



HRA Meeting Minutes October 25, 2022

Chairperson: Robert Duncan, Presiding
Vice Chairperson: Mike Caughey, Present
Members Present: Kimberly Downey, Robert Boese, Randy Klemm, Charlotte Thomas
Members Absent: Adam Keaton
Staff Present: City Administrator Michele Eldridge, Public Works Director Chuck Scholz, Finance Office/Deputy City Recorder Cathy Nelson, and City Recorder/Municipal Court Clerk Lori Ross
Meeting Location: Harrisburg Municipal Center Located at 354 Smith St

CALL TO ORDER AND ROLL CALL BY CHAIRPERSON ROBERT DUNCAN at the hour of 7:26pm

CONCERNED CITIZEN(S) IN THE AUDIENCE. All in attendance were present for items on the agenda.

APPROVAL OF MINUTES

- Caughey motioned to approve the minutes from the August 9, 2022, HRA Meeting and was seconded by Downey. The motion was approved by a vote of 5-0. (Yes: Caughey, Downey, Boese, Klemm and Thomas; No: None.)

THE MATTER OF APPROVING THE HARRISBURG REDEVELOPMENT AGENCY 4TH QUARTER 2021/2022 EXPENSE REPORT

STAFF REPORT: Nelson stated taxes received were 179.91% of what was budgeted which reflects how well the HRA is working. She noted that in Expenditures, nothing was close to what was budgeted; the closest being Special Payments for HRA Grants.

- Downey motioned to approve the HRA 4th Quarter 2021/2022 Expense Report and was seconded by Thomas. The motion was approved by a vote of 5-0. (Yes: Thomas, Downey, Boese, Klemm and Thomas; No: None.)

THE MATTER OF REVIEWING INFORMATION IN RELATION TO REVENUE SHARING REQUIREMENTS

STAFF REPORT: Eldridge noted that Elaine Howard from Elaine Howard Consulting, is joining us via Zoom. Eldridge stated she was contacted by Howard and was informed that the HRA reached the Revenue Sharing Projections in 2018 and we should have begun paying Revenue Sharing in 2019. She pointed out it was originally estimated to reach status in FY 2023/2024 and due to staffing changes for both the City Administrator and Finance Officer, the information was not passed on. Eldridge stated that changes have been made going forward, and if the tax levels are above a certain amount, we will continue to pay revenue sharing. Eldridge commented that the City could send a letter out to all the Taxing Districts and see if they would allow the City to keep the back revenue funds, leaving more for the Water Bond Project.

- Howard commented we are not the first District that has had this problem. We do want to speak with the Department of Revenue, but we will need to work out the back taxes with the Taxing Districts ourselves. Howard noted that moving forward, this will be included in annual reports to prevent it from being missed.
- City Attorney Jim Brewer commented that the City's money is not at risk because we are not one entity with the HRA, however, his concern is the 9% interest rate and the terms of how we pay it promptly. Brewer suggested moving it back into the plan.
 - Howard responded that we could do that with this amendment and make the language more apparent and then referred to table 7 on page 45 of the agenda, stating the table was in the report of the plan, but never got transferred to anything that made us aware.
- Eldridge stated that the 9% interest for all districts is \$23,290 for total combined due of \$282,068 which includes the City of Harrisburg.
- Thomas asked if we must pay the interest on the previous years, or is it going forward?
 - Brewer responded the statutory rate would apply for money that is owed and hasn't been paid so if we pay now, we don't have to pay the 9%. He commented that it is a negotiation, but the maximum is 9%.
- Eldridge commented that in the future, the HRA will notify the Tax Assessors what is due, and the payment to the other taxing agencies will be reflected in their property taxes returns. Eldridge mentioned they will be meeting with Linn County next week due to expanding the boundaries of the Water Plant and the Wastewater Facility which will be added since they are outside of the City limits.
- Eldridge further stated they will be asking if the other Taxing Districts would be willing to waive any portion of the back revenue that's due.
 - Downey **motioned to direct the Executive Director, and HRA Consultant to compose the letter to send out to the other taxing districts as discussed and was seconded by Caughey. The motion was approved by a vote of 5-0.** (Yes: Caughey, Downey, Boese, Klemm, and Thomas; No: None.)

With no further discussions, the HRA Board Meeting adjourned at the hour of 7:47pm to return to the City Council Work Session.

Chairperson

City Recorder