

HOUSING & REDEVELOPMENT AUTHORITY OF CLAY COUNTY
Regular Meeting of February 20, 2025

BOARD MEMBERS PRESENT:

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

MEMBERS ABSENT:

Greg Lemke

STAFF PRESENT:

Dara Lee, Dawn Bacon, and Jill Cossette.

9:31 A.M. REGULAR MEETING CALLED TO ORDER:

AGENDA:

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

MINUTES FROM FEBRUARY 20, 2025, REGULAR MEETING:

A motion was made by Commissioner Johnson to approve February 20, 2025, regular minutes. Commissioner Peterson seconded the motion, and it carried unanimously.

CITIZENS TO BE HEARD:

None

TREASURER REPORT:

Director Lee reviewed the budgets through December. There were no significant changes to previously anticipated amounts.

PROJECT UPDATES:

Director Lee provided project updates.

Houge Estates

There is approximately \$775,000 mortgage on the property. The HUD subsidy contract is scheduled for renewal in 2026. Staff are exploring options regarding re-financing the loan and terminating the HUD contract with assistance replaced with Housing Choice Vouchers. The Houge Estates Service Coordinator grant will need to be considered as well. Final decision will need to be made by July 2026.

As of February 1, there were 9 vacant units. One tenant passed away this month. There are four units ready for occupancy. One applicant is approved and is ready to move-in. Staff are processing three applications. Eight additional households have been contacted. Due to staff turnover, there was a delay in processing applications during January. Our new Assistant

Housing Manager started on January 21 and is doing a great job. She has over 10 years of subsidized housing experience.

The waiting list re-opened on October 1, 2024, and closed February 14, 2025. There are 88 applicants on the waiting list. The on-line application process went fairly smoothly. The number of applicants during this 4-month period highlights the strong demand due to a shortage of affordable housing.

Both the Management and Occupancy Review (MOR) by Minnesota Housing and the audit have gone very well. There is a bit of additional audit work remaining. The audit must be submitted to HUD by March 31, 2025.

Agassiz Apartments

The HUD subsidy contract on this property is scheduled for renewal on October 1, 2025. To keep all options open, staff held a meeting and gave tenants a one-year notice of subsidy cancellation. This cancellation can be revoked at ANY time prior to September 30 of next year. Cancelling the contract would result in significantly less administrative burdens and increased income. Tenants would continue to pay the same amount for rent through the Housing Choice Voucher program. This is a topic for on-going board discussion.

As of February 1, there is one vacancy due to an eviction. The unit will need substantial repairs. Three applicants have been contacted for the opening. The waiting list re-opened on February 20, 2025, since the current waiting list has been exhausted.

Clay County Affordable Housing LLC/Boyer Apartments

There are no outstanding debts on these buildings. As of February 1, there are no vacant units.

There are 9 people 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

As of February 1, there are 3 vacant units which must be filled with households meeting the homeless definition. The units are ready for occupancy. Staff and the supportive services provider are processing households.

There are 197 households on the waiting list which re-opened on October 1, 2024, and closed on January 2, 2025. Once again, the need for affordable housing in our community was clearly demonstrated by the number of families applying over a 3-month period.

Both the audit and the MOR went well. The audit is due to Minnesota Housing by February 28, 2025.

Gateway Gardens

SAHA funds were received from Moorhead to update the Gateway Gardens security system. Upgrades are underway. The 2025 budget included \$75,000 in repurposed SAHA funds and tax levy funds to support building operations. Clay County just awarded the HRA funds to assist with this activity.

As of February 1, there are 3 vacancies, and one pending eviction. New tenants are selected from the community Coordinated Entry list. It is likely that two current Clay County Affordable Housing tenants who moved from Gateway Gardens will move back to Gateway Gardens.

The Housing Supports supplies are found at Gateway Gardens. Supportive services staff and the Affordable Housing Property Manager are officed at this location. The CCRI case manager continues to have an office at the location.

Prairie Horizons Townhomes

As of February 1, there is one vacancy due to a decrease in household size, and the tenant transferring to a one-bedroom unit. There is one pending eviction. Tenants are selected from the community Coordinated Entry list, so a waiting list is not kept.

River View Heights (Moorhead Public Housing Agency)

As of February 1, there are 5 vacancies. Five applicants have been contacted. Two units sustained water damage due to a frozen pipe.

