

ST. CLOUD HOUSING & REDEVELOPMENT AUTHORITY ANNUAL MEETING

Wednesday, January 25, 2023

The Annual Meeting of the St. Cloud HRA was held on Wednesday, January 25, 2023 at 1225 West St. Germain Street. Chair Nancy Gohman called the meeting to order at 5:55 p.m. after a Study Session had adjourned. She presided over the meeting remotely from 123 Riverside Drive SE, St. Cloud, MN. The Regular Meeting immediately followed.

1. Roll Call and Pledge of Allegiance: Commissioners present: Mike Conway, John Dvorak, Seal Dwyer, Nancy Gohman, George Hontos, and Hani Jacobson. Pledge of Allegiance was spoken.

2. Approval of Agenda – Agenda approved as presented.

3. Election of Board Officers for 2023: Commissioner Hontos moved for Commissioner Gohman to remain as Chair; Commissioner Dvorak seconded the motion. A roll call vote was taken and all Commissioners voted in favor. The motion carried.

Commissioner Conway moved for Commissioner Dwyer to be elected as Vice Chair; Commissioner Dvorak seconded the motion. A roll call vote was taken and all Commissioners voted in favor. The motion carried.

Commissioner Dwyer moved for Commissioner Jacobson to be elected as Secretary; Commissioner Conway seconded the motion. A roll call vote was taken and all Commissioners voted in favor. The motion carried.

4. Review and Approval of Professional Responsibilities and the Code of Professional Conduct and Ethics for Commissioners: Commissioner Dvorak moved for approval; Commissioner Conway seconded the motion. A roll call vote was taken and all Commissioners voted in favor. The motion carried.

5. Designation of Committees: Committee of the Whole: Commissioner Dwyer moved for approval; Commissioner Dvorak seconded the motion. A roll call vote was taken and all Commissioners voted in favor. The motion carried.

Audit Committee: Commissioners Conway, Dwyer, and Gohman serve on this committee. Commissioner Conway moved for Commissioner Dvorak to replace himself and Commissioner Dwyer and Gohman to remain on the committee. Commissioner Hontos seconded the motion. A roll call vote was taken and all Commissioners voted in favor. The motion carried.

Personnel Committee: Commissioners Dvorak, Dwyer, and Jacobson serve on this committee. Commissioner Hontos made a motion for Dvorak, Dwyer, and Jacobson to remain on the committee; Commissioner Conway seconded the motion. A roll call vote was taken and all Commissioners voted in favor. The motion carried.

6. Designation of Official Newspaper – Commissioner Hontos moved to continue with the St. Cloud Times as the HRA's official newspaper; Commissioner Conway seconded the motion. A roll call vote was taken and all Commissioners voted in favor. The motion carried.

7. Designation of Official Depository – Commissioner Dvorak moved to continue using Liberty Bank Minnesota as the HRA's official depository; Commissioner Conway seconded the motion. A roll call vote was taken and all Commissioners voted in favor. The motion carried.

8. Designation of Legal Representation – Commissioner Hontos moved to continue using Rinke Noonan; Commissioner Conway seconded the motion. Commissioner Conway asked Executive Director Louise Reis if the agency is in a contract or a per-service basis. Ms. Reis responded a per-service basis. Commissioner Hontos asked if the agency has access to all lawyers and Ms. Reis stated the agency works with several different lawyers depending on the situation. A roll call vote was taken and all Commissioners voted in favor. The motion carried.

9. Designation of Auditors – The Board already approved Redpath and Company, LTD as the HRA auditor; however, it must also be designated each year at the annual meeting. Commissioner Dvorak moved for approval; Commissioner Hontos seconded the motion. A roll call vote was taken and all Commissioners voted in favor. The motion carried.

10. Set Commissioner Compensation for 2023 – Commissioner Hontos moved for the compensation to remain at the rate of \$75.00 per meeting as allowed by statute; Commissioner Conway seconded the motion. A roll call vote was taken and all Commissioners voted in favor. The motion carried.

11. Meeting Dates and Times – Chair Gohman asked if anyone had any changes or objections to the proposed schedule; there being none, Commissioner Dvorak moved for approval; Commissioner Dwyer seconded the motion. All Commissioners were in favor of dates and times proposed for the 4th Wednesday of each month with the following exceptions: November up one week to November 15, 2023; December up one week to December 12, 2023. A roll call vote was taken and all Commissioners voted in favor. The motion carried.

