

TO: St. Cloud HRA Board of Commissioners
FROM: Louise Reis, Executive Director
DATE: July 18, 2023
SUBJECT: Continuum of Care Presentation

Requested Action: No action requested.

Background: In order to receive funds from the US Department of Housing and Urban Development (HUD) under the McKinney-Vento Act, communities were required to form Continuum of Care networks. The City of St. Cloud belongs to the Central Minnesota Continuum of Care (CoC). The CoC is a network of organizations, communities, and businesses that plan programs with the primary goal of alleviating homelessness. The CoC Coordinator, Tim Poland, will be doing a presentation on the CoC, programs funded, and information from the last point in time count of homeless individuals.

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

St. Cloud HRA, 1225 West St. Germain Street, Board Room
Wednesday, July 26, 2023
Immediately following 5:00 p.m. Study Session

STUDY SESSION -- 5:00 P.M., St. Cloud HRA, Board Room
**AGENDA: (1) Continuum of Care – Homeless Programs and Information (2) Discussion of
2024 COCC Budget**

**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, June 28, 2023. REQUESTED ACTION: Approve.
4. Approval of Regular Minutes, June 28, 2023. REQUESTED ACTION: Approve.
5. Review of 2023 Financial Reports. REQUESTED ACTION: None.
6. Review of Waiting List Information. REQUESTED ACTION: None.
7. Review of Progress on 2020-2025 Goals. REQUESTED ACTION: None.
8. Approval of Contract for Electronic Door Access System Replacement at Germain Towers. REQUESTED ACTION: Approve.
9. Approval of Funding for the Homestead Incentive Loan Program. 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:

10. Approval of Resolution 2023-09 – Adopting the Special Tax Levy for Payment in the Year of 2024.
11. Approval of Resolution 2023-10 – Application for Renewal of HUD CoC Rental Assistance and Rapid Re-Housing Grants.
12. Approval of Software Conversion.
13. Report on Activities.

Open Discussion:

Adjourn.

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

Wednesday, June 28, 2023

A Study Session for the St. Cloud HRA Board of Commissioners was held on Wednesday, June 28, 2023. Chair Nancy Gohman called the meeting to order at 5:00 p.m. Commissioners present: Nancy Gohman, Mike Conway, George Hontos, Carol Lewis, John Dvorak and Seal Dwyer. Hani Jacobson was absent.

Karen Rizer, Finance Director, directed attention to the information provided regarding the Community Development Block Grant (CDBG) Loan program. Commissioner Hontos asked why some loans required lead work and some didn't. Mr. Soenneker explained that properties assisted that were built prior to 1978 require a lead risk assessment and clearance. Commissioner Dvorak asked for clarification of what items the Fix Up Loan covers. Ms. Adamski explained that the Fix Up Loan covers the same health, safety and weatherization items that CDBG covers, the loan is used to cover the balance of the scope of work that the CDBG loan does not cover, however it is due back and payable after 15 years rather than 30 years.

Commissioner Conway asked how we are going to replenish this fund since it will be used more in the future with rising costs. Ms. Rizer directed them to the Tax Levy Calculations provided, proposing to use \$150,000 from the Pay 2024 tax levy to fund the Fix Up Loan Program. Over the past three years the HRA has requested levy amounts significantly below the City's practice of increasing the levy in an approximate amount equal to the increase in valuation. Commissioner Conway was concerned about going from a 5% levy increase to a 35% levy increase and how that would look to the taxpayers. Commissioner Lewis stated she has long been an advocate for the HRA to request the full amount of the levy allowed, however she is concerned about it passing at 35% and suggested to going up slowly over the next few years until the HRA reaches the maximum levy amount.

Ms. Rizer stated she would bring a resolution back to the Board for approval at the July meeting.

ATTEST:

Chair, Nancy Gohman

Vice Chair, Seal Dwyer

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

Wednesday, June 28, 2023

A Regular Meeting for the St. Cloud HRA Board of Commissioners was held on Wednesday, June 28, 2023 at 1225 West St. Germain Street. Chair Gohman called the meeting to order at 5:53 p.m. Commissioners present: Mike Conway, George Hontos, Carol Lewis, John Dvorak, Seal Dwyer, and Nancy Gohman. Absent: Hani Jacobson

Guest: Scott Anderson from Youth for Christ.

Consent Agenda:

1. Roll call was taken and the pledge of allegiance spoken.
2. Approval of Agenda – Commissioner Dwyer moved for approval; Commissioner Conway seconded the motion. All commissioners voted in favor; the agenda moved as presented.
3. Approval of Study Session Minutes, May 24, 2023 – approved as presented.
4. Approval of Regular Minutes, May 24, 2023 – 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:

10. A. Public Hearing of Donation of Property Located at 208 and 214 19th Avenue North. Ms. Reis introduced Scott Anderson from Youth for Christ. Mr. Anderson stated that Youth for Christ plans to use the property for green space for outdoor activities. Youth for Christ has been on site since 2007.

