

Minutes
April 18, 2024
Clay County HRA

HOUSING & REDEVELOPMENT AUTHORITY OF CLAY COUNTY **Regular Meeting of April 18, 2024**

BOARD MEMBERS PRESENT:

Tia Braseth, Anthony Dillard, Cecil Johnson, Greg Lemke, Bethany Peterson; and Clay County Commission Liaison, Paul Krabbenhoft.

MEMBERS ABSENT:

None

STAFF PRESENT:

Dara Lee, Dawn Bacon, and Jill Cossette.

9:32 A.M. REGULAR MEETING CALLED TO ORDER:

AGENDA:

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

MINUTES FROM FEBRUARY 20, 2024, REGULAR and ANNUAL MEETINGS:

A motion was made by Commissioner Dillard to approve the February 20, 2024, regular and annual meetings minutes. Commissioner Lemke seconded the motion and it carried unanimously.

CITIZENS TO BE HEARD:

None

TREASURER REPORT:

The 2023 budget reviews were reviewed. As discussed throughout the year, the unfortunate trend was much higher bad debt, extreme damages causing higher contract, materials, and extraordinary improvements costs, and resulting legal expenses. Revenue was also lower on our properties due to extended vacancy times for severally damaged units. The voucher program overage was due to a delayed staff retirement.

In 2023, the HRA used over \$300,000 more in reserves than originally budgeted. This deficit was primarily made up by the developer fees earned on the Fieldcrest Townhomes rehabilitation and existing reserves within the programs for HCV and Housing Supports 1. These significant losses highlight the reason the HRA requested a tax levy for 2024 and State Affordable Housing Aid for improvements to the properties.

The audit for Houge Estates, the Houge Estates Service Coordinator, and Fieldcrest Townhomes took place the last week in February and were submitted to HUD by the due date of March 30th.

The Elderly Housing Corporation's audit is complete. There was one missing annual inspection form for Houge Estates.

The Agassiz Apartments financials were submitted to USDA Rural Development prior to the March 31 due date. These financials were not required to be audited prior to submission.

The unaudited submission was due by March 15. There are no penalties imposed until May 1 for the regular audit. HRA staff provided all required information to the fee accountant prior to this time. The fee accountant has not submitted. We will be ending our services with this fee accountant and begin using the fee accountant of the Moorhead Public Housing Agency for 2024.

The main HRA audit takes place the first week in May. The audit must be submitted to HUD by September 30.

PROJECT UPDATES

Director Lee provided project updates.

Houge Estates

Houge Estates is a 60-unit apartment building located in Dilworth. All units are one-bedrooms (about 650 sq. ft.), and residents must have a disabling condition or be 62 or older to reside there. Residents pay 30% of their income towards their rent and utilities. The remainder of the rent is subsidized by HUD through a Housing Assistance Payment (HAP) contract with HUD.

It was built in 1981 and is owned by the Elderly Housing Corporation of Clay County (EHC), a 501(c)(3) non-profit. The non-profit was created by the HRA to develop this project. The HRA has managed the EHC and Houge Estates since their inceptions.

The HRA offices were located at Houge Estates from 1981 until the early 1990s. From 2002 until 2015 assisted living services were available in the building through a third-party provider. The provider continuously lost money providing services in the building and had to withdraw. We could not find any other providers willing to replace them.

The building received a minor renovation in 2013 (primarily windows and kitchens) which was funded with a deferred loan from the Minnesota Housing Finance Agency through the Rental Rehabilitation Deferred Loan program.

Over the years, the composition of the building has shifted from primarily elderly to primarily younger disabled individuals. The Houge Estates Service Coordinator is housed at this location.

Clay County SAHA funds were awarded to update the security cameras at the property. Staff is in the process of getting bids. No bids will be awarded until the contracts for the Agassiz Apartments improvements are finalized.

As of April 1, there are 6 vacant units and a pending eviction. An application is being processed. There are 80 households on the waiting list. Due to staffing issues, application processing is very slow.

Agassiz Apartments

Agassiz Apartments is a 12-unit apartment building located in Ulen. Eleven of the units are one-bedrooms (about 650 sq. ft.) and one is a 2-bedroom, and residents must have a disabling condition or be 62 or older to reside there. Residents pay 30% of their income towards their rent and utilities. The remainder of the rent is subsidized by HUD through a Housing Assistance Payment (HAP) contract with HUD.

