



**Meeting of the Housing and
Redevelopment Authority
Held at the Elk River City Hall
Monday, March 2, 2026**

Members Present: Chair Nate Oval, Commissioner John Dietz, Commissioner Lynn Caswell, Commissioner Mel Beaudry, Commissioner Dave Klutch

Members Absent: None.

Staff Present: Economic Development Director Brent O'Neil, Economic Development Specialist Joshua Mollan, and Recording Secretary Katie Porath

1. CALL MEETING TO ORDER

Pursuant to due call and notice thereof, the meeting was called to order at 5:31 p.m.

1.1 Commissioner Dave Klutch

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. CONSIDER AGENDA

Moved by Commissioner Dietz and seconded by Commissioner Caswell to approve the agenda. Motion carried 5-0.

4. CONSENT AGENDA

Moved by Commissioner Caswell and seconded by Commissioner Beaudry to approve the following consent items as outlined in their respective staff reports. Motion carried 5-0.

4.1 DRAFT Minutes - February 2, 2026

4.2 Check Register

4.3 Balance Sheet

4.4 Revenue/Expenditure Reports

5. OPEN FORUM

No one appeared for open forum.

6. GENERAL BUSINESS

6.1 Downtown Winter Light Pole Fixtures

Mr. Mollan presented the staff report. He showed an example of the lighted snowflake from Main Street Designs proposed for decorating the downtown area. Mr. Mollan added that, in addition to the amounts listed in the staff report, special brackets would need to be purchased for \$1,740. Elk River Municipal Utilities has agreed to install the snowflakes and contribute the energy at no cost.

Mr. Mollan stated that 23 snowflakes would need to be purchased to hang along Main Street and Jackson Avenue for a total of \$10,801. Downtown Elk River Business Association (DERBA) has offered to pay up to \$2,200 and asked the city if they would contribute \$8,601 toward the purchase.

Commissioners stated that was a large amount of money and asked Mr. Mollan to return to DERBA and ask if they would be willing to split the cost 50/50, with an option that the HRA fronts the money and the association repays the HRA in yearly installments.

6.2 Housing Rehabilitation Loan Program Update

Mr. Mollan presented the staff report. He stated a new loan was initiated in January for \$35,000 toward a solar system.

7. OPEN DISCUSSION

Mr. O'Neil provided a follow-up to a question from the HRA at their February meeting regarding the King Ave parking lot. After discussion with staff, the city has decided to proceed with the repaving of the parking lot without looking to combine the various owners of the lot at this time.

Mr. Mollan asked the commission to remain for a group photo between the regular meeting and work session.

Commissioner Dietz asked for the latest information on the Main and Gates project. Mr. O'Neil stated he has heard from interested parties. Commissioner Dietz added that the AOMS building did not look busy, but he has heard it is their busiest location. Mr. O'Neil stated he could run a Placer.ai query on for all of their business locations.

8. MOTION TO ADJOURN REGULAR MEETING

Moved by Commissioner Dietz and seconded by Commissioner Beaudry to adjourn the meeting. Motion carried 5-0.

The regular meeting adjourned at 5:55 p.m. Chair Ovall called the work session to order at 5:58 p.m.

9. WORK SESSION

9.1 Review Housing Rehabilitation Loan Guidelines

Mr. Mollan stated that, after discussion with the Center for Energy and Environment (CEE), no other cities the CEE works with pass on the origination fee to the applicant. Additionally, federal guidelines limit how many fees can be passed to the borrower.

Chair Ovall gave some context on the history of the program stating it began to address blight then included energy efficiency before becoming what it is today.

Commissioner Dietz asked if the maximum amount of the loan has always been \$35,000. Mr. Mollan stated that within the past several years the amount has increased from \$25,000. Many of the current loans are at the max \$35,000 amount.

Commissioner Beaudry asked for clarification on the term "housing stock". Chair Ovall explained it was in reference to affordable housing as well as retaining affordable housing which may have been lost to retail.

Commissioner Klutch asked if rental properties were included in housing stock. Chair Ovall stated the commission looks at affordable housing for TIF and tax abatement but TIF has been used more for economic development.

Commissioner Klutch asked if a higher portion of the loans were given to aging housing stock. Chair Ovall stated that was the focus of the loans initially. Mr. Mollan added that homes need to be at least 20 years old to qualify for a loan.

Mr. O'Neil stated the amount budgeted per year is \$150,000. Mr. Mollan added the city averages 2-4 loans per year.

Commissioner Caswell discussed the possibility of increasing the interest rate. He asked about the total cost to the HRA from each loan application. Mr. Mollan stated there is a fee of \$775 per loan plus the yearly amount of \$5,000 paid to CEE.

Commissioner Dietz stated he was fine with the terms as is and the program seems to be going well. The consensus was to make no modifications.

10. MOTION TO ADJOURN

Moved by Commissioner Dietz and seconded by Commissioner Beaudry to adjourn the work session. Motion carried 5-0.

The meeting adjourned at 6:20 p.m.

11. CLOSED MEETING

11.1 Statement to be read by the Chair:

"The Housing and Redevelopment Authority will be holding a closed meeting per MN Statute 13D.05, subd. 3(c)(3) to develop or consider offers or counteroffers for the purchase or sale of real property. The properties being discussed are within The Village of Elk River plat:

- PID 75-00405-1110, 365 Jackson Ave NW
- PID 75-00405-1115, unaddressed
- PID 75-00405-1155, 618 Railroad Dr NW
- PID 75-00405-1120, 616 Railroad Dr NW

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- PID 75-00405-1135, 612 Railroad Dr NW
 - PID 75-00405-1150, 600 Railroad Dr NW

HRA Board Present: Chair Nate Oval, Commissioners Dave Klutch, Mel Beaudry, Lynn Caswell, and John Dietz

Staff Present: Economic Development Director Brent O'Neil, Economic Development Specialist Josh Mollan, and Recording Secretary Katie Porath

Others Present: Ryan Hardin, Hardin Companies

Chair Oval read the following statement:

11.2 Motion Calling Closed Meeting

The closed meeting was called to order at 6:21 p.m.

11.3 Hold Closed Meeting

11.4 Motion to Adjourn Closed Meeting

Moved by Commissioner Dietz and seconded by Commissioner Mel Beaudry to adjourn the closed meeting. Motion carried 5-0.

The meeting adjourned at 6:51 PM

Minutes prepared by Katie Proath.



Nate Oval, Chair



Jolene Richter, Deputy City Clerk