

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

**September 17, 2003**

**Roll Call.**

The Regular Meeting of the Housing and Redevelopment Authority of Austin, Minnesota was held at 4:30 PM, September 18, 2003 at the HRA Office. The meeting was called to order by Chairperson Jorgenson. Present were Commissioners Lang, Chamberlain, Nordin and Nelson. Also present were Executive Director Hurm, Deputy Director for Housing Volstad, Deputy Director for Community Development Smith, HRA Finance Director Detloff, and Family Housing Specialist Ackland. Commissioners Goodnature and Valerio were absent.

**1.) Approval of the meeting minutes of August 20, 2003.**

Commissioner Nordin noted that her name was omitted on the list of those present at the meeting of August 20, 2003. It was moved by Commissioner Nordin and seconded by Commissioner Lang to approve the minutes of August 20, 2003, as amended. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

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

It was moved by Commissioner Nordin and seconded by Commissioner Lang to authorize payment of the list of claims for payment dated September 17, 2003. All present voted in favor thereof, none in opposition thereto. The Chairperson declared the motion passed and carried.

**3.) PUBLIC HOUSING:**

**a.) Resolution to write off collection losses.**

The following Resolution was introduced by Commissioner Nordin and seconded by Commissioner Nelson.

**RESOLUTION ACCEPTING COLLECTION LOSSES FOR  
PUBLIC HOUSING  
PROJECTS MN85001, MN085002 & MN085003**

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

**b.) Award Bid - TT Masonry Restoration.** Gwen Volstad presented results of the bid opening for precast masonry restoration at the Twin Towers. Four bids were received. The low bid was submitted by Superior Contractors at a bid of \$912,000 which included \$112,000 in alternates.

It was moved by Commissioner Lang and seconded by Commissioner Chamberlain to accept the bid from Superior Contractors for \$912,000. Acceptance of the bid is subject to review and approval of the bid documents by the project architect. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

**c.) Homesteps Program - Grant Received for \$9,500.**

Julie Ackland reported that the Minnesota Housing Finance Agency has approved a grant of \$9,500 for the HRA to continue offering the Homesteps homeownership training program. The program will be available to residents of Freeborn and Mower County that are in public housing or are living in subsidized housing. Graduation from the Homesteps program is a qualifier to receive up to \$30,000 at 0% loan assistance to purchase and rehabilitate a home.

It was moved by Commissioner Nelson and seconded by Commissioner Chamberlain to authorize execution of the Homesteps contract with Minnesota Housing Finance Agency. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

**4.) Market Rate Housing:**

**a.) Motion to refinance the General Obligation Bonds on the Austin Courtyard project.** Kathy Aho, President of Springsted Financial Advisors, has been working with HRA and City staff on refinancing the General Obligation Bonds only on the Austin Courtyard project. The Gross Revenue Bonds are not feasible to refinance at this point in time.

A motion by the Board of Commissioners needs to be done at this meeting to proceed with the bond refinancing. Moreover, the City Council will need to adopt a resolution at the October 6<sup>th</sup> meeting affirming the City's general

obligation pledge on the bonds.

A motion was introduced by Commissioner Nordin and seconded by Commissioner Lang to authorize HRA staff, Springsted Financial Advisors and Dorsey & Whitney (Bond Counsel) to take the necessary actions to refund the General Obligation Bonds 1995B Series and to authorize the sale of General Obligation Bonds 2003A series. All present voted in favor of the motion, none in opposition thereto. The Chairman declared the motion passed and carried.

**5.) Community Development:**

**a.) Discussion of Downtown Development Funding Potential and Economic Coordination.** Executive Director Jim Hurm reported that he is working on an action plan for economic development. The aim will be to get participation from a variety of public and private entities to achieve identified common goals.

Mower County continues to discuss the possible relocation of Human Services and construction of a new jail facility.

Tom Sherman of Usem's is expected to make a final decision sometime mid-October on the sale of his property downtown and his lot near the Southwest corner of the Austin High Athletic Field. If he sells he will develop a new facility near Interstate 90.

Director Hurm told the Commissioners that it would be useful to hold a special meeting on the HRA's interest in purchasing the Usem property immediately west of the Courtyard Apartments. Although the purchase was discussed several times both by the HRA and City Council, Director Hurm indicated a discussion on the potential use of the property and the goals of the HRA Board would be good before final decisions are made closing out options. A meeting will be scheduled for early October to discuss the issue and detail possible funding sources from within HRA funds.

**d.) Flood Project update.** Tom Smith reported that progress on Flood acquisitions is ahead of expectations.

Nearly all of the \$2.5 million in Federal funds is spent and over \$700,000 in State funds has been spent.

A total of forty-five (45) homes have been acquired, nine (9) acquisitions are pending, and eight (8) owners have refused offers or are undecided. All asbestos has been abated and demolition has begun on the first group of homes scheduled for removal.

Nearly all homes scheduled for acquisition will be acquired by the end of this year. The Minnesota Department of Employment and Economic Development project representative says that a grant extension will be available if all work is not complete.

**e.) Railroad Project update.** Craig Hoium received a letter from Harty Mechanical expressing interest in purchasing two to three acres in the HRA Railroad Redevelopment Property. The Commissioners were in support of the Harty Mechanical request and authorized by consensus that the sale should be pursued.

**6.) Other business:**

**a.) Sacred Heart Hospice - Board Approval to use the Austin HRA as a "pass -through" to refinance bonds in the amount of \$1,102,000.** In 1996 Sacred Heart Hospice used the HRA as a "pass through" for a bond sale to finance expansion of their facility. Sacred Heart now wants to refinance these bonds. It was moved by Commissioner Nelson and seconded by Commissioner Nordin to once again authorize the HRA to act as a "pass through" to refinance these bonds as a private placement tax exempt note. Approval is contingent on review of the documents by the HRA attorney. All present voted in favor of the motion, none in opposition thereto. The Chairperson declared the motion passed and carried.

**7.) 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/Treasurer