

**HOUSING & REDEVELOPMENT AUTHORITY OF CLAY COUNTY
Regular Meeting of December 18, 2018**

MEMBERS PRESENT:

Les Bakke, Cecil Johnson, Mike Martin, Dale Rollie, Ione Schultz and John Wilkie.

MEMBERS ABSENT:

None

STAFF PRESENT:

Dara Lee and Sheila Laney.

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

AGENDA:

Commissioner Martin made a motion to approve the agenda. Commissioner Bakke seconded the motion and it carried unanimously.

MINUTES FROM NOVEMBER 20, 2018 REGULAR MEETING:

A motion was made by Commissioner Bakke to approve the November 20, 2018 meeting minutes. Commissioner Johnson seconded the motion and it carried unanimously.

CITIZENS TO BE HEARD:

None

TREASURER'S REPORT:

Budget reviews through October 2018 were discussed. Most programs are operating as anticipated. Scattered Site Public Housing has experienced extremely high costs due to expensive unit turnover, environmental review requirements and disposition activities. HUD has approved the disposition of these units. We have expended all reserve funds for these units (\$31,486 as of 1/1/18). We were notified by HUD that we will be eligible for 6 months of operating subsidy (\$20,000-\$25,000) in 2019 to assist with the extra costs due to disposition.

The Housing Choice Voucher program also has experienced high administrative costs primarily due to application and start-up of VASH and Mainstream Voucher programs.

Overall, the financials are as anticipated.

Commissioner Rollie made a motion to accept the Treasurer's Report. The motion was seconded by Commissioner Wilkie and carried unanimously.

PROJECT UPDATES:

Director Lee provided project updates.

Houge Estates

As of the first week in December, there are 2 vacant units. One is re-rented for December and one for January. There are 2 move-outs at the end of December. Applications are being processed for the 2 December 31 openings. There are 72 households on the waiting list. The waiting list is currently open.

Agassiz Apartments

As of December 1, there is one vacant unit and an application is being processed for the opening. There are 5 households on the waiting list. We are having a 40th Anniversary Celebration for the property this afternoon. The development opened in December 1978. The invitation is enclosed.

Scattered-Site Public Housing

As of December 1, there are is one vacant unit. We will have four additional openings on January 1 due to the disposition and the ability of current residents to move with a Housing Choice Voucher.

There are 35 households on the waiting list. We contacted all households on the waiting list regarding the openings and the disposition. The waiting list is closed at this time due to the pending transfer to the Clay County Affordable Housing LLC.

The intention is to close on the sale/transfer of the units to the Clay County Affordable Housing LLC on December 31, 2018. The Clay County Affordable Housing LLC will enter into new lease agreements and change the method for filling the units.

Boyer Apartments

As of December 1, there are no vacant units. There are an additional seven households on the waiting list.

Effective January 1, 2019, residents of Boyer Apartments will receive a preference for a Housing Choice Voucher.

Fieldcrest Townhomes

As of December 1, there were 2 vacant units. One has been filled and an application is being processed for the second opening. There will be two additional vacancies on December 31. One has been re-rented and letters have been sent to applicants for the other opening. There are 149 households on the waiting list which is closed.

Gateway Gardens

As of December 1, there is one vacant unit. An applicant is scheduled to move into the unit in mid-December. Three HRA staff have offices at Gateway Garden. CCRI continues to provide on-site support services.

Housing Choice Vouchers

As of December 1, 2018, 396 out of 455 regular vouchers were under lease. We also have 4 out of 15 VASH vouchers under lease; and 8 out of 28 Mainstream vouchers under lease. We have issued 3 additional VASH vouchers and 12 Mainstream vouchers to households who are searching for units. We are working with or have sent letters to 19 households to begin working to issue them a Mainstream Voucher.

We applied for and were awarded 24 Replacement Tenant Protection Vouchers due to the disposal of our Scattered-Site Units. We anticipate these vouchers will be available on January 1, 2019. Staff have met individually with all the current public housing tenants.

There are 181 additional households on the waiting list.

We also are working with 40 households who have “ported in” to our area. The other housing authorities continue to pay the rental assistance on these units.

We have 42 individuals enrolled in our Family Self-Sufficiency program. We have had 49 FSS participants in the past 12 months. Staff is working with 2 additional households to enroll them in the program. We can serve up to 50 households on the FSS program under our current Action Plan. The grant renewal application was submitted in November. We will not hear about 2019 until after Congress approves a 2019 budget.

Prairie Horizons Townhomes

As of December 1, there are no vacant units. A full-time CCRI staff provides supportive services to both Prairie Horizons Townhomes developments and other HRA Cares scattered-site participants.

HRA Cares

We are authorized to serve 64 households with these funds. We are currently serving 59 households. Of the 59, 15 are at Prairie Horizons Townhomes; 8 are at Bright Sky Apartments; and 36 are in scattered-site units in Clay, Otter Tail, Wilkin and Douglas Counties. There is one single opening at PHT. An individual has been identified for this opening. There are 27 singles and 32 families being served.