It was built in 1978 with a loan subsidized through USDA Rural Development. It is owned and operated by the HRA. The building received a minor renovation in 2013 (primarily windows and kitchens) which was funded with a deferred loan from the Minnesota Housing Finance Agency through the Rental Rehabilitation Deferred Loan program.

Over the years, the composition of the building has shifted from primarily elderly to about half elderly and half disabled. The building was inspected by HUD REAC on November 9 and received a score of 64. 60 is the minimum score to pass the inspection. It had a Management and Occupancy Review in March and scored Satisfactory. It was inspected by USDA in April and was determined to be in "good" condition. The roof damage was noted.

Funding for the roof replacement was approved in the award of the SAHA funding, and staff have obtained bids. We also received SAHA funding to install security cameras and secured access in the building. We have received one bid and are attempting to obtain 2 more.

As of April 1, there are no vacancies and 15 applicants on the waiting list.

Clay County Affordable Housing LLC/Boyer Apartments

The Clay County Affordable Housing units are in Dilworth, Ulen, and Hawley; and include the Boyer Apartments in Moorhead. The CCAH units are composed of twelve duplexes located in neighborhood settings. The Dilworth and Ulen units were constructed in 1979 as Public Housing. The Hawley units were constructed in 1981 as Public Housing. Twenty-one units are 3-bedrooms and three are four-bedrooms.

CCAHA units were operated by the HRA as Public Housing units until January 1, 2019, when the HRA "disposed" of its Public Housing units by "selling" them to the CCAH LLC, which is a non-profit LLC with the HRA as its sole member. The HRA opted to reposition its public housing and receive replacement Housing Choice Vouchers for the units. Maintaining the units as public housing was not financially viable. The HRA then transferred its public housing PROGRAM to the Moorhead Public Housing Agency on July 1, 2020. This was essentially the transfer of future funding streams from HUD since there was no property remaining.

The Boyer Apartments are two 4-unit buildings that are adjacent to each other and contain a total of seven 2-bedroom units and one 1-bedroom unit. They were built in 1975 and 1976. The HRA purchased Boyer Apartments in 2006. The HRA received over \$100,000 in funding from the local adult mental health initiative (BCOW) to assist with the initial purchase and operations. The buildings were rehabilitated in 2008 with HOME funding.

The HRA and CCAH Boards approved the sale of the Boyer Apartments to the CCAH at the time of the Fieldcrest Townhomes loan closing when it was released as collateral.

There are no outstanding debts on these buildings.

As of April 1, there are 3 vacant units. Openings are in Ulen (2), and Hawley (1). Staff are finalizing eligibility for 2 applicants. Two additional applications are being processed. There are 11 additional households on the waiting list. The waiting list only opens when there are vacancies.

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

In January 2017, the HRA purchased Fieldcrest Townhomes when it exercised a Right of First Refusal when the prior owner decided to sell the development. It was in poor condition. The HRA paid \$2 million for the 40-unit townhome development in south Moorhead. There are 20 2-bedroom and 20 3-bedroom units. There are twenty detached garages as well.

Residents pay 30% of their income towards their rent and utilities. The remainder of the rent is subsidized by HUD through a Housing Assistance Payment (HAP) contract with HUD. This contract dated back to 1980 when the building was initially constructed. The rents were suppressed, and there was significant deferred maintenance on the property. The contract expired in December 2020, and rents were raised to market levels.

Fieldcrest was approved for \$1M in funding through the FHLB of Des Moines and \$7M from Minnesota Housing. The HRA “sold” the development to Fieldcrest Townhomes LLC on April 15, 2022. The LLC is a non-profit LLC with the HRA as its sole member. Construction was completed on November 1, 2023.

The City of Moorhead and HUD funded a \$99,000 Wi-Fi installation for the development. SAHA funds were awarded by Moorhead to install a security system. Bids are being obtained.

As of April 1, there are 6 vacant units. The units were kept vacant during construction and are now being filled. All supportive housing units have been filled. There are 79 households on the waiting list. Staff are processing two applications, but application processing for this development is also slow due to staffing issues.

