

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

June 12, 2002

The regular meeting of the Housing and Redevelopment Authority of Austin, Minnesota was held at 4:30 PM, June 12, 2002, at the HRA Office. The meeting was called to order by Chairman Lang. Present were Commissioners Chaffee, Jorgenson, and Nordin. Also present were Executive Director Mahan, Deputy Director for Community Development Smith, Deputy Director of Housing Volstad, HRA Accountant Detloff, and City Finance Director Dankert.

It was moved by Commissioner Nordin and seconded by Commissioner Chaffee to approve the minutes of the regular meeting of May 8, 2002. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

It was moved by Commissioner Nordin and seconded by Commissioner Chaffee to approve the minutes of the special meeting of May 20, 2002. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

It was moved by Commissioner Nordin and seconded by Commissioner Chaffee to approve the minutes of the special meeting of May 31, 2002. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

PUBLIC HOUSING:

Accessible Space. Dr. David Piltz of Accessible Space explained their application for Section 202 funds to provide a thirty (30) unit building offering accessible assisted living units for low income elderly. Dr. Piltz said that population projections predict a growing need for this type of housing. Units not rented to elderly in need of assisted living could be rented to able-bodied qualified tenants.

Director Mahan, Commissioner Chaffee and Chairman Lang expressed concern that the project would take tenants from Pickett

Place and the Twin Towers. Waiting lists are already short. Further reduction or elimination of waiting lists could jeopardize the strength of the public housing projects.

Dr. Piltz said that their organization could also provide assisted living help to the HRA's clients enabling them to remain in their existing apartments at the Twin Towers and Pickett Place. If such an arrangement could be agreed to, the Accessible Space project could be a "win-win" situation for the HRA and Accessible Space.

Accessible Space requested a \$5,000.00 contribution along with a letter of support. This contribution would provide five points on their funding application to HUD. Director Mahan said he could support the project in return for a commitment from Accessible Space to provide assisted living services at Pickett Place and the Twin Towers.

It was move by Commissioner Jorgenson and seconded by Commissioner Chaffee to prepare a Resolution in support of the Accessible Space application for 202 funds and to provide \$5,000.00 to the project if it is funded. The Resolution will also detail Accessible Space's commitment to offer offer assisted living services at Pickett Place and the Twin Towers. Voting in favor of the motion were Commissioners Jorgenson, Chaffee, and

Nordin. Chairman Lang abstained due to conflict of interest. The Chairman declared the resolution passed and adopted.

Pickett Place – Tuckpointing Project. Bob Lemonds with the Army Corps of Engineers visited Austin of May 21, 2002, to review the contract and supporting documents for the Pickett Place tuckpointing project. He also visited the site and inspected the work done to date. He found all the documents to be in order and was pleased with the quality of the work done.

The dust and noise continue to be an unavoidable byproduct of the project. The contractor and HRA staff are working to minimize problems for tenants. Because air conditioners are needed by some tenants and cannot be used when sawing is being done, work will begin at 6:30 A.M. and sawing will cease at noon. Other work will be done in the afternoons so tenants can use their air conditioners in the afternoon. The normal work schedule is four ten-hour days per week. The project should be completed in the fall.

AUSTIN COURTYARD & CHAUNCEY APTS.:

Payment on City Loan. The City of Austin provided a loan of \$1,181,069.07 at 6.3% to the HRA to assemble land for the Chauncey

project. The City has requested that a payment be made on this loan. Current surplus reserves on the projects total \$424,849.41. A payment of \$211,619.43 would pay the principal and accrued interest through December 31, 2001, on the acquisition of the Weber and Dolan parcels. Reserve funds can only be drawn on once per year. The loan payment situation will be revisited annually.

It was moved by Commissioner Nordin and seconded by Commissioner Jorgenson to authorize payment of \$211,619.43 for principal and interest on the Chauncey loan. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

East Side Homeownership Program. Lowell Johnson, our project representative from the Department of Trade and Economic Development was in Austin on May 15th and 16th to monitor the progress on the Eastside Homeownership Program. He monitored all of the program files and toured the project. Mr. Johnson conducted an exit interview with Kermit and Tom. No significant findings were disclosed at the exit interview and nothing is expected in the final monitoring report.

Two homes are being marketed for sale to low to moderate- income buyers, and plans are being made to move two more homes into the area for renovation. Staff has applied to the Minnesota Housing Finance Agency for Community Action Set Aside (CASA) funds that could be used to provide additional assistance to a qualified buyer.

Railroad yard Project. Work on the demolition phase of the Railroad Cleanup Project is well underway. Although preliminary surveys were done to locate concrete and underground structures, the demolition contractor has found a large amount of undetected concrete in the roundhouse area. Director Mahan will work with the project engineer, Jeff Broberg, to determine what part of the additional work should be covered through change orders.

Flood Progress Report. All six homes approved for acquisition with the first phase of FEMA funding have been acquired. Contracts for demolition of two of the homes have been awarded. A third home will be

demolished after asbestos abatement. Two of the three remaining homes will be moved to the Railroad project area and renovated.

An application for a small grant has been submitted to FEMA. This grant will be used to acquire two homes and flood-protect a third. HRA and City Engineering staff are working with Bob Bezek of the Minnesota DNR to provide FEMA with information to enable the release of \$2.5 million in Federal funds earmarked for Austin. Requested information should be submitted to FEMA by the end of June. We are cautiously optimistic that the \$2.5 million will be released sooner than the originally projected one-year timeframe.

Other: Director Mahan was requested to assist with the preparation of a job description for HRA Executive Director. Director Mahan has been working with Pat Wamser and Associates to set pay scales for HRA staff. When this is completed it will be shared with the HRA Board to assist them in deciding the best way to select a new HRA Executive Director.

BILLS: It was moved by Commissioner Jorgenson and seconded by Commissioner Nordin to authorize payment of the list of accounts payable dated June 12, 2002. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

ADJOURNMENT: There being no further business it was moved by Commissioner Chaffee and seconded by Commissioner Jorgenson to adjourn the meeting. All present voted in favor thereof, none in opposition thereto. The Chairman declared the motion passed and carried.

Richard Lang, Chairman

SEAL

Mickey Jorgenson, Secretary/Treasurer