

**ST. LOUIS COUNTY
HOUSING AND REDEVELOPMENT AUTHORITY**

AGENDA

**February 1, 2011
9:35 a.m.**

1. Approve minutes of September 7, 2010 meeting
2. Annual meeting/appointment of officers for 2011
3. Establish official newspaper of the HRA for 2011
4. Agreement for 2011 Legal Services with St. Louis County

Minutes

ST. LOUIS COUNTY HOUSING AND REDEVELOPMENT AUTHORITY (HRA)

Tuesday, September 7, 2010

The St. Louis County Housing and Redevelopment Authority (HRA) meeting was called to order at 10:20 a.m., by Chair Steve Raukar in the County Boardroom, 2nd Floor, Courthouse, Duluth, MN, with the following members present: Commissioner Dennis Fink, Commissioner Steve O'Neil, Commissioner Chris Dahlberg, Commissioner Mike Forsman, Commissioner Peg Sweeney, Commissioner Keith Nelson and Commissioner Steve Raukar, Chair - 7. Absent - None.

Commissioner Nelson, supported by Commissioner Forsman, moved to approve the minutes from the January 12, 2010, HRA meeting; seven yeas, zero nays.

Commissioner Nelson, supported by Commissioner Sweeney, moved to adopt the HRA 2011 Budget and Property Tax Levy. Kevin Gray, County Administrator and HRA Executive Director, said the HRA board is being asked to adopt the HRA 2011 Budget, and the 2011 Property Tax Levy which represents a 1% increase over 2010. Barb Hayden, Planning Director, said the 2011 HRA budget is \$353,549 and the 2011 levy is \$204,824, which is well below the approximately \$1 million levy amount allowed. Director Hayden said cities and towns that have HRA representation are excluded from this levy. Commissioner Fink noted the personnel budget has been combined with the operating budget for 2011, and would like to see personnel expenses separated. Planning Director Hayden said there are no longer HRA employees and they are trying to charge as little as possible to the HRA budget so funding is available for needed housing, noting she could figure out the personnel expenses for detail purposes; seven yeas, zero nays. Resolution No. 154.

Commissioner Raukar, supported by Commissioner Sweeney, moved to approve a resolution to modify repayment terms of the existing loan to the Meadowlands Affordable Housing Limited Partnership. Administrator Gray said the loan is split into two 15 years terms and the recommendation is to defer the principle and deferred interest for the next 15 years. Planning Director Hayden said in 1993 a \$125,000 HRA loan was given to the Meadowlands Affordable Housing Limited Partnership for the purpose of constructing 12 units for affordable rental housing, primarily for seniors. Hayden said in 2008 Meadowlands Housing Limited Partnership was given an extension on deferred payments, adding that due to tax structuring in 1993 the funds were given as a loan, rather than a grant. Anne Taray, Mayor of Meadowlands, said the Toivola-Meadowlands Development Board worked five years to get the Meadowlands Manor built, which helps widows stay in the area. In response a question from Commissioner Fink, Mayor Taray said that a business plan was included for the construction of the Manor, and they have been doing their best over the last 15 years. Commissioner Fink expressed concerns about forgiving the loan as there was a business plan in place and the loan is funded with taxpayer dollars. In response to a question from Commissioner Sweeney, Director Hayden said after the 30 year period St. Louis County will no longer have an interest in the property and therefore would not receive any proceeds if the building is sold.

At 10:58 a.m., Chair Raukar called a five minute recess.

At 11:06 a.m., the HRA meeting reconvened with Commissioner Sweeney absent.

Chair Raukar asked if there was any further discussion, none one else choose to speak on the matter; five yeas, one nay (Commissioner Fink).

At 11:11 a.m., Commissioner Sweeney joined the meeting.

Commissioner Nelson, supported by Commissioner Dahlberg, moved to reconsider, in order to give Commissioner Sweeney an opportunity to vote on the resolution; five yeas, one nay (Commissioner Fink).

Commissioner Raukar, supported by Commissioner Sweeney, moved to approve the resolution to modify repayment terms of the existing loan to the Meadowlands Affordable Housing Limited Partnership; six yeas, one nay (Commissioner Fink). Resolution No. 155.

