

HOUSING & REDEVELOPMENT AUTHORITY OF CLAY COUNTY
Regular Meeting of April 25, 2023

MEMBERS PRESENT:

Tia Braseth, Anthony Dillard, Cecil Johnson and Kim Schlotfeldt in person, and Les Bakke via Zoom.

MEMBERS ABSENT:

None

STAFF PRESENT:

Dara Lee, Dawn Bacon and Jill Cossette.

OTHERS PRESENT:

None

9:30 A.M. REGULAR MEETING CALLED TO ORDER:

AGENDA:

A motion was made by Commissioner Schlotfeldt to approve the agenda. Commissioner Dillard seconded the motion and it carried unanimously.

MINUTES FROM March 21, 2023, REGULAR MEETING:

A motion was made by Commissioner Johnson to approve the March 21, 2023, regular minutes. Commissioner Dillard seconded the motion and it carried unanimously.

CITIZENS TO BE HEARD:

None

TREASURER'S REPORT:

Director Lee reviewed the audited financial statements for Houge Estates, Fieldcrest Townhomes and Fieldcrest Townhomes LLC. The audit had no financial findings for either.

HRA Audit is scheduled for the first week of May.

Commissioner Dillard made a motion to accept and file the Treasurer's Report. The motion was seconded by Commissioner Johnson and carried unanimously.

PROJECT UPDATES

Director Lee provided project updates.

Houge Estates

As of April 1, there are 9 vacant units; one lease termination for April 30; and 3 move-out notices for April 30. One household has been offered a unit. Three applicants are being processed for eligibility. Twenty individuals have been sent letters to determine their interest. There are 51 households on the waiting list. The waiting list is currently open.

The Houge Estates Service Coordinator is housed at this location.

Agassiz Apartments

As of April 1, there are no vacancies. There are 10 applicants on the waiting list which closed 2/1/22. Agassiz needs a new roof. Funding sources are being explored.

Clay County Affordable Housing LLC/Boyer Apartments

As of April 1, there are 9 vacant units. Two of the units are now filled. Almost all the openings are due to evictions and lease terminations for non-payment of rent. One of the Moorhead units is vacant due to a transfer. Two households have submitted a move-out notice for the end of May.

Staff are determining eligibility for 3 applicants. Forty others are considering the openings and are in communication with staff. There are still 4 households on the waiting list for the one-bedroom units at Boyer. All open units are 2-, 3-, and 4-bedroom units.

There is no specific subsidy tied to these units. Residents of these units receive a preference for a Housing Choice Voucher if their family size fits the available unit.

Fieldcrest Townhomes

As of April 1, there are 12 vacant units (six 2-bedrooms and six 3-bedrooms) and one pending lease termination. The units will be kept vacant during construction. There are 16 households on the waiting list which is now closed. We will reopen the waiting list and start filling the openings when the rehab is complete.

Windows are installed; the sewer has been moved; new sidewalks are poured; the southeast parking lot is completed; the siding is complete; the new addition is roofed; rehab has been completed on 14 units; and work is underway on the 3rd building. The addition is still under construction. The estimated date of completion is dependent upon weather conditions to finish the remaining grading, sidewalks, and parking lot. The units should be complete by the end of June.

Gateway Gardens

As of April 1, there were 2 openings. Staff are processing one applicant. A current tenant may transfer to the other open unit.

The Housing Supports supplies are located at Gateway Gardens. Two HRA staff have offices at this location. An HRA Assistant Property Manager will move his primary office to this location in April. The CCRI case manager continues to have an office at the location. The HRA continues to staff the front desk from 8 a.m. to 8 p.m. each day.

Prairie Horizons Townhomes

As of April 1, there is one unit open due to an eviction. There also are two lease terminations for the end of April.

A supportive services office is available on-site. CCRI continues to have a full-time employee providing support to both Prairie Horizons Townhomes developments and other HRA Cares scattered-site participants. She is officed at that location. CCRI has been providing DHS Housing Stabilization Services to the participants. An HRA employee also provides support to tenants participating in this program.

Housing Choice Vouchers

As of April 1, 2023, there were a total of 663 households of a possible 758 leased from the HRA Housing Choice Voucher program. We are working with 5 additional households from other housing authorities. We have 556 vouchers under our main HCV HUD contract; 187 under our Mainstream HCV contract; and 15 under our HCV Emergency Housing Voucher (EHV) contract. We have requested that HUD reallocate 10 of our 40 VASH units to the Bemidji HRA as of July 1. Both the Bemidji and Clay HRA boards have approved this transfer.

Of the 556 vouchers under our main contract, 482 vouchers are leased: 419 of 479 regular vouchers; 35 out of 35 Tenant Protection Vouchers; 1 of 1 FYI vouchers; and 27 of 40 VASH vouchers. We have 7 existing regular HCV participants who are between units; we have issued 20 regular vouchers to new participants; and we are working with 61 additional households to issue a regular voucher.

