



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

THURSDAY, JUNE 16, 2016 @ 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 8, 2016.
3. Review **Accounts Payable.**
4. **Housing:**
 - a. Pickett Place – Change Order for Kitchen Remodeling Project.
 - b. Public Housing – Resolution to adopt Zero-Income Policy.
 - c. Section 8 – Resolution to change Portability and Application Procedures.
 - d. Transitional Housing – Change Order for Roofing Project.
 - e. Twin Towers – Resolution to enter into a deferred loan with MHFA for the Window & Exterior Door Replacement Project.
5. **Executive Director Reports:**
 - a. Discuss Development Corp. of Austin’s funding.
 - b. Review rental prices at various apartment buildings.
 - c. Review HRA Goals to date.
 - d. Leona Ruehmann – Resignation from HRA Board.
6. **Adjourn.**



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

1.) Roll Call.

Date & Time: June 16, 2016 at 4:30 PM

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

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

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 Hagen to approve minutes of the special meeting on June 8, 2016. 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 McCarthy 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.) Housing:

a. Pickett Place – Change orders for Kitchen Remodeling Project:

Cable TV Wiring (Change Order #1). Work just started on replacing the kitchen cupboards at Pickett Place. During demolition it was discovered that the cable TV wire ran through the upper level of cabinets that had a soffit above them. The easiest way to accommodate this was to notch the inside of the upper cabinets. There are approx. 40 apartments that have soffits above the upper cabinets and the cost would be \$33.34 per apartment totaling an estimate of \$1,333.60.

It was moved by Commissioner Lippert and seconded by Commissioner Repinski to authorize the cost of \$33.34 per apartment impacted for this work. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

Countertop Backsplash (Change Order #2). The molded backsplash for the countertops are approx. 1” lower than the previous backsplash. The exposed sheetrock is not textured or painted which is very noticeable. HRA staff looked at 2 different options: 1.) Change the backsplash height which would cost \$12,800 or 2.) Add wood quarter-round at the top of the backsplash which would cost \$6,034. A picture of a completed apartment with the quarter-round was furnished to Commissioners. All agreed it looked very nice.

It was moved by Commissioner Hagen and seconded by Commissioner McCarthy to authorize the cost of \$6,034 to have quarter-round installed in all apartments. All present voted in favor thereof, none in opposition thereto. The motion was declared passed and carried.

b. Public Housing – Resolution to adopt Zero-Income Procedures.

Currently there is a Zero-Income Procedure in the Section 8 Administrative Policy to more closely monitor those tenants that claim they have zero income on a quarterly basis. The impact is that if someone becomes employed or receives income that any rent changes can be addressed quicker. HRA Staff desires to add the same language into the Public Housing Occupancy Policy for our own tenants.

The following Resolution was introduced by Commissioner Hagen and seconded by Commissioner Repinski to add the same Zero-Income Procedures into the Public Housing Policies.

RESOLUTION #574

**RESOLUTION TO ADD ZERO INCOME PROCEDURES TO THE
PUBLIC HOUSING ADMISSIONS AND
CONTINUED OCCUPANCY POLICY**

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

c. Section 8 – Resolution to change Portability and Application Procedures.

HUD has recently made changes to the Section 8 Portability Procedures, therefore our Section 8 Admin. Policy needs to be updated to incorporate those changes along with changes staff would like to make in the Application requirements. Commissioners were given copies of the “red-lined” pages that were affected as follows:

- 1) Limit area that we can accept applications from people living in Mower County only or from people that can prove they are employed in Mower County.
- 2) Remove the wording that requires writing letters to every applicant upon applying.
- 3) Change the Portability Procedures to allow ports to high cost areas if it is within our program budget and establish a waiting list for people that want to port.

The following Resolution was introduced by Commissioner Hagen and seconded by Commissioner McCarthy to amend the Section 8 Admin. Policy as presented.

RESOLUTION #575

RESOLUTION TO CHANGE THE PORTABILITY PROCEDURES AND APPLICATION REQUIREMENTS IN THE SECTION 8 VOUCHER ADMINISTRATIVE POLICY

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

d. Transitional Housing – Change Order for Roofing project.

Kiker was awarded the low bid for replacing the shingled portion of the Transitional House roof. Prior to starting work, it was also discovered that the two membrane sections of the roof also need replacing. Kiker quoted \$4,800 to replace both sections which brought the total contract price to \$12,210. ED Erichson solicited another quote and found Kiker's price to be much lower.

It was moved by Commissioner Hagen and seconded by Commissioner Repinski to authorize Kiker to perform the additional work. All present voted in favor of the motion, none in opposition thereto. The motion was passed and carried.

e. Twin Towers – Resolution to enter into a deferred loan with MHFA for the Window & Exterior Door Replacement Project.

The Austin HRA was awarded \$1.2 million from Minnesota Finance Agency (MHFA) for a deferred loan for the Twin Towers Window and Exterior Door Replacement Project. As part of the paperwork that needs to be submitted to MHFA, the Austin HRA needs to adopt a resolution to enter into a deferred loan agreement, and other related declarations, for a zero-interest 20-year forgivable loan. The Loan would be forgiven in 20 years as long as the Twin Towers provides Public Housing for a period of 35 years.

The following Resolution was introduced by Commissioner McCarthy and seconded by Commissioner Repinski to enter into this deferred loan with MHFA.

RESOLUTION #576

RESOLUTION TO ENTER INTO A DEFERRED LOAN AGREEMENT WITH MINNESOTA HOUSING FINANCE AGENCY FOR THE TWIN TOWERS WINDOW AND EXTERIOR DOOR REPLACEMENT PROJECT

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

5.) Executive Director Reports:

a. Discuss Development Corp. of Austin's funding.

HRA staff will begin working on the General Fund budget next month and Executive Director Erichson wanted to ascertain how much the Board felt should be given to the Development Corp. of Austin/Mower County to assist with their economic development efforts. ED Erichson explained that our tax levy was reduced by roughly 10% last year due to the taxable market value of property declining in the City of Austin. Using that same theory, it was suggested to give at least 10% less to the DCA for year 2017. The Board generally agreed or maybe even somewhat less.

b. Review rental prices at various apartment buildings.

At previous Board meetings, some members of the Board wanted to know how other market rate apartment buildings compared to the Austin Courtyard and Chauncey Apartment rental prices. The following comparisons were provided to the Board for analysis: The new Science Park Housing rental prices that will open July 1, 2016, the market rate housing survey done for Fox Pointe Townhomes in May 2015 and the Maxfield Housing Study that we commissioned in June 2013.

Austin Courtyard and Chauncey Apartments are higher in all survey's except for the Science Park Housing which is higher because their tenants pay heating costs on top of rent whereas heat is included in Courtyard & Chauncey's rent.

c. Review HRA Goals to date.

ED Erichson reviewed the goals that were set for 2016/2017 by the HRA. About half of the projects are either done or in progress.

d. Leona Ruehmann – Resignation from HRA Board.

Leona Ruehmann notified ED Erichson that she will be resigning from the HRA Board effective immediately. Leona did not wish to resign but her new job takes her out of town and she is no longer able to make the meetings. She thanked everyone for the experience and enjoyed being on the Board.

6.) Adjourn:

There being no further business it was moved by Commissioner Hagen and seconded by Commissioner McCarthy 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 5:30 PM.

SEAL

Judy Enright, Chair

Janet Anderson, Secretary