B. Approval of Donation of Property located at 208 and 214 19th Ave North. The remaining lot at 152 19th Ave North will remain the HRA's possession. Ms. Reis stated that we received a letter from the Minnesota Pollution Control Agency (MPCA) regarding the 19th Ave. lots. The letter stated that the HRA had a "Retroactive No Association Determination for Past Actions" with regard to the issues with the soil. If we were to build a home on that lot it will require an active radon mitigation system which is now city building code. Commissioner Dvorak asked if we are going to work with the tech college program to build a home on the lot. Ms. Reis stated that is possibility but it would not happen until next August. We are also waiting to see what new funds will be coming out from MN Housing for home ownership that the HRA could utilize to assist in building an affordable home on the lot. Commissioner Hontos moved for approval; Commissioner Dwyer seconded the motion. All commissioners voted in favor; the motion carried.

11. Approval of Resolution 2023-08 for Donation from the Estate of Clare Hanson. Ms. Reis stated that the estate of Clare Hanson, a previous resident of Riverside Apartments, has donated \$2,923.33 to Riverside Apartments to be used for programs for residents of the apartments. The HRA will be working with local agencies to provide programming. Commissioner Hontos moved for approval; Commissioner Dwyer seconded the motion. All commissioners voted in favor; the motion carried.

12. Report on Activities – Louise Reis, Executive Director, noted a couple of items listed in the Report on Activities.

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

ATTEST:

Chair, Nancy Gohman

Vice Chair, Seal Dwyer

TO: HRA Board of Commissioners
FROM: Karen Rizer, CPA Finance Director
DATE: July 19, 2023
SUBJECT: 2023 Financial Reports

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.

If you have any questions, call or email 320-202-3148 or krizer@stcloudhra.com Thank you.

**St. Cloud HRA
Central Office Cost Center - Fund 440
Income Statement - Budget to Actual
January 1, 2023 Through May 31, 2023**

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

	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>Over (Under) YTD Budget</u>
Revenues				
Property Taxes	\$ 527,000	\$ 219,583	\$ 230,725	\$ 11,142
Charges for Services	1,520,000	633,333	601,360	(31,973)
Interest	6,000	2,500	6,729	4,229
Miscellaneous Income	<u>2,000</u>	<u>833</u>	<u>73</u>	<u>(760)</u>
Total Revenues	<u>\$ 2,055,000</u>	<u>\$ 856,250</u>	<u>\$ 838,887</u>	<u>\$ (17,363)</u>
Expenses				
Salaries and Benefits	\$ 1,660,000	\$ 691,667	\$ 702,352	\$ 10,685
Audit and Accounting Fees	7,000	6,000	5,550	(450)
Legal	10,000	4,167	2,016	(2,151)
Professional Services	38,000	15,833	17,070	1,237
Membership Dues, Fees, and Advertising	15,000	11,000	10,214	(786)
Travel and Training	32,000	13,333	15,333	2,000
Other Administrative Costs	42,000	17,500	6,836	(10,664)
Telephone and Utilities	22,000	9,167	8,840	(327)
Office Maintenance Supplies and Services	35,000	14,583	9,403	(5,180)
Property and Liability Insurance	19,000	19,000	18,043	(957)
Transfers Out	<u>175,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>\$ 2,055,000</u>	<u>\$ 802,250</u>	<u>\$ 795,657</u>	<u>\$ (6,593)</u>
Change in Net Position	<u>\$ -</u>	<u>\$ 54,000</u>	<u>\$ 43,230</u>	<u>\$ (10,770)</u>

**St. Cloud HRA
Fund 301 - Community Housing Fund
Operating Statement
January 1, 2023 Through May 31, 2023**

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	\$ 25,609
Total Revenues	\$ 25,609

Expenses

Audit Fees	\$ 740
Transfer Out to BRN, SW1, WW1, & WW2 for Maintenance	100,000
Total Expenses	\$ 100,740

Change in Net Position	\$ (75,131)
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**St. Cloud HRA
Fund 210 - CDBG Housing Rehab Program
Operating Statement
January 1, 2023 Through May 31, 2023**

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

Revenues	
HUD Revenue	\$ 146,477
Loan Repayments	<u>24,690</u>
Total Revenue	<u>\$ 171,167</u>
 Expenses	
Salaries & Benefits	\$ 19,431
Professional Fees	2,174
Other Administrative Costs	1,669
Lead Assessment Fees	4,090
Homeowner Loan Outlay	<u>143,803</u>
Total Expenses	<u>\$ 171,167</u>
 Change in Net Position	 <u>\$ -</u>

St. Cloud HRA
Fund 480 - Housing Development & Rehab
Operating Statement
January 1, 2023 Through May 31, 2023

