



**HOUSING AND REDEVELOPMENT AUTHORITY
MEETING MINUTES
July 21, 2020 - 10:00 AM
Remote Meeting – RingCentral ID 1492907801**

Board Members present: Mayor Carl Pederson, Aaron Duffee, Becky Schueller and Rita Watson

Board Members Absent: Council member Gina Pettie

Staff present: Executive Director of the Pine City HRA Deb Robelia, Community Development Director Lezlie Sauter and Administrative Assistant Carissa Kranz

Other Board/Committee members present: Councilor Steve Ovick

Meeting brought to order at approximately 10:08am.

Approve June 16, 2020 meeting minutes – *Motion to approve the June 16, 2020 meeting minutes by Schueller, seconded by Watson. Motion carried by roll call of Duffee, Pederson, Watson and Schueller voting in favor, none opposed.*

Check register review/approval (6/12/20 – 7/15/20 Check #12179-12192-) – *Watson motioned to approve the check register for period 6/12/20 – 7/15/20 seconded by Duffee. Motion carried by roll call of Schueller, Pederson, Watson and Duffee voting in favor. None opposed. Motion carried unanimously.*

July 2020 Management Report –

- Robelia provided a summary of the management report through July 15, 2020 highlighting the vacancy and waitlist figures. No tenant issues to report.
- Insurance claim is still a work in progress, caps are on and gutters have not been installed yet. State Farm contacted Robelia and is settling and paying out for the excess siding that they were disputing NexGen about. No paperwork or emails have been received to confirm the figures yet.
- Robelia gave updates on the POHP loan process is currently pending status and the MN Dept of Commerce and Lakes and Pines weatherization divisions grant funds for energy savings paperwork is all in and everything is on hold due to a Weatherization Management position needed to be filled.
- Robelia has scheduled the smoke detectors and carbon monoxide alarms to be replaced in all units, mechanical rooms, common areas and the exterior lights to be replaced with LED on the front entrance area, all work will be performed by Anderson Electric using the 2018 grant funds that were allocated for this project.
- Waste Management informed Robelia that due to route changes in Pine City they will be going to once a week pickup or installation of dumpsters could be an option. Talon sanitation would be able to provide the current route however the price would increase from Waste Management at \$45 a month to \$200 with Talon Sanitation.
- The Energy Audit is scheduled for August 2020, this free service to do the inspections now and replace aerators, shower heads, lightblubs in all units and pipe wrapping in the mechanical room

Development Updates (verbal):

- a. Mill Site Redevelopment Project RFP – Sauter noted that no questions on the RFP have been received and staff has received no interest by any parties at this point. The RFP deadline of July 2, 2020 may need to be extended. Sauter stated that the RFP has been sent to every developer/builder that has come to any Mill Site meetings and has also been sent to two companies that are doing housing projects in Pine City currently. Sauter recommended the HRA think about putting a sign at the property to advertise the project. Staff could obtain quotes and email to the HRA Board prior to purchasing.
Watson made a motion to approve purchasing a sign with a budget of \$500.00 at the staff's authority seconded by Duffee. Discussion was to increase the budget to range to be \$500-\$750. Watson amended her motion to approve purchasing signage for the Mill Site property within the budget amount of \$500-\$750 at the staff's authority, seconded by Duffee. With a note that this amount comes out of the HRA levy advertising code. Motion carried by roll call of Schueller, Pederson, Watson and Duffee voting in favor, none opposed.
- b. Small Cities – Sauter provided an update that Lakes and Pines has closed 2 commercial loans for Carpet Unlimited and Pizza Pub. They are waiting for the 4 other commercial loans to submit bids and they have closed on 1 home. There has been more residential interest in Target Area B and staff will recommend opening that target area at the upcoming Council meeting. Target area B is around the Pine County fairgrounds and Woodpecker Ridge North of river. The Small Cities Loan Program has 30 months to administer.
- c. Federal Home Loan Bank (FHLB) – Sauter noted that bids are in for one project, our Safety Inspector, Andy L. has inspected 4 properties and needs to do 1 more, 1 applicant has been denied and was not income eligible. All applicants are required to get their own bids. The first property owner got 3 bids and the project at their property is under the \$25,000 amount per home we can issue. All special needs categories have been met. We can take on 7 more properties/projects and all residential properties within city limits can apply as long as they meet the income requirements and that someone in the household owns the property and it is a permanent structure. Discussion was had to send out additional promotions/information that this program is available.
- d. Hilltop Cottages – Sauter reported that the City can expect to close on property in the middle of July, the developer has received funding approval from MN Housing and are waiting for HUD approval. Sauter is working with the City Engineer and Attorney on the changes to the Development Agreement & Stormwater Maintenance Agreement. At the upcoming June 30th Planning Commission meeting a public hearing will be held to amend the site plan to waive the requirement of public use of the playground and the park dedication fee, then it will be brought forward to the July 1st City Council meeting.
- e. Timber Pines/Pine City Senior Living – Development slowed down with COVID and they were not able to pull buildings permits by the site plan deadline. They are requesting an extension to their site plan at the upcoming June 30th Planning Commission meeting. This will move forward to Council on July 1st as well and they are planning on breaking ground in August. There has not been building plans submitted to the city as of yet, but they finalized the number of units at 103.

Additional Items:

Pederson requested an update on the old Gail Motel Property, now called Pokegama Pines Student Housing located at 1100 Main St S. Sauter noted that the Building Official and Safety Inspector have been working with the owners on rental inspections and how to get a proper occupancy. There was a list of things found during the rental inspection that need to be corrected. Sauter explained that redevelopment is expensive and a difficult process especially when changing occupancy like this from temporary stay of a motel designed in the 1940s and trying to bring the property up to today's standards with fire, safety and building codes for a student housing permanent occupancy.

Pederson provided an update on the Haug apartments project located at 3rd Ave SE and 2nd St SE, property owner Troy Haug is working with the City Administrator and the State on funding for capping of the well. Haug has tenants already lined up and they need documents to be signed for a Certificate of Occupancy prior to the well sealing, even though this was a requirement of their Developers Agreement.

Motion by Pederson, to adjourn the meeting at 10:51am.

Next meeting is scheduled for July 21, 2020 at 10:00 am.
Minutes by: Carissa Kranz, Administrative Assistant

City of Pine City

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