

**REGULAR MEETING OF THE  
ST. CLOUD HRA BOARD OF COMMISSIONERS**

**St. Cloud HRA, 1225 West St. Germain Street, Board Room  
Wednesday, October 26, 2022  
*Immediately following 5:00 p.m. Study Session***

<b>STUDY SESSION -- 5:00 P.M., St. Cloud HRA, Board Room AGENDA: Discussion of 2023 Budgets for the Tax Credit Properties</b>
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**Mission Statement: To enhance the communities we serve by providing  
housing opportunities, fostering stability, and promoting neighborhood revitalization.**

**Regular Meeting Agenda:**

1. Roll Call and Pledge of Allegiance.

**Consent Agenda:**

2. Approval of Agenda. REQUESTED ACTION: Approve.
3. Approval of Study Session Minutes, September 28, 2022. REQUESTED ACTION: Approve.
4. Approval of Regular Minutes, September 28, 2022. REQUESTED ACTION: Approve.
5. Review of 2022 Financial Reports. REQUESTED ACTION: None.
6. Approval of Resolution 2022-09 – Adopting the 2023 Budgets for the Tax Credit Properties.  
REQUESTED ACTION: Approve.

**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 asked to sign up to speak prior to the Open Forum portion of the meeting. Speakers will be limited to the first five citizens who sign up. The Board members will not ask questions of the speakers, but rather refer the matter to the Administration with a request for a follow-up report. A citizen may speak at the Open Forum only twice during the year. Open Forum is limited to a total of 10 minutes. TIME LIMIT IS 2 MINUTES PER PERSON.

**Old Business:** none.

**New Business:**

7. A. Public Hearing for the FSS Action Plan.  
B. Approval of Resolution 2022-10 – Approval of FSS Action Plan – Chapter 7.
8. Approval of Change in Medical and Dental Insurance Providers.
9. Report on Activities.

**Open Discussion:**

**Adjourn.**

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

**Wednesday, September 28, 2022**

A Study Session for the St. Cloud HRA Board of Commissioners was held on Wednesday, July 27, 2022. Chair Nancy Gohman called the meeting to order at 5:00 p.m. Commissioners present: Mike Conway, Seal Dwyer, Jeff Goerger, Nancy Gohman, George Hontos, and Hani Jacobson. Absent: John Dvorak.

Finance Director, Karen Rizer, began the study session by discussing how the HRA had intended to conduct a market study in 2020, but due to COVID-19 it was delayed. The HRA contacted Baker Tilly to complete a market study this year, but it would be months before Baker Tilly had time to meet with the agency. Ms. Rizer stated based on current hiring difficulties, and what has been seen in the market, the HRA felt action needed to be taken before the market study is completed by Baker Tilly. The St. Cloud HRA went to the City of St. Cloud, Stearns County, and the Duluth HRA to get market data and actual wage data to compare to the St. Cloud HRA. Based on where the data came in, and cost-of-living/market adjustments to HRA employees' salaries, Ms. Rizer proposed two actions:

1. All regular full and part-time employees whose regular schedule is at least 30 hours per week, excluding the Finance Director and Executive Director, who have been employed by the HRA for at least 9 months as of November 1, 2022, will receive a lump-sum cost-of-living/market adjustment payment equal to 4% of their annual wage ((current hourly rate x regular annual hours) x 4%) to be paid on the November 18, 2022 pay date. The Finance Director and Executive Director will receive 3%.

2. All regular full and part-time employees whose regular schedule is at least 30 hours per week, excluding the Finance Director and Executive Director, who have been employed by the HRA for at least 9 months as of November 1, 2022, will receive a 4% lump-sum cost-of-living/market adjustment to their hourly rate effective November 27, 2022. The Finance Director and Executive Director will receive 3%.

Commissioner Hontos asked to clarify the two proposals. Ms. Rizer confirmed the first action would be a lump sum payment and the second action would be a raise. Commissioner Hontos asked about performance reviews. Ms. Rizer responded performance evaluations would remain unchanged and will occur later this year and the performance raise would take place during the first full payroll in January 2023. Commissioner Goerger asked Ms. Rizer if she felt it was enough of an increase to keep staff in place, or can the agency consider something more. Ms. Rizer responded that she hopes it is enough of a difference maker and it is also the number she is most comfortable at, not knowing where health insurance rates will come in at, and knowing there is a market study coming.

Commissioner Hontos suggested, due to the overwhelming support from the Personnel Committee and Commissioners present, to add it to September's agenda for approval.

