



308 Second Ave. NE, Austin, MN 55912
Phone 507-433-1866 Fax 507-433-8317
Website www.austinhra.org

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

October 19, 2011

1.) Roll Call.

The regular meeting of the Housing & Redevelopment Authority of Austin was held October 19, 2011 at 4:30 PM at the HRA Office. Present were Commissioners Repinski, Boughton, Poshusta and Schlieve. Commissioner Prenosil was absent. Also present were Executive Director Hurm, Finance Director Detloff, Property Managers Mattson, Volstad and Grover. City Council Members Marion Clennon and Jeff Austin was in the audience. There being a quorum, the meeting was called to order by Chairman Repinski.

2.) Approval of Minutes.

It was moved by Commissioner Poshusta and seconded by Commissioner Schlieve to approve the minutes of the regular meeting of September 28, 2011. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

3.) Approval of Accounts Payable.

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

4.) Other Business:

a. **Maria Leon Property - Request to help defray costs associated with preparing property for redevelopment. Presented by Craig Byram.**

In 2009 fire destroyed much of the 400 block of North Main Street. The landowner, Maria Leon did not have the resources to clean up the debris. The City of Austin recently settled its claims with Maria Leon. The City cleaned up the property and prepared it for future development incurring approx. \$98,000 in unrecovered expenses. The City is asking a number of agencies to help reimburse these costs.

It was moved by Commissioner Boughton and seconded by Commissioner Schlieve to grant up to \$33,000 from the HRA's General Fund. The final figure may be less depending on how other organizations help in defraying the cost. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and adopted.

b. **Housing Improvement Program (HIP) and Scattered Site relocation update. Report by Karen Mattson.**

Karen Mattson reported on progress at the house located at 1003 8th Ave. NW purchased with HIP funds. Asbestos and debris have been removed. She is now waiting for the Riverland Community College teacher and students to help with the renovation. It was suggested by a Board member to put a sign on the property that it was being rehabilitated by the Austin HRA.

Karen also gave an update on the status of the two (2) scattered site family units that were relocated from the Hormel Institute redevelopment area. The first house was moved from 905 15th Ave. NE to 804 6th Ave. NE and the second house was moved from 907 15th Ave. NE to 1101 10th Ave. SW. These houses have to be brought up to current city housing codes.

c. **Consider an HRA Board Retreat to set goals with a facilitator:**

Commissioner Boughton suggested having a Board Retreat to set goals for the future. He suggested using the same facilitator, Doug Parr, that helped the Park and Recreation Dept. define some of their goals. After some discussion on the need to have a facilitator perform

this task, it was moved by Commissioner Boughton and seconded by Commissioner Poshusta to schedule a Retreat in the near future. The Retreat is estimated to take 3 to 4 hours. Four items on the Agenda were tabled at this meeting and moved to the Retreat for discussion. They included: 1.) Staff reorganization in hiring a Section 8 person, 2,) Consideration of the current Executive Director arrangement, 3.) Plan an Agenda for a potential meeting with the Mower County HRA Board and 4.) Plan and Agenda for a potential meeting with the Development Corp. Board.

d.1. **Hiring process for Section 8 position.**

Staff reported that eight (8) candidates have been identified for interviews. Commissioner Boughton wanted to wait hiring someone until after the Retreat to discuss future goals and organization of the HRA. Staff indicated that help is very short due to the large volume of tenants we deal with and are having trouble getting the work load done. In addition, after a new person is hired, it takes months to train someone due to numerous HUD regulations. They also have to take outside training in both calculating rents and housing quality standards inspections. Both Commissioners Poshusta and Schlieve felt that the Section 8 position needed to be filled now.

It was moved by Commissioner Poshusta and seconded by Commissioner Schlieve to hire someone immediately. Poshusta and Schlieve voted in favor of the motion and Boughton and Repinski voted against the motion. There being a tie, the motion failed.

Chairman Repinski requested that in the future, retirements should be announced to the Board as soon as they are known by staff.

d.2. **Authorization to hire Tom Smith for temporary, part-time help.**

Executive Director Hurm requested that Tom Smith be hired back on a temporary, part-time basis to help with the work load until another staff person is hired. Tom indicated that he could work for approx. 20 hours per week but he would not work past the end of the year. He will be paid \$15 per hour.

It was moved by Commissioner Boughton and seconded by Commissioner Poshusta to hire Tom Smith back on a part-time basis. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and adopted.

5.) Public Housing & Section 8:

a. **Public Housing - Review tenant comments on five (5) lease changes and proceed with final Board approval.**

The Board passed a Resolution at the June 15, 2011 Board meeting to change the following 5 items in the Public Housing leases.

- Add a \$10 dishonored check/ACH fee.
- Rents shall be paid by checks only - No cash.
- Change storage of abandoned items by vacated tenants from 60 days to 28 days.
- Change interest rate wording to be calculated in accordance with current MN State Statute.
- Designate all units to be "Smoke-Free".

HUD regulations require that tenants must be notified and given the opportunity to comment on the above changes before final action is taken. A letter from one (1) tenant was received and was given to the Board members for review. There was no further public input.

It was moved by Commissioner Poshusta and seconded by Commissioner Schlieve to give final approval for the changes noted above. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and adopted.

b. **Section 8 - Resolution to raise payment standards.**

Karen Mattson reported that the Section 8 payment standards have not been raised since January 1, 2009. By increasing these payments standards it would help tenants find units that are slightly higher in rent. This would also cause tenant payment toward rent to go down and increase the HRA's housing assistance payment to the landlord.

It was moved by Commissioner Schlieve and seconded by Commissioner Boughton to increase the payment standards to equal the new fair market rents effective January 1, 2012.

RESOLUTION #515
RESOLUTION TO INCREASE THE SECTION 8 PAYMENT STANDARDS

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

6. Executive Director report:

Executive Director Hurm reported that evaluations were completed on the two (2) employees receiving raises due to a new position and new job responsibilities. Staff is currently working on a more comprehensive evaluation process called a 360 degree evaluation in which input is gathered from numerous sources.

7.) Set date and time for next meeting:

Finance Director Detloff reported that year-end statements for all programs and projects may not be done by the next regularly scheduled meeting date of November 16, 2011 due to the staff shortage and requested that the date be moved back. It was decided to set the date and time for the next regular Board meeting to be held November 30, 2011 at 4:30 PM.

8.) Adjourn: There being no further business it was moved by Commissioner Poshusta and seconded by Commissioner Schlieve to adjourn the meeting. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried. The meeting was adjourned at 6 PM.

Marvin Repinski, Chair

SEAL

Shirley Schlieve, Secretary