

BLUFF COUNTRY MINNESOTA MULTI-COUNTY HRA

**Monday, February 7, 2011
10:30 a.m.**

**Semcac Office
Rushford, MN**

I. CALL TO ORDER

Tom Falbo called the meeting to order.

II. ROLL CALL

Present: Tom Falbo, Bob Carlson and Sandy Wright
Absent: Tom Kasse
Staff Present: Gerry Krage, Vonda Budde and Cindy Vitse

III. APPROVAL OF MINUTES (January 2011)

Bob made a motion to approve the minutes, second by Sandy. Motion carried.

IV. BUSINESS

- A. Financial Report** – Vonda informed the board that Spring Grove TIF is now out of the red. She also said Angela, Semcac's Fiscal Director completed the Electronic Notice (e-Postcard) Form 990-N and submitted the \$25 fee. Next report is for the State Auditor's Office, which is due in March. Sandy made a motion to automatically transfer funds from the Houston Levy (1/2) and from the Fillmore Levy (1/2) to pay any deficit of the Bluff Country fund, seconded by Bob. Motion carried.
- B. Loan Progress Report** – There has been no action. The people that do call and inquire usually have bad credit. It was discussed that the interest rate should be tied to an index. Tom F suggested setting it at Prime minus 1. Bob made a motion to adjust the interest rate to Prime minus 1 and the loan will stay a fixed rate as of the date of the application, seconded by Sandy. Motion carried.
- C. Spring Stone LLC Update** – Cindy updated the board on the status of the two projects. The Spring Grove project is getting close to wrapping things up. Some outside items cannot be completed until this spring. The windows are in and the new blinds are hung, flooring and painting has been completed and the siding is being worked on. The elevator will be started within the next couple weeks. The Harmony project closed a couple weeks ago and the pre-construction meeting was held. Work is scheduled to begin there shortly.

- D. Vesterheim Update** – Gerry is in contact with Dan on a regular basis. He is also trying to obtain a legible copy of the CNA the owners had completed with RD. Once Gerry gets this and is able to review it he will then look into getting a Purchase Agreement ready. Dan informed Gerry that another owner had recently passed away so they really want to get things moving ahead. He suggested doing the Purchase Agreement now but have contingencies. Gerry said funding won't be available till at least 2012. He feels the owners may be forced into selling at a loss on the private market. Gerry will put together a preliminary Purchase Agreement for the board to review and sign. Once signed he will present to Dan.
- E. Review of Strategic Plan** – Gerry completed the revisions, noted in red. The section where it talks about the loan program will now have to be revised to reflect the interest rate is now tied to Prime minus 1. A motion was made by Sandy to approve the revisions, seconded by Bob. Motion carried.
- F. MHP HRA/EDA Housing Institute** – Gerry recommended going through and applying for this. He feels it is a good way to network with others in the same profession. February 10, 2011 is the deadline to apply. The following is how the Team would be set up: Team Leader – Gerry Krage, Team II – Cindy Vitse/Vonda Budde, Team III – Bob Carlson, Team IV – Tom Kaase (hopefully), Team V – Hopefully somebody representing Winona and/or Dodge County. All groups from around the state will meet every 3 months in the cities and in between will meet locally. This schedule will continue for the duration of the 18 months. One suggestion for a project is to lay the ground work for developing a rental housing guideline. Gerry will approach both Winona and Dodge Counties to see if either one or both would be interested in joining the team. Sandy made a motion for Gerry to move ahead and apply to the Housing Institute, seconded by Bob. Motion carried.
- G. Other** – Tom F updated the board on Sunrise. Gerry will continue to network with funders and developers for the Rochester Transitional Housing Project.

V. ADJOURN

Next meeting is scheduled for Monday, April 4 at 10:30 a.m. at the Semcac Office in Rushford. Sandy made a motion to adjourn, seconded by Bob. Motion carried.