

**ST. CLOUD HOUSING & REDEVELOPMENT AUTHORITY  
STUDY SESSION**

Wednesday, February 24, 2021

A Study Session for the St. Cloud HRA Board of Commissioners was held VIA ZOOM on Wednesday, February 24, 2021, St. Cloud HRA Boardroom, 1225 W. St. Germain St, St. Cloud, MN. Chair Nancy Gohman called the meeting to order at 5:30 p.m. Commissioners present via ZOOM teleconference: Mike Conway, Abdi Daisane, Seal Dwyer, Jeff Goerger, Nancy Gohman, George Hontos and Hani Jacobson. Absent: None.

Staff via ZOOM: Executive Director Louise Reis, Finance Director Karen Rizer, Project Manager Paul Soenneker, Programs and Property Manager Jason Neuerburg and Administrative Services Manager Sandy Hunter.

Executive Director Louise Reis introduced and invited Paul Soenneker, Project Manager, to show the power point presentation that was presented to the Planning Commission with a request for funding of the CDBG Single Family Housing Rehab Loan Program. Mr. Soenneker narrated as the slide show gave background and details of the program. He gave the program costs for 2018 and 2019, adding that since the inception of the program in 1976 there have been 586 loans adding \$6.1 million back into community revitalization. Mr. Soenneker stated costs in 2018 were \$373,480, 2019 at \$325,433 and for 2020 a total of \$371,000 was spent. He stated the most common repairs are windows, doors, roof, electrical updates and siding.

Commissioner Hontos questioned the reaction of homeowners to this project. Mr. Soenneker said he felt most were grateful and many relieved that they did not have to go out for their own bids making the process much easier for them. Commissioner Dwyer responded to this stating that prior to her becoming a Board member and the reason for her wanting to contribute back by becoming a Board member was the CDBG loan received for their home to be updated. She said without this loan it could not have happened, and that these loans are so vital to homeowners being able to maintain older homes in the community.

Commissioner Jacobson questioned if race was tracked of the borrowers and how many are completed each year. Mr. Soenneker said last year there were 22 loans started and 19 were completed; race is not tracked. Ms. Reis added that race is a question on the loan application but it is optional to answer.

Commissioner Jacobson asked how the loans are advertised and after Ms. Reis' response said she may have some additional resources for ads. Ms. Reis responded by City newsletter, website, Whitney, local magazines, local events, meetings, lenders. She said any suggestions would be welcome.

Chair Gohman asked how many are denied annually. Ms. Reis responded she find out and also if they were not qualified for the program is why they were denied. Commissioner Conway asked if the income levels could be sent to the Board also.

Commissioner Hontos asked if the program money were doubled would it be used. Mr. Soenneker said the amounts received have always been used. Chair Gohman said past years the program has had as high as \$500,000 and has been spent. Commissioner Conway asked if there currently is a waitlist. Finance Director Karen Rizer responded there are only two on the waitlist more due to COVID and not demand.

For further clarification of the program for newer Board members, Ms. Rizer went through how the money flows in and out of the program, explaining the 30 years with no interest unless the home is sold, and if sold, the money and interest goes back into the program.

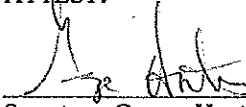
Commissioner Goerger asked the amount staff proposed to the Planning Commission with their presentation. Ms. Reis stated the HRA requested \$300,000; the Planning Commission's recommendation to the City Council will be for \$198,000. Commissioner Goerger said he feels this program is essential to the City in

keeping neighborhoods and he will be arguing the higher amount from the Council. He said these dollars come through the Federal government and should be used by the City as a whole; deteriorating neighborhoods and tear downs do not help the City as a whole. Commissioner Goerger said he feels the best was to help affordable housing is in helping people stay in their homes. Commissioner Conway said home ownership should be the goal. Commissioner Hontos said he agrees with Commissioner Goerger and is glad to hear strong allocations that he too will recommend. Commissioner Dwyer said she strongly believes if there could be more money in the program and advertised adequately it would be used.

Commissioner Daisane thanked Mr. Soenneker for the presentation stating it was very informative for him and the request was promising. Commissioner Hontos stated it would be at the will of the council and it will take all the HRA City Council representatives to make it happen. Commissioner Goerger agreed that this should be a year for the HRA as many of the other groups requesting money have received special funding due to COVID. Board members agreed this is a viable and essential program for the City housing and affordable housing.

There being no further time as the meeting was already running over, the meeting adjourned at 6:10 p.m.

ATTEST:

  
\_\_\_\_\_  
Secretary, George Hontos

  
\_\_\_\_\_  
Chair, Nancy Gohman

**ST. CLOUD HOUSING & REDEVELOPMENT AUTHORITY  
REGULAR MEETING**

**Wednesday, February 24, 2021**

The Regular Meeting of the St. Cloud HRA was held on Wednesday, February 24, 2021, via ZOOM. Chair Nancy Gohman called the meeting to order at 6:10 p.m. immediately following the study session. She presided over the meeting from the St. Cloud HRA Boardroom, 1225 W. St. Germain Street.

