

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

**May 18, 2005**

**1.) Roll Call.**

The regular meeting of the Housing and Redevelopment Authority of Austin, Minnesota was held at 4:30 PM, May 18, 2005, at the HRA Office. The meeting was called to order by Chairperson Jorgenson. Present were Commissioners Lang, Nordin, Nelson, and Pacholl. Also present were Executive Director Hurm, Deputy Director for Community Development Smith, HRA Finance Director Detloff, Family Housing Specialist Ackland, Deputy Director of Housing Volstad, Deputy Director of Family Housing Mattson, and City Community Development Director Hoium. Commissioner Christopherson was absent.

**2.) Approval of the meeting minutes of April 19, 2005.**

It was moved by Commissioner Lang and seconded by Commissioner Nordin to approve the minutes of the regular meeting of April 19, 2005. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

**3.) Approval of the claims for payment.**

It was moved by Commissioner Lang and seconded by Commissioner Nordin to authorize payment of the list of claims for payment as presented with the addition of two progress payments for scattered site renovation work. The additions were \$15,000.00 to R.H. Johnson and \$19,375.00 to G & G Heating. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

#### 4.) Community and Economic Development.

Railroad Property - Review construction plans for Vel-Ved Transportation. Vel-Ved Transportation has prepared plans and is ready to begin construction on their land in the Milwaukee Roundhouse Addition. The development agreement requires HRA approval of the building plans prior to construction. Craig Hoium presented the plans and answered questions. The plans are in compliance with code requirements and Mr. Hoium recommended approval. It was moved by Commissioner Nordin and seconded by Commissioner Pacholl to approve the Vel-Ved building plans. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

Railroad Property - Extension of purchase options. In January the HRA Commissioners approved purchase options in the Milwaukee Roundhouse Addition for the Fraternal Order of Eagles, Lakeside Properties, and B&J Bar. The process for the possible acquisition of these properties is just getting underway. Purchase offers will not be available until early in July. The current options are scheduled to expire on June 1, 2005. It was moved by Commissioner Lang and seconded by Commissioner Nordin to extend the expiration date of the options to September 1, 2005. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

Flood Project - Selection of Consultants. Various aspects of the pending commercial flood acquisition program require the use of consultants. Tom Smith presented recommendations based on the qualifications and experience of the consultants.

It was moved by Commissioner Pacholl and seconded by Commissioner Nordin to contract with Environmental Assurance to conduct the required testing and report preparation for asbestos abatement. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

It was moved by Commissioner Pacholl and seconded by Commissioner Nordin to contract with Robinson Appraisal for the completion of appraisal work. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

It was moved by Commissioner Pacholl and seconded by Commissioner Nordin to contract with Wilson Development to conduct needed relocation services in the event of displacement of tenants. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

It was moved by Commissioner Lang and seconded by Commissioner Nordin to contract with American Testing to conduct phase 2 soil testing as needed. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

**5.) Executive Director Reports.**

**Discussion of Usem Body Shop and Storage Bldg. Property.**

Director Hurm reported that bids for development of the transit garage and office on Block 15 of Original Village came in nearly \$200,000 over project estimates. He presented three options for dealing with the situation. The first option requires additional contributions from the participating parties to complete the project as bid. The second option would scale back the redevelopment plans and re-bid the project. The third option would return the federal grant, request a contribution from the City and County to reimburse part of the acquisition cost, and allow the HRA to clear the site and create parking, greenspace, or a combination thereof. The potential cost to the HRA would be \$75,000 for land purchase and another \$75,000 for clearance, improvements to the land, and miscellaneous costs. The transit system would need to review options to lease or purchase property elsewhere.

It was moved by Commissioner Nordin and seconded by Commissioner Pacholl to authorize the Executive Director pursue option three as presented. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

**6.) Public Housing.**

**Resolution to approve HUD Operating Subsidy calculations for FYE 9/30/2006.** Sherri Detloff presented the calculations for determining the Public Housing operating subsidy for the fiscal year ending 9/30/2006. The following resolution was

introduced by Commissioner Nordin and seconded by Commissioner Lang.

**RESOLUTION APPROVING THE CALCULATION  
OF PERFORMANCE FUNDING SYSTEM  
OPERATING SUBSIDY FYE 9/30/06**

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

**Pickett Place - Award consultant contract for Elevator Modernization (Capital Fund Grant).** The two elevators at Pickett Place have outdated control systems and are subject to increasing maintenance problems. The elevator service contractor is strongly recommending complete modernization.

Three consultants submitted proposals to inspect the existing system, prepare specifications, and oversee modernization of the elevators. The costs will be covered through the capital fund. Total modernization is estimated to cost over \$300,000.

It was moved by Commissioner Pacholl and seconded by Commissioner Nelson to select Elevator Consulting Services as the consulting firm for the Pickett Place elevator modernization project at the cost of \$7,930.00. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

**Award bid for Scattered Site Renovation Project (Capital Fund Grant).** Karen Mattson presented bids for two renovation projects at the scattered site public housing units. The first bid was for new windows, siding, and doors at two duplex units and one three bedroom unit. It was moved by Commissioner Lang and seconded by Commissioner Pacholl to accept the low bid of \$40,800 from JB Siding. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

The second bid was for concrete replacement at five duplex units. Work will include new driveways, sidewalks, and pre-cast steps. It was moved by Commissioner Lang and seconded by Commissioner Pacholl to accept the low bid of

\$47,600 from Crete Construction. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

**7.) Other business.**

**Renewal application for Section 8 Voucher CASA Homeownership Program.** Julie Ackland distributed information describing the types of CASA programs and requested board authorization to apply for and renew these programs.

It was moved by Commissioner Pacholl and seconded by Commissioner Nelson to authorize renewal of the Housing Choice Voucher CASA Program. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

**Discussion of CASA Program to replace the Homesteps Program.** With the approval of the County HRA, an application will be submitted to MHFA for approval of a County-wide CASA program to replace the Homesteps program that was discontinued in April. It was moved by Commissioner Nordin and seconded by Commissioner Pacholl to Authorize submission of an application for a County-wide CASA Program. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

It was moved by moved Commissioner Nordin and seconded by Commissioner Pacholl to authorize an application for the HRA to continue offering Homebuyer Training for 2005-2006. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

**Discussion of Northeast Neighborhood CASA Program.** Julie Ackland offered clarification for the recently approved targeted CASA program made available to a large neighborhood in northeast Austin. The application was targeted at MHFA's suggestion to improve the likelihood of approval. The program will be reviewed after three months to determine if changes in the target area boundaries will be needed.

**8.) Adjourn.** There being no further business it was moved by Commissioner Lang and seconded by Commissioner Pacholl to adjourn the meeting. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

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Michelle Jorgenson, Chairperson

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Gloria M. Nordin, Secretary