Three staff (Supportive Services Manager, Supportive Services Specialist, and a Supportive Services Assistant) all moved into the offices at Fieldcrest in February. There is another office at

the location used by CAPLP for supportive services. Two of the staff re-located from the main office and one from Gateway Gardens.

Gateway Gardens

Gateway Gardens is a 24-unit permanent supportive housing apartment building in Moorhead. The HRA constructed the building in 2010 using Minnesota Housing financing. The funding is in the form of deferred loans that will be forgiven in part after 20 years and completely after 30 years of operations. The front desk is staffed 24/7.

Rent and services are subsidized primarily through the Housing Supports program. There also are five project-based Housing Choice Vouchers attached to units. We are a subgrantee of CAPLP for a DHS HSASMI (Housing Supports for Adults with Serious Mental Illness) grant that helps fund the front desk costs. The HRA and GSSC, a private security company, each provide 12 hours of staffing per day. CCRI case management staff also provides Housing Stabilization Services through Medical Assistance.

As of April, there are 8 openings and one move-in scheduled. Two tenants transferred to Boyer Apartments and one to Fieldcrest. New tenants are selected from the community Coordinated Entry list. Staff are processing three applicants and contacting other potential residents to fill the remaining units. The staff are having a challenging time contacting eligible applicants.

The Housing Supports supplies are located at Gateway Gardens. A supportive services staff and an assistant property manager are officed at this location. The CCRI case manager continues to have an office at the location. The HRA staffs the front desk from 8 a.m. to 8 p.m. each day. There are primarily 3 of our employees filling this role (one full-time and two part-time). From 8 p.m. to 8 a.m. a security company staffs the front desk. The security company monitors the cameras for the High Rise as well as for Gateway Gardens. SAHA funds were received from Moorhead to update the Gateway Gardens security system. Staff are obtaining bids.

Prairie Horizons Townhomes

Prairie Horizons Townhomes are eight townhome permanent supportive housing units for families located in south Moorhead, across from Fieldcrest Townhomes. The HRA constructed the development in 2012 using Minnesota Housing financing. The funding is in the form of deferred loans that will be forgiven in part after 20 years. There is a small portion (\$337,076) that is deferred for 30 years at 0% interest that must be repaid. The HRA owns and manages these eight units (5 2-bedrooms, 2 3-bedrooms, and 1 4-bedroom). The rents in these units are subsidized with project-based Housing Choice Vouchers. Services are provided through the HRA Cares grant. They are sometimes referred to as East Prairie Horizons Townhomes or EPHT.

These units are adjacent to another 8-unit town home permanent supportive housing development, which are confusingly also called Prairie Horizons Townhomes or Easten Townhomes – south units. There are four one-bedroom and four three-bedroom units. The HRA owns 0.01% as a

Special Limited Partner in the Easten Townhomes LLC. The HRA provided a \$330,000 deferred loan when the project was constructed in 2006. It bears 5% interest and is due in 2036.

There are an additional thirty units in this development located in north Moorhead. The HRA has project-based 8 Housing Choice Vouchers in the eight south supportive housing units and an additional eight in the 30 north units. Support services are funded through the HRA Cares program.

An HRA staff person and a CCRI employee are both officed part-time at the site. Due to the changes in the HRA Cares program, tenants can choose their own participating service provider.

As of April 1, there are 2 open units. One application is being processed. Tenants are selected from the community Coordinated Entry list. Staff are searching for additional eligible applicants.

Housing Choice Vouchers

The HRA has administered a form of the current Housing Choice Voucher program since the mid-1970s. It is also known as Section 8. Tenants rent an apartment in the private market and pay at least 30% of their income towards rent and utilities. The HRA determines Payment Standards (rent limits) and utility allowances each year. HUD provides a fixed amount of funding based upon the federal budget approved by Congress each year. The HRA may lease up to its baseline number of units but not more than that number each year. The HRA has received insufficient funding to lease all its vouchers since 2012. The HRA is in “short fall” for 2024. The 2024 budget approved by Congress includes funding to provide additional funding for agencies that are in shortfall (not enough funding to support all current participants for the rest of the year.)