There are currently 194 people on the public housing waiting list which is shared with Sharp View. It closed October 30, 2024.

Sharp View (MPHA)

As of February 1, Sharp View has four vacancies which will remain offline due to the upcoming rehabilitation. The waiting list is shared with the River View Heights waiting list.

The development has been selected to receive over \$1.4 million in bond funding to complete significant updates to the building's plumbing system. Preliminary work is underway. The bid has been awarded and the contract is being finalized.

Moorhead Affordable Housing LLC (MPHA)

As of February 1, there are two vacancies. One applicant is being processed, and one letter has been sent to an applicant.

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)

As of February 1, there is one vacant unit. Four applicants have been contacted. The waiting list is closed due to the long waiting time of more than a year to rent a unit.

Moorhead and the Cass-Clay Community Land Trust are actively working with renters in the 17

units Moorhead owns to figure out their interest in homeownership. Staff have met with CCLT and city staff as we decide how this may look.

Housing Choice Vouchers

As of February 1, 2025, there were a total of 710 out of 753 units leased in the Housing Choice Voucher program. We were notified on December 17, 2024, that we may not issue any other vouchers for our regular HCV program until so informed by HUD. We were notified in February that we can once again issue vouchers.

We have the following HCV vouchers available: 9 regular vouchers (7 vouchers are issued to families who are between units), 11 VASH vouchers (5 vouchers have been issued to individuals searching for units, and there is one new referral from the VA being processed); 2 Stability vouchers (one voucher has been issue); and 21 Mainstream vouchers (8 vouchers have been issued to families who are between units, and staff is processing one applicant) available to lease.

As of February 1, there are 19 people on our waiting list. Anyone who is eligible for a Mainstream or Stability voucher has been contacted. We are working with 10 more households from other housing authorities.

We have 68 individuals enrolled in our Family Self-Sufficiency program and have had 80 FSS participants in the past 12 months. We can serve up to 75 households. HUD audited the FSS program in January. We are awaiting the audit results. The Clay County HRA FSS program is rated in the top 8 in the nation out of over 700 programs. There is a waiting list for this program so staff is recommending that the policy we modified to increase the number of participants who can be placed on this program. HUD no longer requires a limit.

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 help households who have a member who has a serious mental illness and is leaving an institution or is currently homeless.

The grant was renewed for 2025 with a significant increase in funding. We plan to serve 35 households per month in 2025. As of February 1, we are serving 23 participants. Due to staff reductions, we have been unable to add additional households to the program.

HRA Cares

The grant is for 64 households. We are currently serving 70 households. Two of these households are still searching for units. Of the 70 households, 60 are in Clay, 3 are in Otter Tail, and 2 are in Douglas Counties, MN; and there are 5 in Fargo, ND. There are 37 singles and 33 families being served. Six of these households currently live at Bright Sky Apartments.

It is expected that the grant will fund a 0.25 FTE at Bright Sky to help those households.

Homeless to Housed Rental Assistance

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. The 2025-2027 application was submitted December 17.

We are serving 85 households now. Sixteen households are searching for units. There are 17 singles and 68 families being served. The grant targets families and youth-headed households. Leased households are from Clay (71) and Douglas (14) Counties. We are able to serve approximately 100 households per year through the end of the grant term due to lower than expected spending at the beginning.

Openings are filled through the coordinated entry process. We believe we will be at maximum capacity after the households who are searching find units.

Homework Starts with Home

The HRA was funded in each of three rounds of competitive funding. Throughout this time, the HRA has been the lead agency in a partnership that is working towards ending child homelessness. The first 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 predicted serving a total of thirty-two households during that time. The renewal application was submitted in January.

As of February 1, we are serving 39 households. Seven households are searching for a unit. Two have been approved and are waiting to move into their homes. The program can serve approximately 45 households for the rest of the grant.

Households are from Becker (2), Clay (18), Douglas (4), Pope (1), Otter Tail (12), and Wadena (2) Counties. There are 3 households who have been approved and are waiting to move into their unit. Homework Starts with Home families also live at Fieldcrest and receive services through CAPLP. They are not included in these totals.

