



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

THURSDAY, SEPTEMBER 20, 2018 @ 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 August 16, 2018 Regular Meeting.
3. Review **Accounts Payable** Invoices.
4. **Public Housing:**
 - a. Resolution to write off vacated tenant bad debts.
 - b. Pickett Place – Elevator repair bids.
5. **Market Rate Housing:**
 - a. Public Hearing regarding refinancing Chauncey with General Obligation Bonds.
 - b. Resolution authorizing sale of GO Bonds 2018A and refunding 2010A GR Bonds.
6. **Executive Director Reports:**
 - a. All Buildings – Window Washing Bids.
 - b. Health Insurance Discussion.
 - c. Targeted Redevelopment Area – Asbestos Report for the purchase of 209 1st Ave. SE.
 - d. North Pointe vacant lots for sale - Infrastructure costs and establish sales price.
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: September 20, 2018 at 4:30 PM

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

Commissioners Absent: None

HRA Staff Present: Jon Erichson, Executive Director
Sherri Detloff, Finance Director
Lori Wieseler, Administrative Assistant

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 Hagen to approve minutes of the regular meeting held on August 16, 2018. 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 Hagen and seconded by Commissioner McCarthy 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. Resolution to write off vacated tenant bad debts.

At fiscal year- end, vacated tenants that owe balances are written off the tenant accounts receivable books and expensed out. The HRA continues efforts to collect the debts after they are written off through the Minnesota Dept. of Revenue's Revenue Recapture Program. There are 24 Public Housing vacated tenants to be written off this fiscal year totaling \$37,901.24.

The following Resolution was introduced by Commissioner Hagen and seconded by Commissioner Anderson:

**RESOLUTION #614
RESOLUTION TO WRITE OFF COLLECTION LOSSES**

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

b. Pickett Place—Elevator repair bids.

The small elevator at Pickett Place has been out of service for approx. 1 month and is an expensive repair. Bids were solicited from four (4) elevator companies with only 1 bid received from Minnesota Elevator in the amount of \$16,551.

It was moved by Commissioner McCarthy and seconded by Commissioner Hagen to accept the bid from MEI (Minnesota Elevator, Inc.) for \$16,551 to repair the small elevator at Pickett Place. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

5.) Market Rate Housings:

a. Public Hearing regarding refinancing Chauncey with General Obligation Bonds.

A public hearing was held in regards to the refinancing of Chauncey Apartments. The hearing was opened by Commissioner McCarthy and seconded by Commissioner Hagen. There was no one from the public in attendance for the hearing. A motion to close the public hearing was then made by Commissioner McCarthy and seconded by Commissioner Hagen. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

b. Resolution authorizing sale of General Obligation Bonds 2018A and refunding 2010A Gross Revenue Bonds.

At the August meeting, the Board authorized HRA staff to approach the City of Austin for its General Obligation (GO) backing of the Chauncey Refunding Bonds. Executive Director (ED) Erichson was in attendance at the 9/17/18 City Council session and gained approval for their GO backing. With no comments from the public at the HRA's public hearing as stated above, the board approved the following resolution authorizing bank placement of the 2018A GO Refunding Bonds. The following resolution was introduced by Commissioner Repinski and seconded by Commissioner Anderson.

**RESOLUTION #615
RESOLUTION AUTHORIZING SALE OF GOVERNMENTAL
HOUSING REVENUE REFUNDING BONDS
(CITY OF AUSTIN, MINNESOTA GENERAL OBLIGATION)
SERIES 2018A BONDS**

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

6.) Executive Director Reports:

a. All Buildings—Window Washing Bids,

ED Erichson solicited bids from three (3) companies to wash the windows for all four apartment buildings. Only one bid was received from Endres Window Cleaning in the amount of \$13,394. Commissioner Hagen moved to award the bid to Endres Window Cleaning and Commissioner McCarthy seconded. All present voted in favor of the motion, none in opposition thereto. The motion was passed and carried.

b. Health Insurance Discussion

The HRA has received its renewal notice from Blue Cross/Blue Shield which indicates a 30% increase again this year (last year's was also 30%). With such large increases it was discussed to possibly raise the current deductible or solicit other companies for quotes on health insurance.

c. Targeted Redevelopment Area – Asbestos Report for the purchase of 209 1st Ave. SE.

This site is the old Downtown Motel and house attached to it plus two vacant lots on Oakland Ave . ED Erichson hired a contractor to have the motel and house tested for asbestos. Based on the report it is estimated it will cost approx. \$18,000 to mitigate. Setting up a TIF District was also discussed because of the blighted nature of the site. If a TIF District is created, the funds that are spent in purchasing and demolishing these buildings could be recovered by the HRA. The City of Austin has also indicated they would split all costs 50/50 with the HRA.

d. North Pointe – Vacant Lots for sale

ED Erichson finished assembling the costs associated with the utility infrastructure for the 9 North Pointe lots the HRA owns. ED Erichson calculated what he felt would be a fair starting point for the lots of \$18,150 per lot. After some discussion the Board settled on \$18,500 per lot for 8 of the lots but there was a lot that was much larger than the rest and they settled on \$22,500 as a sales price for Lot #1.

It was moved by Commissioner Repinski and seconded by Commissioner Granholm to set the price at \$22,500 for Lot 1 and \$18,500 for Lots 2 through 9. All present voted in favor of the motion, none in opposition thereto. The motion was passed and carried.

Another action that is required by the Board is to approve a petition with Austin Utilities for the electrical service extension to these lots. These funds would be recovered through the sale of the property.

It was moved by Commissioner Anderson and seconded by Commissioner McCarthy to petition Austin Utilities for this work. All present voted in favor of the motion, none in opposition thereto. The motion was passed and carried.

7.) Adjourn:

There being no further business it was moved by Commissioner Hagen and seconded by Commissioner Lippert 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 6:30 PM.

SEAL

Judy Enright, Chair

Jerome McCarthy, Secretary