This program has more than doubled in size since 2017. In June 2017, the HRA had 360 vouchers and on April 1, 2024, it has 764 vouchers. The reason for the increase is as follows: 1) In July 2017, the Moorhead Public Housing Agency transferred its 95-unit program to the HRA; 2) from 2018-2023 the HRA was awarded 187 Mainstream vouchers; 3) in 2019 the HRA received 24 vouchers due to the repositioning of its Public Housing; 4) in 2018 the HRA received 15 VASH vouchers and in 2021 25 VASH vouchers; 5) from 2020 through 2024, the HRA received 3 Foster Youth to Independence vouchers; 6) on July 1, 2021, the HRA received 15 Emergency Housing Vouchers, and 30 vouchers due to Moorhead PHAs repositioning of 30 of its Public Housing units; 7) in 2022 it received 5 “fair share” vouchers; and 8) in December 2023, it received 5 Housing Stability vouchers. Of the 404 new Housing Choice Vouchers, 149 were issued to transfer or replace existing units, and are new subsidies for the community.

The EHV program was funded through the American Rescue Plan Act. The EHV's come with higher administrative fees and service funding. They are targeted at those fleeing domestic violence, homeless, at risk of homeless, and recently homeless households. As tenants leave that program, they cannot be replaced. The program will sunset.

As of April 1, 2024, there were a total of 767 out of 764 units leased in the Housing Choice Voucher program. This is the first time in over a decade that all units have been fully leased.

We are working with 5 additional households from other housing authority. We have 562 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. We were notified that HUD is still working on the transfer which was supposed originally to occur on July 1, 2023. Director Lee spoke to the head of the HUD division for HCV in April. He indicated that it is unclear whether these vouchers will ever be transferred.

Of the 562 vouchers under our main contract, 562 vouchers are leased: 503 of 484 regular vouchers; 30 out of 30 Tenant Protection Vouchers; 1 of 3 FYI vouchers; 3 out of 5 Housing Stability Vouchers and 25 of 40 VASH vouchers.

We have 6 existing regular HCV participants who are between units; we have issued 1 regular voucher, 1 Housing Stability, and 1 VASH voucher to new participants; and we are working with 15 additional households. We received 2 additional FYI vouchers this past month to serve youth who have been referred to us. Their applications are being processed. There are 9 households on the main waiting list.

190 out of 187 Mainstream vouchers are under lease. We have 10 existing Mainstream participants who are between units. One will be leased by May 1.

15 of 15 EHV vouchers are under lease. The program is ending, and no additional vouchers will ever be issued. All current participants can remain on the program for as long as needed.

We have 64 individuals enrolled in our Family Self-Sufficiency program. We have had 71 FSS participants in the past 12 months. We can serve up to 75 households.

Becker-Clay-Otter Tail-Wilkin (BCOW)

Adult Mental Health Initiative (AMHI) Rental Assistance

The contract with the BCOW AMHI 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.

The 2024 grant has been changed to allow for housing navigation and case management services to be provided through the grant as well as rental assistance and administrative fees. A staff person works approximately 16 hours per week on this activity.

As of April 1, there are 23 participants; and 5 participants who are searching for units. We are not accepting any additional referrals at this time.

HRA Cares

HRA Cares is a HUD-funded Continuum of Care program. It is for individuals and families who are literally homeless and have a family member with a disabling condition. There are no time limits on the supportive services. We provide supportive services at the two Prairie Horizons Townhomes developments and in forty-eight scattered-site units. We are authorized to serve sixty-four households with these funds. The HRA administers the program and provides some of the supportive services. We have executed Memorandums of Understanding (MOUs) with CCRI, West Central Minnesota Communities Action, Lakes & Prairies Community Action Partnership (CAPLP), and Presentation Partners in Housing. The HRA also provides supportive services. This allows for tenant choice.

The grant has been in place since 2006. It provided rental assistance as well as supportive services from 2008 through 2023. The grant that began January 1, 2024, was reduced significantly during the past funding around. HUD agreed to amend the grant to transfer all funds into the supportive services and administrative categories. The grant will be monitored by HUD in August 2024.

