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

1.) Roll Call.

Date & Time: December 19, 2013 at 4:30 PM

Commissioners Present: Marvin Repinski, Vice-Chair
Marilyn Prenosil, Secretary
Roger Boughton
Janet Anderson
Judy Enright
Shirley Schlieve

Commissioners Absent: Joyce Poshusta, Chair

HRA staff Present: Jon Erichson, Executive Director
Karen Mattson, Property Manager

There being a quorum, the meeting was called to order by Vice-Chair Repinski.

2.) Approval of Minutes.

It was moved by Commissioner Boughton and seconded by Commissioner Anderson to approve the minutes of the regular meeting on November 21, 2013. All present voted in favor thereof, none in opposition thereto. The Vice-Chair declared the motion passed and carried.

3.) Approval of Accounts Payable.

After several questions on accounts payable invoices it was moved by Commissioner Prenosil and seconded by Commissioner Enright to authorize payment of the list of accounts payable. All present voted in favor thereof, none in opposition thereto. The Vice-Chair declared the motion passed and carried.

4.) Housing:

a. Twin Towers - Emergency Generator Project and Window Project (2012 Capital Grant Funds).

Executive Director Erichson reported that an engineering architect should be hired for the Emergency Generator Project and that he has been in contact with TSP Architects as the HRA has had a long track record with TSP and they are familiar with our buildings. TSP indicated that their fee would run approx. 10% of the total project cost which is estimated at \$125,000. Executive Director Erichson wanted to know if the Board was comfortable with him hiring TSP or if it should be brought back for Board action. It was the consensus of the Board that the TSP fee of approximately 10% was a typical architectural fee and left it up to Erichson's judgement on architect selection.

The other big project that needs to be bid is Twin Towers apartment window replacement. This project is estimated to cost \$474,796 and would span two grant years. The original budget included an architect fee but Erichson felt that with the recent Pickett Place window replacement project done a couple of years ago, he felt comfortable in putting this bid spec together.

The 2012 Capital Grant Funds have to be obligated by March 11, 2014 to which both of these projects fall into that grant year for funding.

b. Bridges - Discussion on applying for additional Bridges Vouchers.

Executive Director Erichson explained that this program is similar to the Section 8 program but is only available to applicants with persistent and chronic mental illness and is funded by the Minnesota Housing Finance Agency. The HRA's current allotment is 4 Bridges vouchers and there is an opportunity to apply for more vouchers. The application is due January 7, 2014. The client would also fill out an application for the Section 8 program so when their name gets to the top of the Section 8 waiting list they are then transferred from the Bridges program to the Section 8 program.

It was the consensus of the Board to apply for additional Bridges Vouchers.

5.) Executive Director Reports:

a. Capitalization Policy - Resolution to change minimum threshold from \$1,000 to \$5,000.

Executive Director Erichson explained that by increasing the minimum threshold from \$1,000 to \$5,000 it would alleviate the need to record, track and depreciate any capital item costing less than \$5,000. Items that cost less than \$5,000 would be expensed instead. The City of Austin's minimum threshold has been at \$5,000 for a number of years and our Auditor concurred with this recommendation.

It was moved by Commissioner Prenosil and seconded by Commissioner Schlieve to adopt the \$5,000 minimum threshold to capitalize items.

**RESOLUTION #541
RESOLUTION UPDATING THE CAPITALIZATION POLICY
OF THE AUSTIN HRA**

All present voted in favor thereof, none in opposition thereto. The Vice-Chair declared the resolution passed and adopted.

b. CHIP-Update on Mary Janning's house at 409 2nd St SW.

Executive Director Erichson and Karen Mattson reported that a couple of issues arose before a closing could occur on this property. The first issue was a loan from Minnesota Housing Finance Agency (MHFA) for improvements to her home in 2002 for \$7,890.00. Karen Mattson was successful in getting MHFA to forgive this loan. The second issue was a judgement in the amount of \$1,516.32 to Lawhead Law Office for legal work. They did not want to negotiate and wanted their payment in full for \$1,516.32. Executive Director Erichson requested that the Board authorize the HRA to pay the \$1,516.32 to facilitate the closing moving forward and to see if the City would be willing to pay ½ of that cost also. In November the City agreed to pay ½ of the \$16,000 purchase price.

It was moved by Commissioner Boughton and seconded by Commissioner Enright to pay the entire amount and request a 50/50 split with the City. All present voted in favor thereof, none in opposition thereto. The Vice-Chair declared the resolution passed and adopted.

c. Vision 2020 updates:

1.) **Community Pride.** There has been no response yet from MN DEED on the preliminary application for funding to improve the Crane Addition neighborhood.

2.) **Downtown Power Plant.** The historical review came back as positive for infilling the floors. The project, if it moves forward, would consist of retailing on the 1st floor and 31 apartments with a total estimated cost to be \$22 million with approx. \$8 million in tax credits.

3.) **I90 Gateway to Austin.** Conceptual designs for bridges and landscaping along the I90 corridor are being drawn.

4.) **Community Rec. Center.** Partnerships could include the YMCA, City, College and High School. Jon Erichson was named as Design Committee Chair. The Hormel Foundation indicated that this was one of their top goals.

d. New Board member appointment in January:

Executive Director Erichson announced that this was Marilyn Prenosil's last meeting as her term expires 12/31/13 and thanked her for her years of service. The Mayor has appointed Jerry McCarthy to the HRA Board. The last City Resolution required a member from the Port authority to be on the HRA Board and Jerry is the Chair of the Port Authority

6.) Adjourn: There being no further business it was moved by Commissioner Repinski and seconded by Commissioner Prenosil to adjourn the meeting. All present voted in favor of the motion, none in opposition thereto. The Vice-Chair declared the motion passed and carried. The meeting was adjourned at 5:30 PM.

Marvin Repinski, Vice-Chair

SEAL

Marilyn Prenosil, Secretary