There being no further discussion, the study session ended at 5:26 p.m.

ATTEST:

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Chair, Nancy Gohman

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Secretary, George Hontos

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

**Wednesday, September 28, 2022**

A Regular Meeting for the St. Cloud HRA Board of Commissioners was held on Wednesday, September 28, 2022, at the St. Cloud HRA main office, 1225 West St. Germain Street, St. Cloud, MN. Chair Nancy Gohman called the meeting to order at 5:28 p.m.

**Consent Agenda:**

1. Roll call was taken and the pledge of allegiance spoken. Commissioners present: Mike Conway, Seal Dwyer, Jeff Goerger, Nancy Gohman, George Hontos, and Hani Jacobson. Absent: John Dvorak.
2. Approval of Agenda – Commissioner Conway moved to pull item 2 from the agenda and add item 12 to New Business and Commissioner Goerger seconded the motion. All commissioners voted in favor; the motion moved as presented. Commissioner Hontos pulled item 4 for further discussion; Commissioner Goerger moved for approval on items 3, 5, 6, and 7. Commissioner Dwyer seconded the motion. All commissioners voted in favor; the agenda and consent agenda moved as presented.
3. Approval of Regular Minutes, August 24, 2022 – approved as presented.
4. Review of 2022 Financial Reports – Commissioner Hontos inquired about the Empire budget and Finance Director Karen Rizer said the reduction in revenue was due to vacancies caused by the fire, and some funds will be reimbursed by HUD but will not come in until 2023. Ms. Rizer added that there have been higher maintenance fees at Empire due to the fire as well. No action required.
5. Approval to Write-Off Resident Accounts Receivable – approved as presented.
6. Changes to Personnel Policy 05.10 – Paid Leave – approved as presented.
7. Approval of Contract for Design / Engineering Services for Grace McDowall Apartments Boiler Replacement – contract approved with GLT Architects in the amount of \$28,350.00.

Open Forum: Chair Gohman asked Louise Reis, Executive Director, if any member of the public had requested to speak; Ms. Reis responded there were none.

**New Business:**

8. Approval of Payment Standards Effective December 1, 2022 – Vouchers Programs Manager Lori Lygre stated every year HUD publishes new fair market rents and the HRA is allowed to set payment standards between 90-110% of the fair market rents. Ms. Lygre noted this is the highest increase in fair market rents she has seen. Commissioner Gohman asked why the rate is different with the Emergency Housing Vouchers (EHV). Ms. Lygre responded the emergency vouchers were awarded under the American Rescue Plan and those vouchers allow more options like paying deposits, utility hookups, or buying household items. Commissioner Goerger moved for approval; Commissioner Dwyer seconded the motion. All commissioners voted in favor; the motion moved as presented.
9. Approval of Application for Stability Vouchers – Ms. Reis stated that HUD issued a notice giving the opportunity for public housing authorities to express interest in receiving an award of Stability Vouchers. HUD will award the Stability Vouchers based on evaluation of the homeless data from the 2020 Point-In-Time count. Commissioner Gohman asked if the HRA knows how many vouchers will be issued to the agency. Ms. Reis responded that she does not know how many vouchers will be issued, but staff needs will be evaluated at the time of issuance. Commissioner

Goerger moved for approval; Commissioner Conway seconded the motion. All commissioners voted in favor; the motion moved as presented.

10. Approval of Funding for the Homestead Incentive Loan Program – Ms. Rizer stated the Homestead Incentive Loan program provides a qualified homeowner up to \$5,000 to be used for down payment, closing costs, and prepaids. The HRA would like to transfer to the Core Neighborhoods Fund from the Housing Development Fund: \$70,822.60 and use Core Neighborhoods Fund reserves of: \$29,177.40 so the grand total made available to the program is \$100,000. The program currently has approximately \$60,000 remaining, so adding \$100,000 should fund it for approximately one year. Commissioner Conway clarified that anyone in the City of St. Cloud can apply and Ms. Rizer confirmed that is correct, it is open to all residents within the St. Cloud city limits. Commissioner Goerger moved for approved; Commissioner Dwyer seconded the motion. All commissioners voted in favor; the motion moved as presented.

11. Report on Activities – Ms. Reis noted that Grace McDowall Apartments and Northway Townhomes received a score of 90 from a HUD REAC Inspection on August 15, 2022. She also noted Al Loehr Apartments received a score of “Satisfactory” from a Property Inspection and Management Review by Minnesota Housing conducted on July 26, 2022. Ms. Reis added that on August 29, 2022 the Department of HUD awarded 13 additional regular vouchers to the St. Cloud HRA. These vouchers were awarded under the Consolidated Appropriation Act of 2022.

