

Minutes

Regular Meeting
Thursday, March 11, 2004
4:30 p.m.
Commissioners Board Room, Detroit Lakes, MN

Meeting called by:	Robert Bristlin
Type of meeting:	Regular Meeting
Attendees:	Bob Bristlin, Harry Salminen, Gerald Schram (left at 5:50 pm), Mike Metelak, Terry Johnson, Dan Aune, Paul Joyce Others present: Jon Thomsen, Shawn Olson, Lana Fralich, Stan Thurlow, Kelcey Klemm, Bryce Anderson, Leonard Heltemes, Jim Rader, Dan Holzgrove, Keith Brekken, and Nathan Bowe
Board Members Absent:	None

Agenda topics

1. **Call Regular Meeting to order:** B Bristlin called the meeting to order at 4:30 p.m.
2. **Approval of Regular Meeting Agenda: Addition:** K Klemm representing the City of Frazee and L Heltemes representing the Siren Committee. **Delete:** County Website – Link to EDA. **Move:** Item 6 Housing (first four topics) between Item 3 and 4. **Motion** and second to approve the Agenda, as amended (Joyce, Johnson), carried.
3. **Approval of Minutes from February 2004 Regular Meeting: Motion** and second to approve the Minutes of the February 2004 Regular Meeting, (Aune, Schram), Joyce abstaining, carried.
4. **Financial Report:**
 - ✓ **February 2004 Financial Report:** Staff presented the February Financial Report. **Motion** and second to accept the financial report as presented (Salminen, Aune), carried.
 - ✓ **Management Representation Letter:** Staff reported that the audit for the fiscal year ending December 31, 2003 has been completed. The Governmental Accounting Standards Board establishes standards for governmental accounting. GASB Statement 34 was developed to create uniform financial reports so that the public can better understand the fiscal operations of an agency. The impact of the implementation of GASB Statement 34 has significantly impacted the workload of both the EDA staff and the audit team. Before the State Auditor's Office can finalize their audit, they require that we provide a letter that makes certain representations. **Motion** and second to authorize Bob Bristlin and Jon Thomsen to sign the Management Representation Letter (Metelak, Joyce), carried.
5. **Housing:**
 - ✓ **Permanent Supportive Housing Project:** Staff presented the Memorandum of Understanding for acceptance. Discussion followed on the Supporting Housing Project. **Motion** and second to accept the Memorandum of Understanding as presented (Schram, Aune), carried
 - ✓ **Red Willow Heights:**
 - **Establish account:** **Motion** and second to establish the accounts necessary (Salminen, Joyce), carried.
 - **Contract Award Resolution:** Staff reported that the Bid Opening was on March 5th. There were 12 contractors that picked up the bid packets and 3 contractors that returned them. Resolution 3-11-2004a, naming AAA Construction as the low bidder, was presented for adoption.

Discussion followed. D Holzgrove, general contractor and owner of AAA Construction, reported that he is prepared to proceed. **Motion** and second to adopt Resolution 3-11-2004a (Metelak, Johnson), carried.

✓ **PARIF Update Report:**

- **Line of Credit at Wells Fargo Bank:** Staff reported that the line of credit will need to be extended for 60 days because MHFA is not ready to close on the "end" loan. **Motion** and second to authorize the extension of the line of credit (Salminen, Joyce), carried.
- **Agency Plan:** Staff presented each board member with a complete copy of the 2004 Agency Plan. Staff presented the changes in the plan and requested that the Board review the Agency Plan and express any comments/questions/concerns during the Comment Period, which ends April 7th. Staff invited the EDA Board to the Public Hearing that will be held at 4:00 p.m. on April 12th at the County Commissioners Room. Discussion followed. No action taken.

6. Economic Development:

- ✓ **Fraze – Swift Building:** Keith Brekken, Becker County Auditor, presented a list of tax forfeiture property that is coming up for sale on May 1st. The listing was presented for EDA Board consideration. K Brekken suggested that if the EDA Board feels that a public purpose exists, the EDA Board has up to 60 days to request that those lots be held for public use. For example, if the Becker County EDA Board felt that the purchase of the Frazee Swift Building would serve a public purpose, the cost to the Becker County EDA would be \$1 plus out of pocket expenses. The three main expenses included an old assessment (potential of \$150,000), an enforceable assessment (approximately \$10,000) and, if the building would remain standing, there would be a railroad easement that would have to be paid (\$12,000). Discussion followed.
- ✓ **Kelcey Klemm - City of Frazee:** K Klemm addressed the Board on items concerning the Swift building and requested that the Becker County EDA consider purchasing the building. Discussion followed. B Anderson expressed an interest in starting the process of creating a vision for developing the site. He invited the Board to attend the City of Frazee EDA Board Meeting that will be held at 7 a.m. on Monday, March 15th. S Thurlow felt that it was in the County's best interest to make this a top priority and he agreed to attend the Monday meeting. The general consensus was that a partnership should be forged between the two EDA's. B Bristlin and H Salminen agreed to represent the Becker County EDA Board at the City of Frazee EDA Board meeting.
- ✓ **Fraze – Industrial Park:** K Klemm, representing the City of Frazee, reported that he has a party interested in the 2-1/2 acre parcel in the Industrial Park owned by the Becker County EDA. B Bristlin commended K Klemm for the presentation packet that he prepared for use by potential buyers. Discussion followed on the Sale Price of the 2-1/2 acre platted lot and the future development and use of the remaining (unplatted) land. **Motion** and second to establish the purchase price of \$25,000 for the 2-1/2 acre platted lot (Salminen, Johnson), carried.
- ✓ **Leonard Heltemes - City of Detroit Lakes – Siren Committee:** L Heltemes, the Detroit Lakes City Council liaison on the Siren Committee, reported that Committee members are trying to raise between \$60,000 to \$90,000 for a fire/weather alert siren system. On behalf of the Siren Committee, L Heltemes presented a request for grant funds. Discussion followed on whether or not this would be allowable under state statute. The EDA Board directed J Thomsen to research the request and obtain an opinion from the County Attorney. The general consensus was that the Siren Committee should present their funding request to the County Board. No action taken.
- ✓ **Economic Development Report:** S Thurlow reported that he is working with several businesses who are looking at relocating and that he is continuing to work on ongoing projects, including the South 10 Industrial Park.