Housing Supports (formerly GRH) in Scattered-Site Units

As of February 1, a total of 132 households were being served by the Housing Supports program in Clay County. There are 113 households leased in the scattered-site Housing Supports program –26 with the HRA; 17 with CAPLP; 7 with the Presentation Partners in Housing; 3 with LMHC; 5 with Metro Behavioral Health; 11 with the Lotus Center; and 36 with Greater Minnesota Community Services. In addition, CCRI serves 8 scattered sites and 19 Housing Supports clients at Gateway Gardens. Nine households are searching for units.

The Housing Supports vendor agreement for the existing 15 households at the Bright Sky Apartments were transferred to the HRA vendor agreement effective 1/1/2025. It is expected that an additional 7 households will be added through that program. The HRA moved an existing staff person to the Bright Sky Apartments location to provide case management services to these households. Silver Linings is expected to open this spring.

Minnesota DHS Community Living Infrastructure Grant

The Community Living Infrastructure Grant began in 2018. Clay County is the grant recipient and the HRA is the project manager and provides the Housing Resource Specialist. The funds were distributed 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 still be a partner but not be a sub-recipient for the grant.

Funding for the current grant was extended until 6/30/25. The funding for the HRA supports 0.82 FTE. The grant provides funding for administration of the Housing Supports program for Clay County Social Services. The new grant application is scheduled to be released in the near future.

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 Housing Consultations in 2020. Due to losing over \$50,000 in the initial operations of this program, we began doing limited housing consultations only. Payment is still pending on 6 consultations with approvals taking more than 100 days. Staff attended a January training on billing through the Managed Care Organizations (MCOs) for better reimbursement outcomes. It is a state-wide issue.

Owner-Occupied Rehab Program

Barnesville

Barnesville requested our services to apply for \$1.2 million from DEED to rehabilitate 21 homes and 13 businesses. The pre-application was submitted November 27. Preliminary decisions have been made, and Barnesville has been invited to submit a full application which is due April 16, 2025.

Dilworth

The HRA staff is administering a \$922,000 DEED grant for the City of Dilworth. It received funding to rehabilitate 21 homes and 7 businesses. DEED has approved an extension of the grant from September 30, 2024, until September 30, 2025.

To date, 16 homeowner projects are complete; and 7 projects are under construction. There is \$11,274 remaining in this budget line item. There are 10 applicants on the waiting list who will not receive assistance. Others were removed from the waiting list due to death, ineligibility due to higher income than limits, or voluntarily dropping.

The grant funded the rehabilitation of 7 commercial properties. Nine applications were received. Physical property inspections were completed on all commercial buildings. Only 5 of the

applicants decided to follow-through. Four projects are complete, and the remaining project will only cost around \$9,600.

There are enough funds remaining to complete at least 3 more commercial rehabilitations. Since the remaining funds cannot be re-allocated to the owner-occupied housing, staff are reaching out to area businesses again to see if there is any new interest. One new application has been received.

RLP (Minnesota Housing Rehabilitation Loan Program)

The Minnesota Housing Rehabilitation Loan Program is funded by the state. Three projects are in the bidding phase, a scope of work is being drafted for a project, and six are being processed or notified that they will be removed from the list if they do not respond.

UPDATES AND OTHER

a. Commissioner Opening

- Ad is posted on HRA website, and an ad will be placed in the surrounding area newspapers today.

b. Updates on federal and state budget impacts

- Both state and federal funding is uncertain. The federal budget is funded through March 14, and the state through June 30, 2025!
- Our FSS grant has been awarded but not executed-\$122K awarded. HUD has not issued the contract.
- HE Service Coordinator grant for 2025 has not been released.

c. Updates on Bright Sky and Silver Linings:


- One staff member moved to Bright Sky Apartments to provide case management.
- Silver Linings is opening June 1, 2025. The HRA will provide Housing Supports to about 20 households.

d. Executive Director travel for NCRC Annual Conference & NAHRO Legislative Conference: *A motion was made by Commissioner Dillard to approve Director Lee's travel request to DC and Michigan. Commissioner Johnson seconded the motion, and it carried unanimously.*

e. Staffing Updates:

- Hiring a Rental Assistance Specialist. The Rental Assistance Team has been down two employees for almost a year.
- Hiring a Supportive Services Specialist for case management for Silver Linings.

MEETING WAS ADJOURNED AT 10:44 A.M.


Bethany Peterson, Secretary

3/20/25
Date