12. Approval of Cost-of Living/Market Adjustments – Commissioner Hontos moved for approval; Commissioner Goerger seconded the motion. All commissioners voted in favor; the motion moved as presented.

There being no further business, the meeting adjourned at 6:07 p.m.

ATTEST:

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Chair, Nancy Gohman

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Secretary, George Hontos

TO: HRA Board of Commissioners  
FROM: Karen Rizer, CPA Finance Director  
DATE: October 19, 2022  
SUBJECT: 2022 Financial Reports

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**Requested Action:** None.

**Background:** The Board receives financial reports for certain funds on a rotating basis.

The planned reporting schedule is as follows:

**June** – Central Office Cost Center (COCC) Fund, Community Housing Fund, Community Development Block Grant (CDBG) Housing Rehab Fund, Housing Development & Rehab Fund, Housing Choice Vouchers Fund, Public Housing Fund – Empire Apartments, Scattered Sites, and Wilson Apartments, Germain Towers Fund, Northway Projects A&B Fund, Eastwood Apartments Fund, Al Loehr Apartments Fund, and the seven tax credit limited partnership funds.

**July and October** – Central Office Cost Center (COCC) Fund, Community Housing Fund, Community Development Block Grant (CDBG) Housing Rehab Fund, Housing Development & Rehab Fund, and Housing Choice Vouchers Fund.

**August and November** – Al Loehr Apartments Fund and the seven tax credit limited partnership funds.

**September and December** – Public Housing Fund – Empire Apartments, Scattered Sites, and Wilson Apartments, Germain Towers Fund, Northway Projects A&B Fund, and Eastwood Apartments Fund.

Please call or email if you have any questions. (320-202-3148 or [krizer@stcloudhra.com](mailto:krizer@stcloudhra.com)) Thank you.

**St. Cloud HRA  
Central Office Cost Center - Fund 440  
Income Statement - Budget to Actual  
January 1, 2022 Through August 31, 2022**

The Central Office Cost Center fund is used to track and allocate the indirect expenses and asset management of the Central Office.

	<b><u>Annual Budget</u></b>	<b><u>YTD Budget</u></b>	<b><u>YTD Actual</u></b>	<b><u>Over (Under) YTD Budget</u></b>
<b>Revenues</b>				
Property Taxes	\$ 502,000	\$ 334,667	\$ 332,970	\$ (1,697)
Charges for Services	1,250,000	833,333	931,050	97,717 (1)
Interest	20,000	13,333	(13,870)	(27,203) (2)
Miscellaneous Income	2,000	1,333	828	(505)
<b>Total Revenues</b>	<b><u>\$ 1,774,000</u></b>	<b><u>\$ 1,182,667</u></b>	<b><u>\$ 1,250,978</u></b>	<b><u>\$ 68,311</u></b>
<b>Expenses</b>				
Salaries and Benefits	\$ 1,385,000	\$ 923,333	\$ 1,021,006	\$ 97,673 (1)
Audit and Accounting Fees	8,000	4,000	3,839	(161)
Legal	12,000	8,000	925	(7,075)
Professional Services	35,000	23,333	23,928	595
Membership Dues, Fees, and Advertising	14,000	9,333	11,102	1,769
Travel and Training	30,000	20,000	16,341	(3,659)
Other Administrative Costs	40,000	26,667	19,388	(7,279)
Telephone and Utilities	22,000	14,667	15,227	560
Office Maintenance Supplies and Services	70,000	46,667	26,447	(20,220)
Property and Liability Insurance	18,000	18,000	27,419	9,419
Transfers Out	175,000	-	-	-
<b>Total Expenses</b>	<b><u>\$ 1,809,000</u></b>	<b><u>\$ 1,094,000</u></b>	<b><u>\$ 1,165,622</u></b>	<b><u>\$ 71,622</u></b>
<b>Change in Net Position</b>	<b><u>\$ (35,000)</u></b>	<b><u>\$ 88,667</u></b>	<b><u>\$ 85,356</u></b>	<b><u>\$ (3,311)</u></b>

(1) When budget was adopted, one position was allocated between the funds. This position was changed to be fee for service. That is why both charges for services revenue and salaries and benefits are so much over budget.

(2) Market value loss on investments. Market value fluctuations are never realized since investments are held to maturity.