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

Revenues

Intergovernmental	\$ 11,090
Charges for Services	13,850
Interest On Investments	<u>5,462</u>

Total Revenues **\$ 30,402**

Expenses

Salaries & Benefits	\$ 15,892
Professional Fees	2,302
Other Administrative Costs	2,841
Utilities	2,660
Maintenance	3,331
Grant Rehab Outlay	<u>11,090</u>

Total Expenses **\$ 38,116**

Change in Net Position **\$ (7,714)**

**St. Cloud HRA
Housing Choice Voucher Program
Income Statement
January 1, 2023 Through May 31, 2023**

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 851 regular, 37 tenant protection, 75 VASH (veterans), and 1 foster youth, for a grand total of 964 HCV vouchers. It also includes port-in vouchers, which has a YTD average of 96.

	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>Over (Under) YTD Budget</u>
Revenues				
Admin Fees from HUD and Other Housing Authorities	\$ 1,275,000	\$ 531,250	\$ 558,452	\$ 27,202
Interest	1,000	417	2,639	2,222
Miscellaneous	35,000	14,583	14,604	21
Operating Transfers In	5,000	-	-	-
Total Revenues	\$ 1,316,000	\$ 546,250	\$ 575,695	\$ 29,445
Expenses				
Salaries & Benefits	\$ 780,000	\$ 325,000	\$ 296,356	\$ (28,644)
Management Fees	270,000	112,500	118,958	6,458
Accounting & Auditing Fees	11,000	9,000	9,220	220
Legal	12,000	5,000	1,765	(3,235)
Professional Services	50,000	20,833	15,213	(5,620)
Training & Travel	18,000	7,500	2,495	(5,005)
Unit Inspection Fees	120,000	50,000	52,410	2,410
Other Administrative Costs	70,000	29,167	24,628	(4,539)
Utilities & Telephone	13,000	5,417	5,446	29
Maintenance Repair Supplies & Services	32,000	13,333	10,732	(2,601)
Property & Liability Insurance	9,000	9,000	8,070	(930)
Collection Losses	8,000	3,333	2,480	(853)
Total Expenses	\$ 1,393,000	\$ 590,083	\$ 547,773	\$ (42,310)
Net Change from Operations	\$ (77,000)	\$ (43,833)	\$ 27,922	\$ 71,755
Housing Assistance Payments (HAP)				
HUD and Other HAP Revenue	\$ 6,800,000	\$ 2,833,333	\$ 2,938,760	\$ 105,427
HAP to Landlords	(6,800,000)	(2,833,333)	(2,908,792)	(75,459)
HAP Revenue from Other Housing Authorities - Port-Ins	1,100,000	458,333	487,233	28,900
HAP to Landlords - Port-Ins	(1,100,000)	(458,333)	(489,859)	(31,526)
Net Change from Housing Assistance	\$ -	\$ -	\$ 27,342	\$ 27,342
Change in Net Position	\$ (77,000)	\$ (43,833)	\$ 55,264	\$ 99,097

**WAITING LIST APPLICANTS
July 2023**

PROJECT/PROGRAM	1 BR	2 BR	3 BR	4 BR	5 BR	62+*
PUBLIC HOUSING APPLICANTS						
EMPIRE (299)	992					5
WILSON (435)	1662					3
FAMILY HOUSING (3)		1109	1650	332	96	49
SECTION 8 NEW CONSTRUCTION						
GERMAIN TOWERS (254)	2751					59
GRACE MCDOWALL (200)	3291					102
NORTHWAY TH (3)		1305	1647			73
AFFORDABLE HOUSING						
Al Loehr	67					10
EASTWOOD (36)	1687	10 9				190
TAX CREDITS						
BROWNSTONES (4)		2135	1264			59
CREEKS (217)		1961	656			41
RIVERSIDE	18	1				11
SWISSHELM ONE/TWO		55	483			13
WESTWOOD ONE/TWO		160	286			7
* 62+ included in total numbers						
The one bedroom waiting lists may have duplicate applicants as an individual can apply to more than one list.						

ADDITIONAL

Hsg Choice Voucher	13 – 2018 Lottery, 545 – 2022 Lottery	50
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St. Cloud Housing and Redevelopment Authority 2020 to 2025 Goals

GOAL #1

The St. Cloud HRA will be an active partner in neighborhood/community concerns regarding housing and neighborhoods.