12. Annual Reports for 2022 – Ms. Reis referred to page 9 of the packet with a chart showing that the St. Cloud HRA has been a high performer since 2002 in both Section 8 and Public Housing. She stated that due to COVID-19, the 2021 scores of 100 in SEMAP and 97 in PHAS would remain.

Ms. Reis then moved to a graph displaying the waitlist applicants. She noted the HRA has closed some of the waiting lists to help control the length of the waiting lists. Commissioner Dwyer asked how long some of the waiting lists are with the number shown and Ms. Reis responded several years and, depending on the property, it could take seven or eight years for someone to come to the top of the list. Commissioner Dwyer asked if the staff provides additional housing resources when the waiting lists are so long. Ms. Reis responded that the staff directs applicants to the Stearns County HRA, HousingLink.org, and other internal resources the staff has compiled to assist people in locating housing.

Voucher Programs Manager Lori Lygre began the Voucher Programs discussion by asking the Commissioners if they wanted an overview of highlights, or if they had specific questions about the report. Commissioner Hontos asked about the administrative process and whether it has been getting better or worse, staying the same, or becoming more demanding based on what HUD is requesting. Ms. Lygre responded the specialized vouchers require more administrative work, because it includes more porting and figuring out utilization, and staff has to be mindful about intake processes as they tend to differ. Finance Director Karen Rizer added that the agency has seen a lot of turnover of the institutional knowledge at HUD, so the HRA staff is spending additional time educating and questioning processes. Commissioner Hontos asked if the agency has an avenue to express concerns with local legislators. Ms. Reis responded she's on a legislative committee for MN NAHRO, and the agency sends staff members to Capitol to discuss concerns.

Commissioner Hontos asked on page 13 about the 286 voucher holders that pay more than 30% of their monthly adjusted income for rent. Ms. Rizer responded that the apartment rent is higher than the 30%, but the voucher holders are not allowed to pay more than 40% of their monthly adjusted income for rent. Commissioner Dwyer asked to clarify that the market rate rent is set by HUD and not by the HRA. Ms.

Lygre responded that HUD publishes fair-market rents and the HRA sets payment standards between 90-110%. Commissioner Dwyer asked if the HRA needs to increase the standards again. Ms. Lygre said not yet, as the individuals have not seen the payment standards impact them yet since they just went into effect December 1, 2022. Commissioner Conway asked if the agency raises payment standards, what prevents the landlords from raising the rent amounts. Ms. Lygre responded that people can pay above the payment standard between the 30-40%, so if the rent is higher they can still participate in the program if their income is high enough. Ms. Lygre added that the vacancy rate is driving rent amounts right now. Commissioner Hontos asked about the race demographics on page 14. Ms. Lygre responded that people are allowed to select more than one race.


Property Manager Matt Swanson continued the meeting with the Property Management and Rental Programs section. He started with Public Housing on page 20, and noted vacancy rates increased to 3.37%, primarily due to the fire at Empire Apartments and units turning over. Moving to page 21, Mr. Swanson noted unit turnovers were higher in 2022, and that was due to termination of leases. He pointed out the number of denials being at 43 due to poor criminal, rental, or credit history, as well as medical marijuana. Commissioner Hontos asked about medical marijuana on the properties. Ms. Reis responded that because the agency receives federal funds, medical marijuana is not allowed on the HRA properties. Commissioner Conway asked what will happen when the state legalizes medical marijuana. Ms. Reis added that until it changes on the Federal level, it is not allowed. Mr. Swanson pointed to page 24 and mentioned Eastwood Apartments average income went up substantially. Commissioner Hontos asked what attributes to the rise in income. Ms. Reis responded that the property is not subsidized, so people need to afford the unit and there are other contributing factors, like the rise in wages. The commissioners thanked Mr. Swanson for his report.

Continuing with the meeting, Commissioner Conway asked Project Manager, Paul Soenneker, if the agency was able to spend or commit the funds they wanted to in 2022. Mr. Soenneker responded that the HRA has been working diligently, and under the CDBG Single Family Loan Program he said there were 8 projects completed and 10 that were started and still in progress. Under the St. Cloud Fix-Up Loan Program, the HRA provided 10 loans in 2022. Two loans were issued under the MN Housing Rehab Loan Program, with 5 applicants on the waiting list. Commissioner Dwyer asked if Mr. Soenneker could work on a single-family build every year for the HRA. Mr. Soenneker responded that he felt comfortable handling the project, if the funds were available. Ms. Reis added that the bulk of the funding for the new 418 Wilson home completed in 2022 was granted from Minnesota Housing. Commissioner Conway said moving forward he would like to see the agency utilize newer construction methods and taking advantage of construction without high-manual labor. Commissioner Dvorak asked if the agency solicits quotes from modular building companies. Mr. Soenneker responded the HRA has procurement rules and because the projects are over \$175,000, it is invitation to bid and posted in the newspaper, on the HRA website, and posted to construction websites.

