by Commissioner Lang 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.

Jay Nelson, Chairman

SEAL

Gloria M. Nordin, Secretary