Planning Director Barb Hayden presented the HRA Project Update, which included the following: Ely HRA- Northwoods Townhomes; Minnesota Assistance Council for Veteran's (MACV) - Duluth Veterans" Place, and the Arrowhead Economic Opportunity Agency (AEOA) - Virginia Youth Foyer.

HRA RESOLUTION No. 154

BY COMMISSIONER NELSON:

WHEREAS, the St. Louis County Housing and Redevelopment Authority ("HRA") has reviewed the proposed 2011 budget and proposed 2011 levy.

NOW, THEREFORE, BE IT RESOLVED, the HRA Board does hereby approve the HRA 2011 budget in the amount of \$353,549; and

RESOLVED FURTHER, the HRA Board certifies the 2011 levy for the HRA in the amount of \$204,824 and recommends that the St. Louis County Board of Commissioners certify the levy at this amount.

HRA RESOLUTION No. 155

BY COMMISSIONER RAUKAR:

WHEREAS, the St. Louis County Housing and Redevelopment Authority ("HRA") provided a loan of \$125,000 to the Meadowlands Affordable Housing Limited Partnership (Partnership) for development of 12 units of affordable rental housing for the elderly known as Meadowlands Manor; and

WHEREAS, the original terms of the note and mortgage securing this assistance require annual repayments to the HRA by the Partnership to begin in 2009; and

WHEREAS, the Meadowlands Manor units will continue to be maintained as affordable rental housing, and the HRA loan repayment would place financial burden on the operating budget and maintenance reserves for the project;

NOW, THEREFORE, BE IT RESOLVED, the HRA Board does hereby approve modification of the terms of the HRA loan to the Partnership as follows: the principal and accrued interest of the HRA loan will be deferred for the remaining 15 years of the original loan which ends December 3, 2023. At the end of the second 15-year term, the HRA loan and all accrued interest will be forgiven provided the Meadowlands Affordable Housing Limited Partnership has maintained Meadowlands Manor as affordable rental housing in conformance with the note and mortgage. The note and mortgage will then be satisfied and all affordability requirements will be deemed met.

At 11:22 a.m., Commissioner Sweeney, supported by Commissioner Fink, moved to adjourn the HRA meeting; seven yeas, zero nays.

Steve Raukar, Chair of the St. Louis County HRA

Patricia Stolee, Deputy Auditor/Clerk of the County Board

HRA BOARD LETTER NO. 11 - 01

DATE: February 1, 2011 **RE:** Annual Meeting - Appointment
of Officers for 2011

FROM: Kevin Z. Gray
County Administrator/HRA Executive Director

Barbara Hayden
Planning and Community Development Director

Action Requested:
Appointment of officers for 2011.

Background Information:
It is necessary for the St. Louis County Housing and Redevelopment Authority (HRA) Board of Commissioners to appoint a Chair, Vice-Chair, and Secretary for the 2011 year.

The 2010 officers of the HRA Board were as follows:

Commissioner Steve Raukar, Chair
Commissioner Peg Sweeney, Vice-Chair
Commissioner Keith Nelson, Secretary
County Administrator Kevin Z. Gray, Executive Director

Recommendation:
It is recommended that the HRA Board of Commissioners appoint a Chair, Vice-Chair, and Secretary for 2011.

cc: Barbara Russ, Assistant County Attorney

HRA BOARD LETTER NO. 11 - 02

DATE: February 1, 2011

RE: Establish HRA Official
Newspaper

FROM: Kevin Z. Gray
County Administrator/HRA Executive Director

Barbara Hayden
Planning and Community Development Director

Action Requested:

Establish HRA official newspaper.

Background Information:

It is necessary for the St. Louis County Housing and Redevelopment Authority (HRA) Board of Commissioners to establish an official newspaper for the St. Louis County Housing and Redevelopment Authority.

Recommendation:

It is recommended that the HRA Board establish the official newspaper for the HRA to be the same as the official newspaper for St. Louis County in 2011.

cc: Barbara Russ, Assistant County Attorney

HRA RESOLUTION NO.

RESOLVED, that the HRA Board of Commissioners hereby establish the official newspaper for the HRA to be the same as the official newspaper established for St. Louis County in 2011.

HRA RESOLUTION NO. _____

RESOLVED, that the Chair of the HRA and the Executive Director are hereby authorized to execute an agreement with the St. Louis County Attorney's office for legal services for 2011 in an amount not to exceed \$40,000, payable from Fund 250.

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