

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

**July 13, 2005**

**1.) Roll Call.**

The regular meeting of the Housing and Redevelopment Authority of Austin, Minnesota was held at 4:30 PM, July 13, 2005, at the HRA Office. The meeting was called to order by Chairperson Jorgenson. Present were Commissioners Lang, Nordin, Christopherson, Pacholl, and Nelson. Also present were Executive Director Hurm, Deputy Director for Community Development Smith, HRA Finance Director Detloff, Deputy Director of Housing Volstad, Deputy Director of Family Housing Mattson, Paul Johnson, and Kathleen Aho. Shirley Schlieve also attended as a potential HRA Commissioner.

**2.) Approval of the meeting minutes of June 15, 2005.**

It was moved by Commissioner Nordin and seconded by Commissioner Pacholl to approve the minutes of the regular meeting of June 15, 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 Pacholl to authorize payment of the list of claims for payment as presented. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

**4.) Community and Economic Development.**

**a.) Option to sell HRA vacant lot south of Labor Center.**  
An effort is being made to assemble land suitable for the construction of a new AMCAT garage and office. A good

potential site consists of four vacant lots in Block 31 of Original Village on 3<sup>rd</sup> Ave. NE. One of the lots is owned by the HRA. The other lots are privately held. It was moved by Commissioner Nordin and seconded by Commissioner Lang to authorize Director Hurm negotiate a purchase option for the sale of the HRA lot for the AMCAT project. The sale will be contingent on execution of sales agreements for the privately held lots. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

#### **5.) Executive Director Reports.**

**a.) Usem Body Shop - Conceptual Drawings and Cost Estimates.** Architect Paul Johnson presented a preliminary site plan for the proposed parking lot on the north end of the Austin Courtyard. The plan proposes eighteen parking spaces including one handicap space. Green-space is maximized in the plan. The estimated cost of demolition of the existing abandoned structures and development of the parking lot is \$52,400. It was moved by Commissioner Lang and seconded by Commissioner Nordin approve the preliminary plan as presented and authorize the staff to proceed with the project. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

#### **6.) Public Housing.**

**a.) Twin Towers - Award bid for new tower roofs and air handling units for both towers.** Bids for the replacement of the tower roofs at the Twin Towers and replacement of the make-up air systems were opened on July 12, 2005. Three bids were received. The low bid including alternates for replacing the penthouse roofs and extending the warranty was \$306,396 from Merit Construction. This project will be funded with Capital Fund Program (CFP) money.

It was moved by Commissioner Nordin and seconded by Commissioner Pacholl to award the Twin Tower roofing project bid to Merit Construction. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

**b.) Scattered Sites - Award bids on remodeling.** Bids were opened on July 11, 2005, for a variety of remodeling projects on the scattered site family homes.

1. **Kitchen Cabinets and Vanities** - Five 2BR-duplex units. It was moved by Commissioner Christopherson and seconded by Commissioner Pacholl to accept the low bid of \$26,674 from Dwight Matter. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.
2. **Electrical Work for Above Kitchen Cabinets.** It was moved by Commissioner Christopherson and seconded by Commissioner Nordin to accept the low bid of \$2,965 from Fox Electric. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.
3. **Plumbing Work for Above Kitchen Cabinets.** It was moved by Commissioner Lang and seconded by Commissioner Christopherson to accept the bid from Dick's Plumbing for \$8,463. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.
4. **Install New Underlayment, Vinyl Flooring & Vinyl Base** - Four 2BR units & two 3BR houses. It was moved by Commissioner Pacholl and seconded by Commissioner Nordin to accept the low bid from Doors and Floors for \$22,770.44. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.
5. **Concrete and Grading Bids** - One 2BR unit, four 3BR houses & four three BR houses that need repairs. No timely bids were received for this project. It was moved by Commissioner Nordin and seconded by Commissioner Christopherson to reject all bids and re-bid at a later date.
6. **Landscaping** - Five 2BR duplex units. It was moved by Commissioner Nordin and seconded by Commissioner Lang to accept the low bid from Dolan's Nursery for \$9,980.57. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed & carried.

**c.) Scattered Sites - Review Change Orders on Rehab. Project.** Four minor change order requests on previously approved scattered site remodeling projects were presented by Karen Mattson. It was moved by Commissioner Lang and seconded by Commissioner Nordin to approve Change Orders 1-4 as presented. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

**d.) Public Housing - Resolution to Approve Annual and 5 Year Plan.** Gwen Volstad presented the Annual and 5 Year Capital Improvement Plan for all HRA public housing for fiscal years 2005 through 2009. It was moved by Commissioner Nordin and seconded by Commissioner Christopherson to approve the Public Housing Capital Fund Program 5 Year Capital Improvement Plan: 2005 through 2009. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

**7.) Market Rate Housing.**

**a.) Hold a Public Hearing regarding refinancing Austin Courtyard 1995A Bonds.** Kathleen Aho of Springsted, Inc. explained the advantages of refunding the Series 1995A Bonds for the Austin Courtyard. The proposed refinancing will save the project \$725,000 in interest payments. Ms. Aho offered a detailed written explanation of the proposed transaction.

The public hearing on the refinancing of the Austin Courtyard 1995A Bonds was opened by Chairperson Jorgenson. Ms. Aho answered several questions from the HRA Commissioners. There were no public comments. Chairperson Jorgenson declared the public hearing closed.

**b.) Resolution to Sell General Obligation Bonds to Refund the Austin Courtyard 1995A Gross Revenue Bonds.**

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

**RESOLUTION #424  
RESOLUTION RELATING TO \$1,820,000 GENERAL  
OBLIGATION GOVERNMENTAL HOUSING GROSS  
REVENUE REFUNDING BONDS, SERIES 2005A;  
AUTHORIZING THE ISSUANCE AND CALLING FOR  
THE SALE THEREOF.**

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

Ms. Aho disclosed to the Commissioners that the published notice for the public hearing stated that the bond refunding would be for \$1,800,000. Legal counsel advised Ms. Aho that the actual amount of \$1,820,000 approved in the Resolution was permissible under law.

**c.) Motion to approve a 25' Utility Easement Along 4<sup>th</sup> St. NE (Chauncey Apartment Property).** Austin Utilities requested an easement to accommodate the relocation of electric facilities as part of the reconstruction of 4<sup>th</sup> St. NE. The easement would run along 4<sup>th</sup> St. NE on the eastern end of the Chauncey Apartments property. The City Engineer has reviewed the easement request and recommended the easement contain wording making the easement secondary to that previously granted to the City of Austin. He further suggested that wording be included stating that if the HRA requires relocation of the utility in the future, the HRA would not be responsible for the associated costs.

It was moved by Commission Lang and seconded by Commissioner Pacholl to grant the easement request with the addition of the clauses recommended by the City Engineer.

**d.) Approve FYE 9/30/06 Budget and Rent Increases to be effective 1/1/06.** Sherri Detloff presented the proposed budget for the Austin Courtyard & Chauncey Apartments for the fiscal year 10/1/05 to 9/30/06. The budget proposes rent increases of \$15 or \$20 per apartment depending on apartment size. The rent increase will cover inflationary cost increases and anticipated assessments for street improvements. It was moved by Commissioner Nordin and seconded by Commissioner Christopherson to approve the Austin Courtyard and Chauncey Apartment budget for FYE 9/30/06 which included the proposed rent schedule as presented. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

**9.) Adjourn.** There being no further business it was moved by Commissioner Lang and seconded by Commissioner Nordin 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