



308 Second Ave. NE, Austin, MN 55912
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REGULAR MEETING AGENDA
TUESDAY, AUGUST 26, 2014 @ 5:30 PM

Please let 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 July 17, 2014.
3. Review **Accounts Payable.**
4. Laura Helle – Vision 2020.
5. **Public Housing & Section 8:**
 - a. Twin Towers & Pickett Place – Motion to award bid for carpet.
 - b. Scattered Site – Resolution to sell 1105 15th Ave. NE to Leaning Tree.
 - c. Section 8 - Request to transfer funds from General fund to cover Admin. shortfall.
6. **Market Rate Housing:**
 - a. Courtyard Apts. - Motion to award bid for landscaping work.
7. **Executive Director Reports:**
 - a. General Fund Budget - Resolution to adopt budget for FYE 9/30/15 and Tax Levy.
 - 1.) Hormel Foundation Grant for store front easements – New name of program is Business Encouragement/Enhancement Partnership (BEEP) formerly known as Austin Main Street Project.
 - b. General Fund \$ for SPAM Museum relocation - Request to transfer \$50,000 from GF to Port Authority for Med-City Mobility and Trader's Bar demolition .
 - c. SPAM Museum – DEED Grant application for redevelopment costs.
 - d. Bed Bug Update.
8. **Adjourn.**



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

1.) Roll Call.

Date & Time: August 26, 2014 at 5:30 PM

Commissioners Present: Judy Enright, Chair
Joyce Poshusta, Vice-Chair
Janet Anderson, Secretary
Roger Boughton
Shirley Schlieve
Marvin Repinski
Jerry McCarthy

Commissioners Absent: None

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

Others Present: Laura Helle, Vision 2020 Director

There being a quorum, the meeting was called to order by Chair Enright.

2.) Approval of Minutes.

It was moved by Commissioner McCarthy and seconded by Commissioner Anderson to approve the minutes of the regular meeting on July 17, 2014. All present voted in favor thereof, none in opposition thereto. The Chair declared the motion passed and carried.

3.) Approval of Accounts Payable.

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

4.) Laura Helle – Vision 2020:

Laura Helle, Director of Vision 2020, was exploring the possibility of the Austin HRA helping prospective retail businesses with development resources. After some discussion, it was the consensus of the Board that our mission is not retail development and that the Chamber of Commerce or the DCA would probably be a better fit for someone exploring a retail start-up.

5.) Public Housing & Section 8:

a. Twin Towers and Pickett Place - Motion to award bid for carpet.

Four quotes were solicited and two bids were received for the installation of 1,000 square yards of carpet which would cover approx. 23 apartments at the Twin Towers and Pickett Place. The following quotes were received:

Thoroughbred Carpets	\$21,800
Doors and Floors	25,500

It was moved by Commissioner Anderson and seconded by Commissioner Boughton to award the low bid to Thoroughbred Carpets for \$21,800. All present voted in favor thereof, none in opposition thereto. The Chair declared the motion passed and carried.

b. Scattered Site – Resolution to sell 1105 15th Ave. NE to Leaning Tree.

Leaning Tree has made an offer to purchase property on which one of our scattered sites is located at 1105 15th Ave. NE for \$112,315.32 which is what the HRA was asking for that property. The HRA will move the house to 409 2nd St. SW.

The following resolution was introduced by Commissioner Boughton and seconded by Commissioner Repinski to sell the lot at 1105 15th Ave. NE for the purchase price of \$112,315.32.

**RESOLUTION #549
 RESOLUTION AUTHORIZING THE AUSTIN HRA TO SELL LAND
 ON WHICH ONE PUBLIC HOUSING 3-BEDROOM UNIT SITS
 AT 1105 15TH AVE. NE**

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

c. Section 8 – Request to transfer funds from the General Fund to cover the Section 8 administrative shortfall.

At the March 2014 Board Meeting, the Board authorized an operating transfer of \$20,442 for the period 10/1/13 to 2/28/14 (5 months) to cover Section 8 admin. shortages due to deep HUD budget cuts. As of 7/31/14 there is a balance of \$3,280 in the Section 8 checking account which facilitates the request for another transfer from General Fund to cover the Section 8 admin. shortages for the period 3/1/14 to 7/31/14 (5 months) for \$20,422. These shortfalls were anticipated at the time the General Fund budget was adopted and we had \$50,000 designated to be used for the Section 8 program.