Action Steps

1. ~~Maintain presence at St. Cloud Neighborhood Coalition meetings. Neighborhood Organization disbanded in 2022.~~
 - ~~Committed dollars (\$500) to community event – Spring 2020~~
 - ~~Continue to serve, helped them with their business plan.~~
2. Work with other Core Neighborhood Associations when requested.
 - HRA membership requested on Heritage Preservation Commission – January 2020
3. ~~Serve on Neighborhood Best Practices Task Force. This task force no longer meets.~~
 - * Attended Age Friendly St. Cloud Task Force Meeting – January 2022
 - HRA staff attended Mississippi Planning Meeting – January 2023
 - HRA Representation on Downtown Revitalization Task Force Strategy – July 2023
4. Continue to explore funding partnerships/options for blighted city properties.
 - Purchased 418 Wilson Ave SE – January 2020
 - Anna Marie's construction of shelter – Hope Park – April 2020
 - Approved transfer of 110 15th Ave N to Habitat for Humanity – June 2020
 - Update to Board – 19th Ave N – July 2020; August 2020; October 2020
 - Funding Awarded for 418 Wilson Ave SE – August 2020
 - Grant Applications to DEED – 19th Ave Lots – April 2021
 - MPCA Update on Testing 19th Avenue Lots – June 2022
 - Construction Contract Approved for 418 Lot – February 2022
 - Shared information with Mobile Home Parks on grant program from Minnesota Housing – August 2022
 - 418 House Completed and Board Tour – December 2022
 - Donation of two lots on 19th Avenue to Youth for Christ – June 2023
5. Continue to explore other opportunities for Fix Up Loan Program.
 - * Funding for Fix-Up Loan Program – June 2022, September 2022, June 2023
6. Continue to market all rehab programs.
 - CDBG Single Family Rehab – February 2020, March 2021¹⁴, March 2022, March 2023

- Monthly updates to Board on CDBG Rehab Program.
- Increase Homestead Incentive Loan amount – August 2021
- Homestead Incentive Loan to entire city – August 2021
- CDBG Single Family Rehab Presentation – February 2022, February 2023

GOAL #2

The St. Cloud HRA will promote fair housing and strive for high performance in HRA properties and housing subsidy programs.

Action Steps

1. Provide annual fair housing training for allstaff.
 - Family Housing Videos – April 2020
 - Fair Housing Training – March 2021, April 2021, April 2022, April 2023
 - Customer Service Training – April 2021
2. Provide monthly/quarterly updates to Board on any compliance or management review.
 - Annual Report 2019 – January 2020, Annual Report 2020 - January 2021, Annual Report 2021 – January 2022, Annual Report 2022 – January 2023
 - SEMAP 2019 – January 2020; SEMAP 2020 - January 2021, SEMAP 2021 – January 2022, SEMAP 2022 – January 2023
 - Scattered Sites REAC Inspections – February 2020, February 2023
 - Public Housing score high performer - 2019 – 2021
 - PHA Plan for 2021 approved – August 2020
 - PHA Plan for 2022 approved – August 2021
 - PHA Plan for 2023 approved – August 2022
 - Germain Towers 20-year HAP contract renewed – September 2020
 - Compliance Review Al Loehr Apartments – October 2020, November 2021, September 2022
 - HUD Compliance Review on Agency – December 2020
 - Creeks Compliance Review – December 2020
 - Westwood One Compliance Review – July 2021
 - 2020 Calls for Service – SCPD – September 2021
 - 2022 Calls for Service – SCPD – March 2023
 - Germain Towers REAC Inspection – December 2021
 - Germain Towers Management Occupancy Review – June 2022, May 2023
 - Northway A&B Management Occupancy Review – June 2022, June 2023
 - Northway A&B REAC Inspection – August 2022
 - Empire REAC Inspection – October 2022
 - Wilson REAC Inspection – November 2022
 - Scattered Sites REAC Inspection – February 2023

3. Inspection of all HRA units and units contracted under the Housing Choice Voucher programs.
 - Restarted inspections under COVID – June 2020
 - Created Landlord Incentive Program – August 2020 to December 2021
 - HCV COVID-19 landlord incentive retention payments – December 2021
 - Hired full-time Housing Quality Standards Inspector – January 2022
 - NSPIRE Training – April 2023

4. Monitor waiting lists for any significant changes in demographics of households applying.
 - Current waiting list information – January 2020, January 2021, July 2021, January 2022, July 2022
 - Opened HCV Waiting List – May 2022
 - Started Waitlistcheck software for all new applicants to allow applicants to view position on waiting lists – September 2022
 - Introduced Assistance Connect for current and new applicants to allow edits made to applications (address changes, household members, etc.) – September 2022

5. Continue to apply for Bridges grant(s).
 - Applications for 2021–2023 Grant Period – March 2021
 - Bridges Renewed for 2021-2033 – May 2021
 - Approval of Bridges 7E Administrator – May 2021
 - Applications for 2023-2025 – February 2023
 - Bridges Renewed for 2023-2025 – May 2023

GOAL #3

The St. Cloud HRA will encourage collaboration with other community organizations and continue to seek funding sources for all programs.

