

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

November 17, 2010

1.) Roll Call.

The regular meeting of the Housing & Redevelopment Authority of Austin, MN was held November 17, 2010 at 4:30 P.M. at the HRA Office. The meeting was called to order by Chairman Pacholl. Present were Commissioners Schlieve, Repinski, and Prenosil. Also present were Executive Director Hurm, Finance Director Detloff, Deputy Director for Community Development Smith, DCA Director John Garry and Main Street Project Director Sarah Douty. Commissioner Poshusta was absent.

2.) Approval of Minutes.

It was moved by Commissioner Prenosil and seconded by Commissioner Schlieve to approve the minutes of the regular meeting of September 15, 2010. 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 Repinski and seconded by Commissioner Prenosil 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.) Reports:

- a. **DCA - Report by John Garry.** John Garry distributed a handout that outlined successful construction projects between 2005 and 2010 that have had significant economic impact for the Austin area. The report stressed the importance of education and workforce development in future growth. Mr. Garry also discussed successful strategies used in Dubuque Iowa to enhance quality of life and make their community more attractive for business investment.

b. Main Street Project - Report by Sarah Douty. Sarah Douty distributed a report of the accomplishments of the Austin Main Street Project. Thirty-one storefronts have undergone renovation and twelve businesses are new to the downtown area or have relocated or expanded. Over \$4.7 million in public and private money has been spent to date. Sarah will distribute the report and lead a walking tour of the downtown area to participants in the Leadership Austin Program tomorrow.

5.) Fiscal Year End 9/30/10 Financial Statements:

Sherrri Detloff presented the following year end financial statements for all the projects and programs the Austin HRA owns or operates.

a. Public Housing (including the Capital Fund Statement).

After adding back depreciation, all of the projects had positive net income and the Capital Fund budget is being utilized in a timely manner.

b. Market Rate Housing. Austin Courtyard and Chauncey Apartments have positive cash flows with debt service ratios in compliance with the bond agreements.

c. Section 8 Vouchers. The Section 8 Program had no HAP reserves and \$30,550 in administrative reserves at the end of the fiscal year. HUD contributions to the Section 8 Program have stayed level while there have been increases in HAP obligations. Reductions in the number of families assisted may be necessary to keep the program solvent.

d. General Fund. The General Fund had a net increase on the year of \$66,650.20 resulting in a cash balance of \$620,926.07 as of 9/30/2010.

e. MHFA Programs. Financial Statements for the MHFA Programs including the transitional housing, home improvement programs, and homebuyer counseling were presented. All of the programs had positive year-end balances.

6.) HRA Owned Housing:

a. All HRA Owned Housing - Project Performances at FYE 9/30/10. A summary of project performance for HRA owned property was presented. The summary listed waiting lists, vacancies, rent collections, delinquencies, turnovers, and work orders for each project. For comparison purposes, a summary for FYE 9/30/09 was also attached.

b. Public Housing - Resolution to approve the Management Assessment Indicators. HUD requires submission of an annual management assessment report for public housing. This report covers unit turnover, work orders, inspections, security and capital fund questions. This report is used as a factor in determining the amount of Capital Fund Dollars received. A copy of the report was reviewed. The following resolution was introduced by Commissioner Repinski and seconded by Commissioner Schlieve.

**Resolution #500
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.

c. Chauncey - Motion to award carpet bid. Bids to carpet approximately twenty-seven units at Chauncey Apartments were solicited. It was moved by Commissioner Prenosil and seconded by Commissioner Schlieve to award both the carpet purchase and installation to the low bidder Thoroughbred Carpets. All present voted in favor of the motion, none in opposition thereto. The Chairman declared passed and adopted.

7.) Budget Revisions:

a. Courtyard/Chauncey - Motion to revise budget for FYE 9/30/11. The refunding of the gross revenue bonds has necessitated a revision of the Courtyard/Chauncey budget for FYE 9/30/11. A copy of the revised budget was reviewed. It was moved by Commissioner Schlieve

and seconded by Commissioner Prenosil to approve the revised budget as presented. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

b. General Fund - Motion to revise budget for FYE 9/30/11. Management Fees and Bookkeeping Fees charged to the various projects were revised along with the amount set aside for redevelopment projects. It was moved by Commissioner Prenosil and seconded by Commissioner Repinski to approve the revised General Fund budget as presented. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

8.) Other Business:

a. Southeast Service Coop - Voting Ballots for Board Member. Ballots to elect a board member to the Southeast Service Cooperative (SESC) were distributed to the commissioners for voting. SESC administers the health insurance program for the HRA.

b. Corner Park Plaza. It was moved by Commissioner Repinski and seconded by Commissioner Schlieve to donate \$2,000 to the development of the small corner park plaza on the northwest corner of the old Robbin's block. It was further moved to suggest that the area be smoke free. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

c. Twin Towers Landscaping. It was moved by Commissioner Repinski and seconded by Commissioner Prenosil to authorize payment of \$23,838.40 to Dolan's on the original bid for the Twin Towers landscaping project. A request for payment of an additional amount for change orders will be withheld pending review by the Executive Director and HRA staff.

9.) Adjournment: This is Dick Pacholl's last meeting as Chairman and Commissioner on the HRA Board. Jim Hurm thanked Chairman Pacholl on behalf of the HRA for his years of dedicated service with the HRA. There being no further business it was move by Commissioner Prenosil and seconded by Commissioner Sclieve to adjourn the meeting. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

Richard Pacholl, Chairman

SEAL

Shirley Schlieve, Secretary