

**City of East Bethel**  
**Housing and Redevelopment Authority**  
December 1, 2010

The East Bethel Housing and Redevelopment Authority (HRA) met on December 1, 2010 for a regular meeting at City Hall at 7:00 PM.

MEMBERS PRESENT:      Bill Boyer                      Steve Channer                      Greg Hunter  
                                 Kathy Paavola                      Steven Voss

ALSO PRESENT:              Douglas Sell, City Administrator  
                                 Tammy Schutta, Asst. City Administrator/HR Director  
                                 Stephanie Hanson, City Planner  
                                 Rita Pierce, Fiscal and Support Services Director

Call to Order                      Boyer called the meeting to order at 7:00 PM.

Adopt Agenda                      **Hunter made a motion to adopt the December 1, 2010 HRA meeting agenda. Paavola seconded; all in favor, motion carries.**

Approve Sept. 1, 2010 Minutes                      Schutta explained that the meeting minutes from the September 1, 2010 Housing and Redevelopment Authority meeting are attached for your review and approval.  
**Voss made a motion to approve the September 1, 2010 HRA minutes. Paavola seconded; all in favor, motion carries.**

Res. 2010-07 EBHRA Budget Amendment for 2010                      Schutta said the 2010 EBHRA Budget was reviewed and approved by the Housing and Redevelopment Authority on July 1, 2009.  
Attorney fees in the amount of \$5,000 were included in the 2010 budget. Due to the continued litigation with the Anoka County Housing and Redevelopment Authority, legal expenses for 2010 are estimated at \$45,000. Staff is proposing to increase 2010 budgeted legal fees from \$5,000 to \$45,000 and reduce contingency from \$93,558 to \$53,558.

The budget resolution presented reflects these amendments.

Staff recommends approval of Resolution 2010-07 amending the 2010 East Bethel HRA budget.

Voss asked are these costs that are incurred already. Sell said some are and we anticipate additional costs in December. Voss asked what we anticipate the costs to be in 2011. Sell said the bulk of the work has been done, but the final briefs have to be done. Channer asked will we be asking for these costs to be reimbursed. Paavola said the county has put us in this position, it is frustrating. Boyer said it is frustrating. Sell said there is about \$75,000 difference in what the City is levying and what the county was wanting to levy. Boyer said that is about \$25 a household. Voss said that is just sad. Boyer said this is just stupid.

**Hunter made a motion to approve Resolution 2010-07 Amending the 2010 East Bethel HRA Budget. Channer seconded; all in favor, motion carries.**

Res. 2010-08 Adopting a Tax Levy in 2010                      Schutta said Per MN State Statute 469.033, subdivision 6; the East Bethel HRA must each year formulate and file a budget in accordance with the budget procedure of the City in the same manner as required of executive departments of the City.

Collectable in 2011 The 2011 EBHRA budget was discussed on September 1, 2010 and the resulting HRA tax levy approved. A final tax levy must be submitted to the Anoka County Auditor by December 28, 2010. A copy of the resolution is also presented to the City of East Bethel City Council.

City staff has prepared a 2011 HRA Budget based on .01241% HRA Levy and the taxable market value of \$1,015,785,900 for a proposed total of \$126,058 in tax revenue generated for the 2011 HRA Budget.

Staff is proposing a budget of \$50,000 for legal services for the current litigation regarding Anoka County Housing and Redevelopment Authority.

The HRA is required to prepare a Housing Plan and the HRA levy can be used to fund the preparation of a Housing Plan. The Housing Plan must describe the activities the HRA will undertake to achieve the goals identified in the Comprehensive Plan, state statutes and federal regulations. The preparation of a Housing Plan can be estimated to cost \$5,000 to \$10,000. Staff is proposing a budget of \$10,000 for the preparation of a Housing Plan.

