

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

December 3, 2003

1.) Roll Call.

A Special Meeting of the Housing and Redevelopment Authority of Austin, Minnesota was held at 4:30 PM, December 3, 2003, at the HRA Office. The meeting was called to order by Chairperson Jorgenson. Present were Commissioners Lang, Chamberlain, Goodnature, Nelson, and Nordin. Also present were Executive Director Hurm, Deputy Director for Community Development Smith, HRA Finance Director Detloff, and City Attorney David Hoversten. Commissioner Valerio was absent.

2.) Approval of the meeting minutes of November 19, 2003.

It was moved by Commissioner Nelson and seconded by Commissioner Lang to approve the minutes of November 19, 2003. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

3.) Public Housing:

a. Resolution to approve indicators of the Management Assessment System. HUD requires the annual submission of a Public Housing Assessment System report. The report is a tool that measures the performance of a public housing agency based on standards that are uniform and objective. Copies of the completed report were distributed to the board in the meeting packets.

The following resolution was introduced by Commissioner Nelson and seconded by Commissioner Goodnature.

RESOLUTION #407
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 Chairperson declared the motion passed and adopted.

4.) Public Housing and Market Rate Housing.

a. Award of bid for snow removal. Bids were solicited for a snow removal contract for parking areas and driveways at Austin Courtyard, Chauncey Apartments, Pickett Place, and Twin Towers.

It was moved by Commissioner Nelson and seconded by Commissioner Goodnature to accept the low gross bid of \$311.50 from Dolan's Landscaping. All present voted in favor of the motion, none in opposition thereto. The Chairperson declared the motion passed and carried.

5.) Executive Director Reports.

a. Mower County Transit - Execution of Purchase Agreement to purchase Block 15 (land adjacent to the Courtyard Apartments) from Sherman Brothers for Transit system. David Hoversten presented the final draft of a purchase agreement for the purchase of Lots 1 and 10, Block 15, Original Village, from the Sherman Brothers Investment Company. The agreement is based on terms and conditions presented and approved at the regular meeting in November. Mr. Hoversten said that the purchase agreement had been reviewed and accepted by the Sherman Brothers.

Commissioner Goodnature was concerned about the clause that placed an appraised value of \$300,000 on the property. The difference between the appraised value and the purchase price would be claimed as a charitable contribution by the Sherman Brothers. Mr. Hoversten said that this clause would not change the cost to the HRA and its legitimacy was between the Sherman Brothers and the IRS. Executive Director Hurm said he had seen the Sherman appraisal.

Commissioner Goodnature also was concerned about a newspaper report that Mower County was considering reducing their commitment to the transit system. He commented further that the seller should not be able to remove all of the building fixtures, especially the sprinkler system in the event the building would be used for vehicle storage.

Commissioner Nordin said that the purchase agreement should not be approved until final approval of the revised agreement has been received from the Department of Transportation. Executive Director Hurm said that the revised grant has been approved by MNDOT and sent to Chicago for endorsement with a recommendation for approval.

It was moved by Commissioner Nordin and seconded by Commissioner Goodnature to approve the purchase agreement as presented contingent on final approval from MNDOT transferring the grant from Block 19 to Block 15 Original Village, City of Austin. Voting in favor of the motion were Commissioners Nordin, Lang, and Goodnature. Voting against the motion were Chairperson Jorgenson and Commissioners Nelson and Chamberlain. The Chairperson declared the motion failed for lack of majority.

The discussion was reopened. Commissioner Chamberlain said that the real question was whether preserving the transit system was a high community priority. If the answer was "Yes", the purchase agreement should be approved. Commissioner Lang expressed similar support for the acquisition.

It was moved by Commissioner Lang and seconded by Commissioner Nelson to approve the purchase agreement as presented. Voting in favor of the motion were Chairperson Jorgenson and Commissioners Lang, Nelson, and Chamberlain. Voting against the motion were Commissioners Nordin and Goodnature. The Chairperson declared the motion passed and carried.

1. Recommendation of funding sources for purchase of above. A list of four sources that could contribute funds to the purchase of the Block 15 property was presented. It was moved by Commissioner Chamberlain and seconded by Commissioner Goodnature to use option four, the Public Housing fund, to finance the property acquisition. All present voted in favor of the motion, none in opposition thereto. The Chairperson declared the motion passed and carried.

6.) Other Business.

a.) Health Insurance.

1. Resolution to establish the VEBA Plan and health reimbursement arrangement for active employees.

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

RESOLUTION #408
RESOLUTION ESTABLISHING THE MINNESOTA SERVICE
COOPERATIVES VEBA PLAN AND TRUST, AND A HEALTH
REIMBURSEMENT ARRANGEMENT FOR ACTIVE EMPLOYEES

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

2. Authorize contribution amounts to the VEBA accounts.

It was moved by Commissioner Nordin and seconded by
Commissioner Chamberlain to authorize \$650 for a single
contribution and \$1,300 for a family contribution by the
HRA to employee VEBA accounts. All present voted in
favor of the motion, none in opposition thereto. The
Chairperson declared the motion passed and carried.

7.) Adjourn. There being no further business it was moved
by Commissioner Nelson and seconded by Commissioner Nordin to
adjourn the meeting. All present voted in favor of the
motion, none in opposition thereto. The Chairperson declared
the motion passed and carried.

Michelle Jorgenson, Chairperson

SEAL

Gloria Nordin, Secretary