We are currently serving fifty-eight households. Of the 58 households, 46 are in Clay, 3 in Otter Tail, and 3 in Douglas Counties, MN; and there are 6 in Fargo, ND. There are thirty singles and twenty-eight families being served.

Homeless to Housed Rental Assistance

Homeless to Housed is a Minnesota-funded rental assistance program for high priority homeless families, youth, and singles across the counties of Clay, Douglas, Grant, Pope, Stevens, Traverse, and Wilkin. It is a time-limited program for households experiencing homelessness who are unable to immediately receive a Housing Choice Voucher. It operates similarly to the HCV program.

The grant was initially funded in 2008 to serve forty-five households. It has been renewed every 2 years since that time. Our current grant is to serve eighty-five households through September 30, 2025.

We are serving 52 households now. Seven households are searching for units. There are 13 singles and 39 families being served. The grant targets families and youth-headed households. Leased households are from Clay (44) and Douglas (8) Counties.

Openings are filled through the coordinated entry process. Staff is actively searching for eligible households.

Homework Starts with Home

Homework Starts with Home is a program offered by Minnesota Housing. In 2014, the HRA was one of three initial pilot locations for a rental assistance program that focused on families with school-age children. We participated in the pilot until it ended in 2018. At the end of the pilot, Minnesota developed Homework Starts with Home. The HSWH program was based primarily upon the pilot operated by the HRA.

Since 2018, the program has been continually funded through competitive applications. Throughout this time, the HRA has been the applicant lead agency in a partnership that is working towards ending child homelessness. The initial pilot partners were Churches United for the Homeless, Moorhead Public Schools, and Lakes & Prairies Community Action Partnership (CAPLP). We now have forty-five partner agencies including fourteen school districts across seven counties.

The current grant term runs from 10/1/2023-9/30/2025. We anticipate serving a total of thirty-two households with rental assistance during that time. With our partners, the grant will serve over 100 households. As of April 1, we are serving 18 households, and 4 additional households are searching for a unit.

Households are from Clay (12), Douglas (2), Pope (1), Otter Tail (2), and Wilkin (1) Counties. Seven households are searching for a unit. Two households have moved into Fieldcrest and will be receiving Homework Starts with Home services through CAPLP. CAPLP has on-site office at Fieldcrest.

Housing Supports (formerly GRH) in Scattered-Site Units

Housing Supports is a Minnesota-funded program operated through the Department of Human Services. It provides room and board payments (which we refer to as Rate 1) and supplemental services payments (which we refer to as Rate 2). Rate 1 pays for rent, utilities, telephones, transportation, and all basic needs items. Rate 2 pays for supportive services. We have a contract with Clay County Social Services to provide this program. We began providing it when we opened Gateway Gardens in 2010. Nineteen of the twenty-four units in the building use this funding source.

In 2016, we added a community option and started subcontracting for service provision with several area non-profit partners. The HRA does all program administration, administers all Rate 1, and provides some of the Rate 2 services. It is an extremely complex program to administer.

As of April 1, a total of 99 households were being served by the Housing Supports program in Clay County. There are 85 households leased in the scattered-site Housing Supports program – 10 with the HRA; 17 with CAPLP; 7 with the Presentation Partners in Housing; 3 with LMHC; 7 with Metro Behavioral Health; 9 with the Lotus Center; and 29 with Greater Minnesota Community Services. In addition, CCRI serves 3 scattered sites and 14 Housing Supports clients at Gateway Gardens.

Six households are searching for units. Clay County Social Services has indicated that we are able to add up to 50 additional households. There was a partner meeting in January that was very positive. The HRA has traditionally operated at this higher number but has not added any new participants in over a year due to internal administrative challenges due to retirements.

Minnesota DHS Community Living Infrastructure Grant

The Community Living Infrastructure Grant began in 2018. Clay County is the applicant and grant recipient and the HRA is the project manager and provides the Housing Resource Specialist. The funds were allocated to help communities build the necessary infrastructure so that individuals with disabilities can live fully integrated into the communities of their choice. The grant funds outreach workers, housing resource specialists, and administration. The original grant covered all ten counties in West Central Minnesota and the three Community Action Programs serving the counties who each performed outreach. Mahube-Otwa has chosen to remain a partner but not be a sub-recipient for the grant.