The HRA currently contracts with the City for administrative support staff services to support the administrative undertakings, including fiscal support services of the HRA and such other responsibilities such as recording and maintaining accurate records of the meetings of the HRA and of all official actions taken by or on behalf of the HRA. The proposed 2011 Budget includes a transfer of \$15,000 to City General Fund to support the Executive Director, Assistant City Administrator, City Planner and Fiscal and Services Support Director. This number is based on one day a month for both the Assistant City Administrator and the City Planner. It also includes one day a quarter for the City Administrator/Executive Director and the Fiscal and Services Support Director.

Staff is also proposing a transfer \$47,558 to the HRA Contingency Fund to be used for future housing and redevelopment projects. Once the HRA Housing Action Plan is developed, funds can be allocated to specific projects, such as Senior Housing.

Attached is a draft 2011 EBHRA Budget for your review.

Staff is recommending the Housing and Redevelopment Authority discuss and reviews the proposed 2011 EBHRA Budget and considers adoption of Resolution 2010-08 adopting the 2011 EBHRA final levy.

Channer asked if we have our levy can the county impose a levy at the same time. Hunter said that is the golden question. Sell said the county adopted a levy that does just that. He said the judge gave them permission to do that in case they win the case. Sell said if they should lose the case at the court of appeals that levy will be classified as an illegal levy based on state statute. He said we have received a number of calls from residents related to other taxing districts and we will talk about that when we get to that on the council agenda.

**Voss made a motion to adopt Resolution 2010-08 Adopting the 2011 Final EBHRA Tax Levy of \$126,058. Hunter seconded.** Boyer said he would like staff to address the \$1,000 for conferences and training in the budget, this is more than he expected to see in the budget. He asked is there a particular purpose, is there an upcoming event. Schutta said we don't have conference dates projected. Sell said the conferences and training would be that would be directed under this would be related to the housing plan. He said we don't have anything on this, if it is less than this then it is less it will remain in the HRA fund. Schutta said when we prepared the budget fund we went out there to see what the conference fees

Collectable in 2011 were and we found them for \$350. Paavola asked are they one or two days. Schutta said there is a conference in Duluth that is two days, but they can be one or two days. She said that conference includes board members as well. **All in favor, motion carries.**

Sell said it would be appropriate to ask for motion to adopt budget for HRA.

**Hunter made a motion to approve the 2011 budget as submitted in the packet for the HRA. Paavola seconded; all in favor, motion carries.**

2011 HRA Meeting Schedule Schutta explained that according to the Housing and Redevelopment Authority By-Laws, the annual meeting of the Board shall be held preceding the second regular City Council meeting date at 6:30 p.m. of the month of January in each year. For 2011, the annual meeting is tentatively scheduled for Wednesday, January 19, 2011 beginning at 6:30 p.m.

At the annual meeting of the Authority, the following agenda is the order of business:

- 1. ROLL CALL
- 2. Election of Officers
  - a. Chair
  - b. Vice-Chair
  - c. Secretary
- 3. Depository bank
- 4. Official publication
- 5. Other
  - a. mileage and per diem compensation rates
  - b. reports
- 6. Miscellaneous

The East Bethel City Council serves as the Commissioners of the HRA. The commissioners' terms coincide with their terms as member of the City Council. As of January 2011, the HRA will have three new commissioners.

Staff is asking the HRA Board to consider postponing the annual meeting until February 2, 2011 to allow new members time to acclimate to their new roles as City Council members as well as HRA Commissioners.

Staff is requesting HRA Board direction on the date for the annual meeting.

Hunter asked do you honestly think two weeks is going to make a difference. Boyer asked has any of the new Council Members requested this. Voss said January meetings are light; he would like to keep it on schedule. Boyer said so would he. He said he thought this was on the agenda because someone had requested it to be changed. Schutta said no one requested it, we were thinking ahead. Council consensus was to leave the meeting scheduled as it is.

Adjourn **Voss made a motion to adjourn the HRA meeting at 7:17 PM. Boyer seconded; all in favor, motion carries.**

Attest:

Wendy Warren  
Deputy City Clerk