Action Steps

1. Continue collaboration with the Central MN Continuum of Care.
 - Attended monthly meetings
 - Presentation of St. Cloud HRA Program – February 2021

2. Continue to monitor Minnesota Housing Single Family Loan Products
 - Staff attended Central MN Housing Summit – December 2022

3. Research funding sources for rental assistance and housing options to serve all households with an emphasis on homeless populations.

4. Board approved St. Cloud HRA to administer HCV for Delano HRA - February 2020

5. St. Cloud School District 744 LSS – Homework Starts at Home – March 2020
6. HUD COC Rental Assistance Grants – April 2020, April 2021, April 2022, April 2023
 - Additional Mainstream Vouchers awarded – June 2020, May 2022
 - Foster Youth Initiative vouchers approved by HUD – September 2020
 - Beyond Backgrounds Program with Housing Link – November 2020
 - Emergency Housing Vouchers – May 2021
 - Housing Search Services with Stearns County – May 2021
 - Approval for Domestic Violence Rapid Re-Housing Grant – September 2021
 - Awarded Domestic Violence Rapid Re-Housing Grant – April 2022
 - Applied for Stability Vouchers – October 2022
 - Awarded 13 Regular Vouchers by HUD – September 2022
 - Awarded Stability Vouchers – June 2023

GOAL #4

The St. Cloud HRA will make efficient use of funding, technology and personnel resources.

Action Steps

1. Work with landlords to reduce the number of first-time inspections fails (HCV).
 - Hired full-time Housing Quality Standards Inspector – January 2022
 - Staff attended Landlord Engagement Meeting – 2021, 2022, 2023
2. Implement plan to go paperless with regard to files, inspections, etc.
 - Signature pads for staff, digital signage – January 2020
 - Laptops for staff to work from home – March 2020
 - Computers and printers installed at properties for resident use – March 2021
 - Emergency Sick Leave Policy and addition to Paid Leave Policy due to COVID – August 2020, December 2020, December 2022
 - Families First Coronavirus Response Act Policy – April 2021
 - Moved payroll to ADP – February 2022
 - Introduced Tenant Connect for current participants and residents – September 2022
 - Maintenance & Residential Property Management Training Series – started November 2022 and ongoing in 2023
3. Continued fiscal responsibility for all programs.
 - 2019 Audit Approval – June 2020
 - COVID-19 telework plan – March 2020
 - Approval of HUD Waivers under COVID-19 – April 2020
 - 2020 Audit Approval – May 2021

- 2021 Audit Approval – May 2022
 - 2022 Audit Approval – May 2023
 - Cyber security awareness training monthly – started September 2021
 - Implemented Rent Payment for rental sites – October 2021
4. Implement sustainable energy efficiencies to reduce carbon footprint.
- Continued subscriptions with solar gardens – January 2020
 - Lighting replaced with LED in HRA office – June 2020
 - Approval of window replacement – Scattered Sites (2) – September 2020
 - LED lighting completed at Flintwood – September 2020
 - LED lighting in process at Germain – September 2020
 - LED lighting in process at Empire and exterior of Eastwood – December 2020
 - Interior LED lighting installed at Grace McDowall – July 2021
 - Remote Boiler Controls installed at Empire, Wilson, Germain and Riverside – 2021
 - Remote Boiler Controls installed at Grace, Westwood One and Two – October 2022
 - Remote Boiler Controls installed at Swisshelm One – November 2022
 - Amazon Locker installed at Grace McDowall – November 2022
 - Approved Amazon Locker for Wilson – December 2022
 - Amazon Locker installed at Wilson – December 2022
 - Remote boiler controls installed at Swisshelm Village II – December 2022
 - Upgraded front door security systems: Grace McDowall, Germain Towers, Wilson, Empire, and Westwood Village I – March 2023

[updated July 2023]

TO: St. Cloud HRA Board of Commissioners

FROM: Paul Soenneker, Project Manager

DATE: July 17, 2023

SUBJECT: Approval of Contract for Electronic Door Access System Replacement at Germain Towers

Requested Action: Approve the contract with Safeguard Security in the amount of \$46,850.77 to provide a Salto Electronic Door Access System at Germain Towers Apartments.

Background: The current door access system at Germain Towers is old and needs to be replaced. The doors to each apartment unit are currently keyed and any time a tenant moves; the door lock needs to be re-keyed or replaced. The HRA researched several different lock systems and determined that the Salto lock system would be the best fit for our properties. The Salto lock is an electronic locking system that utilizes fobs instead of keys. It doesn't require a network and there are no monthly service charges.

The HRA solicited proposals from three companies. Two contractors attended the pre-proposal walk-through, but only one contractor submitted a proposal as outlined below by the due date.

Proposal

Safeguard Security	\$46,850.77
140 10 th St. NE.	
Cold Spring, MN 56320	

Even though we only received one proposal; Safeguard Security was awarded similar projects in the past because they had submitted the lowest proposal. I compared their pricing for this project to the other past projects and it was comparable.