172 out of 187 Mainstream vouchers are under lease. We have 4 existing Mainstream participants who are between units; we have issued 18 Mainstream vouchers to new participants; and we are working with 30 additional households to issue a Mainstream voucher. Nine of 15 EHV vouchers are under lease; one household is moving into a unit May 1; one current EHV household is between units; and one voucher has been issued to a new participant who is searching for a unit. Staff is working with an additional 5 households.

We have 38 individuals enrolled in our Family Self-Sufficiency program. We have had 47 FSS participants in the past 12 months.

There are 189 households who remain on the waiting list. Staff intend to contact more households in the next week to begin working with them.

Becker-Clay-Otter Tail-Wilkin (BCOW)

Adult Mental Health Initiative (AMHI) Rental Assistance

On April 1, 2023, the HRA began administration of the BCOW AMHI Rental Assistance program. The contact was transferred from the MPHA to the HRA.

The contract provides funding for rental assistance and administrative fees to assist households who contain a member who has a serious mental illness and is leaving an institution or is currently homeless.

There are currently 22 participants; 2 households with vouchers who are in-between units; and a new participant who is searching for a unit.

HRA Cares

We are authorized to serve 64 households and on April 1 were serving 63 households due to the one eviction. Of the 63, 15 were at Prairie Horizons Townhomes; 5 are at Bright Sky Apartments; and 43 are in scattered-site units in Clay (31), Douglas (5), and Otter Tail (3) Counties, MN, and in Fargo, ND (4). Four households are searching for units.

Homeless to Housed Rental Assistance

Our current grant is to serve sixty-two households through September 30, 2023. We are serving 60 of our authorized 62 households. Four households are currently searching for units. There are 17 singles and 43 families being served. The grant targets families and youth-headed households. Leased households are from Clay (49), Douglas (9), Grant (1), and Traverse (1) Counties.

Openings are filled through the coordinated entry process.

Homework Starts with Home

The current grant term runs from 8/1/2020-9/30/2023. The renewal application has been submitted. As of April 1, 24 households are leased. Households are from Clay (20), Douglas (3), and Otter Tail (1) Counties. Three were evicted last month but are now housed.

We have transitioned 52 households off the current grant: 34 moved/are moving to a Housing Choice voucher; 1 moved to Homeless to Housed; 2 moved to Bridges; 1 transitioned to a more intensive youth program; 1 purchased a home; 3 went off due to increased income; 7 moved to unsubsidized units; 1 was terminated due to no contact; and 1 was evicted and disappeared. Most of the current 24 households are working with the HCV program to obtain a voucher.

Housing Supports (formerly GRH) in Scattered-Site Units

As of April 1, a total of 122 households were being served by the Housing Supports program in Clay County. There are 104 households leased in the scattered-site Housing Supports program – 9 with the HRA; 19 with CAPLP; 11 with the Presentation Partners in Housing; 9 with LMHC; 10 with Metro Behavioral Health; 11 with the Lotus Center; and 33 with Greater Minnesota Community Services. In addition, CCRI serves 18 Housing Supports clients at Gateway Gardens.

Nine additional households are searching for units. We will not be accepting any additional new clients until the HRA is able to catch up on the financial and support services work of the organization. We are hoping to accept new participants in May.

Minnesota DHS Community Living Infrastructure Grant

The HRA has 1.0 FTE Housing Resource Specialist and a 0.05 project manager. There are 2 FTE outreach workers funded who are employed by the CAP agencies, CAPLP (1.15 FTE) and WCMCA (.85 FTE). The grant also includes a full-time eligibility worker for Clay County Social Services. Staff have been working diligently on property owner engagement strategies and matching participants with available assistance.

The on-site DHS grant monitoring appears to have gone well. The new RFP is now scheduled to be released this summer/fall with the current grant extended until 12/31/23.

Minnesota DHS Housing Stabilization Services

Staff began Housing Consultations in 2020. Staff have been performing annual renewal consultations. Due to staff transitions and an inability to recoup our costs, we are only doing on-going consultations and will not accept any additional HSS Transition & Sustaining Services participants at this time.

The Supportive Services Manager applied for and was awarded a \$50,000 capacity building grant to get the necessary infrastructure in place to re-start this program. The grant is for a 6-month period. Due to internal staffing challenges, the Supportive Services Manager reached out to CAPLP to partner on sharing this grant and the underlying work to get a system in place for the area. This grant was extended from February 28 to March 31 and is now complete. All goals were met during the term.

The goals included getting a coordinated referral process in place, developing streamlined policies and procedures, training components, and effective billing practices. They held “lunch & learns” for our area.