It was moved by Commissioner Poshusta and seconded by Commissioner McCarthy to authorize this transfer for \$20,422. All present voted in favor thereof, none in opposition thereto. The Chair declared the motion passed and carried.

6.) Market Rate Housing:

a. Austin Courtyard – Motion to award bid for landscaping work.

Four quotes were solicited and one quote was received to perform landscaping work at Austin Courtyard. It was a hard winter last year and a lot of evergreens sustained winter damage and the landscaping is 18 years old so it is time for some major work. The only bidder was Berg's Nursery for \$10,039.96. It was moved by Commissioner McCarthy and seconded by Commissioner Schlieve to award the bid to Berg's Nursery. All present voted in favor thereof, none in opposition thereto. The Chair declared the motion passed and carried.

7.) Executive Director Reports:

a. Resolution to approve the General Fund Budget and tax levy for FYE 9/30/2015.

The General Fund budget was presented for the fiscal year 10/1/14 to 9/30/15 which includes a Special Benefit Tax Levy in the amount of \$194,948. Partnership funding included \$20,000 for the DCA and \$75,000 for the Port Authority to help fund downtown store front easements that formerly went through Austin Main Street Project but with that entity dissolving that work will be done by the HRA but the Port Authority will still hold all the easements as they have done in the past. Operating transfers budgeted included \$50,000 for the CHIP Program (Community Housing Improvement Program) and \$60,000 to help fund the Section 8 Voucher admin. fees because of deep HUD Admin. cuts. \$119,873 was also designated for future redevelopment projects that come along and/or Vision 2020 projects.

When Executive Director Erichson was hired it was at 75% part time. With so many housing and redevelopment projects he is now providing 85% part time hours to which that new percentage was budgeted for salaries. It was also broached by ED Erichson to provide an allowance for his health insurance costs as well as a cash-in-lieu option to other employees that may want to opt-out of our health insurance plan. The Board was supportive of this idea and ED Erichson stated that he would bring a proposal back to the Board at a future meeting.

The following resolution was introduced by Commissioner Boughton and seconded by Commissioner Poshusta:

**RESOLUTION #548
RESOLUTION AUTHORIZING THE LEVY OF A SPECIAL
BENEFIT TAX PURSUANT TO MN STATUTE 469.033,
SUBDIVISION 6 AND APPROVAL OF THE GENERAL FUND BUDGET
FOR FISCAL YEAR 10/1/2014 TO 9/30/2015**

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

1.) Hormel Foundation Grant for store front easements:

ED Erichson submitted an application to the Hormel Foundation for a grant to assist in the store front easement costs. The funding request was for \$75,000 with the new name of the program being Business Encouragement Enhancement Partnership (BEEP) formerly known as Austin Main Street Project. This would match the HRA's \$75,000 budget for store front easements from our General Fund for fiscal year starting 10/1/14.

b. General Fund assistance for SPAM Museum relocation:

ED Erichson requested to transfer \$50,000 from the General Fund to the Port Authority to assist with the Med-City Mobility and Trader's Bar demolitions to clear the site for the new SPAM Museum. There was \$61,321 budgeted for misc. redevelopment project in this fiscal year's budget and this full amount was still available to use.

It was moved by Commissioner Anderson and seconded by Commissioner Boughton to authorize this transfer to the Port Authority for \$50,000. All present voted in favor thereof, none in opposition thereto. The Chair declared the motion passed and carried.

c. SPAM Museum – DEED Grant application for redevelopment costs.

ED Erichson submitted a grant application to the MN Dept. of Economic Development (DEED) on behalf of the City of Austin for \$275,000 to help with redevelopment costs for the new SPAM museum site to which total expenses are anticipated at \$575,000. The award date is anticipated around September 15, 2014.

d. Bed Bug update.

A Mower County judge ruled in the favor of an applicant that was denied housing due to having a current bed bug infestation. Because the lease was already executed by both the HRA and the tenant, the judge ruled that they be provided an apartment at the Twin Towers even though the tenant or HRA had not yet signed the Pest Control Lease Addendum. The HRA will be working on improving our Pest Control process to address bed bugs before they move in which is in addition to once they are a tenant

8.) Adjourn:

There being no further business it was moved by Commissioner Repinski and seconded by Commissioner McCarthy to adjourn the meeting. All present voted in favor of the motion, none in opposition thereto. The Chair declared the motion passed and carried. The meeting was adjourned at 6:45 PM.

Judy Enright, Chair

SEAL

Janet Anderson, Secretary