

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

September 15, 2010

1.) Roll Call.

The regular meeting of the Housing & Redevelopment Authority of Austin, MN was held September 15, 2010 at 4:30 P.M. at the HRA Office. The meeting was called to order by Chairman Pacholl. Present were Commissioners Schlieve, Poshusta, Repinski, and Prenosil. Also present were Executive Director Hurm, Finance Director Detloff, Deputy Director for Community Development Smith, DCA Director John Garry and Main Street Project Director Sarah Douty.

2.) Approval of Minutes.

It was moved by Commissioner Repinski and seconded by Commissioner Poshusta to approve the minutes of the regular meeting of August 18, 2010. 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 Prenosil 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.) Executive Director Report:

- a. **DCA - Report by John Garry.** John Garry presented data on state of the Minnesota's economy and Austin's needs in particular. He shared information provided by Dan McElroy, the Commissioner of the Minnesota Department of Employment and Economic Development. Austin's unemployment of 6.1% is lower than the State average of 6.8%. Austin has suffered less because of

its food based economy and the strength of its major employers including Hormel Foods, Austin Medical Center, Austin Packaging, Hormel Institute, Cooperative Response Center and Riverland Community College. Garry said the best way to keep lower levels of unemployment is to train the workforce in new technologies, promote the expansion of the markets for local goods, and work on sustainable energy initiatives.

Garry said he would keep the Commissioners updated on economic development efforts of the DCA, but confidentiality requirements preclude the sharing of information when projects are being worked on. He said development was most likely from sources within the community.

- b. Main Street Project - Report by Sarah Douty.** Sarah Douty updated the Commissioners on the progress of revitalization efforts in Austin's downtown area. To date, over \$4.7 million in private and public funds have been spent on revitalization projects facilitated through the Austin Main Street Project. An updated web site for the Austin Main Street Project was announced and a street dance is scheduled for September 17th to celebrate the Austin Main Street's fifth anniversary. Work on the old bank building on the corner of Main Street and 2nd Ave. NE is nearly complete and Sarah hopes to have an open house there in conjunction with the Christmas in the City Celebration in November.

5.) Public Housing:

- a. Twin Towers - Award bid for Landscaping Project (Capital Fund Grant will be used).** Bids were solicited from three landscaping contractors for new landscaping and related work around the Twin Towers and the adjoining parking areas. The following bids were received.

Dolan's Landscape Center	- \$68,399.00
Berg's Nursery	- \$84,759.58
Stiver's Nursery	- no bid

It was moved by Commissioner Poshusta and seconded by Commissioner Schlieve to award the

landscaping contract to Dolan's Landscape Center, Inc., for \$68,399.00. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

b. **Resolution to close the 2009 ARRA Capital Fund Grant.**

All of the grant funds provided to the HRA through the American Recovery and Re-investment Act have been spent. The following resolution was introduced by Commissioner Repinski and seconded by Commissioner Schlieve.

RESOLUTION #499

RESOLUTION APPROVING THE PERFORMANCE & EVALUATION REPORT FOR THE 2009 ARRA CAPITAL FUND GRANT PROGRAM CFP GRANT #MN46S08550109

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

c. **Resolution to approve the budgets for Public Housing Projects.**

Finance Director Detloff presented the public housing budget for the fiscal year ending 9/30/2011. She provided information for the current fiscal year as a source of comparison. Most items had little or no change. One item with a significant change was the management fee. Currently, a monthly per unit month fee (PUM) of \$35.00 per month is being charged. The new budget proposes increasing the management fee to the HUD maximum of \$54.00 per unit month. Funds generated through management fees can be transferred to the General Fund where they are de-federalized and can be used for various development projects at the HRA's discretion. An amended General Fund budget will be presented at the next meeting to reflect the increased management fee income.

The following resolution was introduced by Commissioner Poshusta and seconded by Commissioner Repinski.

RESOLUTION #498

PHA BOARD RESOLUTION APPROVING THE PUBLIC HOUSING OPERATING BUDGET

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

d. Resolution to write-off collection losses. HUD requires that tenant bad debts be written off annually. The HRA continues with efforts to collect the debts after they are written off through recapture through the Minnesota Department of Revenue or through the Credit Bureau. The following resolution was introduced by Commissioner Schlieve and seconded by Commissioner Poshusta.

**RESOLUTION #497
RESOLUTION TO WRITE OFF COLLECTION LOSSES**

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

6.) Market Rate Housing:

a. Chauncey Refinancing - Final bond sales figures. The refunding of the Chauncey Apartments gross revenue bonds is now complete. The average interest rate on the new bonds is 4.28% as compared to 7.25% on the bonds before refunding. This is a savings of \$3,452,635 over the life of the new bonds.

b. Revisit bid from last year for snow removal from sidewalks. Last year Dolan's Landscape Center did the sidewalk snow removal for the Austin Courtyard and Chauncey Apartments. Based on last years experience and cost it was recommended that this season's contract for sidewalk snow removal be awarded to All Seasons Outdoor Maintenance.

It was moved by Commissioner Prenosil and seconded by Commissioner Schlieve to award this winter's sidewalk snow removal contract at the Chauncey and Courtyard Apartment buildings to All Seasons Outdoor Maintenance. All present voted in favor of the motion none in opposition thereto. The Chairman declared the motion passed and carried.

7.) Adjourn:

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

Richard Pacholl, Chairman

SEAL

Shirley Schlieve, Secretary