Minnesota Housing - Housing Stability Grant

The HRA is a sub-grantee of the West Central Minnesota Communities Action Agency (WCMCA) to provide Housing Navigation services from June 15, 2022, through June 30, 2023. WCMCA is the grantee with CAPLP, Presentation Partners in Housing, and the HRA as sub-grantees.

The HRA transferred 37% of its sub-grantee funding to CAPLP, which reduced our FTEs to 1.26. This grant ends on June 30, 2023, and it did not appear prudent to add additional staff. We may not reach our target numbers. This grant may be extended, but it is unclear if the HRA would have the capacity to continue to participate. It is very administratively burdensome.

Owner-Occupied Rehab Program

Dilworth

The HRA staff applied for funding on behalf of the City of Dilworth for 2021 CDBG funding to DEED through the Small Cities Development Program. We applied for and received \$922,000 on behalf of Dilworth to rehabilitate twenty-one owner-occupied homes and seven businesses. Twenty-four homeowner and 8 commercial property owner applications were received. Three homeowners and one commercial applicant have withdrawn their applications so there are no waiting lists. The loan limit for homeowners is \$24,999 and for commercial owners is \$40,000. Contractors say they are extremely busy and will have long turnaround times.

For the owner-occupied home rehabilitations, 7 projects are under construction; 4 projects are finalizing bids and preparing to close; and 2 households are in the eligibility process. One household has asked to be moved to the end of the waiting list. All seven other applicants have been contacted and will be processed in the order they respond.

Physical property inspections have been completed on all commercial buildings. Four projects are under construction; 2 projects are finalizing contracts; and one project has not started bidding.

RLP (Minnesota Housing Rehabilitation Loan Program)

The Minnesota Housing Rehabilitation Loan Program is funded by the state. MHFA made updates to the program effective August 1, 2022. The updates were targeted at easing some of the income eligibility requirements by adding additional allowable deductions.

One project was completed in March; one project is under construction; and nine applicants are in the process of submitting income and other eligibility information.

River View Heights (Moorhead Public Housing Agency)

River View Heights is part of HUD's low rent public housing program. It is a 14-story apartment building built in 1968 with 104 units.

As of April 1, there were eight vacancies at River View Heights. Two of those vacancies are approved as offline with HUD due to modernization work related to the water riser replacement project. The majority of the vacancies (five) became vacant following a legal eviction.

There are currently 245 people on the public housing waiting list. Staff are processing several applications to fill vacancies. This includes a lease up scheduled for 4/18, a scheduled intake for 4/14, one pending approval and one denial pending an informal hearing. An additional four applicants have been contacted.

The water riser replacement project is wrapping up this month. This is a \$500,000 project funded with Capital Funding Grant dollars. It required asbestos abatement and replacement of plumbing line running 14 stories on the west side of the building. Residents in 12 units had to be relocated to hotels and their stays lasted from 3-6 weeks each. This required a lot of planning and coordination time on the part of the staff.

Sharp View (MPHA)

Sharp View is a part of HUD's low rent public housing program. It is a two story, 47-unit apartment building designated for seniors aged 62 and over. The building was originally built as an elementary school in 1950 and rehabbed as an apartment in the 1980s.

As of April 1, Sharp View had one vacancy. An intake meeting was scheduled with an applicant for April 13th.

Moorhead Affordable Housing LLC (MPHA)

The Moorhead Affordable Housing LLC consists of 30 units including single family homes, duplexes, and townhomes. They were originally under HUD's public housing program but approved under the Section 18 Disposition in 2021 and sold to the LLC. Most of the units are three bedrooms and primarily house families with children.

As of April 1, this program had one vacancy. The property became vacant due to a lease termination. The property is currently being cleaned out and prepared for re-occupancy. Staff are reviewing one application in the intake process for a Section 8 voucher and accepting additional applications to review.

Maple Court Town Homes (MPHA and City of Moorhead)

Maple Court Townhomes consists of 34 units of two, three, and four-bedroom townhomes. One parcel is owned by the City of Moorhead and the other parcel is owned by Moorhead Public Housing Agency. MPHA/ Clay HRA manage all the units. As of April 1, there was one vacancy at Maple Court. We are beginning the process to pull the next applicant from the waiting list. This property utilizes on-site caretakers.

2024 HRA TAX LEVY DISCUSSION

Minnesota Statutes §469.033, subd. 6 permits the HRA to levy and collect a Special Benefit Tax of up to 0.0185% of the taxable market value upon all taxable property, both real and personal, within the Authority's area of operation which includes Clay County except the cities of Barnesville and Moorhead. The statute requires the consent of the Board of Commissioners of Clay County to approve such a levy; and requires Local Governments to certify their tax levies to the County Auditor. We would need the consent of the local unit of government to levy within the cities of Barnesville or Moorhead.