(3) Significant increases in worker's comp and liability insurances. Part is increase in premiums and part is moving some staff from the property funds to the COCC.

**St. Cloud HRA  
Fund 301 - Community Housing Fund  
Operating Statement  
January 1, 2022 Through August 31, 2022**

The purpose of the Community Housing Fund is to stimulate the growth of housing for people with low and moderate incomes. The principal balance is frozen at \$2 million. Loans should be with interest when possible and the project must be economically feasible to ensure payback. The Board may approve grants from the fund earnings. The priority of the fund is first to HRA projects and second to sponsors of projects benefitting housing for people with low to moderate income.

**Revenues**

Interest on Investments	\$ (49,485) (1)
Interest on Loans	60,310
Settlement from 2012 HUD Public Housing Lawsuit	110,624
<b>Total Revenues</b>	<b><u>\$ 121,449</u></b>

**Expenses**

Audit Fees	\$ 558
Transfer Out to Westwood One and Swisshelm Two for Operations	90,000
<b>Total Expenses</b>	<b><u>\$ 90,558</u></b>

<b>Change in Net Position</b>	<b><u>\$ 30,891</u></b>
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(1) - Market value loss on investments. Market value fluctuations are never realized since investments are held to maturity.

**St. Cloud HRA  
Fund 210 - CDBG Housing Rehab Program  
Operating Statement  
January 1, 2022 Through August 31, 2022**

CDBG housing rehab program is used for funding 30-year, zero interest  
deferred homeowner rehab loans.

**Revenues**

HUD Revenue	\$ 49,216
Loan Repayments	<u>145,585</u>
<b>Total Revenue</b>	<b><u>\$ 194,801</u></b>

**Expenses**

Salaries & Benefits	\$ 14,592
Professional Fees	2,117
Other Administrative Costs	4,197
Lead Assessment Fees	4,715
Homeowner Loan Outlay	<u>169,180</u>
<b>Total Expenses</b>	<b><u>\$ 194,801</u></b>

<b>Change in Net Position</b>	<b><u>\$ -</u></b>
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**St. Cloud HRA**  
**Fund 480 - Housing Development & Rehab**  
**Operating Statement**  
**January 1, 2022 Through August 31, 2022**

The Housing Development Fund accounts for the creation and funding  
of current and future housing developments and rehab programs.

**Revenues**

Intergovernmental	\$ 41,691
Charges for Services	14,150
Homeowner Loan Repayments	8,571
Interest On Investments	(10,555)
Miscellaneous	2
<b>Total Revenues</b>	<b>\$ 53,859</b>

**Expenses**

Salaries & Benefits	\$ 24,104
Professional Fees	7,825
Other Administrative Costs	2,495
Utilities	2,815
Maintenance	8,501
Grant Rehab Outlay	9,200
Operating Transfer Out	-
<b>Total Expenses</b>	<b>\$ 54,940</b>

<b>Change in Net Position</b>	<b>\$ (1,081)</b>
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**St. Cloud HRA**  
**Housing Choice Voucher Program**  
**Income Statement**  
**January 1, 2022 Through August 31, 2022**

The Housing Choice Voucher Program accounts for the operations of the program. The Housing Choice Voucher program is a Federal rental assistance program that helps low and moderate income families rent housing in the private market by paying a share of the participant's rent each month directly to property owners. Current program voucher counts are 838 regular, 37 tenant protection, 75 VASH (veterans), and 1 foster youth, for a grand total of 951 HCV vouchers. It also includes port-in vouchers, which has a YTD average of 129.

