Meeting of the Housing and Redevelopment Authority
Held at the Elk River City Hall
Tuesday, September 3, 2024

Members Present:	Commissioner Dennis Chuba, Commissioner Nate Ovall, Commissioner Lynn Caswell
Members Absent:	Commissioner Mel Beaudry
Staff Present:	Economic Development Director Brent O'Neil, Economic Development Specialist Joshua Mollan, and Recording Secretary Jennifer Green

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

2. PLEDGE OF ALLEGIANCE
The Pledge of Allegiance was recited.

3. CONSIDER AGENDA
Moved by Commissioner Wagner and seconded by Commissioner Ovall to approve the agenda. Motion Carried 4-0.

4. CONSENT AGENDA
Moved by Commissioner Caswell and seconded by Commissioner Wagner to approve the following consent items as outlined in their respective staff reports. Motion Carried 4-0.

4.1 HRA Draft Minutes - August 5, 2024

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 Housing Rehabilitation Loan Program Update

Mr. Mollan presented the staff report. He noted a recent loan request resulted in the property being outside of the Urban Service District and therefore ineligible for the Rehab Loan Program.

6.2 2025 Budget Adoption and Levy Recommendation

Mr. O'Neil presented the staff report. He noted the work session discussion regarding commission compensation would need to be approved by the city council, and the council has been made aware of the request. He noted a future meeting to discuss this with the council, and the enabling resolution would need to be updated, and suggested the decision be discussed at the HRA annual meeting. He suggested leaving the request out of the budget and then if a commission compensation plan is approved at the annual meeting next year, the fund balance could cover any budget cost during 2025.

Moved by Commissioner Caswell and seconded by Commissioner Wagner to approve the 2025 HRA budget and goals as outlined in the staff report, and recommend to the City Council that $439,950 be included in the Preliminary Levy. Motion Carried 4-0.

6.3 General Updates

Mr. Mollan reported the fall flower baskets had been installed downtown. He noted a hit-and-run on a light pole, and ERMU had reinstalled the light pole. The basket survived but new flowers were needed, which Yardworx was working on replacing. Commissioner Wagner noted her positive contact with staff from Yardworx, and offered them her compliments on this year's flowers and how the city is pleased to continue working with them for the next few years.

Mr. O'Neil noted the property at 555 Railroad drive may again be up for discussion and will keep the HRA posted.

Mr. O'Neil stated the downtown steering committee meeting was held with Commissioner Caswell and Councilmember Wagner in attendance. He indicated a survey is available for people to weigh in on the downtown vision.

Mr. O'Neil discussed the sale of the Daddy O's site to the owner of The Tipsy Chicken; a downtown loan program was available but the owner stated during a recent DERBA meeting that the HRA application process was too onerous, and therefore, he decided not to proceed with the application and apply for traditional bank financing.

Mr. O'Neil noted the Troy Street property up for condemnation was on the agenda for tonight's City Council meeting for formal consideration.

Mr. O'Neil noted there will be an update from Sherburne County on the housing study and will discuss at a future work session how to use the state aid award for housing opportunities that align with the study results.

Commissioner Ovall asked Mr. O'Neil if the updates tonight were asking for a position from the HRA members or just updating them.

Mr. O'Neil stated he likes to share and relay information when things happen downtown, especially when strong comments are made regarding something like a city loan program and to DERBA group, not to just staff. He stated he was looking forward to putting funds to use through that loan program and staff did not feel the application asked for items outside a normal loan application. Mr. O'Neil stated with Ehlers on board, the city's financial advisor, they wish to look at all the programs available and see if there's room to tweak the applications.

Commissioner Ovall encouraged staff to review any of the loan programs and offer their recommendations.

Commissioner Caswell asked if the applications were available online.

Mr. O'Neil stated they are, and clearly outlines the materials needed to submit. He stated there are 4 different loan programs bundled into one loan packet.

Commissioner Wagner stated when you're using taxpayer dollars, providing documentation is an expectation.

6.4 Main and Gates Properties Update

Mr. O'Neil presented the staff report. He noted the HRA may have seen the letter to the editor in the local newspaper from a neighboring property owner and his disagreement about the process used to receive the variance. Mr. O'Neil wanted to make the board aware the adjacent property owner has been actively disputing this approval.

Mr. O'Neil stated that following the special HRA meeting, he had not received an update of Amendment Four from Ron Touchette. He stated he understood Mr. Touchette would have a proposed document to review and execute and this has not happened. Contractually, Amendment Four was approved, which gives due diligence by September 27, and a closing date prior to October 28. As of now, executed Amendment Four has not been reviewed since a document has not been submitted to review.

Chair Chuba felt it quite troubling and was surprised and concerned.

Commissioner Ovall stated he could take it either way; he was surprised but not concerned. He thinks if there's time to get it done, we have the time and would be shocked if there was any additional negotiating.

Mr. O'Neil noted the HRA won't have another board meeting until due diligence expires.

7. MOTION TO ADJOURN REGULAR MEETING

Moved by Commissioner Ovall and seconded by Commissioner Caswell to adjourn the meeting. Motion carried 4-0.

The meeting adjourned at 5:54 p.m.

Minutes prepared by Jennifer Green.

Denny Chuba, Chair

Tina Allard, City Clerk