



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

TUESDAY, NOVEMBER 3, 2015 @ NOON

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. **Executive Director Reports:**
 - a. General Fund - Resolution approving Loan for Oak Park Mall redevelopment in connection with Tax Increment Financing District #13.
 - b. Conduit Debt – Resolution to refund conduit debt for Gerard/Nexus.
 - c. Audit – Approve contract for CliftonLarsonAllen.

3. **Adjourn.**



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

1.) Roll Call.

Date & Time: November 3, 2015 at 12:00 PM Noon

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

Commissioners Absent: None

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.) Executive Director Reports.

a. General Fund - Resolution approving Loan for Oak Park Mall redevelopment in connection with Tax Increment Financing District #13.

At the January 15, 2015 the Board gave preliminary approval to fund \$50,000 out of the HRA's General Fund to help with the costs to acquire and demolish the targeted section of the Oak Park Mall.

Executive Director Erichson explained there would be a Tax Increment Financing District created to reimburse the City of Austin, Austin Port Authority and the Austin HRA for eligible costs associated with this redevelopment activity. Eligible costs would include demolition, environmental abatement and parking lot improvements. The HRA would be paid back through the TIF District over the next 26 years at an interest rate of 0%.

The following resolution was introduced by Commissioner Hagen and seconded by Commissioner Anderson.

**RESOLUTION #565
RESOLUTION APPROVING AN INTERFUND LOAN
FOR ADVANCE OF CERTAIN COSTS IN CONNECTION WITH
TAX INCREMENT FINANCING REDEVELOPMENT DISTRICT #13
(OAK PARK MALL REDEVELOPMENT)**

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

b. Resolution to refund conduit debt for Gerard/Nexus.

In October 2007, the Austin HRA issued bonds on behalf of Gerard of MN for \$6,765,000 as conduit debt. As of today, Gerard's principal amount outstanding is \$5,405,000 and the interest rate they are paying on these bonds is currently 4.70% and increase annually to 5.75% until paid off in 2029. The Austin HRA is not responsible for the payment of this conduit debt.

Gerard's parent organization, Nexus Diversified, is doing a financing of its facility located in Onamia, MN and Bremer Bank has agreed to buy that note and also a refunding note to refund the HRA Bonds issued for Gerard in Austin.

The following resolution was introduced by Commissioner Anderson and seconded by Commissioner Ruehmann.

**RESOLUTION #566
RESOLUTION GIVING HOST APPROVAL AND CONSENT TO THE
ISSUANCE OF A HEALTH CARE FACILITIES REVENUE REFUNDING
NOTE AND UNDER MN STATUTES 469.152 THROUGH 469.1655
(GERARD PROJECT)**

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

c. Contract for audit services with CliftonLarsonAllen.

The Austin HRA 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 Finance Director Detloff via a HUD secure internet connection. Their fee for the audit this year is \$18,200 which is a 2.8% increase or \$500 more than last year. Their fee for the REAC attestation is \$840 which is a \$5 increase over last year.

The HRA has employed Clifton Larson Allen 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 pay a few thousand dollars more to have our numbers verified by their auditor.

It was moved by Commissioner McCarthy and seconded by Commissioner Hagen to sign the contract for auditing services with Clifton Larson Allen. All present voted in favor of the motion, none in opposition thereto. The Chair declared the motion passed and carried.

3.) Adjourn:

There being no further business it was moved by Commissioner Ruehmann 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 12:30 PM.

Judy Enright, Chair

SEAL

Janet Anderson, Secretary