

HOUSING & REDEVELOPMENT AUTHORITY OF CLAY COUNTY
Regular Meeting of January 16, 2018

MEMBERS PRESENT:

Les Bakke via electronic means, Mike Martin, Dale Rollie, Ione Schultz, and John Wilkie.

MEMBERS ABSENT:

Cecil Johnson

STAFF PRESENT:

Dara Lee and Sheila Laney.

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

AGENDA:

A motion was made by Commissioner Martin and seconded by Commissioner Schultz to approve the agenda. The motion carried unanimously.

MINUTES FROM DECEMBER 19, 2017 REGULAR MEETING:

Commissioner Johnson made a motion to approve the minutes from the December 19, 2017 regular meeting. Commissioner Rollie seconded the motion and it carried unanimously.

CITIZENS TO BE HEARD:

None

TREASURER'S REPORT:

Budget reviews for November were discussed.

We received a transfer of administrative funds from Moorhead Public Housing for the Housing Choice Voucher program. In December we closed our second RRDL loan and received an additional \$30,000.

As anticipated Fieldcrest Townhomes and HRA Cares for Kids are running deficits. Agassiz Apartments still has losses due to the summer storm tree damage. Gateway Gardens, East Prairie Horizons Townhomes, and Scattered-Site Public Housing have had extremely costly eviction/unit damage situations.

PROJECT UPDATES:

Director Lee provided project updates.

Houge Estates

As of January 1, there were five vacant units. One unit was rented on January 4 and a second is rented for February 1. One unit is vacant due to fire damage. Applications are being processed for the openings. We will have three additional openings at the end of January.

There are 77 households on the waiting list. The waiting list is currently open.

Agassiz Apartments

As of January 1, there is 1 vacant unit. There will be an additional opening for February 1. There is one household on the waiting list whose application is being processed.

Scattered-Site Public Housing

As of January 1, there was one vacant unit in Ulen due to a court eviction. We are processing applications for the opening. There are 15 households on the waiting list.

We are only accepting applications for 3-bedroom units located in Ulen or Hawley at this time.

Boyer Apartments

As of January 1, there are no vacant units. There are no households on the waiting list.

The waiting list is only open to households who are eligible for a 2-bedroom unit; and who contain a member who has been diagnosed with a serious mental illness who is currently in compliance with a doctor-recommended treatment plan.

Fieldcrest Townhomes

As of January 1, there are three units vacant. All have been re-rented for February 1. There will be an additional opening on March 1. Staff is processing applications for the openings. There are 141 households on the waiting list.

Gateway Gardens

As of January 1, there are no vacant units. Two HRA staff have offices at Gateway Gardens. CCRI continues to provide on-site support services.

Housing Choice Vouchers

As of January 1, 2018, 395 vouchers were under lease. We are authorized to lease up to 455 vouchers. It appears that we only will have enough funding to assist approximately 400 households per month. Our 2018 funding is likely to be based upon our 2017 spending. We will not have final numbers until at least the end of March.

We are working with 22 households who we hope to issue vouchers to in early 2018. We also are working with 27 port-in households who could be absorbed into our program if needed. We have 3 households on our waiting list.

We have 35 individuals enrolled in our Family Self-Sufficiency program and are working with additional households. We have had 41 FSS participants in the past 12 months. We can serve up to 40 households on the FSS program.

Prairie Horizons Townhomes

As of January 1, there are no open units. One tenant may move out due to domestic violence concerns.

A part-time HRA staff person and a new full-time CCRI staff provide supportive services to both Prairie Horizons Townhomes developments and the HRA Cares scattered-site participants.

HRA Cares

We are authorized to serve 64 households with these funds. We are currently serving 67 households. Of the 67, 16 are at Prairie Horizons Townhomes and 51 are in scattered-site units in Clay, Becker, Douglas, Wilkin, Otter Tail, and Cass Counties. There are 33 singles and 34 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. New admissions in 2018 will be to the Bright Sky development until 15 households are leased. Staff has identified 7 households thus far.

Homeless to Housed Rental Assistance

We are authorized to serve 55 households. There are currently 55 households on the program, 21 singles and 34 families. Households are from Clay, Otter Tail, Wilkin and Douglas Counties.