I believe the low proposal we received is reasonable for the scope of work requested and therefore recommend awarding a contract to Safeguard Security in the amount of \$46,850.77

Frequency of Request: Once

Related Actions: None

Future Action: None

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 Impacts: This item will be funded through Germain Towers Operating Fund.

TO: HRA Board of Commissioners

FROM: Karen Rizer, CPA
Finance Director

DATE: July 19, 2023

SUBJECT: Funding for the Homestead Incentive Loan Program

Requested Action: Approve the following funding for the Homestead Incentive Loan Program, with an effective date of July 26, 2023:

- Transfer to the Core Neighborhoods Fund from the Housing Development Fund: \$200,000

Background: The Homestead Incentive Loan Program provides a qualified homebuyer up to \$5,000 to be used for down payment, closing costs, pre-pays. This loan is interest free and payment free but not forgiven. It runs co-terminus with the first mortgage and is due and payable at time of sale, refinance, if the home ceases to be the primary residence of the homeowner, or when the first mortgage term ends. Since the program started in 2013, 293 loans have been issued totaling approximately \$1,015,000.

This program has primarily been funded through repayments from other past down payment assistance (DPA) programs. The current remaining balance in the program is approximately \$43,000. At this point, there have not been any repayments from these other DPA programs over the past year so a different funding source is needed for this program to continue beyond eight more loans.

Management is recommending allocating \$200,000 of Housing Development Fund reserves. These reserves primarily came from conduit debt issuer's fees from 2016 through 2022, totaling approximately \$195,000.

To date in 2023, 21 loans have been issued, for a total of \$105,000. Adding this \$200,000 should enable the program to be funded for the next 14-16 months.

Options: Approve, deny, or table.

Frequency of Request: One time.

Related Actions: None

Future Action: Assess program for additional future funding when spent down.

Relationship to Goals: #1 – The St. Cloud HRA will be an active partner in neighborhood/community concerns regarding housing and neighborhoods.

Budget Impact: Using the reserves created through 2022 from issuing conduit debt housing bonds to enable the Homestead Incentive Loan Program to continue.

TO: St. Cloud HRA Board of Commissioners
FROM: Louise Reis, Executive Director and Karen Rizer, Finance Director
DATE: July 19, 2023
SUBJECT: Pay 2024 Tax Levy

Requested Action: Approve the pay 2024 tax levy.

Background: The pay 2024 tax levy request and 2024 draft Central Office Cost Center budget will be discussed at the July 26 study session.

Options: Approve the pay 2024 tax levy.

Frequency of Request: Annually.

Related Actions: The tax levy request will be discussed by the City Council at an August budget meeting. It will then be presented for approval at a September City Council meeting.

Future Action: Approval of the 2024 budgets prior to year-end, with discussions beginning in October. Levy may be amended (downward only) if needed, prior to final certification in December.

Relationship to Goals: Will enable us to continue striving towards achieving our goals.

Budget Impact: 2024 tax levy revenue.

RESOLUTION 2023-09

HOUSING AND REDEVELOPMENT AUTHORITY OF ST. CLOUD, MINNESOTA

**ADOPTING THE SPECIAL LEVY FOR PAYMENT
IN THE YEAR OF 2024**

WHEREAS, pursuant to Minnesota Statutes, Section 469.033, Subdivision 6, the Housing and Redevelopment Authority of St. Cloud, Minnesota (the “HRA”), upon approval of the City Council of St. Cloud, is authorized to levy a special tax upon all property, both real and personal, within the City of St. Cloud to be expended and applied for purposes of Minnesota Statutes 469.001 to 469.047; and

WHEREAS, the amount of the levy shall not exceed 0.0185 percent of taxable market value; and

WHEREAS, the Board of Commissioners of the HRA has reviewed the Central Office Cost Center budget and finds the expenditures to be in keeping with the stated sections of Minnesota Statutes and prudent use of public funds;

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

1. The special tax, in the amount of \$714,000, for payment in the calendar year 2024; and that the Finance Director of the HRA is hereby authorized and directed to forward this Resolution to the City Council of St. Cloud, Minnesota, for its consideration; and
2. The Finance Director of the HRA, subsequent to City Council approval, is hereby authorized and directed to certify such tax to the Auditors of Benton, Sherburne, and Stearns Counties.

Adopted this 26th day of July, 2023.

ATTEST:

Nancy Gohman, Chair

Hani Jacobson, Secretary

TO: St. Cloud HRA Board of Commissioners

FROM: Louise Reis, Executive Director

DATE: July 18, 2023

SUBJECT: Approval of Resolution 2023-10 - Application for HUD CoC Rental Assistance Grants

Requested Action: Approval of Resolution 2023-10 - Application for HUD CoC Rental Assistance Grants in the amounts of \$398,904, \$88,416, and \$143,790 from the Department of Housing & Urban Development (HUD).