The HRA has exercised this power in 2008, 2010, 2014, 2019 and 2020. Most neighboring authorities exercise this power on an annual basis. The board received a list from the Department of Revenue with levy information for 2023. The item listed Moorhead HRA is the EDA. Levy funds can be used for any allowable housing authority activity. In 2019, the HRA levied \$380,000 with \$84,500 going to the MPHA and \$50,000 to CAPLP. It represented an approximate .006% levy. In 2020, the HRA levied \$225,000 with \$50,000 going to the MPHA and \$50,000 to CAPLP. In 2021, Clay County allocated \$190,000 in ARPA funding to the HRA. In 2022, the HRA received over \$200,000 in Fieldcrest Townhomes developer fees and will receive additional developer fees in 2023.

In 2009, the HRA used developer fees from Gateway Gardens and in 2013 from East Prairie Horizons to fill funding gaps. We have no anticipated source of funding to fill funding gaps. Staff recommends that the HRA board consider adopting a tax levy for 2024.

If the HRA decides to adopt a levy for 2023, it must be concerted by Barnesville, Moorhead, and the Clay County Commission by September.

The maximum HRA tax levy, including Barnesville and Moorhead, is \$1,435,700 using 2023 values. A levy of \$20 per household would be \$503,080.

We supported the CAPLP request for the RFP from Clay County to be awarded over \$200,000 for preventing child homelessness so would not allocate any to that agency. Since we are now managing the MPHA, we would not be making an allocation to that agency either.

APPROVAL OF FIELDCREST TOWNHOMES WI-FI PROPOSAL

The City of Moorhead awarded the agency CDBG funding of \$68,500 for the installation of Wi-Fi at Fieldcrest Townhomes. It is a separate activity from the rehab project that is underway. We have received bids for both the electrical work and the actual materials and installation of the Wi-Fi.

There is a chance that the materials and installation of the Wi-Fi will be covered by CARES Act funds through HUD. The request is currently being processed. Due to the nature of the development and the criteria for the HUD Wi-Fi, there was only one source able to submit a bid for the project, Pinnacle Communications. Pinnacle's bid is \$41,616.01. A number of providers were contacted who then referred back to Pinnacle. The price was determined reasonable.

We have obtained two bids for the electrical work in the amounts of \$59,900 from Voxland Electric and \$62,000 from Red River Electric. Red River Electric is the current subcontractor on the major rehab that is in process. Staff believes that it will be much easier to coordinate the work if Red River is selected.

Our procurement policy requires two bids/quotes on contracts between \$25,000 and \$100,000. It indicates a third bid/quote is preferred.

Staff requested approval to proceed with only the two required quotes and the selection of Red River Electric. The procurement policy indicates that for purchases between \$25,000 - \$100,000 we accept the offeror whose proposal is most advantageous to the HRA, with price and other factors considered. Whenever this method is used (rather than accepting the lowest bid), the results must be reported to the Board of Commissioners.

Commissioner Dillard made a motion to approve Red River Electric and Pinnacle Communications for the Wi-Fi installation at Fieldcrest. The motion was seconded by Commissioner Schlotfeldt and carried unanimously.

HRA/MOORHEAD PUBLIC HOUSING AGENCY SHARED OPERATIONS

The Moorhead Public Housing Agency staff all became HRA employees as of March 1. The Moorhead Public Housing Agency Executive Director is a shared employee of the agencies also working for the HRA in the capacity of Deputy Director.

The HRA has assumed general operational responsibilities of the MPHA. Deputy Director Bacon coordinated the April 1 transfer of the BCOW AMHI rental assistance program from MPHA to the HRA.

The merging of functions is slowly progressing as staff figure out the most effective manner of doing so. All staff are now being paid the correct amounts so that is progress. The combination of the maintenance staff team is the most advanced since the parties were previously sharing the on-call duties.

Integrating our telephone and computer systems as well as physically moving staff, equipment, and files between locations is in process. Financial integration has slowly begun as well. Only payroll and shared expenses are currently paid by the HRA with the staff and fee accountant still paying the direct expenses of the MPHA programs.

It is anticipated that for the next 1-2 years, the agencies will exam and determine the best mechanisms to meet their missions and deliver high quality housing and services. Lee and Bacon met with the Moorhead Assistant City Manager and City Attorney to discuss this process.

OTHER

Commissioner Bakke announced his resignation from the board effective the end of June.

10:59 A.M. MEETING ADJOURNED:

Commissioner Johnson moved to adjourn the meeting at 10:59 a.m. The motion to adjourn was seconded by Commissioner Schlotfeldt and carried unanimously.


Anthony Dillard, Secretary


Date