



308 Second Ave. NE, Austin, MN 55912  
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## **REGULAR MEETING AGENDA**

**THURSDAY, JULY 16, 2015 @ 4:30 PM**

Please let Jon or Sherri know if you cannot attend this meeting.

Four Commissioners must be present to constitute a quorum.

1. **Roll Call.**
2. Approve **Meeting Minutes** of June 10, 2015.
3. Review **Accounts Payable.**
4. **Public Housing:**
  - a. Resolution to close out 2012 Capital Fund Grant.
  - b. Scattered Site – Motion to approve settlement award.
5. **Market Rate Housing:**
  - a. Resolution to adopt budget for FYE 9/30/16 and rent schedules.
  - b. Chauncey – Motion to award bid for roofing.
6. **Executive Director Reports:**
  - a. Tax Forfeited Properties at 609 10<sup>th</sup> Ave. NW & 1206 9<sup>th</sup> St. NE -  
Purchase from Mower County.
  - b. Fox Pointe Development -  
Hormel Foundation approval to split acquisition cost of property with HRA.
  - c. Capitalization Policy – Resolution to update policy.
  - d. Verizon Cell Tower – Motion to approve lease amendment.
  - e. Bridges – Resolution to change preference criteria.
7. **Adjourn.**



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

**1.) Roll Call.**

**Date & Time: July 16, 2015 at 4:30 PM**

Commissioners Present: Judy Enright, Chair  
Jerry McCarthy  
Marvin Repinski  
David Hagen

Commissioners Absent: Joyce Poshusta, Vice-Chair  
Janet Anderson, Secretary  
Leona Ruehmann

HRA staff Present: Jon Erichson, Executive Director  
Sherri Detloff, Finance Director

There being a quorum, the meeting was called to order by Chair Enright.

**2.) Approval of Minutes.**

It was moved by Commissioner McCarthy and seconded by Commissioner Repinski to approve the minutes of the regular meeting on June 10, 2015. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

**3.) Approval of Accounts Payable.**

It was moved by Commissioner Repinski and seconded by Commissioner Hagen to authorize payment of the list of accounts payable. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

#### **4.) Public Housing:**

##### **a. Resolution to close out the 2012 Capital Fund Grant.**

The Capital Fund Grant for 2012 in the amount of \$416,393 has been fully expended. Projects done at the Twin Towers included installation of a new emergency generator, new thermostats for all apartments and seal wall runs in all apartments. Projects done at the Scattered Sites included roof replacements on 20 units, purchase pickup with snow blade and general operations. The project done at Pickett Place was seal wall runs in all apartments. The following resolution was introduced by Commissioner McCarthy and seconded by Commissioner Hagen.

#### **RESOLUTION #558 RESOLUTION APPROVING THE FINAL PERFORMANCE AND EVALUATION REPORT TO CLOSE OUT THE 2012 CAPITAL FUND GRANT #MN46P08550112**

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

##### **b. Scattered Sites – Motion to approve settlement award.**

The HRA has a claim from a former tenant that was initiated May 2014 stemming from an incident that occurred in November 2011. The Hoversten Law Office was retained to represent the HRA in this matter. The HRA has reached an agreement with the former tenant for \$10,000 to settle the claim. This does not mean the HRA is guilty of any impropriety, simply an amount to settle the matter and avoid further litigation costs which have already exceeded double that amount. It was moved by Commissioner Hagen and seconded by Commissioner Repinski to authorize the Executive Director to sign the Settlement Claim and pay \$10,000 to the former tenant. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried. There is a confidentiality clause that requires all parties to keep the terms and conditions of the settlement confidential to the extent of Public Information laws.

#### **5. Market Rate Housing:**

##### **a. Resolution to approve budget for fiscal year ending 9/30/2016.**

A budget for Austin Courtyard and Chauncey Apartments was presented to the Board for FYE 9/30/2016. A \$10 per apartment rent increase for all apartments plus a \$5 per storage locker increase was proposed in the budget. Some of the factors causing the rent increase included debt service payments on the bonds increasing by \$15,000 for 2016, carpeting replacement as Courtyard unit's turnover and hallway A/C's are starting to fail at Courtyard.