	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>Over (Under) YTD Budget</u>
<b>Revenues</b>				
Admin Fees from HUD and Other Housing Authorities	\$ 1,100,000	\$ 733,333	\$ 813,878	\$ 80,545
Interest	1,000	667	(3,937)	(4,604)
Miscellaneous	30,000	20,000	23,865	3,865
Operating Transfers In	5,000	-	-	-
<b>Total Revenues</b>	<b>\$ 1,136,000</b>	<b>\$ 754,000</b>	<b>\$ 833,806</b>	<b>\$ 79,806</b>
<b>Expenses</b>				
Salaries & Benefits	\$ 661,000	\$ 440,667	\$ 442,156	\$ 1,489
Management Fees	270,000	180,000	182,525	2,525
Accounting & Auditing Fees	8,000	8,000	8,115	115
Legal	12,000	8,000	4,331	(3,669)
Professional Services	70,000	46,667	23,741	(22,926)
Training & Travel	18,000	12,000	4,384	(7,616)
Unit Inspection Fees	87,000	58,000	71,992	13,992
Other Administrative Costs	50,000	33,333	43,912	10,579
Utilities & Telephone	10,000	6,667	8,173	1,506
Maintenance Repair Supplies & Services	20,000	13,333	21,899	8,566
Property & Liability Insurance	5,000	5,000	7,673	2,673
Collection Losses	5,000	3,333	5,771	2,438
<b>Total Expenses</b>	<b>\$ 1,216,000</b>	<b>\$ 815,000</b>	<b>\$ 824,672</b>	<b>\$ 9,672</b>
<b>Net Change from Operations</b>	<b>\$ (80,000)</b>	<b>\$ (61,000)</b>	<b>\$ 9,134</b>	<b>\$ 70,134</b>
<b>Housing Assistance Payments (HAP)</b>				
HUD and Other HAP Revenue	\$ 6,200,000	\$ 4,133,333	\$ 4,567,690	\$ 434,357
HAP to Landlords	(6,200,000)	(4,133,333)	(4,391,062)	(257,729)
HAP Revenue from Other Housing Authorities - Port-Ins	1,600,000	1,066,667	924,310	(142,357)
HAP to Landlords - Port-Ins	(1,600,000)	(1,066,667)	(925,223)	141,444
<b>Net Change from Housing Assistance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 175,715</b>	<b>\$ 175,715</b>
<b>Change in Net Position</b>	<b>\$ (80,000)</b>	<b>\$ (61,000)</b>	<b>\$ 184,849</b>	<b>\$ 245,849</b>

TO: HRA Board of Commissioners

FROM: Karen Rizer, CPA  
Finance Director

DATE: October 20, 2022

SUBJECT: Adopting the 2023 Budgets for the Tax Credit Properties

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**Requested Action:** Approve.

**Background:** Each year the HRA adopts budgets for certain operating funds which are approved by the Board of Commissioners. The budgets for the tax credit properties are presented for your approval at this meeting. The remaining budgets will be presented for your approval at the December meeting.

**Options:** Approve or Table.

**Frequency of Request:** Annually.

**Related Actions:** These budgets will be discussed in detail at the October 26 study session.

**Future Action:** The remaining budgets will be discussed at the December study session and on the regular agenda for approval.

**Relationship to Goals:** N/A.

**Budget Impact:** See each individual budget.

## RESOLUTION 2022-09

### HOUSING AND REDEVELOPMENT AUTHORITY OF ST. CLOUD, MN

#### ADOPTING THE OPERATING BUDGETS FOR CALENDAR YEAR 2023

FOR THE TAX CREDIT PROPERTIES: BROWNSTONES FAMILY HOUSING, LP, PLUM CREEK FAMILY HOUSING, LP, SWISSHELM VILLAGE APARTMENTS ONE, LP, SWISSHELM VILLAGE APARTMENTS TWO, LP, WESTWOOD VILLAGE APARTMENTS ONE, LP, WESTWOOD VILLAGE APARTMENTS TWO, LP, AND RIVERSIDE APARTMENTS OF ST. CLOUD, LP

WHEREAS, the calendar year 2023 budgets need to be approved by the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AND REDEVELOPMENT AUTHORITY OF ST. CLOUD, MN:

That the Operating Budgets of the Housing and Redevelopment Authority of St. Cloud, MN for calendar year 2023 are hereby adopted, for the following:

	Sources	Uses	Contribution To (Use Of) Equity
Brownstones Family Housing, LP	\$ 232,400	\$ 217,400	\$ 15,000
Plum Creek Family Housing, LP	208,900	220,900	(12,000)
Swisshelm Village Apartments One, LP	291,000	261,000	30,000
Swisshelm Village Apartments Two, LP	297,400	332,400	(35,000)
Westwood Village Apartments One, LP	608,400	608,400	-
Westwood Village Apartments Two, LP	620,700	620,700	-
Riverside Apartments of St. Cloud, LP	674,200	764,200	(90,000)

Adopted this 26<sup>th</sup> day of October, 2022.

ATTEST:

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Nancy Gohman, Chair

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

TO: St. Cloud HRA Board of Commissioners

FROM: Louise Reis, Executive Director

DATE: October 19, 2022

SUBJECT: Public Hearing and Approval of the Family Self Sufficiency Plan – Chapter 7

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**Requested Action:** Hold Public Hearing and Approve of the Family Self Sufficiency (FSS) Plan – Chapter 7.

