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

1.) Roll Call.

Date & Time: October 17, 2013 at 4:30 PM

Commissioners Present: Joyce Poshusta, Chair
Marvin Repinski, Vice-Chair
Marilyn Prenosil, Secretary
Roger Boughton
Janet Anderson
Shirley Schlieve

Commissioners Absent: Judy Enright

HRA staff Present: Jon Erichson, Executive Director
Sherri Detloff, Finance Director
Sheryl Monson, Section 8 Specialist

Other parties Present: John Garry, DCA Exec. Director

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

2.) Approval of Minutes.

It was moved by Commissioner Anderson and seconded by Commissioner Repinski to approve the minutes of the special meeting on September 4, 2013. All present voted in favor thereof, none in opposition thereto. The Chair declared the motion passed and carried.

3.) Approval of Accounts Payable.

After several questions on accounts payable invoices it was moved by Commissioner Repinski 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.) Market Rate Housing:

a. Motion to adopt Post-Compliance Procedures for Tax Exempt Bonds.

Dorsey & Whitney, HRA Bond Counsel, is preparing IRS Form 8038-G for the recent bond issue and the IRS has changed the form which now asks whether we have adopted various post-issuance compliance procedures. Dorsey thinks it's best to say "yes," so they drafted the document entitled Post-Compliance Procedures for Tax Exempt Bonds for our adoption.

It was moved by Commissioner Boughton and seconded by Commissioner Anderson to adopt said document. All present voted in favor thereof, none in opposition thereto. The Chair declared the motion passed and adopted.

5.) Executive Director Reports:

a. Development Corp. of Austin - Motion to approve new Agreement for consulting services.

Executive Director Erichson coordinated a split on the existing \$60,000 contract with DCA. The new contract is between the DCA and HRA only for \$20,000 for the period 1/1/14 to 12/31/14 and does not include an auto-renew provision. The other \$40,000 will be on a separate contract between the City of Austin and DCA. Port Authority will not be included for year 2014.

It was moved by Commissioner Schlieve and seconded by Commissioner Boughton to adopt the Agreement for Consulting Services with the DCA in the amount of \$20,000. All present voted in favor of the motion, none in opposition thereto. The Chair declared the motion passed and adopted.

John Garry also handed out an update on DCA activities which centered around Vision 2020 projects and a flyer for the Austin Area Business Forum. A more in depth discussion ensued on the Downtown Power Plant's possible conversion to a housing project.

b. Discussion of Small Cities Block Grant (SCBG) partnership with SEMCAC.

Executive Director Erichson showed the Board a map of a blighted area east of the Hormel Plant in the Crane Addition with owner-occupied homes highlighted. The Austin HRA and SEMCAC have been in discussion to apply for a Small Cities Block Grant in the amount of \$500,000 to \$600,000 to be used for grants of up to \$25,000 per owner-occupied home in this location and is based on income for qualification. This would be a forgivable grant to the owner if they occupied the house for "X" number of years. The City of Austin would have to make the application. A pre-application is due the middle of November. The City is also planning on a large infrastructure renovation in this same neighborhood in 2015. Between the City's renovation and our CHIP Program (with the possibility of a SCBG grant running through the CHIP account), this neighborhood would benefit from much needed improvements.

c. Report on meeting between the 2 Executive Directors and 2 Chairs of Austin HRA and Mower County HRA.

Executive Director Erichson reported that they had a general discussion on projects and programs that both HRA's perform. There were exploratory questions as to whether we could consolidate or share some tasks or even cohabitate out of one office. They politely said they would like to maintain their own identity and were not interested at this point in time but will keep dialogue going that it may be possible sometime in the future.

d. Contract with CliftonLarsonAllen for performing the audit for FYE 9/30/2013.

Finance Director Detloff has received Clifton-Larson-Allen's (CLA) contract for auditing services and performing the REAC attestation required for the HUD audit submission which is done by Detloff via a secure internet connection. Their fee for the audit this year is \$17,200 which is a 2-1/2% increase over last year. Their fee for the REAC attestation is \$830 which is a \$5 increase over last year. A fee comparison was done with HAB, an auditing firm in LaCrosse, a few years ago and was found that CLA's price was in line.

The HRA has employed CliftonLarsonAllen for many years due to the fact that our audit rolls into the City's annual audit and if we did not use the same auditors, the City would end up paying a few thousand dollars more to have our numbers verified by their auditor.

It was moved by Commissioner Boughton and seconded by Commissioner Schlieve to sign the contract for auditing services with CliftonLarsonAllen. All present voted in favor of the motion, none in opposition thereto. The Chair declared the motion passed and adopted.

6.) Board Member Reports:

Nothing.

7.) 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 Chair declared the motion passed and carried. The meeting was adjourned at 6:00 PM.

Joyce Poshusta, Chair

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Marilyn Prenosil, Secretary