

City of East Bethel
Housing and Redevelopment Authority Meeting
January 20, 2016

The Housing and Redevelopment Authority (HRA) met on January 20, 2016, for a regular meeting at City Hall at 6:30 p.m.

MEMBERS PRESENT: Steve Voss Ron Koller Tim Harrington
 Brian Mundle Tom Ronning

MEMBERS EXCUSED: None.

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

1.0 Mundle called the regular meeting to order at 6:30 p.m.

Call to Order

2.0 **Harrington stated I'll make a motion to adopt tonight's agenda. Koller stated I'll**
Adopt **second.** Mundle asked any discussion? All in favor say aye? **All in favor.** Mundle
Agenda asked against? Motion carries. **Motion passes unanimously.**

3.0 Davis presented the staff report, indicating according to the HRA By-Laws, the Board is
Res. 2016-01 required to appoint HRA Officers at its annual meeting. It is recommending that the
Appointment Housing and Redevelopment Authority Board adopt Resolution 2016-01 reappointing the
of Officers 2015 officers to the same positions for the 2016 HRA term.

The 2015 HRA Officers were: Brian Mundle, Chairperson; Tom Ronning, Vice-Chairperson; and, Tim Harrington, Secretary.

Koller stated I'll make a motion to reappoint the 2015 Officers to the same position for the 2016 HRA term. Harrington stated I'll second. Mundle asked discussion? With no discussion, all in favor? **All in favor.** Mundle asked against? Motion carries. **Motion passes unanimously.**

4.0 Davis presented the staff report, indicating Housing and Redevelopment Authority By-
Res. 2016-02 Laws require the HRA Board to hold an annual meeting preceding the second regular City
Set Meeting Council Meeting at 6:30 p.m. of the month of January in each year. The HRA must also
Dates hold regular meetings the first month of each quarter preceding the second regularly
 scheduled City Council Meeting, or at such other time as the Board may determine. Staff
 recommends adoption of Resolution 2016-02 Setting the meeting dates for Housing and
 Redevelopment Authority meetings.

Ronning stated move for the adoption of Resolution 2016-02, Setting Meeting Dates for 2016. Koller stated I'll second. Mundle asked any discussion? All those in favor? **All in favor.** Mundle asked against? Motion carries. **Motion passes unanimously.**

5.0 Davis presented the staff report, indicating State Statute requires that the East Bethel
Res. 2016-03 Housing and Redevelopment Authority publish its official notices in a newspaper that has
Designate general distribution throughout the City. The Housing and Redevelopment Authority is
Official required to designate an official newspaper where legal notices will be published.
Newspaper

5.0 The *Anoka County Union Herald* meets the publication and circulation requirements. It is
Res. 2016-03 also the City of East Bethel's official newspaper for 2016.
Designate

Official
Newspaper

Staff is recommending the Housing and Redevelopment Authority Board adopt Resolution 2016-03 Designating the *Anoka County Union Herald* as the Official Newspaper for 2016.

Voss stated I'll move Resolution 2016-03 designating the *Anoka County Union Herald* as the Official Newspaper for 2016 for the HRA. Ronning stated second. Mundle asked any discussion? All in favor? All in favor. Mundle asked against? Motion carries. Motion passes unanimously.

**6.0
Res. 2016-04
Designate
Official
Depositories**

Davis presented the staff report, indicating Resolution 2016-04 identifies official depositories for East Bethel Housing and Redevelopment Authority funds. These agencies or institutions are the approved depositories for East Bethel Redevelopment and Housing Authority funds to include checking, money market, or investments and are also the City's official depositories.

Staff is recommending the Housing and Redevelopment Authority Board adopt Resolution 2016-04 designating the official depositories for 2016.

Ronning stated move to adopt Resolution 2016-04 Identifying the Depositories Locations for 2016. Harrington stated I'll second. Mundle asked any discussion? All in favor? All in favor. Mundle asked against? Motion carries. Motion passes unanimously.

**7.0
Approve
Minutes**

Koller stated I'll make a motion to approve minutes from the October 7, 2015, HRA Meeting. Ronning stated second. Mundle asked any discussion? All in favor? All in favor. Mundle asked against? Motion carries. Motion passes unanimously.

**8.0
2017 HRA
Levy**

Davis presented the staff report, indicating the HRA discussed the possibility of disbanding the HRA at our January 21, 2015, Meeting. There was no desire at that time to consider that as a possibility. Our EDA does have HRA powers but if there remains the feeling of the need to continue the HRA as an Authority in and of itself, we should consider the adoption of some minimal levy for the HRA for 2017. As the proposed HRA balance of \$747,000 is anticipated to be allocated to utility construction to facilitate senior housing sites along the Phase I Service Road Project, this would begin the process of replenishing this fund and legitimizing the Authority as a functioning entity.