**Background:** At the August 24, 2022 HRA Board Meeting, the FSS Plan was approved. Our office submitted the plan to the Department of Housing & Urban Development. They are requiring some changes to Chapter 7 of the plan.

The required changes to Chapter 7 deal with portability of a voucher holder that is participating in an FSS program and port scenarios. I have included pages 7-4 to 7-8 for your information.

**Options:** None.

**Frequency of Request:** Annually.

**Related Actions:** None at this time.

**Future Action:** None at this time.

**Relationship to Goals:** Goal #2 – St. Cloud HRA will promote fair housing and strive for high performance in HRA properties and housing subsidy programs.

**Budget Impact:** No impact is anticipated.

**RESOLUTION 2022-10**

**HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR  
THE CITY OF ST. CLOUD, MINNESOTA**

**APPROVAL OF THE FAMILY SELF SUFFICIENCY (FSS) PLAN**

WHEREAS, pursuant to Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, and Title II of the Americans with Disabilities Act of 1990, requires the St. Cloud Housing and Redevelopment Authority to have a Family Self Sufficiency Plan; and

WHEREAS, the St. Cloud Housing and Redevelopment Authority Board of Commissioners must review and approve the Family Self Sufficiency Plan as prepared; and

WHEREAS, the St. Cloud Housing and Redevelopment Authority published a notice that a hearing would be held on October 26, 2022 and conducted a hearing to discuss the Family Self Sufficiency Plan and invited public comment; and

WHEREAS, the St. Cloud Housing and Redevelopment Authority Board of Commissioners have considered all public comment on the plan

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS  
OF THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY  
OF ST. CLOUD, MINNESOTA that this Family Self Sufficiency Plan is approved and shall be submitted to the  
U.S. Department of Housing and Urban Development.

Adopted this 26<sup>th</sup> day of October, 2022.

ATTEST:

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Nancy Gohman, Chair

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George Hontos, Secretary

#### Receiving HRA Does Not Administer an FSS Program [24 CFR 984.306(c)]

If the receiving HRA does not administer an FSS program, and the receiving HRA is absorbing the voucher, the FSS family may not continue participation in the FSS program. The initial HRA must clearly discuss the options that may be available to the family. These may include, but are not limited to, modification of the FSS contract, locating a receiving HRA that administers an FSS program, termination of the FSS contract with FSS escrow disbursement, or termination of the FSS contract and forfeiture of escrow.

##### HRA Policy

The HRA will, as stated above, clearly discuss the options that may be available to the family where continued FSS participation is not possible. Depending on the family's contract specific circumstances, these options include modification of the FSS contract, locating a receiving housing authority that has the capacity to enroll the family in its FSS program, termination with FSS escrow disbursement in accordance with 24 CFR 984.303(k)(1)(iii), or termination of the FSS contract and forfeiture of escrow.

If the receiving HRA does not administer an FSS program and the receiving HRA is administering the voucher, the FSS family may continue participation in the FSS program. The initial HRA must clearly discuss the options that may be available to the family. These may include, but are not limited to, modification of the FSS contract, locating a receiving HRA that administers an FSS program, termination of the FSS contract with FSS escrow disbursement, or termination of the FSS contract and forfeiture of escrow.

##### HRA Policy

The HRA, as the initial housing authority, will agree to the participant's continued participation in their FSS program so long as the relocating family has demonstrated, with the assistance of the FSS Coordinator, that it will be able to fulfill its responsibilities under the initial or a modified contract at its new place of residence.

See portability chart below.

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### PORTABILITY FSS IMPACT ON FSS FAMILY

