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

**April 20, 2011**

**1.) Roll Call.**

The regular meeting of the Housing & Redevelopment Authority of Austin, Minnesota was held April 20, 2011 at 4:30 P.M. at the HRA Office. The meeting was called to order by Chairman Repinski. Present were Commissioners Schlieve, Poshusta, Boughton, and Prenosil. Also present were Executive Director Hurm, Finance Director Detloff, Deputy Director for Community Development Smith, Deputy Family Housing Director Mattson, St. Mark's Director Christine Harris, Dorsey Whitney Bond Attorney Lynette Slater-Crandall, DCA Director, John Garry, and City Council members Marian Clennon and Judy Enright.

**2.) Approval of Minutes.**

It was moved by Commissioner Poshusta and seconded by Commissioner Schlieve to approve the minutes of the regular meeting of March 29, 2011. 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 Boughton and seconded by Commissioner Schlieve 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.) Other Business:**

- a. **St. Mark's Lutheran Home - Public Hearing.** Lynette Slater-Crandall, the HRA bond attorney from Dorsey & Whitney, explained the conduit debt process that

enables the sale of tax exempt bonds for a 501(C)(3) corporation, in this case, St. Mark's Lutheran Home. Ms. Slater-Crandall said that when the bonds are issued the HRA or the City of Austin will have little or no risk of further involvement.

A public hearing on the project and housing program and the issuance by the Housing and Redevelopment Authority of Austin of its Housing and Healthcare Facilities Revenue Bonds in a principal amount not to exceed \$15,000,000, at the request of St. Mark's Lutheran Home was opened by Chairman Repinski. Lynette Slater-Crandall answered questions and re-affirmed that the City of Austin and the Austin HRA would have no financial risks or costs with the project. The HRA will also receive a \$10,000 fee for work involved in facilitating the process. No comments were received. The public hearing was closed by Chairman Repinski.

- b. **St. Mark's Lutheran Home - Resolution Calling for Sale of Bonds.** The following resolution was introduced by Commissioner Boughton and seconded by Commissioner Schlieve.

**RESOLUTION No. 503  
RESOLUTION RELATING TO HOUSING AND HEALTHCARE  
FACILITIES REVENUE BONDS (ST. MARK'S LUTHERAN HOME  
PROJECT) SERIES 2011; AUTHORIZING THE ISSUANCE  
THEREOF PURSUANT TO MINNESOTA STATUTES,  
CHAPTERS 462a AND 462C.**

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

**5.) Public Housing:**

- a. **Twin Towers - Award Refrigerator bid.** Bids were solicited for replacement of 204 refrigerators at the Twin Towers. The bid includes delivery and installation of the new refrigerators and removal and disposal of the existing refrigerators. It was moved by Commissioner Boughton and seconded by Commissioner Poshusta to award the refrigerator contract to General Electric for \$87,373. All present voted in favor of the motion, none in opposition thereto, the Chairman declared the motion passed and carried.

**b. Scattered Sites - Unit at 907 15<sup>th</sup> Ave. NE:**

- 1.) Approve purchase of vacant lot at 1101 10<sup>th</sup> Ave. SW. A tax-forfeited lot at 1101 10<sup>th</sup> Ave. SW is available from Mower County for a purchase price of \$4,967. The lot will be ideal for relocation of the scattered site three bedroom home at 907 15<sup>th</sup> Ave. NE. The scattered site will be purchased by Leaning Tree to facilitate future growth of the Hormel Institute. It was moved by Commissioner Boughton and seconded by Commissioner Schlieve to purchase the tax forfeited lot at 1101 10<sup>th</sup> Ave. SW for approximately \$4,967. All present voted in favor of the motion, none in opposition thereto, the Chairman declared the motion passed and carried.
  
- 2.) Approve counteroffer to purchase agreement of 907 15<sup>th</sup> Ave. NE. Leaning Tree has offered \$68,000 for the scattered site home at 907 15<sup>th</sup> Ave. NE. The HRA's appraisal was for \$70,400. It was moved by Commissioner Poshusta and seconded by Commissioner Schlieve to make a counteroffer of \$75,367 (\$70,400 for the house and \$4,967 for purchase of a new lot). All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

**6.) Executive Director's Reports:**

- a. Housing Improvement Program. Director Hurm reported that in keeping with the City Council's goal of neighborhood improvement, he is continuing work to form partnerships and devise a program to provide tools to assist residential property owners with making improvements to their property. The commissioners agreed that an improvement program was a good thing. Commissioner Prenosil said that a rental housing ordinance should be approved by the City Council before any improvement program is implemented. She also said priority should be given to homeowners over rental property owners.

**b. John Garry - DCA Report.** John Garry discussed the Vision 2020 program inspired by the presentation by leaders from Dubuque Iowa. Efforts will be made to engage the entire community for ideas that can be implemented to improve the overall quality of life. Mr. Garry also distributed census statistics showing where Austin's workers are employed and where workers employed in Austin live. One positive number shows more of Austin's employed workers living and working in Austin than has been the case in recent years.

In a comment about the Main Street Project, Commissioner Repinski said he has been impressed with the improvements downtown, but was concerned about high rents in some of the remodeled apartments. Some of the remodeled apartments are required by funding regulations to maintain affordable rents while others are set to market rates by the landlord. Commissioner Boughton said the marketplace would determine if a rent was too high.

**7.) Adjournment:** There being no further business it was moved by Commissioner Prenosil and seconded by Commissioner Schlieve 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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Marvin Repinski, Chair

SEAL

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Shirley Schlieve, Secretary