

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

**November 15, 2006**

**1.) Roll Call.**

The regular meeting of the Housing and Redevelopment Authority of Austin, Minnesota was held at 5:00 PM, November 15, 2006, at the HRA Office. The meeting was called to order by Chairman Nelson. Present were Commissioners Lang, Pacholl, Christopherson, Schlieve, Hecimovich and Nordin. Also present were Executive Director Hurm, Deputy Director for Community Development Smith, Deputy Director of Housing Volstad, HRA Finance Director Detloff, City of Austin Community Development Director Hoium, and Mayor Rietz.

Mayor Bonnie Rietz is leaving office at the end of her current term. She thanked the members of the Board for their service to the City of Austin as members of the HRA Board of Commissioners.

**2.) Approval of the meeting minutes of October 18, 2006.**

It was moved by Commissioner Nordin and seconded by Commissioner Hecimovich to approve the minutes of the regular meeting of October 18, 2006. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

**3.) Approval of Claims for Payment.**

It was moved by Commissioner Hecimovich and seconded by Commissioner Pacholl to authorize payment of the list of claims for payment. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

**4.) Other Business:**

- a. **Gerard - Public Hearing for Gerard, using the HRA as a conduit entity, to issue a Housing Revenue Note to construct a 32 bed dormitory building.** Lynette Crandall, HRA's Bond Counsel with Dorsey-Whitney, briefly explained the HRA's role in acting as a conduit in the sale of a Housing Revenue Note to finance construction of a dormitory building for Gerard of Minnesota at the Austin campus. The HRA's participation enables Gerard to secure more favorable financing terms. The financing is based on Gerard's credit and ability to pay. The HRA does not guarantee the loan in any way and has no responsibility for payment

Chairman Nelson opened the public hearing on the Gerard conduit financing proposal. Those in favor of the financing proposal were asked to speak. Allen Nordby, CFO for Gerard said that the HRA's participation as a conduit entity was important to the project. No others spoke in favor of the proposal. Chairman Nelson asked if anyone had negative comments on the proposal. No one came forward. It was moved by Commissioner Nordin and seconded by Commissioner Hecimovich to close the hearing. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

- b. **Gerard - Resolution authorizing and providing for the issuance of a Housing Revenue Note not to exceed \$2,200,000 at the request of Gerard and approving forms of documents in connection therewith.** The following resolution was introduced by Commissioner Nordin and seconded by Commissioner Hecimovich.

**RESOLUTION #449**

**A RESOLUTION AUTHORIZING AND PROVIDING FOR THE  
ISSUANCE OF HOUSING REVENUE NOTE PURSUANT TO  
MINNESOTA STATUTES, SECTIONS 469.152 TO 469.1651,  
AS AMENDED, AT THE REQUEST OF GERARD, AND  
APPROVING FORMS OF DOCUMENTS IN CONNECTION  
THEREWITH**

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

**5.) Redevelopment Business:**

- a. **Railroad Property - Review and approve site plan for Groh Construction.** Craig Hoium presented the site plan for the building to be erected by Groh Construction on their parcel in the northwest corner of Milwaukee Roundhouse Addition. It was moved by Commissioner Nordin and seconded by Commissioner Hecimovich to approve the site plan as presented. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.
- b. **Murphy Creek Property - Approval of Development Agreement with A+ Builders.** Craig Hoium requested approval of a Development Agreement between the HRA and A+ Builders for construction of homes on the 3-acre parcel in Murphy Creek Addition that they purchased from the HRA. The final plat has been approved and construction is expected to begin in the spring of 2007. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

**6.) Public Housing:**

- a. **Resolution to approve Management Assessment Indicators.** Gwen Volstad presented the results of the recently completed annual Public Housing Management Assessment Report for the HRA's Public Housing projects. The numbers in the assessment are similar to those in last year's report. The Austin HRA has been consistently rated as a "high performing" agency. Assessment results are a factor in determining the level of Capital Fund Grant Dollars awarded to the HRA.

The following resolution was introduced by Commissioner Nordin and seconded by Commissioner Hecimovich.

**RESOLUTION #450  
RESOLUTION CERTIFYING THE ACCURACY OF THE  
INDICATORS UNDER THE PUBLIC HOUSING  
MANAGEMENT ASSESSMENT PROGRAM**

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

- b. Scattered Sites - Approve change order for Landscaping Contract.** It was moved by Commissioner Nordin and seconded by Commissioner Hecimovich to approve a change order for an additional \$190.00 on the scattered-site landscaping contract with the Garden Center. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

**7.) All Programs:**

- a. Health Insurance Renewal for 2007.** Sherri Detloff reported on the past year's experience with employee health insurance programs. Three motions are required and recommended to renew the current health insurance program.

It was moved by Commissioner Hecimovich and seconded by Commissioner Pacholl to keep the same health plan. The BC/BS VEBA 100 - Plan #831 with a \$1,850.00 single and \$3,700.00 family deductible. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

It was moved by Commissioner Hecimovich and seconded by Commissioner Pacholl to deposit the same amounts into each employee's VEBA account. \$650.00 for employees with single coverage and \$1,300.00 for employees with family coverage. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

It was moved by Commissioner Nordin and seconded by Commissioner Hecimovich to have single coverage paid 100% by the HRA and family coverage paid 80% by

the HRA and 20% by the employee. All present voted in favor of the motion, none in opposition thereto, the Chairman declared the motion passed and carried.

- b. Presentation of FYE 9/30/06 Financial Statements for all programs.** Summaries of year financial statements for HRA Public Housing, Market Rate Housing, General Fund, and MHFA programs were presented and explained by Finance Director Detloff. The status of all of the programs is good.

**8.) Adjourn:**

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

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Jay Nelson, Chairman

SEAL

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Gloria M. Nordin, Secretary