Background: The HUD CoC Rental Assistance provides tenant-based rental assistance to participants. The participants of two of the HUD CoC Rental Assistance grants are the chronic homeless individuals and families. The remaining grant of \$143,790 is for the Domestic Violence Rapid Re-Housing Program with Anna Marie’s. These programs build on the premise that housing and services need to be linked to ensure stability of housing. Support service providers are required for each grant. Support services that will be provided in the form of case management and include; mental health, medical, transportation, budgeting, lifestyle skills, employment related skills, and crisis assistance.

The grant application is for a renewal for one year. The support service providers are Central Minnesota Mental Health Center, Salvation Army of Wright County, Catholic Charities, and Anna Marie’s.

Frequency of Request: We plan to continue participation in the HUD CoC Rental Assistance and make this request on an annual basis.

Related Actions: None at this time.

Future Action: None at this time.

Relationship to Goals: Goal #3 – St. Cloud HRA will encourage collaboration with other community organizations and continue to seek funding sources for all programs.

Budget Impact: The St. Cloud HRA will be allowed to draw administrative fees for participants served under these grants.

RESOLUTION 2023-10

HOUSING AND REDEVELOPMENT AUTHORITY OF ST. CLOUD, MINNESOTA

APPROVAL OF APPLICATION FOR RENEWAL OF HUD CONTINUUM OF CARE RENTAL ASSISTANCE AND RAPID RE-HOUSING GRANTS

WHEREAS, the Housing and Redevelopment Authority of St. Cloud, Minnesota (the “HRA”), is authorized to administer rental assistance under the Housing Programs, and

WHEREAS, the HRA is authorized to administer the HUD Continuum of Care (CoC) grants under this authority, and has been administering rental assistance grants from HUD for homeless individuals and families, now

HEREBY, is requesting Board approval for the Executive Director of the HRA to apply for renewal of the HUD CoC rental assistance and rapid re-housing grants from HUD, for grant periods starting in 2024, to provide the funding for the rental assistance, rapid re-housing, and administrative fees in the DOLLAR AMOUNT of \$398,904, \$88,416, and \$143,790.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS
OF THE HOUSING AND REDEVELOPMENT AUTHORITY
OF ST. CLOUD, MINNESOTA
THE APPLICATION OF HUD CoC RENTAL ASSISTANCE AND RAPID
RE-HOUSING GRANT DOLLARS
TO BE AUTHORIZED BY THE EXECUTIVE DIRECTOR.

Adopted this 26th day of July, 2023.

ATTEST:

Nancy Gohman, Chair

Hani Jacobson, Secretary

TO: St. Cloud HRA Board of Commissioners
FROM: Louise Reis, Executive Director and Karen Rizer, Finance Director
DATE: July 19, 2023
SUBJECT: Software Conversion

Requested Action: Approve a software conversion

Background: It is expected that management will have the final numbers and information to make a software conversion recommendation on Tuesday, July 25. If that is the case and there are no delays from the software vendors or continuing questions for them, we would ask that the Board take action at the July meeting so we wouldn't have to wait an additional month to move forward.

By 4:00pm on Tuesday, you will either receive an updated memo via email requesting approval with all the details or an indication that the item is not ready and will be delayed until August.

TO: HRA Board of Commissioners

FROM: Louise Reis, Executive Director

DATE: July 19, 2023

SUBJECT: Report on Activities

Northway A&B: On June 7, 2023 Minnesota Housing completed a Management and Occupancy Review for the Grace McDowall Apartments and Northway B Townhomes. The property scored a “Satisfactory”. The Management and Occupancy Review reviews the physical condition of the property along with tenant files and management practices.

Public Housing Assessment System Score: Our agency has received its Public Housing Assessment System (PHAS) score for the year ending December 31, 2022. We received a score of 85 out of 100, which puts us at a Standard Performer. The reasons the HRA fell below 90 was primarily due to (1) losing points for occupancy, which was at 96% due mainly to the Empire fire and longer vacancy time because of the additional time it took to turn units due to supply and/or vendor staffing shortages and (2) losing points for physical due to Empire. We also lost points for financial due to spending down reserves (on maintenance projects to prevent recapture). The loss of financial points could have been remediated with a transfer in prior to filing final REAC, but since three additional points would still be a score below 90, it was left as is.

Multi-Family Energy Savings Program: Xcel Energy is participating in the Multifamily Energy Savings Program that provides qualifying building owners and managers with select energy saving services and appliances. For the HRA apartments buildings that Xcel Energy provides electrical service, with 5 or more units, and 66% or more units that are income qualified, we may qualify for appliance replacement services. Our multifamily buildings are being assessed to see which buildings and how many appliances would qualify for the free replacement.