Funding of the current grant was extended until 6/30/25. The funding for the HRA supports 0.82 FTE.

We submitted the quarterly report to Clay County who will submit it to DHS. We continue to meet or exceed all goals. There have been no changes in the past month.

Minnesota DHS Housing Stabilization Services

Housing Stabilization Services are a Medicaid benefit available in Minnesota. It became available July 1, 2020. The HRA was the second agency in West Central Minnesota to become an approved provider. The HRA was approved to provide Housing Stabilization Services – both Housing Consultation and Transition & Sustaining Services effective July 2020.

Staff began providing Housing Stabilization Services in 2020. Due to losing over \$50,000 in the initial operations of this program, we began doing limited housing consultations only. Three consultations were completed recently.

Owner-Occupied Rehab Program

The HRA has operated and operates several distinct programs under the Owner-Occupied Rehab umbrella. The largest program is the Minnesota Department of Employment and Economic Development (DEED) Small Cities Development Program (SCDP). Funds used for this program are federal HUD Community Development Block Grant (CDBG) that are allocated to the state for Greater Minnesota. DEED then holds annual competitive application rounds to award these funds to non-entitlement communities.

The HRA first started administering CDBG funds in 1974 or 1975. The agency stopped the program in the early 1990's due to local political challenges. The HRA once again started administering the program through DEED SCDP in 2008. Only cities and counties may apply for the funding. The HRA serves as the administrator. Clay County was the applicant for the 2008, 2010, and 2012 funding rounds. The City of Barnesville was the applicant in 2014, the City of Sabin in 2016, and the City of Dilworth in 2021. The HRA has utilized HRA Tax Levy funds in 2010, 2014, 2019, and 2020 to leverage these rehabilitation resources. Clay County also allocated \$80,000 in ARPA funds for this purpose. Clay County has allocated SAHA and consented to tax levy funds to be used in 2024.

All these loans have been deferred. Some have been forgiven after 10-15 years while others remain repayable. Each community application has different terms.

Dilworth

The HRA staff is administering a \$922,000 DEED grant for the City of Dilworth. It received funding to rehabilitate 21 homes. Twenty-six (26) applications were received in the initial solicitation of interest. Twelve of these did not follow through due to death, increased income, or reduced interest in the program.

In 2024, a second solicitation was mailed out. Twenty-four (24) new applications were received.

Of the 14 applicants remaining from the first round: 7 projects are complete; 1 project is under construction; 1 project is bidding; 2 projects are finalizing bids and preparing to close; and 3 have been unresponsive.

There is funding remaining to rehabilitate a minimum of 12 more properties. Ten projects are in

the lead risk assessment/scope of work process. Five of the new applicants are over income or non-responsive. There are 9 applicants remaining on the waiting list.

The grant is for the rehabilitation of 7 commercial properties. Physical property inspections have been completed on all commercial buildings. Two projects were completed in 2023; 2 projects are under construction; 1 project is finalizing contracts; and 1 project has not started bidding. Two projects that originally applied have withdrawn. One new application was received, and a scope of work is being prepared.

The work is to be complete by September 30, but the timeline may be extended until at least the end of the year.

RLP (Minnesota Housing Rehabilitation Loan Program)

The Minnesota Housing Rehabilitation Loan Program is funded by the state. One project is under construction. A second project was closed and completed in January. Five projects are either in the eligibility process or bidding stage. Ten applicants have been unresponsive.

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 are 12 vacancies, but 7 of these are not being filled due to upcoming rehabilitation work. Two applicants have been approved and three are being processed. Six more applicants are being contacted.

There are currently 136 people on the public housing waiting list.

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 has no vacancies. The waiting list is shared with the River View Heights waiting list.

Moorhead Affordable Housing LLC (MPHA)

The Moorhead Affordable Housing LLC consists of 30 units ranging from 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, there are three vacancies. Two applicants are waiting for Housing Choice Voucher approval before moving in. A third applicant is being processed. While there is no specific subsidy tied to these units, accepted applicants do have a preference for an HCV voucher.

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. Clay HRA manages all the units. This property utilizes on-site caretakers.

