



**Meeting of the Housing and  
Redevelopment Authority  
Held at the Elk River City Hall  
Monday, April 7, 2025**

Members Present: Commissioner Dennis Chuba, Commissioner Nate Ovall, Commissioner Mel Beaudry, Mayor John Dietz

Members Absent: Commissioner Lynn Caswell

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

1. CALL MEETING TO ORDER

Pursuant to due call and notice thereof, the meeting was called to order at 5:30 PM.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. CONSIDER AGENDA

**Moved by Commissioner Ovall and seconded by Commissioner Dietz to approve the agenda. Motion carried 4-0.**

4. CONSENT AGENDA

**Moved by Commissioner Ovall and seconded by Commissioner Dietz to approve the following consent items as outlined in their respective reports. Motion carried 4-0.**

4.1 Draft Minutes - March 3, 2025

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

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Mr. Mollan presented the staff report. He noted CEE did not provide the monthly report at the time the packet was completed. He stated staff will be meeting with CEE to discuss any outstanding topics and lagging report receipt in May and will update the HRA after the meeting. He noted there will be an ad in the Spring Home Improvement insert in next weekend's Star News.

## 6.2 Commissioner Compensation

Mr. O'Neil presented the staff report, which outlined what would be compensated. He noted if adopted, HRA members would begin receiving compensation starting May 1, 2025.

Commissioner Beaudry asked about additional expenses being compensated, such as conferences, mileage, meal reimbursement.

Mr. O'Neil stated those would be reimbursed as needed, but this meeting compensation is tied to HRA meeting attendance, and all meetings count towards the \$900 yearly cap, paying \$75 per meeting. He noted they do cancel one or two meetings a year, and they sometimes call special or closed meetings, which would count.

Commissioner Beaudry asked how they would be paid.

Mr. O'Neil stated the HRA members would provide authorization for automatic payroll deposit.

**Moved by Commissioner Dietz and seconded by Commissioner Mel Beaudry to adopt Resolution 25-02 authorizing commissioner compensation as outlined in the staff report. Motion carried 4-0.**

Commissioner Oval thanked staff for their work implementing this compensation.

## 6.3 State Affordable Housing Aid Disbursement Framework

Mr. O'Neil presented the staff report. He asked the HRA to consider the four different fund "buckets" outlined in the staff report. He noted Habitat for Humanity is working towards forming a partnership with the Elk River High School where students at the high school would build a home to move to a lot chosen by Habitat for Humanity, and the city provide a portion of these funds to acquire the lot. This project would take place during the 2025-2026 school year. He reviewed the other three funding options.

Commissioner Oval asked if there was any loan documentation required to show this money was deployed since our loan volume is volatile.

Mr. O'Neil stated it was possible; the HRA would have 4 years to spend the funds and documentation is required, returning unspent dollars from the state. He stated one caveat is if they were to deposit the funds into a housing trust fund; the state would consider those as spent funds and the HRA would not have to return them as unspent funds.

Commissioner Beaudry noted it will be challenging to find a lot for the Habitat for Humanity house. Chair Chuba agreed. They both asked if the city would buy a home in tough shape and refurbish.

Mr. O'Neil stated that was an option, noting both would be challenging.

Commissioner Dietz asked questions about the trust funds and how they're invested and when the funds have to be spent.

Mr. O'Neil will check to see if it can be invested. He stated they have until the end of 2027 to spend the first allocation the city has received.

Commissioner Ovall asked about providing emergency funds for residents, such as Elk River Municipal Utilities customers, or catastrophic repairs.

Commissioner Dietz stated this was timely as many residents don't realize homeowners own the water line out to the street and the cost of repairs is high.

Mr. O'Neil stated commercial properties wouldn't qualify, but residential would if it affects essential services to the residents.

Commissioner Ovall asked about the excess cash on hand.

Commissioner Dietz liked the options presented and have the HRA continue discussing the fourth option of funds.

Commissioner Ovall felt the fourth option of funds could be dispersed into the other three fund options.

Mr. O'Neil stated the \$25,000 for Habitat for Humanity was an initial amount and excess funds could be used for future lot purchases.

It was the consensus of the HRA to bring in a representative from Habitat for Humanity to discuss their project, and continue discussions on how to best distribute these funds.

#### 6.4 General Updates

Mr. O'Neil presented the staff report.

- Small Area Downtown Plan open house will be April 22.
- Staff will work with DERBA on an agreement to place the picnic tables and large chair downtown.
- Hanging baskets will be arriving soon.
- Main and Gates: siding, working on finding a tenant that can occupy the property west of them. September will be their target open date.

#### 7. MOTION TO ADJOURN REGULAR MEETING

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

The meeting adjourned at 5:57 p.m.

Minutes prepared by Jennifer Green.

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Denny Chuba, Chair



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Tina Allard, City Clerk