We only are accepting applications through the Coordinated Assessment Referral and Evaluation System (CARES). Those with the highest needs (acuity levels) who meet program eligibility requirements will be accepted.

Homeless to Housed Rental Assistance

We are serving 47 of our authorized 55 households. There are 13 singles and 34 families. Four additional households are searching for a unit. Leased households are from Clay, Otter Tail, Wilkin, and Douglas Counties.

We do not anticipate adding additional households to the program in the near future. We are in the second year of a two-year grant. We overleased the first year so do not have adequate funding remaining to serve 55 households during the second year.

HRA Cares for Kids/Homework Starts with Home

The current HRA Cares for Kids grant began February 1, 2016 and must end by January 31, 2019. We intend to discontinue the program as of December 31, 2018 and transfer the two remaining households to the Housing Choice Voucher program, if necessary. The remaining households have children in the Moorhead School District.

The new Homework Starts with Home Program was finally authorized on October 29, 2018. (It was supposed to begin on October 1.) The grant amount is \$1,042,785 to assist 60 households. Of this total, \$920,512 is Housing Trust Fund money awarded to the HRA for rental assistance; \$60,000 in philanthropic money awarded to the HRA to administer for a variety of purposes; and \$62,273 in Family Homeless Prevention Assistance Program money awarded to Mahube-Otwa for case management services for them and Lakes & Prairies. In addition, the HRA requested and received \$110,000 for the HRA Tax Levy to be used towards this program in Clay County. The HRA also is requesting that the surrounding HRAs contribute \$169,250 of tax levy resources to this program. Staff have met with all 13 participating school districts and the area HRAs regarding this program.

As of December 1, 9 households were leased and 11 are searching for units. Households are from Clay, Wilkin, Douglas and Becker Counties.

Housing Supports (formerly GRH) in Scattered-Site Units

We have a vendor contract with Clay County and are working with CCRI, Summit Guidance Center, Lakeland Mental Health Center (LMHC), Dorothy Day House of Hospitality, Presentation Partners in Housing (PPiH), Lakes & Prairies CAP, and Homeless Health Services to provide services to as many households as needed.

As of December 1, there were 59 households leased with the Housing Supports programs – 7 with the HRA (1 of these is shared with Summit); 10 with Lakes & Prairies; 3 with the Presentation Partners in Housing; 5 with LMHC; 9 with Dorothy Day; and 26 with Summit Guidance (of these 1 is shared with the HRA).

Seventeen additional households are searching for units. The HRA is working with 1; Lakes & Prairies is working with 3; Summit is working with 7; Presentation Partners in Housing is working with 1; Lakeland Mental Health Center is working with 3; and Dorothy Day is working with 2. Lakes & Prairies, Presentation Partners in Housing, Dorothy Day and Summit are all willing to serve additional households.

Minnesota DHS Community Infrastructure Grant

The Department of Human Services awarded Clay County \$385,875 to develop Community Infrastructure to help people with disabilities live successfully in their own communities. The grant funds three outreach workers, a 0.82 FTE housing resource specialist (employed by the HRA) and administration. The grant covers 10 counties in the West Central CoC. It was the largest grant awarded in the state.

The HRA is the project manager and provides the Housing Resource Specialists. All three outreach workers have been hired by the partner agencies and are actively conducting outreach and providing referrals. The team meets monthly.

Owner-Occupied Rehab Program

Barnesville

We are funded to assist 15 homeowners. We are currently working with 12 homeowner households. 9 projects are complete; 1 is in construction; 1 is finalizing loan amounts; and 1 is in income determination/eligibility stage.

We have funding available for at least 3 additional homeowners. We slightly expanded the target area and did a mailing this past month. We have had 4 homeowners express interest so far. Homeowners have until December 31 to contact us.

We were funded to rehabilitate 12 commercial properties. Due to a lower than projected cost per building for rehabilitation, we will be able to work on at least 18 buildings.

We have received 22 applications. All 22 applications received preliminary approval through the property selection process. After 2 projects withdrew and 2 were determined ineligible by DEED, we are working with 18 approved applicants. 8 projects are complete; 3 projects are in construction phase and another project is adding to their scope and bidding additional work; 4 projects are reviewing bids/re-bidding (1 of these is close to loan closing); and 3 projects are in the eligibility/inspection stage.

Sabin

DEED awarded the City of Sabin SCDP funds to rehabilitate 10 homes. To date, we have received 9 applications. Staff is beginning to process the applications to determine eligibility.

Attached is a list of the 9 applicants that submitted the application by the initial deadline. Staff requests the Property Selection Committee (HRA Board) approve these properties contingent upon final eligibility determination.

Commissioner Martin made a motion to approve the 9 Sabin properties listed. Commissioner Rollie seconded the motion and it carried unanimously.

