

# **BLUFF COUNTRY MINNESOTA MULTI-COUNTY HRA**

**Monday, March 22, 2010  
10:00 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, Tom Kaase and Sandy Wright  
Absent: None  
Staff Present: Wayne Stenberg, Cindy Vitse and Vonda Budde  
Guest Present: None

## **III. APPROVAL OF MINUTES (January 2010)**

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

## **IV. BUSINESS**

- A. **Financial Report** – Vonda went over the report. She explained that there is a deficit of \$8,810.24 because the Allocation and Processing Fees for the MCPP Program was paid. All of this but \$120 will be returned once MN Housing returns signed contracts for this program. The deficit will then be at \$2,544.07. Vonda said she would transfer funds over to cover this shortage. Tom F would like a quarterly update on interest earned on accounts. Tom K moved to approve the Financial Report, seconded by Sandy. Motion carried.
- B. **Loan Progress Report** – Wayne reported that there has been no movement at this time with this program. We are still marketing the program through ads in local papers, flyers, and also through the radio. Those that have shown an interest can not qualify because of credit issues. Marketing of this program will continue as funding from GMHF is scheduled to run till 2024.
- C. **Houston – Fillmore Updates** – Wayne met with both county boards to update them on HRA activities over the past year. A copy of his presentation to each board is included in the board packet. Both county boards seemed pleased with what the HRA has been doing over the past year.
- D. **Liability Insurance** – Vonda contacted numerous insurance companies and none were interested in providing insurance coverage except Krage

Insurance Agency from Lanesboro. Wayne checked with each county to see if the HRA would be covered under their policy but found out it wouldn't. He also checked to see if it would be covered under Semcac's and found out it wouldn't either. Application for coverage through Krage Insurance is included in board packet. Policy with Krage Insurance would run around \$800 per year. Tom asked how much coverage the \$800 would be for. Vonda said she thought it was for the 1 million dollar coverage. Tom K made a motion to approve the application to Krage Insurance Agency for insurance coverage for the HRA, seconded by Bob. Motion carried.

- E. **Annual State Report** – The taxes are done and submitted. Information had to be submitted to the Attorney Generals Office. One form said it was due February 15 and another said April 15. Tom F asked why the HRA had to do this form as a 501 c 3 because he knew of other 501 c3's that did not have to complete this form. Vonda said the person who did our taxes said we needed to complete this form. A discussion was had regarding if the HRA is designated as a 501 c 3 or 501 c 4. Wayne will check into this for clarification by contacting Laurie Swanson at the Attorney Generals Office. If needed, this form will be completed and submitted.
- F. **Resolution 10-01 Annual Reporting and Continued Responsibility** – This goes with the Annual Report, it state that the report contents are true to the best of your (HRA's) knowledge. Semcac is contracted by the HRA to do all administrative duties. Resolution 2010-01, once signed will go with Annual Report when submitted.
- G. **Strategic Plan** – Wayne updated the Strategic Plan. A copy of the updated version is included in board packet. Goals that were met were changed to reflect that and key findings for both counties are listed on page 22-26 of the board packet. Pages 27-29 recaps what was mentioned at beginning of the Strategic Plan. Board thought updates looked fine.
- H. **Resolution 10-02 Adoption of Strategic Plan** – A motion was made by Bob to approve the Strategic Plan as updated, seconded by Tom K. Motion carried.
- I. **NAHRO Spring Conference** – Wayne talked about this conference being held at Maddens Resort in Brainerd May 26-28. Page 35 of board packet has information about the conference. Wayne thought Wednesday, May 26<sup>th</sup> session on Rural Development's 515 Program would be beneficial for board members and staff to attend. Wayne would like to see some or all board members attend and staff of HRA. Tom K. said he'd like to go but is unable to because of prior commitments during this time. Other board members said they would consider this and let staff know at next months HRA meeting if they want to attend. Tom F. proposed to have at least the 3 staff attend. Bob made a motion to approve sending 3 staff to the conference, seconded by Sandy. Motion carried.
- J. **Open Discussion** – Laurie Schmidt from Rural Development has been meeting with Dan Christianson regarding Vesterheim Apartments. Dan would like to put the project out to the open market. Wayne said he hasn't heard any more from Dan since Dan met with GMHF staff. GMHF is

helping Dan and his partners through the process of transferring the property. Tom F. asked Wayne to contact Dan to see where they stand at this point with selling the property and what price they decided on and then report back to the board at the next meeting. Tom K. said Wayne should tell him the information we have from the CNA and see if he is even willing to deal with the HRA.

Tom F. asked about the apartment in Spring Grove. Tom F. asked Wayne to contact Chris from Sunrise to see if she could contact the current owner(s) to line up a tour of the apartment complex. Tom F. said he heard the asking price was \$80,000 for 6-8 units. Tom F. isn't sure who the owner is but through Chris would know. He also said he'd see what other information he could get on this property.

Tom F. commented that he'd like the board to consider investing funds (county levy funds) from the loan program. This will be discussed at our next scheduled board meeting.

## **V. ADJOURN**

The next meeting will be held on Monday, April 19, 2010 at 10 a.m. at the Semcac Office in Rushford.

Tom K. made a motion to adjourn the meeting, seconded by Sandy.  
Motion carried.