7. Housing Program Budgets – Fiscal Year Ending June 30, 2005:

- ✓ **Housing Programs Annual Budget:** Staff presented the Annual Housing Budget for Fiscal Year ending June 30, 2005. Programs administered include: Public Housing, Section 8, CRV, MURL, GMHF, Apartment Management and Grants Management (includes Ogema). The majority of funds come from HUD and MHFA. The Federal and State revenue includes project and administrative funding. The Lease/Rents are from the Willow Building and the Springhill and Hidden Hills Group Home. The Management Fees include fees received from apartment management and grants management. It is felt that the staff is performing their job functions in the most efficient manner possible, The expenditures incurred by are department are those that are customary to the routine business of the department and a further reduction could jeopardize our ability to offer services. Discussion followed. **Motion** and second to approve the Housing Budget as presented (Joyce, Johnson), carried.

- ✓ **Section 8 Housing Choice Voucher Program Annual Budget:** Staff presented the Section 8 Budget and Requisition for Fiscal Year Ending June 30, 2005. Per HUD-52672, the average HAP Payment is 1 Bedroom \$257; 2 Bedroom \$247; 3 Bedroom \$376; 4 Bedroom \$404. Per HUD-52673, we are requesting \$254,904 for Housing Assistance Payments, \$36,044 for an ongoing administrative Fee and \$6,500 to cover the cost of the audit. Discussion followed. **Motion** and second to approve the documents as presented, authorize J Thomsen to sign SF-424 and approve the submission of all Section 8 Housing Choice Voucher Program documents to HUD (Joyce, Salminen), carried.
- ✓ **Public Housing Annual Budget and Operating Subsidy:** Staff presented the Public Housing Budget and Subsidy Requisition for Fiscal Year Ending June 30, 2005. Per HUD-52723, we are eligible for \$76,446 in an Operating Subsidy. We are applying for 100% of the funds, however, we expect to be funded at 93% and have based our budgets on a subsidy of \$71,095. Per HUD 52-564, we expect to receive \$41,490 in rents and \$18,000 from the Capital Fund. Complete line item breakdowns of the expenditures are provided on HUD-52573. Our goal will be to have \$94,005 in our Operating Reserve on June 30, 2005, however, based upon this budget, we will expect to have \$151,349 in reserves. Discussion followed. H Salminen requested that the Board be provided with a copy of HUD's response to J Thomsen's letter. **Motion** and second to approve the documents as presented, authorize B Bristlin to sign the HUD-52574, authorize J Thomsen to sign the SF-424 and approve the submission of all Low Income Public Housing Program documents to HUD (Joyce, Salminen), carried.

8. EDA Board of Commissioners:

- ✓ **Networking:** Discussion followed on the March 26th Special Meeting that will be open to the public.
- ✓ **Goal Setting Roundtable & 2004 EDA Budget:** M Metelak presented the Board with a "draft" agenda for the March 26th meeting. Discussion followed. The general consensus was that the meeting should start at 11:30 with an Open Forum Discussion that would continue over lunch. Then, the Goal Setting Roundtable could begin at 1 p.m. The Board directed the staff to reserve a meeting room at a location that can provide lunch and mid-afternoon coffee, with each attendee responsible for paying for their own meal. M Metelak was asked to Chair the meeting and an invitation was extended to the EDA staff.

9. Housing:

- ✓ **Housing Update Report:** Staff reported that White Earth Human Services has been working on *Dream Catcher Homes*, a permanent supportive housing project that will be located in Ogema. Staff presented White Earth's request for assistance in the form of converting 6 of the Becker County EDA's Section 8 Tenant-Based Vouchers. With HUD approval, these vouchers could be converted from Tenant-Based to Project-Based and would only be available for occupancy within the building. Discussion followed. **Motion** and second to plan to convert 3 vouchers, as they become available (Salminen, Johnson), carried.
- ✓ **County Space Needs Update Report:** Staff presented a brief update.
- ✓ **Housing Committee – Duties and Responsibilities:** Staff updated the Board on the Housing Committee discussions. The Committee will be further discussing the "draft proposal" at their next meeting. Staff announced that committee member K Misson submitted her resignation. K Misson felt that a potential conflict of interest would prohibit her from participating in the Housing Committee once the EDA Board expanded their duties and responsibilities. The EDA Board was invited to submit names for consideration.

10. Open Forum: No further discussions.

11. Old/New Business: There being no further business to be brought before the Board,

12. Adjourn: **Motion** and second to adjourn the meeting at 6:45 p.m., (Joyce, Johnson), carried.

ATTEST:

Respectfully submitted:

/s/

Robert Bristlin
Housing Director

Jon Thomsen

/s/

EDA Board President