



**HOUSING AND REDEVELOPMENT AUTHORITY  
MONTHLY MEETING MINUTES  
April 21, 2020 - 10:00 AM  
Zoom Remote Meeting**

**Board Members present:** Mayor Carl Pederson, Council member Gina Pettie, Rita Watson Aaron Duffee, and Becky Schueller.

**Staff present:** Executive Director of the Pine City HRA Deb Robelia, City Administrator Matthew Van Steenwyk, Community Development Director Lezlie Sauter and Administrative Assistant Carissa Kranz.

**Other Board/Committee members present:** Councilor Mary Kay Sloan, and Councilor Steve Ovick.

**Other Attendees:** Minnesota Housing Partnership Jill Hendricks, A Place for You Kim Brubaken and Vicki VanderVegt

**Meeting brought to order at approximately 10:00am.**

**Approve March 17, 2020 meeting minutes** – *Motion to approve the March 17, 2020 meeting minutes by Watson, seconded by Pettie with a note to fix a minor name misspelling. Motion carried by roll call of Pederson, Schueller, Pettie, Watson and Duffee voting in favor. None opposed. Motion carried unanimously.*

**Introduction of new member Aaron Duffee.**

**Check register review/approval (3/9/2020 – 4/14/2020 Check #12130-12149)** – *Watson motioned to approve the check register for period 3/9/2020 – 4/14/2020 seconded by Schueller. Motion carried by roll call of Schueller, Pettie, Watson, Pederson and Duffee voting in favor. None opposed. Motion carried unanimously.*

**April 2020 Management Report** – Robelia provided a summary of the April 2020 management report.

Robelia gave an overview of three lawn care proposals from Premier Outdoor Service, Jeff's Outdoor Services and Schmidt Lawn & Turf. Robelia is looking for approval from the Board to contract with one of the companies. *Motion to approve proceeding with Premier Outdoor Services at \$55 per mow, Spring/Fall Clean-up per hour and \$100 per time for fertilizing/herb applications by Pettie, seconded by Watson. Motion carried by roll call of Schueller, Duffee, Pederson, Watson and Pettie voting in favor. None opposed. Motion carried unanimously.*

Robelia gave an overview of three water softener proposals from Rocky's, Wiedemann Plumbing and Kinetico. Discussion on capital budget/grant funds that can be moved around from different projects to pay for this additional expense. The current softener has been in the building for 10+ years and needs replacement. *Motion to approve Kinetico at \$10,995.00 by Watson, seconded by Pettie. Motion carried by roll call of Pederson, Schueller, Watson, Duffee and Pettie voting in favor. None opposed. Motion carried unanimously.*

Discussion on HRA and City Audit season approaching. City's Auditors are coming at the end of May. Van Steenwyk requested any HUD documentation Robelia has been receiving regarding extensions or changes be forwarded to him.

**Pine City Housing Authority Coronavirus Response Plan** – Robelia provided a summary of the Pine City Housing Authority Coronavirus Response Plan of which she created from HUD's example prior to the Governor's Stay Home Orders. Robelia's been taking extra precautions, sanitizing the building as much as possible and hanging signs to notify tenants and visitors. The

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maintenance person is not coming in right now due to health concerns and Robelia has been taking over that roll. At the next annual meeting in January 2021 this plan will be on the agenda for approval. No action was taken on this item.

**Pine City Market Demand Study (revised)** – Sauter provided a summary of the revised Pine City Market Study. Sauter notified Maxfield staff of both the HRA and upcoming City Council meeting dates to present their findings. Maxfield can present via Zoom at the April 30, 2020 City Council meeting. Kranz will send a meeting invite out to this Board if anyone would like to attend.

**Draft Developer Request for Proposals (RFP)** – Sauter provided a summary on the two options that the HRA and City can pursue based on the findings within the market feasibility study conducted by Maxfield Research & Consulting. One option is for a 10 unit townhome concept with tuck-under garages on the parcel currently owned by the city or the other option is a 20 unit market rate concept that would incorporate the existing transitional housing units at A Place for You. Discussion was had between Board Members, A Place for You representatives and Minnesota Housing Partnership representatives on both options and regarding the proposed rent and amenities of option 1. Sauter gave staff's recommendation to pursue option 1. Sauter explained that if they were to be in favor of this option it opens up the possibility of applying for Workforce Housing Funding and if we are able to get the RFP finalized and approved in a timely fashion we'd be able to apply for this funding with the application due sometime this fall. A question was presented if this project should stay under the guidance of HRA, consensus that yes it should. *Concession that the Board would like to move forward with option 1 - a 10 unit townhome concept with tuck under garages on the parcel currently owned by the City.* Sauter will make changes to the RFP and clarify, if needed, that this is a City owned parcel. Kranz will send out the final draft RFP for the board to review, then it will go to Council for final approval.

**Development Updates (verbal):**

- a. Small Cities – Nicole at Lakes and Pines notified Sauter that a Commercial Rehab project is almost ready to go. They have not received much interested in the housing rehab component, being the target area is small. Hoping that they will be able to open a second target area this summer.
- b. Federal Home Loan Bank (FHLB) – Sauter provided a summary of the program and that 4 applications have been received so far and we are working on the details of safely conducting inspections using personal protective equipment. The FHLB program changed their guidelines and has no deed restrictions on the property owned by a qualified applicant. This program is essentially \$25,000 free money to fix up a qualified applicant's home with the condition that the City micromanages the project and conducts inspections along the way. The Small Cities program places a 5 year lien on a qualifying applicant's property and every year that an applicant owns/resides at that property it reduces 20%.
- c. Hilltop Cottages – Sauter has been working with the City's Attorney to get the Developer's Agreement drafted, the next step is to work with the City's Engineer to make sure all of the language jives with what was approved with the development site plans. They are submitting their financial paperwork to Minnesota Housing Finance Agency this week and hopefully that loan committee will review their application in May. They are hoping to finalize and possibly close on the property sometime in July.
- d. Timber Pines – Pederson provided an update from his conversation with Peter Jest. They indicated they are moving forward, but they are reevaluating a start date. Site plans still need to be submitted and reviewed. They are moving forward with 103 units. Pederson recommended that Sauter reach out to Jameson at Timber Pines if we do not hear from him soon.

**Additional Items:** Pederson shared that the EDA and City Council have adopted an Emergency Relief Loan (ERL) program (at a total of \$50,000 in funds with a \$5,000 maximum per application) that will serve as bridge loan for Pine City Business during these uncertain times. Tadpoles LLC dba Froggies, Lakeside Dining dba Mom's Parkside Café and the Pine City Scrapbooking Co have all applied and been approved to receive \$5,000 ERL each. All checks have been delivered and one additional applicant is in the process of applying.

Pederson adjourned the meeting at 11:04am

Next meeting is scheduled for May 19<sup>th</sup> at 10:00 am.

Minutes by:

Carissa Kranz, Administrative Assistant

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