<u>Family FSS Status</u>	<u>PHA FSS Status</u>	<u>Port Scenario</u>	<u>FSS Impact</u>	<u>PHA or HUD Decides</u>
1. <u>FSS family ports</u>	<u>Receiving PHA has FSS program</u> <u>Initial PHA has FSS program</u>	<u>Billed</u>	<u>Family may continue participation in initial PHA's FSS program</u> <u>or</u> <u>Family may enroll in receiving PHA's FSS program</u>	<u>Determined by the initial PHA</u>  <u>Determined by the receiving PHA</u>
2. <u>FSS family ports</u>	<u>Receiving PHA has FSS program</u> <u>Initial PHA has FSS program</u>	<u>Absorbed</u>	<u>Family may enroll in receiving PHA's FSS program</u> <u>or</u> <u>Family may continue participation at initial PHA's FSS program.</u>	<u>Determined by the receiving PHA</u>  <u>Determined by the receiving PHA</u>  <u>*Agreement from the receiving PHA is needed because they would be responsible for most of the FSS tasks under this scenario.</u>
3. <u>FSS family ports</u>	<u>Receiving PHA does not have FSS program</u>  <u>Initial PHA administers FSS program</u>	<u>Billed</u>	<u>Family may continue participation in initial PHA's FSS program</u>	<u>First, determined by the initial PHA. Then, receiving PHA must agree</u>  <u>*The receiving PHA would be responsible for submitting the FSS information for the family into IMS/PIC.</u>  <u>Receiving PHA's determination must be based on an undue financial or administrative hardship such as the cost of adding an FSS module to their existing systems.</u>  <u>If continued participation is agreed to by the PHAs, the initial PHA must provide the receiving PHA with timely and complete FSS addendum information and the receiving PHA is responsible for timely and accurate submission of the FSS information into IMS/PIC.</u>
4. <u>FSS family ports</u>	<u>Receiving PHA does not have FSS program</u>  <u>Initial PHA administers FSS program</u>	<u>Absorbed</u>	<u>Family may not continue participation in initial PHA's FSS program</u>	<u>HUD</u>  <u>The receiving PHA would be responsible for managing escrow and the receiving PHA does not administer an FSS program.</u>

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### **Single Contract of Participation**

If the FSS family enrolls in the receiving HRA's FSS program, the receiving HRA will enter a new contract with the FSS family for the term remaining on the contract with the initial HRA. The initial HRA will end its contract with the family.

If the FSS family remains in the FSS program of the initial HRA, pursuant to this section, the contract executed by the initial HRA will remain as the contract in place.

### **Termination of FSS contract and Forfeiture of Escrow Account [984.306(e)]**

If an FSS family relocates to another jurisdiction and is unable to fulfill its obligations under the contract, including any modifications, the HRA, which is a party to the contract, **must terminate the FSS family from the FSS program**. The family's FSS escrow account will be forfeited.

Termination of FSS program participation and forfeiture of FSS escrow must be used only as a last resort after the HRA determines, in consultation with the family, that the family would be unable to fulfill its obligations under the contract after the move, that locating another receiving housing authority with a FSS program is not possible, that the current contract cannot be modified to allow for completion prior to porting, and that the current contract cannot be terminated with FSS escrow disbursement. When termination is the only option, the HRA must clearly notify the family that the move will result in the loss of escrow funds. The HRA must follow its policy for clearly notifying the FSS family of the forfeiture.

## 7-I.E. NEW FSS ENROLLMENT INTO RECEIVING HRA'S FSS PROGRAM

### Administering and Billing of the Voucher

~~If a non-FSS family ports and the~~ If the receiving HRA has an FSS program and bills the initial HRA, the receiving HRA may, consistent with the receiving HRA's FSS enrollment policies, enroll a family that was not an FSS participant at the initial HRA into its FSS program, if, and only if, but only if the initial HRA manages an FSS program and agrees to such enrollment. If the receiving HRA bills the initial HRA, but the initial HRA does not manage an FSS program, the family may not enroll in the receiving HRA's FSS program.

#### HRA Policy

~~The HRA as the receiving HRA, will enroll a non-FSS family who is porting when the initial HRA manages an FSS program, is being billed for the housing assistance payments, and agrees to the family enrolling in the receiving HRA's FSS program.~~

~~The PHA will clearly discuss the options that are available to the family where continued FSS participation is not possible. Depending on the family's specific circumstances, these options include modification of the FSS contract, locating a receiving housing authority that has the capacity to enroll the family in its FSS program, termination with FSS escrow disbursement, or termination of the FSS contract and forfeiture of escrow.~~

### Absorption of the Voucher

If the receiving HRA absorbs the family into its Section 8 program, the receiving HRA may, consistent with the receiving HRA's FSS enrollment policies, enroll a family that was not an FSS participant at the initial HRA into its FSS program.

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**Portability FSS Impact on Non-FSS Family**

