



308 Second Ave. NE, Austin, MN 55912  
Phone 507-433-1866 Fax 507-433-8317  
Website [www.austinhra.org](http://www.austinhra.org)

## **REGULAR MEETING AGENDA**

**THURSDAY, JANUARY 21, 2016 @ 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 November 19, 2015.
3. Review **Accounts Payable.**
4. **Market Rate Housing:**
  - a. Courtyard – Motion to hire Ehlers Public Finance to refinance 2005A GO Bonds with a 2016A Bank Placement Loan.
  - b. Satellite System – Proposal to add 8 high-definition channels.
5. **Section 8:**
  - a. Resolution to change Payment Standards.
6. **Executive Director Reports:**
  - a. Pickett Place Cupboard project.
  - b. Workforce Housing discussion.
7. **Election of Officers:**  
Chair, Vice-Chair and Secretary Positions.
8. **Adjourn.**



308 Second Ave. NE, Austin, MN 55912  
Phone 507-433-1866 Fax 507-433-8317  
Website [www.austinhra.org](http://www.austinhra.org)

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

**1.) Roll Call.**

**Date & Time: January 21, 2016 at 4:30 PM**

Commissioners Present: Judy Enright, Chair  
Janet Anderson, Secretary  
Jerry McCarthy  
Marvin Repinski  
Leona Ruehmann

Commissioners Absent: David Hagen

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

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

**2.) Approval of Minutes.**

It was moved by Commissioner Ruehmann and seconded by Commissioner McCarthy to approve minutes of the regular meeting on November 19, 2015. 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 Anderson and seconded by Commissioner Ruehmann 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.) Market Rate Housing.**

**a. Courtyard – Motion to hire Ehlers Public Finance to refinance 2005A GO Bonds with a bank placed loan.**

After the November Board meeting, HUD denied the request to use excess Public Housing funds to redeem Courtyard's 2005A Bonds that became callable on 1/1/2016. In discussions with Ehlers, they felt that a bank placed product would be just as competitive as issuing general obligation bonds with approx. ½ of the cost of issuance fees involved.

The refunding scenario would use approx. \$275,000 in reserves to pay off a portion of the callable 2005A bonds bringing down the par amount of the new 2016A bonds to \$1,000,000 and shorten the final maturity by two years to January 1, 2023. The refunding would result in a net savings to the HRA of approx. \$169,600 over the life of the bonds. The limited competitive offering would be sent to local and regional banks and does not require an offering statement or credit rating thus saving over \$20,000 in issuance fees.

It was moved by Commissioner Anderson and seconded by Commissioner Repinski to hire Ehlers and proceed with a request for proposals for a bank placed product. All present voted in favor of the motion, none in opposition thereto. The motion was passed and carried.

**b. Satellite System – Proposal to add 8 high-definition channels.**

With so many tenants having big screen high definition TV's now in the building, staff felt it was time to upgrade our satellite system and install high definition receivers. It is being proposed to upgrade 8 channels to begin with and would include the local major network channels and sports channels. The initial cost is \$8,849.25 for equipment plus installation and an additional \$ .75 per apartment per month for the DirecTv HD programming. Rents would not change and would be evaluated for the next fiscal year.

It was moved by Commissioner Repinski and seconded by Commissioner Ruehmann to hire Stortz Satellite to perform this work. All present voted in favor of the motion, none in opposition thereto. The motion was passed and carried.

**5.) Section 8:**

**a. Resolution to change the Payment Standards.**

Fair Market Rents (FMR) increased on January 1, 2016 and are shown by bedroom size. HUD requires Section 8 Payment Standards to be within 90% to 110% range of FMR's. Because of HUD's reduced Section 8 funding, it was proposed that the new Payment Standards remain at 90% of FMR and will not be lower than the current Payment Standard effective February 1, 2016. The following resolution was introduced by Commissioner Ruehmann and seconded by Commissioner McCarthy to adopt the new Payment Standards as presented.

**RESOLUTION #567  
RESOLUTION AUTHORIZING THE AUSTIN HRA TO CHANGE  
THE SECTION 8 PAYMENT STANDARDS EFFECTIVE 2-1-2016.**

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

## **6.) Executive Director Reports.**

### **a. Pickett Place - Cupboard Project update.**

The HRA's Capital Grant Program has all kitchen cupboards being replaced in all 100 apartments at Pickett Place along with the sink, faucet, stove exhaust and plumbing lines. Executive Director Erichson and Pickett Place Caretaker Iverson toured the State Prison cabinet making shop located in Faribault. The prisoner's manufacture the cabinets to exact specifications and ship the cabinets to the job site with installation to be performed by contractors. The prison is on the State procurement contract so the HRA is able to purchase the cabinets directly from them without going out for bid. Installation however will be bid and ED Erichson is currently preparing bid solicitations. Advertisements have been placed in the Austin Daily Herald and bid packets will be mailed to general contractors. The bid opening will take place February 11, 2016 at 2:00 PM.

### **b. Workforce Housing discussion.**

Executive Director Erichson has met with MN DEED, SEMCAC, Pro-Growth Bank and the Hormel Foundation regarding pursuing another round of funding to develop the Fox Pointe site for workforce housing located by the Village Coop. In a normal application year, the points DEED scored our proposed project would have received funding, but with so many applicants DEED raised the number of points needed to gain funding but they did encourage all partners for this project to apply for funding again this year. All partners are still willing to go forward with this project and apply again.

ED Erichson wanted a consensus of the Board to still pursue this same project and apply again for funding to which all members present gave their support. This again would involve signing another purchase option for 18 acres from Pro-Growth bank and splitting the cost with the Hormel Foundation contingent upon the deal receiving DEED approval.

## **7.) Election of Officers:**

Several nominations were made by board members with no seconds resulting in those nominations dying. A final nomination was made by Jerry McCarthy and seconded by Janet Anderson to keep Judy Enright as Chair, Janet Anderson as Secretary and Leona Ruehmann as the new Vice-Chair (this position has been vacant since Joyce Poshusta resigned in October). All present voted in favor of the nominations, none in opposition thereto. The Chair declared the appointments final.

The following Commissioners will hold officer positions as follows until elections are held January 2017.

Chair	Judy Enright
Vice-Chair	Leona Ruehmann
Secretary	Janet Anderson

**8.) Adjourn:**

There being no further business it was moved by Commissioner Repinski and seconded by Commissioner Anderson 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.

---

Judy Enright, Chair

SEAL

---

Janet Anderson, Secretary