New participants also are chosen through the CARES process. There are 5 households searching for a unit.

HRA Cares For Kids

The grant which began February 1, 2016 can serve up to 18 households. As of January 1, we are serving 16 households. Minnesota Housing is considering an extension of this current program and may allow us to serve a few additional households. The current grant ends on January 31, 2019 but may be extended until September 30, 2019. At that time, we may be eligible to apply for on-going renewal funding.

We are authorized to work with households with children in both the Detroit Lakes and Breckenridge school systems as well as the Moorhead school system. One household is from Detroit Lakes and the rest have children enrolled in Moorhead.

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.

There are currently 34 households leased with the Housing Supports programs – 9 with the HRA (2 of these are shared with Summit); 4 with Lakes & Prairies; 3 with the Presentation Partners in

Housing; 3 with LMHC; 1 with Dorothy Day; and 16 with Summit Guidance (of these 2 are shared with the HRA).

Seven additional households are searching for units. The HRA is working with 1; Lakes and Prairies is working with 1; Lakeland Mental Health is working with 2; and Summit is working with 3.

Lakes and Prairies has a new staff person who will be able to work with a number of people. One person successfully transferred from Housing Supports to Homeless to Housed after receiving SSDI approval.

Owner-Occupied Rehab Program

Minnesota Housing Rehabilitation Loan Program- Three applicants have closed on loans and construction is underway. One applicant has a loan reservation in place at Minnesota Housing; and 4 are having their eligibility determined.

There are five households on the waiting list. Three households on the waiting list are over income for RLP. Two of these have Hawley addresses and one is from Sabin. The individual from Sabin has submitted a letter of intent to participate if Sabin is awarded 2018 DEED funding.

Barnesville SCDP- The Barnesville application for DEED Small Cities Development Program (SCDP) was funded at \$937,735 to complete rehabilitation on 15 homes and 12 commercial projects. The HRA was awarded a \$26,216.56 Rural Development Housing Preservation Grant (HPG) to serve as matching funds for 3 of the Barnesville homes.

We are currently working with 14 homeowner households. Eight projects are complete; 1 is under construction; 1 is in the bidding stage; and 4 are still being processed to determine eligibility. We have funding available for at least 2 additional homeowners.

We received 22 applications from commercial property owners. Two applicants withdrew, and two buildings do not meet eligibility requirements. Therefore, we are working with 18 commercial property owners. Due to the lower than projected cost per building for rehabilitation, we will be able to rehab more than 12 units.

Sixteen applications have received preliminary approval through the Property Selection process. Six projects are complete; 3 projects are under construction; 4 projects are reviewing bids/re-bidding; and 1 project is finalizing the scope of work. 2 projects still need to be inspected.

Rental Rehab Program

We were awarded \$800,000 in 2016-2017 funding- \$200,000 for small projects and \$600,000 for large projects. We have received applications for \$1,200,000 for large projects and no applications for small projects. The Fergus Falls project closed on October 25. The Morris project is closed December 20.

We will need to wait for additional funding to do the third project which is in Barnesville and the fourth project which is in Alexandria.

We have one current owner interested in the \$200,000 for small projects. This is the owner who has been working on changing its ownership structure to establish eligibility. A formal application has not been received yet.

POTENTIAL NEW PROJECTS:

Small Cities Development Program

Staff has submitted an SCDP grant application for Sabin to DEED to rehab 10 owner-occupied homes in the amount of \$258,525.

Communities were notified on December 14 regarding whether they are invited to submit a full application in February. Grant awards would not be made before May 2018. The Sabin application was considered marginally competitive. The most significant concern was the relatively high average income in the community.

To date, we have received back letters of intent from 15 interested homeowners. To have a viable application, we will need approximately 20-25 signed letters of intent by February.

Veterans Administration Supportive Housing (VASH) Housing Choice Vouchers

HUD and the VA issued a joint request for letters of interest from agencies with HCV programs who are interested in applying for VASH vouchers. The Fargo VA supported our agency in applying for 25 vouchers. A letter of interest was submitted in November along with the VA letter of support. These vouchers are for homeless vets and are paired with supportive services from the VA.