<b><u>Family FSS Status</u></b>	<b><u>PHA FSS Status</u></b>	<b><u>Port Scenario</u></b>	<b><u>FSS Impact</u></b>	<b><u>PHA or HUD Decides</u></b>
1. <u>Non-FSS family ports</u>	<u>Initial PHA has FSS program</u>  <u>Receiving PHA has FSS program</u>	<u>Billed</u>	<u>Family may enroll in receiving PHA's FSS program</u>	<u>Initial PHA</u>  <u>* Initial PHA agreement is needed because they would be responsible for managing the FSS escrow account</u>
2. <u>Non-FSS family ports</u>	<u>Initial PHA has FSS program</u>  <u>Receiving PHA has FSS program</u>	<u>Absorbed</u>	<u>Family may enroll in receiving PHA's FSS program</u>	<u>Receiving PHA</u>
3. <u>Non-FSS family ports</u>	<u>Initial PHA does not have an FSS program</u>  <u>Receiving PHA has FSS program</u>	<u>Billed</u>	<u>Family may not enroll in receiving PHA's FSS program</u>	<u>HUD</u>  <u>*The initial PHA would be responsible for managing the FSS escrow account and the initial PHA does not administer an FSS program</u>
4. <u>Non-FSS family ports</u>	<u>Initial PHA does not have FSS program</u>  <u>Receiving PHA has FSS program</u>	<u>Absorbed</u>	<u>Family may enroll in receiving PHA's FSS program</u>	<u>Receiving PHA</u>

To: St. Cloud HRA Board of Commissioners

From: Louise Reis, Executive Director and Karen Rizer, Finance Director

Date: October 20, 2022

Subject: Change in Medical and Dental Insurance Providers

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**Requested Action:** Approve changing the medical insurance provider from PreferredOne to Health Partners and the dental insurance provider from Guardian to Health Partners effective January 1, 2023.

**Background:** Medical insurance quotes were received. They would result in the following increases over the current period:

- Health Partners 8.6%
- BCBS 11.2%
- UHC 12.5%
- Medica 15.1%

Last year the HRA switched to PreferredOne from Health Partners in order to keep costs flat. PreferredOne was purchased by UHC and they are no longer issuing their own plans.

Health Partners deeply discounts their dental plan for medical customers. Since we would no longer have Health Partners medical insurance in 2022, Guardian was less expensive for dental insurance. Now that we are going back to Health Partners for medical, dental insurance will be approximately 25% less with Health Partners over Guardian.

Making these two provider switches will result in a net increase of 6.7%.

**Frequency of Request:** Once.

**Related Actions:** None.

**Future Action:** None known at this time.

**Budget Impact:** Increase of approximately \$37,000 over 2022.

TO: HRA Board of Commissioners  
FROM: Louise Reis, Executive Director  
DATE: October 18, 2022  
SUBJECT: Report on Activities

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**Project Connect:** This event will be held on Thursday, October 27, 2022 from 10 am to 3 pm at the River's Edge Convention Center. This is free event to help those in need receive services. Veterans, children, families, and individuals are welcome. A similar event was held on October 18, 2022 in Elk River.

**VA Stand Down:** The Veterans Stand Down will be held on Thursday, October 20, 2022 at the River's Edge Convention Center. HRA staff will be in attendance.

**Housing Choice Voucher Program:** During the month of September 2022, there were nine housing choice vouchers released. Three of the vouchers were for program violations, three had their voucher expire, and three were voluntary released. Two of the voucher holders were over the age of 62.

As of September 30, 2022 – 65 Port In vouchers and 50 Port Out vouchers.

**CDBG Update:**

For the homeowner rehab program:

- 10 in construction
- 1 in bidding
- 10 applications in processing

## Housing Department Vacancy Report – For the Month Ending September 30, 2022

<b>Fund: Public Housing – 291 Units</b>			
		Yearly	Vacant
<u>Complex</u>	<u># of units</u>	<u>Vacancy Rate</u>	<u>09/30/22</u>
Empire	89	5.27%	0
Wilson	126	1.61%	2
Scattered Sites	76	1.97%	0

<b>Fund: Section 8 New Construction – 162 Units</b>			
		Yearly	Vacant
<u>Complex</u>	<u># of units</u>	<u>Vacancy Rate</u>	<u>09/30/22</u>
Germain	60	2.40%	2
Grace/NWB	102	1.34%	2

<b>Fund: Tax Credit – 249 Units</b>			
		Yearly	Vacant
<u>Complex</u>	<u># of units</u>	<u>Vacancy Rate</u>	<u>09/30/22</u>
Creeks	24	1.54%	1
Brownstones	12	1.85%	0
Swisshelm One	32	2.76%	1
Westwood One	32	4.04%	2
Swisshelm Two	32	3.16%	1
Westwood Two	32	1.31%	0
Riverside	85	2.35%	2

<b>Fund: Affordable Housing – 79 Units</b>			
		Yearly	Vacant
<u>Complex</u>	<u># of units</u>	<u>Vacancy Rate</u>	<u>09/30/22</u>
Eastwood	18	3.49%	1
Loehr	61	3.17%	1