

City of East Bethel
Housing and Redevelopment Authority

July 3, 2013

The Housing and Redevelopment Authority (HRA) met on July 3, 2013 for their regular meeting at City Hall at 6:30 PM.

MEMBERS PRESENT: Bob DeRoche Ron Koller Richard Lawrence
 Heidi Moegerle (6:33 PM) Tom Ronning

ALSO PRESENT: Jack Davis, City Administrator
 Mark Vierling, City Attorney

Call to Order DeRoche called the meeting to order at 6:30 PM.

Adopt Agenda **DeRoche made a motion to adopt the July 3, 2013 Housing and Redevelopment Authority (HRA) meeting agenda. Ronning seconded; all in favor, motion carries.**

Approve Minutes **DeRoche made a motion to approve the April 3, 2013 Regular Meeting Minutes, April 24, 2013 Work Meeting Minutes, and May 1, 2013 Special Meeting Minutes. Koller seconded; all in favor, motion carries.**

Council Member Moegerle arrived at 6:33 p.m.

HRA Projects and Fund Uses Davis explained that at the last HRA meeting we discussed some potential projects and some potential uses of some HRA Funds. We identified five to six possible projects. At that time we anticipated knowing a little bit more of what we had in the balance of the bond revenues. Due to some re-bid items, that information is still not totally available. So, at this point I would suggest we wait until we are able to ascertain exactly what we have until we make some proposals for these projects, so we will know exactly what type of funding is available.

I had a conversation with Bob earlier today, and he had talked with someone from Anoka County regarding grant and loan funds for individual water and sewer improvements on individual lots. I will let him report and address what he found out on that matter.

DeRoche, "I had put in a couple calls to Karen Skepper, but she is gone right at the moment. But, I did speak with the person in charge of the CDBG funds, grants, loans. There are actually quite a few opportunities for people that are in the lower income brackets. I believe for a single person it was \$32,000 and for a married couple it was about \$52,000. This isn't just for the residents on Coon Lake Beach; it has to do with anyone in the City that has a non-compliant system. One of the pluses of it is the fact that it is an environmental issue. Some cities apply for these grants and some don't. Columbia Heights has had eight grants out of the last ten years. It was suggested that the representative from Anoka County come up and have a meeting with Jack, Colleen and myself and anyone else that is interested. We can go over the programs and see what the good points are, bad points and any little catches are to it and then go on from there. We have been talking about this for a couple years and we need to do something here before something happens."

DeRoche, "At Hiawatha, I think Ham Lake has discussed a couple different options. I think there has been discussion about them doing a community system, but I think we have discussed in the past that we would rather not do that. I would rather not do that if we can avoid it. I told the Anoka County representative that I would get ahold of her after Monday and see if we can set something up. See what is out there."

Moegerle, "When Mr. Martin was our Building Department person, I asked him about programs that would help all of our residents. And he indicated there were grants available through the county. However, there were roadblocks to them. First there were informational roadblocks, that even though people would apply for them they didn't have equity in their homes, they didn't meet the income guidelines. He said while it is very nice that they have things listed on their website, as a practical matter they are not as available as you think they would be. He indicated our own program would be better because we could set our own guidelines. Also, this year I attended the League of Minnesota (LMC) conference and they discussed some options there also. Every year I have attended and then I have put together a report and provided it to Jack and I will do that. They had information on the Minnesota Housing Financing Agency and that might be available for funds. It might be worth investigating. I will pass it along to Jack."

DeRoche, "The funding she was talking about was billed out by the County, but they are federal funds. And, she recommended that the City not get into its own banking. The person I talked to was Kate, who put together the funding for the program to redo the Coon Lake Beach Community Center. I think it is worth listening to what she has to say. We have to help the people. It may not be open to everyone. There are parameters to a certain amount to income. And, we might have to look at ways to help people that don't qualify for these programs. But, the HRA money is sitting there and we have to find ways to do something with it. It has to be under the guidelines of state law. We told people certain things, and those are avenues we need to look into."

Moegerle, "How can we not be a bank and still use these funds? We have to look into that." DeRoche, "That is something I would like Colleen, as the community development director to look into. There has been meetings right? Not just development, but to maybe put something together for the east side and help them rebuild, reface." Davis, "We have had some meetings with the group. But we were holding back until we get some definitive information for them in what we could offer for financial assistance or a project for them. Some have been interested in the water and sewer, some have been against. All are for the street improvements. I think that is the item they are most interested in seeing done. What we would like to do is design some type of project where we could combine all of these, street improvements, water and sewer extension and some programs to help them with store front renovation and rehabilitation."

Davis, "To answer your question on the bank stuff, depending on what we do we may have to be a bank on some of these items. We may need to limit what we do and try to protect ourselves as much as possible so we can recoup any money that is made available in terms of loans." DeRoche, "Absolutely. And, anything that has to do with the federal funds that are being handled through the County, we need to let them do all the accounting and the banking and whatever they are going to do with that. I don't think the City should be getting involved in that." Davis, "Also, we need to explore this to make sure we are not duplicating something that is already out there and find out what they can and will be able to do in terms of assistance. And then we can tailor our response to what they can do."

Ronning, "What kinds of funds are available?" DeRoche, "That is what we want to have a meeting for." Ronning, "I mean within the HRA." Davis, "In terms of dollars? There is approximately \$800,000 in that account." Moegerle, "I thought we allocated \$281,000 for the interfund loan?" Davis, "We approved that, but that is like a letter of credit. It will only be drawn down if there are users for that." Moegerle, "Have we had many people line up

for that?” Davis, “No, we have not. We have spoken with all the business owners in a meeting and now we have met with seven individually. A couple of them have expressed some interest in the loan, but none have made an application for it yet. Depending on what happens tonight there will probably be some invoices that go out for the SAC and WAC fees. And, I assume when those go out we will have a little more response.” Moegerle, “I ask that we also check on the state funds along with the federal funds you are talking about with the county.” Lawrence, “So you will keep us posted on the meeting you are supposed to have with Anoka County?” DeRoche, “Yes, in fact hopefully it will be next week.”

Adjourn

Moegerle made a motion to adjourn the HRA meeting at 6:44 PM. DeRoche, “Have there been any more discussions with the church?” Davis, “We haven’t heard anything from them. Again, we are waiting to see what funds are going to be available from the bond issue and then we will have a little bit more idea of what kind of packages we can put together. I have indicated to the church that we are open to discussing an extension if they have intent or the desire to pursue the senior housing. We will follow up on that as soon as we find out what monies we have available and what we can structure for them.” **Koller seconded; all in favor, motion carries.**

Attest:

Wendy Warren
Deputy City Clerk