State Rent Assistance Program: Earlier this year, the Minnesota Legislative Session funded a program called “Bring It Home”. This program is a state tenant-based rent assistance program which will provide rent assistance to households in need. The local HCV administrator will have a choice in administering the program in their jurisdiction. Minnesota Housing is working with MN NAHRO and HCV administrators to roll out the program within the next several months.

National Night Out: On Tuesday, August 1, 2023, our apartment communities will be holding National Night Out events.

Monitoring Review: The Department of HUD conducted a monitoring review of one of the HRA’s Continuum of Care (CoC) grants during May 15 - 19. They identified one finding and two concerns. The finding was for insufficient language in the Memorandum of Understanding with regard to the in-kind match contributions. Our office worked with HUD staff and the Central MN Mental Health Center to update the language on in-kind match contributions. The concerns dealt with updating the written intake procedures for obtaining and maintaining documentation of participants’ homeless status and removing outdated language in the policy and procedures for the CoC grants. HUD staff were very complimentary of HRA staff during the exit conference as they had indicated during the initial meeting that their average monitoring results in eight or nine findings.

Recreational Marijuana: Our office has been working with legal counsel on a notice for residents in our apartment buildings. I have attached a copy of the notice that was sent out to residents this week.

Housing Choice Voucher Program: During the month of June 2023, there were nine housing choice vouchers released. Two of the voucher holders were at Zero HAP, three were for program violations, three were voluntary releases, and one was due to death. Two were over the age of 62.

As of June 30, 2023 – 86 Port In vouchers and 39 Port Out vouchers.

CDBG Update:

For the homeowner rehab program:

- 8 in construction
- 5 in bidding
- 11 on wait list

Housing Department Vacancy Report – For the Month Ending June 30, 2023

Fund: Public Housing – 291 Units			
		Yearly	Vacant
<u>Complex</u>	<u># of units</u>	<u>Vacancy Rate</u>	<u>6/30/23</u>
Empire	89	1.03%	1
Wilson	126	2.14%	1
Scattered Sites	76	6.05%	3

Fund: Section 8 New Construction – 162 Units			
		Yearly	Vacant
<u>Complex</u>	<u># of units</u>	<u>Vacancy Rate</u>	<u>6/30/23</u>
Germain	60	1.80%	0
Grace/NWB	102	1.91%	1

Fund: Tax Credit – 249 Units			
		Yearly	Vacant
<u>Complex</u>	<u># of units</u>	<u>Vacancy Rate</u>	<u>6/30/23</u>
Creeks	24	5.76%	0
Brownstones	12	0.00%	0
Swisshelm One	32	3.13%	0
Westwood One	32	4.18%	1
Swisshelm Two	32	3.12%	2
Westwood Two	32	6.58%	1
Riverside	85	9.42%	9*

Fund: Affordable Housing – 79 Units			
		Yearly	Vacant
<u>Complex</u>	<u># of units</u>	<u>Vacancy Rate</u>	<u>6/30/23</u>
Eastwood	18	5.12%	2
Loehr	61	3.38%	0
418 House	1	0.00%	0

* one unit rented in July, processing another 3 applicants

July 19, 2023

Dear Residents,

As many of you may know, on August 1st, 2023, cannabis (marijuana) will become legal at the state level in Minnesota. Despite the changes to Minnesota law, however, marijuana remains illegal federally as a Schedule I drug under the Controlled Substances Act (21 U.S.C. § 802).

As a public housing agency, the Housing and Redevelopment Authority of St. Cloud (the “HRA”) is obligated to follow federal law and abide by rules laid out by the Department of Housing and Urban Development (HUD). These obligations are reflected in your leases in that a resident’s manufacture, sale, distribution, purchase, use, and/or possession of a controlled substance like marijuana constitutes grounds to terminate your lease and end your tenancy.

This means that on August 1, 2023, with respect to marijuana, nothing will change on properties owned or managed by the HRA. You may not bring marijuana onto HRA properties, you may not grow marijuana in your home, and you may not use marijuana in or near your home. This applies to marijuana in any form, including but in no way limited to: flower, concentrate, product, extraction, edible, tincture, oil, seed, beverage, vaporized, smoked, or aerosolized.

Moreover, you should also be aware that under Minnesota’s new law, the vaporizing or smoking of cannabis flower, cannabis products, artificially derived cannabinoids, or hemp-derived consumer products is prohibited in any multifamily housing building in Minnesota. This includes outside on balconies and patios. Most HRA properties are multifamily housing buildings. If you smoke or vaporize these products at your home after August 1, 2023, not only do you put yourself at risk of eviction, but you may also could incur a \$250 civil administrative fine. If you have a question about whether your home is in a multifamily housing building, or any other questions regarding this letter, please ask your property manager.

Sincerely,



Louise Reis

Executive Director