RLP

3 projects are under construction; 1 project is in bid review; 1 is in eligibility stage; and 5 on the waitlist have been contacted to begin determining continuing interest/eligibility.

Other

The HRA was awarded approximately \$75,000 in additional funding from USDA Rural Development for a Housing Preservation Grant to be used as match proceeds. The HRA will have \$175,000 to use for rehabilitation match purposes from the 2019 HRA Tax Levy.

Rental Rehab Program

We were awarded \$800,000 in 2016-2017 funding- \$200,000 for small projects and \$600,000 for large projects. In November, MHFA increased the awards to \$300,000 and \$900,000. It is anticipated that this will be the last funding award the HRA receives and that we will close out the program once the current projects are completed.

We will complete 3 large projects – one in Fergus Falls which is complete; one in Morris which is approximately 70% complete and will be completed in the spring; and one in Barnesville which is getting the information needed to close the loan.

An owner in Barnesville will be awarded all \$300,000 of the 100% forgivable funds. The properties contain a total of 14 units: 3 – 4-unit buildings and 2 single units above downtown commercial buildings. Bids have been received on most projects.

2019 GOALS:

Each year the HRA examines and establishes goals for the upcoming calendar year. The below goals are based upon the 2015-2019 Five-Year Agency Plan which is valid through December 31, 2019. The proposed 2019 goals are as follows:

Goal 1: Expand the supply of assisted housing.

Objective 1: Apply for additional rental assistance vouchers.

The Clay County HRA will apply for additional rental assistance vouchers (including additional Mainstream Vouchers) or programs that are made available if the administrative fees make the additional vouchers feasible to administer.

The Clay County HRA will apply to renew the Homeless to Housed Rental Assistance Program and will continue to expand the Housing Supports Program.

Objective 2: Acquire or build units or developments.

The Clay County HRA will continue to help local non-profits and private developers to develop affordable housing. It will examine potential purchase and development opportunities to expand the supply of affordable housing.

Objective 3: Complete the rehabilitation on 7 rental developments using Rental Rehabilitation Deferred Loan Program funds.

Goal 2: Maintain or improve the quality of assisted housing.

Objective 1: Maintain status as a Housing Choice Voucher High Performer under the SEMAP criteria.

1. Achieve minimum of 99% budget or unit month utilization on all rental assistance programs including Housing Choice Voucher.
2. Continue to perform eligibility, occupancy and recertification activities at a very low error rate.

Objective 2: Maintain a minimum of 96% occupancy on all properties owned or managed by the HRA.

Objective 3: Apply for funding and/or refinancing to rehabilitate Fieldcrest Townhomes.

Goal 3: Create homeownership opportunities for low and moderate-income families in Clay County.

Objective 1: Maintain the current Housing Choice Voucher Homeownership Program.

Objective 2: Assist low and moderate-income homeowners in making necessary repairs to their homes.

1. Rehabilitate 5-8 homes through the Minnesota Housing Rehabilitation Loan Program.
2. Rehabilitate 3 homes through MN DEED Small Cities Development Program in Barnesville in 2019 and close out grant.
3. Rehabilitate 7 homes through MN DEED Small Cities Development Program in Sabin in 2019.
4. Apply for MN DEED Small Cities Development Program for Clay County community if invited to do so.

Goal 4: Other operational improvements

1. **Continue to work collaboratively with area housing agencies to determine ways of operating more efficiently and effectively.**
2. **Conduct Strategic Planning for 2020-2024 in conjunction with Moorhead Public Housing Agency.**
3. **Explore potential land acquisition for future development.**

The Board discussed the Strategic Planning process and improving on the way it was handled the last time it was done. Doing it in conjunction with Moorhead Public Housing will mean some joint meetings with their Board of Directors. A consultant could be hired, splitting the cost with MPHA. This would speed up the process considerably.

Commissioner Rollie made a motion to approve the proposed 2019 goals. The motion was seconded by Commissioner Martin and carried unanimously.

OTHER:

Staffing

Jami Hills began as Assistant Housing Manager/Maintenance Person on November 26, 2018.

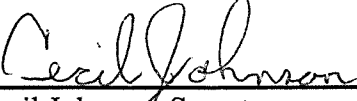
Director Lee will be out on medical leave during January 4-30, 2019 due to a hip replacement. Commissioner Martin volunteered to sign checks on January 15, 2019 if Director Lee is unable to come in that day. Commissioner Rollie also volunteered if need be. The January board meeting will likely be cancelled. Board members will be contacted in January about this.

Property Acquisition Exploration:

Director Lee discussed the possibility of purchasing Willie's, the property to our west, which has been for sale for quite some time. The HRA could use more storage space, office space and maintenance facilities. The Board gave their approval to investigate the possibility further.

10:25 A.M. MEETING ADJOURNED.

Chair Schultz adjourned the meeting at 10:25 a.m.



Cecil Johnson, Secretary

2-19-19

Date