Currently, \$20,000 to \$25,000 per year has been transferred from our HRA account to the General Fund to support the time spent by the City Administrator, Finance Director, City Planner, and other staff for HRA-related functions. If the HRA fund balance is spent down on the Service Road Utility Project, there would be no funds available from this account to fund these staff activities.

The maximum statutory levy of an HRA is 0.0185 percent of the previous year's estimated market value of all property in the City, which was \$865,477,800 in 2015. We would need to make a decision on this levy at our July HRA Meeting. We would anticipate a minimum consideration of \$26,600 or 0.0031 percent should Council wish to enact an HRA Levy for 2017.

**8.0
2017 HRA
Levy**

Davis stated this is an information item and I just want to let everybody know that this is one thing that we'll probably be proposing in the budget unless directed otherwise.

Ronning stated I know we've discussed maintaining the HRA status. That \$747,000, is that, what's anticipated? Is that what the project's being based on? That availability? Davis answered that's what it's being based on. That's correct and that would be for the utility construction only. The funds that we have from MSA funds are only for street constructions and they aren't allowed to be spent for utility construction.

Voss stated well, I think we need to, the reason why we haven't levied is because we had significant funds in there. Davis stated we had significant funds and no projects. Voss stated yes and now we identified a project and I'm sure we're going to identify projects in the future. We don't want to be in a position of, we don't have the funds for it now.' You know, we need to start replenishing that. To me, certainly, the amount that covered the administrative costs but I think we need to be a little more aggressive in that in terms of replenishing that Fund.

Ronning stated and the language in the County ordinance is a little too strong about them taking over our levy. They'll set the levy and they'll keep the money if we don't have a functioning HRA.

Voss stated well, I think we've demonstrated we have a functioning HRA. Ronning stated the lawsuit was good but the pessimist in me thinks that they'll, any chance they'll get for a little payback. Voss stated I don't think they'll go that way. I've talked to Karen about it. Ronning asked who? Voss replied Karen Skepper at Anoka County. So, I don't think they have that idea. But, even with that said, I mean if we're going to have a desire to fund projects in the future, we're going to need the funds to do it.

Davis stated and again, our EDA does have HRA powers and we could that as our HRA entity. The reason that our EDA has HRA powers is so they can levy. If the EDA didn't have HRA powers, they would have to receive their funds from a transfer from the City to the EDA.

Voss stated I think it's important for us to have separate HRA, separate EDA. The EDA has a far different focus than what HRA would. Both may have the same goals but far different focus. I think as we get closer to talking, you know, some senior housing and some other type of improvements, it's going to be important to have those HRA funds.

Davis stated well, we don't really have to come up with anything now. I just wanted to bring this up as an informational item to let everyone know that we do need to consider the possibility of doing an HRA levy for 2017. What the final number is will be dependent on what we can accommodate within the budget.

Mundle stated I assume we'll be talking about this at the next HRA meeting then? Davis replied that'll be on the next agenda. We can certainly propose some alternatives and show what different levy amounts would produce as far as funds go.

Voss asked the next meeting is when? July? Davis replied it would be the first meeting in April, prior to the first City Council meeting in April. Voss stated okay, we have to make the decision at the first meeting in July, right?

8.0 2017 HRA Levy

Davis stated so again, this is just an informational item just so everybody can kind of be thinking about how we want to proceed with this the next time we meet.

Mundle asked is there any more discussion? Hearing none, I'll move on to Item #9.

Informational; no action required at this time.

**9.0
Res. 2016-05
Allocate
HRA Funds**

Davis presented the staff report, indicating as directed by City Council, Resolution 2016-05 officially sets forth approval of the use of HRA funds for the installation of utilities to stimulate the development of senior housing projects.

Staff is recommending the Housing and Redevelopment Authority Board adopt Resolution 2016-05.

Voss stated I'll move Resolution 2016-05, Resolution Designating the Allocation the HRA Funds to Finance Utility Installation as a Stimulus for Senior Housing Development. Ronning stated second. Mundle asked any discussion? Hearing no discussion, all in favor? **All in favor.** Mundle asked opposed? Motion carries. **Motion passes unanimously.**

**10.0
Adjourn**

Harrington stated I'll make a motion to adjourn. Koller stated I'll second. Mundle asked any discussion? All in favor? **All in favor.** Mundle asked opposed? We are adjourned. **Motion passes unanimously.**

Meeting adjourned at 6:42 p.m.

Submitted by:
Carla Wirth
TimeSaver Off Site Secretarial, Inc.