As of April 1, there is one vacancy. An application for the opening is being processed.

AGASSIZ APARTMENTS ROOFING BIDS

Bids were reviewed for roofing for the Agassiz Apartment building and replacing a small portion of siding. Staff were only able to obtain two bids for the project.

Clay County awarded its State Affordable Housing Aide to the HRA for 2023 and 2024. The Agassiz roof was the priority project. The bids do not contain the repair/replacement of the soffits and fascia. The total of the projects was projected to be \$80,000.

Commissioner Dillard made a motion to approve accepting the bid from Swenson Construction and Roofing at \$63,405 for roof replacement. Commissioner Lemke seconded the motion and it carried unanimously.

HRA/PHA UPDATE

The proposed joining of the two agencies continues to slowly progress.

- March 1, 2023 – HRA assumes general operational responsibilities of the Moorhead Public Housing Agency (MPHA).
- March 1, 2023 – all MPHA employees except the Executive Director, became HRA employees. The MPHA Executive Director is a shared employee of the agencies who also works for the HRA in the capacity of Deputy Director.
- April 1, 2023 – BCOW AMHI grant transferred from MPHA to the HRA.
- May 2023– the MPHA and HRA boards mutually agree to decline the new award from Minnesota Housing for the Bridges Program.
- Spring/Summer 2023 – financial integration of the two agencies slowly began.
- Summer 2023- Employees physically move to new locations; telephone systems and some computer systems are integrated. Staff determined the best software system to transition all programs.
- October 2023 –software conversion for both MPHA and HRA programs. Conversion was successful with some on-going areas of refinement.
- November 2023 –additional integration of financial systems;
- December 2023 – appointment of first board member serving on both boards;
- January 2024- begin use of contracted payroll services;
- April 2024 – appointment of second board member serving on both boards; and
- April/May 2024 – Directors Lee and Bacon attend national and regional conferences to discuss options for MPHA-owned public housing units.

MPHA continues to own Public Housing (River View Height & Sharp View), Moorhead

Affordable Housing units, and Maple Court Townhomes. The next anticipated transfer is the Moorhead Affordable Housing units. These are 30 scattered-site units. Dawn Bacon continues as Executive Director of the MPHA as well as the Deputy Director of the HRA.

Director Lee and Deputy Director Bacon will continue to analyze and make recommendations to each board on how and when these transfers should occur. Determining repositioning options for public housing units is the next step in the process.

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.

2024 PLANNING DISCUSSION

There are several activities this board has expressed an interest in pursuing in 2024. During this meeting, the board briefly discussed its preference.

In 2024 the board welcomed two new members, Lemke, and Peterson, and welcomed Commissioner Krabbenhoft in the role of liaison. Chair Braseth and Secretary Dillard were both appointed to the HRA board during the pandemic. Due to the timing, they received very minimal training and orientation.

Typical actions taken during each calendar year were reviewed.

February – Annual Meeting.

March – Joint meeting with Clay County Commission.

May/June – Initial discussions of need for HRA Tax Levy for following year.

July – Normally no regular meeting.

August – Joint meeting with Clay County Commission; HRA action if levy is approved by HRA board; approval of prior year audit; resolutions accepting any Minnesota Housing funding that begins in October.

August/September – Present request to Clay County Commission, Barnesville City Council, and Moorhead City Council for consent to HRA Tax Levy, if applicable.

September – Initial review of proposed budget for following year.

October – Approval of 5-year plan; approval of annual budget; approval of annual payment standards and utility allowances; annual public hearing; and approval of any proposed policy changes for the coming year.

January, April, May, June, November, and December normally have more time available for the below items. The board agreed they will need to meet July 18, 2024. The June and July meetings will focus on planning.

Program Specific Information sessions.

In years past, HRA staff would present specific programs they administer at board meetings. This allows board members to do a more in-depth dive into specific programs as well as to meet the experts administering them. The Board has agreed this will be beneficial and asked Director Lee to schedule these presentations. This April meeting includes a general overview of all programs before the start of the in-depth program information.

Bobbi Jo Stanfill, Rental Assistance and Family Self-Sufficiency Manager, will give an in depth presentation on the Housing Choice Voucher Program in May.