Capital projects were also identified that will be paid for with funds in the replacement reserve account at US Bank, our trustee. Those projects include new roofs for both buildings, drainage improvements for Chauncey and upgrade to high definition receivers for the satellite TV system.

The following resolution was introduced by Commissioner Hagen and seconded by Commissioner Repinski to approve the budget for FYE 9/30/2016.

**RESOLUTION #561  
RESOLUTION APPROVING THE BUDGET FOR THE  
AUSTIN COURTYARD AND CHAUNCEY APARTMENT BUILDINGS  
FOR THE FISCAL YEAR ENDING 9/30/2016**

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

**b. Motion to award bid for roofing Chauncey.**

The HRA requested bids for re-roofing the Chauncey apartment building. Seven requests for proposal were sent out with only one bid being received. The sole bidder was Anderson Siding and Windows in the amount of \$198,960 and met all bidding requirements. The project was estimated at \$180,000 to \$190,000. The project is required to be completed by November 1, 2015. It was moved by Commissioner Hagen and seconded by Commissioner McCarthy to accept the bid from Anderson Siding and Windows for \$198,960. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

**6.) Executive Director Reports.**

**a. Tax Forfeited properties at 609 10<sup>th</sup> Ave. NW and 1206 9<sup>th</sup> St. NE.**

Executive Director Erichson reported that both properties have been acquired by the HRA. Tree removal and bush trimming have been completed at the NW site which will be rehabbed. At the NE site, testing for asbestos has been completed and only a sink has been identified as having asbestos. Demolition specs have been mailed to contractors for this NE house.

**b. Fox Pointe Development.**

ED Erichson reported that the Hormel Foundation approved the request to split acquisition costs of the property with the HRA up to \$350,000. We now have to wait until end of October 2015 to see if Three Rivers Community Action receives tax credits from the State of Minnesota in order for this project to proceed.

**c. Capitalization Policy – Resolution to update policy.**

Finance Director Detloff explained that copy machines and other office equipment are currently being depreciated over 10 years and for uniformity purposes should be the same as computers which have a depreciated life of 5 years. The following resolution was moved by Commissioner McCarthy and seconded by Commissioner Hagen to change the depreciation life from 10 years to 5 years on office equipment.

**RESOLUTION #559  
RESOLUTION UPDATING THE CAPITALIZATION POLICY**

All present voted in favor of the motion, none in opposition thereto. The motion was passed and carried.

**d. Verizon Cell Tower – Motion to approve lease amendment.**

ED Erichson reported that Verizon was requesting access to upgrade their lines to fiber at the Twin Towers. They would pay the HRA \$2,000 for this work. This fiber installation would increase the value for potential future lease negotiations. The current lease runs through 6/1/2020. It was moved by Commissioner Repinski and seconded by Commissioner Hagen to authorize execution of this work. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

**e. Bridges Program – Resolution to change preference criteria.**

ED Erichson reported that Minnesota Housing Finance Agency has developed a list of criteria giving a point preference to applicants that apply for the Bridges Vouchers. MHFA is requiring that all local agencies adopt these criteria with the latest award approval of these Bridges Vouchers. This would replace our current preference criteria. The following resolution was moved by Commissioner McCarthy and seconded by Commissioner Hagen to adopt the MHFA criteria.

**RESOLUTION #560  
RESOLUTION ADOPTING THE MHFA WAITING LIST  
PREFERENCES FOR THE BRIDGES PROGRAM**

All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

**7.) Adjourn:**

There being no further business it was moved by Commissioner Repinski and seconded by Commissioner Hagen to adjourn the meeting. All present voted in favor of the motion, none in opposition thereto. The motion was passed and carried. The meeting was adjourned at 5:15 PM.

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Judy Enright, Chair

SEAL

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Marvin Repinski, Commissioner