Chair Gohman thanked staff members for the reports and the work done by the agency. There being no further discussion, Chair Gohman adjourned the annual meeting at 7:15 p.m. The Annual Meeting moved immediately into the Regular Meeting.

ATTEST:


Secretary, Hani Jacobson


Vice-Chair, Seal Dwyer

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

Wednesday, January 25, 2023

A Regular Meeting for the St. Cloud HRA Board of Commissioners was held on Wednesday, January 25, 2023 at 1225 West St. Germain Street. Chair Nancy Gohman called the meeting to order at 7:16 p.m. after the Annual Meeting adjourned. She presided over the meeting remotely from 123 Riverside Drive SE, St. Cloud, MN.

Consent Agenda:

1. Roll call was taken and the pledge of allegiance spoken. Commissioners present: Mike Conway, John Dvorak, Seal Dwyer, Nancy Gohman, George Hontos, and Hani Jacobson.
2. Approval of Agenda – Commissioner Conway moved for approval; Commissioner Hontos seconded the motion. A roll call vote was taken and all Commissioners voted in favor; the agenda and consent agenda moved as presented.
3. Approval of Study Session Minutes, December 14, 2022 – approved as presented.
4. Approval of Regular Minutes, December 14, 2022 – approved as presented.

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.

Old Business: none.

New Business:

5. Approval of Resolution 2023-01 – Approval of Section 8 Management Assessment Program (SEMAP) Certification – Commissioner Hontos moved for approval; Commissioner Conway seconded the motion. A roll call vote was taken and all Commissioners voted in favor. The motion carried.
6. Approval of Resolution 2023-02 – Authorization to Apply for Renewal of the Bridges Rental Assistance Program – Commissioner Hontos moved for approval; Commissioner Dwyer seconded the motion. A roll call vote was taken and all Commissioners voted in favor. The motion carried.
7. Approval of Resolution 2023-03 – Authorization to Apply for Renewal of Bridges 7E Rental Assistance Grant – Commissioner Dwyer moved for approval; Commissioner Hontos seconded the motion. A roll call vote was taken and all Commissioners voted in favor. The motion carried.
8. Approval of Recommendation from Personnel Committee as Relating to the Annual Performance Review of the Executive Director for 2022 – Personnel Committee Chair, Seal Dwyer, stated the full Board met with the Personnel Committee at 5:00 p.m. for discussion.

Ms. Dwyer read the following motion decided at the meeting: *The Personnel Committee of the St. Cloud HRA has conducted a performance review of the Executive Director Louise Reis and through the process of evaluation has determined that the Executive Director has achieved the stated goals and has conducted her business successfully. We recommend to the full Board accepting this performance evaluation along with the new goals for the coming year and the*

salary adjustment of 6% effective December 27, 2022. Commissioner Hontos moved for approval; Commissioner Conway seconded the motion. A roll call vote was taken and all Commissioners voted in favor; the agenda and consent agenda moved as presented.

9. Review of Progress on Goals 2020-2025 – Ms. Reis said the goals have been updated and at the end of 2025, the Board will need to put together new goals for the upcoming years.

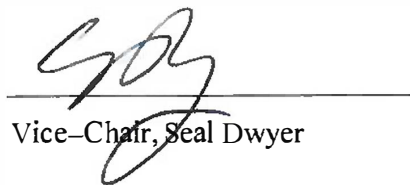
10. Report on Activities – Ms. Reis said the HRA has been busy preparing for the annual audit by Redpath. She noted the vacancy rates of the properties and said Riverside Apartments has several current vacancies, but the agency is actively advertising to fill the units. Ms. Reis also shared with the Board that the Empire fire is nearly ready to be closed out, and said the Al Loehr fire is estimated at \$45,000-\$50,000 in damages, and an individual has been charged with arson.

There being no further business, the meeting adjourned at 7:25 p.m.

ATTEST:



Secretary, Hani Jacobson



Vice-Chair, Seal Dwyer