2017 GOALS UPDATE:

The board approved the following goals for 2017. The goals are based upon the 2015-2019 Five-Year Agency Plan which is valid through December 31, 2019. The 2017 goals and status 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 or accept the transfer of additional rental assistance vouchers or programs that are made available if the administrative fees make the additional vouchers feasible to administer.

The HRA and Moorhead PHA submitted a joint request to HUD to transfer the 95-unit HCV program administered by the Moorhead PHA to the HRA. The Minneapolis Field Office and HUD Headquarters approved the transfer effective July 1.

The HRA will submitted a letter of interest to HUD to administer 25 VASH vouchers.

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. The Clay County HRA will complete the purchase and rehabilitation funding application for Fieldcrest Townhomes. The HRA purchased the 40-unit Fieldcrest Townhomes development in January 2017. Rehabilitation options are being explored. The HRA continues to work with non-profit and private developers in the region to encourage the development of additional affordable housing.

Objective 3: Complete the rehabilitation on two multi-family developments using Rental Rehabilitation Deferred Loan Program funds.

2 rehabilitation project loans closed in 2017.

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.

The HRA received a SEMAP score of 100% for 2016 operations.

1. Achieve minimum of 99% budget or unit month utilization on all rental assistance programs including Housing Choice Voucher.

Status as of September 30, 2017:

HCV: Utilized 100% of available funding and 92% of available vouchers.

HRA Cares: Utilized 100% of available funding and 106% of available units.

Homeless to Housed: Utilized 100% of available funding and 98% of available vouchers.

HRA Cares for Kids: Utilized 86% of available funding and 98% of available vouchers. May be able to extend program.

GRH-SS: Program continues to expand. No limit on unit numbers or funding.

2. Continue to perform eligibility, occupancy and recertification activities at a very low error rate.

2016 Audit was completed the first week in May with no audit findings or significant issues. Audit results will be presented at meeting.

Objective 2: Improve public housing management score to status of High Performer and/or seek means of disposing of property.

For 2016, achieved public housing score of 96% and achieved High Performer status.

1. Achieve minimum of 96% occupancy on all properties owned or managed by the HRA.

Status at last day of month January 1- December 31:

Houge Estates: 95% occupancy.

Agassiz Apartments: 94% occupancy.

Fieldcrest Townhomes: 94% occupancy.

Public Housing: 99.7% occupancy.

Boyer Apartments: 97% occupancy.

Gateway Gardens: 99% occupancy.

Prairie Horizons TH: 100% occupancy.

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

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

Status: Currently 12 HCV Homeownership Program participants. One graduated from the program due to increased income. Two participants have purchased homes in 2017. One additional tenant is considering purchasing.

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.

Status: Work is complete on 2 RLP projects. 2 additional homes have been approved for funding and four additional applications are being considered.

2. Rehabilitate 8-10 homes through MN DEED Small Cities Development Program in Barnesville in 2017 including the use of Rural Development Housing Preservation Grant funds on 3 of these homes.

Status: Work is complete on eight DEED projects. Six additional projects are in process.

Goal 4: Other operational improvements

1. **Continue to work collaboratively with area housing agencies to determine ways of operating more efficiently and effectively in conjunction with Greater MN Housing Fund grant. Coordinated Assessment and Referral will continue to be part of this effort.**

Status: The HRA continues to work closely with the Moorhead PHA; work with 6 partner agencies on the Housing Supports (GRH Scattered-Site) Program; participate in Coordinated Assessment local and regional meetings; work with Churches United on the anticipated 2018 opening of Bright Sky Apartments; and work with other agencies on housing-related issues.

OTHER:

- A) Executive Director Evaluation: the Board discussed the process. The Board will meet at 9:00 on February 20, 2018 with Director Lee to formally do the evaluation. At the conclusion of the evaluation, the monthly meeting will take place.
- B) Staff Updates: Mike Weeks has been hired as the new maintenance technician and is starting his employment today.
- C) Commissioner Bakke's board term is up for renewal February 1. The board recommended that the Clay County Commission be requested to appoint Commissioner Bakke to a second five year term.

Minutes
January 16, 2018
Clay County HRA

10:10 A.M. REGULAR MEETING ADJOURNED
Chair Bakke adjourned the meeting at 10:10 a.m.

Dale Rollie 2-2018
Dale Rollie, Secretary Date