1. Roll Call: Commissioners present: All - Mike Conway, Abdi Daisane, Seal Dwyer, Jeff Goerger, Nancy Gohman, George Hontos and Hani Jacobson.
2. Approval of Agenda – Commissioner Goerger moved for approval of the consent items and the agenda; Commissioner Dwyer seconded the motion. All Board members voted in approval. The agenda and consent agenda moved as presented.
3. Approval of Study Session Minutes, January 27, 2021 – approved as presented.
4. Approval of Annual Minutes, January 27, 2021 – approved as presented.
5. Approval of Regular Minutes, January 27, 2021– approved as presented.
6. Approval of Write-off Accounts Receivable – approved as presented.
7. Approval of Contracts for Electronic Locks at Empire Apartments – contract approved with Safeguard Security for a Salto Electronic Door Access System at Empire Apartments in the amount of \$66,457.
8. Approval of Contract for Electrical Services – contract approved with Electrical Solutions Inc.
9. Approval of Contract for Architectural Services for Wilson Apartments ADA Units – contract approved with GLT Architects for ADA improvements at Wilson Apartments in the amount of \$28,000.

Open Forum: At this time members of the public may address the Board with questions, concerns, or comments (regarding an item NOT on the agenda). Citizens are to contact Executive Director Louise Reis no later than 3:00 p.m. February 24, 2021 for her to bring forward since the meeting will be teleconferenced. Ms. Reis stated she had no requests.

Old Business:

10. A. Public Hearing for the Proposed Issuance of General Obligation Housing Revenue Bonds for Riverside – Karen Rizer, Finance Director, introduced the item explaining the bond refinancing and the current projection of \$765,000 savings in future value and \$673,000 in present value. She stated the City Council approved the General Obligation pledge on Monday, February 22<sup>nd</sup>.

Chair Gohman stated that this was the time and place fixed for a public hearing to be held on the proposed issuance of the Issuer's Governmental Housing Project Bonds (City of St. Cloud, Minnesota, General Obligation), Series 2021A under Minnesota Statutes, Chapters 469 and 475 (the "Bonds"). Secretary Hontos presented an affidavit showing publication of the notice of public hearing at least ten (10) but not more than thirty (30) days prior to the date fixed for the public hearing in the *St. Cloud Times*, being the official newspaper of the City of St. Cloud. The affidavit was examined, found to be satisfactory and ordered placed on file with the Secretary.

Chair Gohman opened the public hearing at 6:15 p.m. to hear public comment on the proposal to issue the Bonds. There being no one requesting to speak or comment the public hearing closed.

B. Approval of Resolution 2021-05 - Resolution Relating to Governmental Housing Project Bonds (City of St. Cloud, Minnesota, General Obligation), Series 2021a; Authorizing the Issuance; Calling for The Sale Thereof and Approving the Terms of Proposal – Commissioner Goerger moved for approval; Commissioner Conway seconded the motion. All Commissioners voted in favor. The item passed unanimously.

New Business:

11. Approval of Resolution 2021-06 - Paramount Center for the Arts Renovation of Gift Gallery Space – Executive Director Louise Reis briefly explained the relationship between the HRA and the Paramount. She stated for the requested gift gallery renovation the Paramount would be paying all expenses, however, they need approval from the HRA as the owners of the space. Commissioner Hontos moved for approval; Commissioner Dwyer seconded the motion. Commissioners Conway, Dwyer, Goerger, Gohman, Hontos and Jacobson voted in favor; Commissioner Daisane abstained as he serves on the Paramount Board. The motion carried.

12. Report on Activities – Ms. Reis referred to a Housing Affordability Summary she included for review in the board packet that had been conducted in 2019 by Maxfield Research and Consulting. Commissioner Conway questioned if any of the properties mentioned were outside City limits; Ms. Reis responded the HRA has no jurisdiction for projects other than in the City so no.

There was a short discussion on the number of affordable units in the City and those owned by the HRA. Commissioner Goerger commented on the fact that the area jobs available are conducive to a college community causing low paying jobs and not enough affordable housing. Commissioner Hontos responded this is why a strongly rehab program is needed. Commissioner Conway said he feels more home ownership is needed. Commissioner Hontos said to do this it has been shown that subsidy will be needed. Commissioner Conway replied small houses should be reviewed as an option. Commissioner Dwyer stated that these conversations have taken place in the past and that talk does not answer the problem. She said new programs need to be found which means new policies. Discussion continued including home ownership and rentals to ownership, more rehab loans and public assistance.

Commissioner Conway suggested opening up the Homestead Incentive program to the entire City not just the core neighborhood and its expanded area. Commissioner Jacobson said she agreed stating it feels like the current program is segregating and not allowing families to live where they choose. Commissioner Hontos stated this may be a good idea, but asked where the money for the program is from. Finance Director Karen Rizer responded the monies are taken from repayment of prior loans as homes are being sold.

Commissioner Jacobson asked if home size made a difference; Chair Gohman responded not the size of the home but there are income guidelines that need to be met. Commissioner Jacobson asked if savings count or if just income counts. Ms. Rizer said income only.

Chair Gohman stated another study session on the topic is needed.

Ms. Reis mentioned from her report that Sandy Hunter, Administrative Services Manager, has resigned her position with the Agency and her last day would be March 5<sup>th</sup>. The Board wished Ms. Hunter well.

Ms. Rizer reported on rent collection numbers. She said tenant receivables are up \$46,000 over 2020. Commissioner Hontos said the numbers did not look that bad considering the COVID fall. Ms. Reis added

that Minnesota Housing will be overseeing the Emergency Rental Assistance for the state. The HRA is waiting for further instructions on who will administer and how to apply for funds.

There being no questions, the meeting adjourned at 6:50 p.m.

ATTEST:

  
\_\_\_\_\_  
Secretary, George Hontos

  
\_\_\_\_\_  
Chair, Nancy Gohman