

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

October 9, 2002

The Regular meeting of the Housing and Redevelopment Authority of Austin, Minnesota was held at 4:30 PM, October 4, 2002 at the HRA Office. The meeting was called to order by Chairman Lang. Present were Commissioners Chaffee, Nelson, and Jorgenson. Also present were Executive Director Smith, Deputy Director of Housing Volstad, HRA Accountant Detloff, and City Finance Director Dankert. Commissioner Nordin was absent.

PUBLIC HOUSING:

Homesteps Program. Julie Ackland applied for and was successful in obtaining funding from MHFA to provide the Homesteps Program in Austin. Homesteps is a program that provides low-income borrowers who currently live in subsidized rental housing training to help them become successful homeowners. A grant of \$30,000.00 will cover administration of the program. Training will be conducted by HRA staff. It was moved by Commissioner Jorgenson and seconded by Commissioner Nelson to authorize the Chairman to sign the Homesteps Grant Agreement. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

Julie Ackland further reported that a story she wrote on the HRA's experience with the Section 8 Homeownership Program will appear on the HUD website.

Pickett Place Approval of Lease Extension for MN Public Radio Equipment on the Roof. Minnesota Public Radio has had an antenna and some related equipment mounted on the Pickett Place penthouse since January of 1983. The lease expires 12/31/2002. It was moved by Commissioner Chaffee and seconded by Commissioner Jorgenson to approve continuation of the lease with Minnesota Public Radio under the existing terms and conditions. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

Pickett Place - Brick Restoration Project. Brick restoration work at Pickett Place is done. We are pleased with the final appearance and the quality of the work that was done. The project engineer has prepared a punch-list that will be cleared before final payment on the contract is made.

The canopy over the front entrance at Pickett Place has a chronic problem with paint peeling on the canopy underside. TSP Engineering has looked at the problem and determined that the peeling is related to condensation. The problem needs to be corrected to comply with HUD property standards. The cost of the work can be covered with remaining funds budgeted for brick restoration.

It was moved by Commissioner Jorgenson and seconded by Commissioner Nelson to authorize the preparation of specifications for and correction of the canopy paint problem. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

Approval of Elevator Bids for both Public Housing and Courtyard/Chauncey. Gwen Volstad spoke with the bidders for elevator service contracts and found them agreeable dividing the contracts based on the low bids on each building. It was moved by Commissioner Chaffee and seconded by Commissioner Jorgenson to award five-year service contracts to Schumacher Elevator for Twin Towers and Chauncey Apartments and to Minnesota Elevator for Pickett Place and Austin Courtyard (see attached). All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

AUSTIN COURTYARD AND CHAUNCEY APARTMENTS:

No business.

COMMUNITY DEVELOPMENT:

East-Side Homeownership Program. A home will be moved onto an HRA lot at 1012 5th Ave. NE. Work has started on the site and the home should be in place before winter. The

acquisition and demolition of a vacant blighted triplex at 708 9th St. NE is pending. The lot for this home is 70' by 150' and will be a good lot for a new home. If Habitat for Humanity is interested, the Board may be asked to deed the property at 813 5th Av. NE to Habitat for construction of a new home.

Railroad yard Project.

1.) Update on the Sale of Lot to Bus Company. Tom Dankert reported that Austin Transportation has not signed the Development Agreement as yet. Several concerns about the Contract for Private Redevelopment have been answered and it is still possible that an agreement can be reached.

It was moved by Commissioner Jorgenson and seconded by Commissioner Chaffee to continue the hearing on the sale of land for private redevelopment and granting of a business subsidy for the Austin Transportation Project. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

2.) Approval of Change Orders. Lee Hansen Hauling and Excavating had the contract for storm sewer required to serve the holding pond on the Railroad site. The original contract was \$23,507.50 with change orders totaling \$15,583.75. The added cost was for extension of the storm sewer along the south line of Lot 1. It was moved by Commissioner Chaffee and seconded by Commissioner Nelson to approve the change orders and authorize payment of the total contract. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

Ken Larson of PEER Environmental said that it could be justified to return up to 2,000 yards of clean fill to Lot 1 Roundhouse Addition at a cost of approximately \$12,000. This would enhance the site for any developer.

A letter has also been received from MPCA instructing that cover must be established on exposed soil surfaces prior to seasonal shutdown. Ken Larson of PEER Environmental is preparing a proposal to meet MPCA requirements. It was moved by Commissioner Chaffee and seconded by Commissioner Jorgenson to authorize bringing in additional fill and establishing soil cover as conditions require and the budget allows. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

Flood. All requested documentation to gain release of FEMA flood acquisition funds has been submitted. Jon Erichson said that approval for the funding is forthcoming. Additional appraisals of targeted property have been ordered so that purchase offers can be made in a timely way.

OTHER: Executive Director Tom Smith read a statement requesting that for personal and family reasons the Board accept his resignation as Executive Director and return him to his position as Deputy Director for Community Development. It was moved by Commissioner Chaffee and seconded by Commissioner Nelson to accept Mr. Smith's resignation as Executive Director and restore him to his previous position as Deputy Director for Community Development. It was further moved to name Tom Dankert as acting Executive Director until a new Director can be named. The subject will be addressed at the regular meeting in November. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

BILLS: It was moved by Commissioner Jorgenson and seconded by Commissioner Chaffee to authorize payment of the accounts payable dated October 9, 2002. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

ADJOURNMENT: There being no further business it was moved by Commissioner Nordin and seconded by Commissioner Chaffee to adjourn the meeting. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

Richard Lang, Chairman

SEAL

Mickey Jorgenson, Secretary/Treasurer