A 5-Year Plan is required for the Housing Choice Voucher program. HCV includes regular, homeownership, VASH, FYI, Housing Stability, Mainstream, Emergency Housing Vouchers, and Family Self-Sufficiency. The HCV program represents 45% of the agency budget.

Board Training

A 15–20-minute training session has been offered at past board meetings. Topics have ranged from board governance to reading financials to legislative advocacy. Trainings will be held in November, December, and January.

Joint Board Meetings and Meeting Dates

The HRA participated in a joint meeting with the Clay County Commission in March. A second joint meeting is scheduled for Tuesday, August 13. The Clay County Commission has agreed to continue to meet jointly with the HRA board twice per year. The board will meet August 15, 2024, at 9:30 a.m., to discuss additional items from the joint meeting.

5-Year Planning

Every 5 years, the HRA is required to submit a plan for the coming 5 years to HUD. Years 2-5 just include an annually updated plan.

The current plan ends this year. The next plan needs to be finalized by October to submit to HUD. 5-Year Planning will be the focus of the June and July meetings.

The goals of the Clay County HRA’s 2020-2024 Plan and progress are as follows:

1. Preserve the existing supply of quality housing that is affordable to those earning 80% of AMI or less.
 - Preservation of naturally occurring affordable housing (multi-family and single family). Goal of 10 per year.
Progress: Goal met for 5-year period. MN164 rehabilitated over 32 units of multifamily and 22 units of single-family housing since 2020. Construction is underway to rehabilitate 5 single family units.
 - Maintain and rehabilitate units owned and managed by the Clay County HRA. Goal to maintain all 176 units and rehabilitate 20 of these units per year.
Progress: The HRA has rehabilitated 40 units of HRA-owned Project-based Section 8 New Construction units that are under a HAP contract. The HRA has undertaken significant rehabilitation efforts in approximately 38 additional units as well.
2. Increasing supply of quality housing that is affordable to those earning 80% of AMI or less.
 - Subsidized units- Goal to consider project-basing HCV units as appropriate.

Progress: MN164 has not project-based additional HCV units.

- Increased availability of rental assistance- Goal to increase by 20 units per year.

Progress: Goal met for 5-year period. The HRA has increased the number of HCV units by a net of 212 units since 2020 (159 additional Mainstream; 25 additional VASH; 30 additional TPV; 15 new EHV; 3 new FYI; 5 additional fair share units; and 5 new Housing Stability Vouchers). It has increased its state funded units by 25 in 2023. MN164 will continue to apply for additional vouchers as they become available to meet the needs of its residents. Decreased by 48 units (HRA Cares) in 2024 for a net increase of 194 units. The new Bring It Home Minnesota program will provide 80-100 additional vouchers beginning in late 2025.

- Providing Homeownership opportunities for low-income people – Goal to maintain Housing Choice Voucher Homeownership units.

Progress: MN164 has increased the number of HCV Homeownership units from 13 to 16 and has additional participants searching for units.

3. End Homelessness in our Community – Goal to reduce homelessness by 5% per year.

Progress: MN164 has worked with the community to end veteran homelessness.

Family and youth homelessness has been reduced. The pandemic provided challenges in fully reaching this goal. While much of Minnesota and the US have had significant increases in homelessness, our numbers have remained relatively consistent.

4. Organizational Sustainability – Goal to stabilize and increase resources to provide needed services.

Progress: MN164 continues to diversify its funding sources and secured \$190,000 of ARPA funding for homeless and rehabilitation programs. In 2023, it began the management of MN017 and was awarded approximately \$405,000 in State Affordable Housing Aid from Clay County and the City of Moorhead. It also received consent to levy \$250,000 in 2024. It has eliminated programming that was unsustainable to continue.

5. Transfer the entire MN164 Public Housing Program to MN017, Moorhead Public Housing Agency.

Progress: Goal met. MN164 successfully transferred its Public Housing Program to MN017.

OTHER:

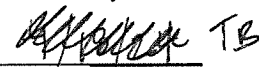
No additional items.

MEETING WAS ADJOURNED AT 10:40 A.M.



Tia Braseth, Chair on Behalf of Cecil Johnson, Secretary

6/20/24



Date