

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

Wednesday, September 27, 2023

A Study Session for the St. Cloud HRA Board of Commissioners was held on Wednesday, September 27, 2023. Chair Nancy Gohman called the meeting to order at 5:00 p.m. Commissioners present: Mike Conway, John Dvorak, Seal Dwyer, Nancy Gohman, George Hontos, Hani Jacobson, and Carol Lewis.

Karen Rizer, Finance Director, began the CDBG Discussion by sharing there is currently around \$600,000 available in the HRA's CDBG fund and \$525,000 is available for loans, which means an estimated 28 loans without further allocations could currently be completed. Ms. Rizer added that based on contractor availability, only around 17 loans can actually be completed per year. Ms. Rizer noted a new item of concern is that Brownstones Townhomes requires a new roof and currently the building has limited funds available, so the HRA would like to request funds to replace the roof from CDBG.

Commissioner Lewis asked if there was anything being changed in the roof design to avoid the issues in the future. Project Manager, Paul Soenneker, responded that yes, two of the roofs have been redone already and the problem is being resolved by adding additional pitching to the parapets on the roofs.

Commissioner Hontos asked to clarify if HRA staff is requesting to apply for CDBG funds for the Brownstones roof project. Ms. Rizer said yes, Brownstones only has about \$10,000 in funds, so the agency would seek additional CDBG funds to assist with the cost. Commissioner Hontos asked what happens if the agency does not receive the CDBG funds, and Ms. Rizer said then a loan would be provided by the agency and if the agency runs out of funds, bonding would be necessary.

Commissioner Lewis asked if money will be available from the State of Minnesota for the Brownstones roofing project. Executive Director Louise Reis responded Minnesota Housing has not released the new programs yet, but they are hopeful different programs will receive funds that could be accessed for the project, however there is not a timeline or terms for what funds or when the funds would be available.

Commissioner Hontos is concerned requesting less for the CDBG loan program sets a negative precedence moving forward. Ms. Rizer responded the agency can continue to ask for a higher amount for the loans, but there's a backlog of requests caused by the pandemic, limited contractor availability, and supply chain issues, so funds continue to be pushed out every year; whereas Brownstones would immediately benefit from the allocated CDBG funds.

Commissioner Conway pointed out that even if the CDBG loan fund had unlimited money in the account, the HRA can only accommodate so many requests per year, due to contractor supply and demand. He added there's no money in the account currently for the Brownstones roof. Mr. Conway said if the case is made that the funds are not being asked for the loans, but they are instead needed for the roof, it would not necessarily mean less money would be allocated in the following years for CDBG loans.

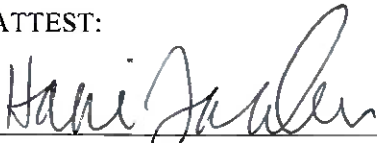
Commissioner Lewis added that the loan exists for upkeep of properties to look nice and maintain a safe place to live, and Brownstones fits the category. Chair Gohman asked about the maintenance costs at Brownstones, noting the amount seemed high. Ms. Reis pointed out the unexpected water damage from the roof was a huge expense. Chair Gohman asked about insurance reimbursements due to the water damage and Ms. Rizer responded that it wasn't a storm that caused damage, so insurance did not cover any costs. Ms. Reis said each of the units currently has decks that are not maintenance-free, so as the decks are being replaced, maintenance-free decking is being used which comes at an added cost.


Ms. Rizer suggested asking for CDBG funds for both the rehab program loans and the Brownstones roof project. Commissioner Hontos encouraged the staff to pick numbers for both programs they are comfortable moving

forward with. Commissioner Conway agreed this an appropriate time to request funds for both and provide the justifications for the dollar amounts to encourage support.

There being no further discussion, the Study Session adjourned at 5:45 p.m.

ATTEST:


Secretary, Hari Jacobson


Chair, Nancy Gohman

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

Wednesday, September 27, 2023

A Regular Meeting for the St. Cloud HRA Board of Commissioners was held on Wednesday, September 27, 2023 at 1225 West St. Germain Street. Chair Nancy Gohman called the meeting to order at 5:46 p.m. Commissioner Present: Mike Conway, John Dvorak, Seal Dwyer, Nancy Gohman, George Hontos, Hani Jacobson, and Carol Lewis.

Consent Agenda:

1. Roll call was taken and the pledge of allegiance spoken.
2. Approval of Agenda – Commissioner Hontos moved to pull items 5 and 6. Commissioner Conway moved for approval on items 2, 3, 7, and 8; Commissioner Dwyer seconded the motion. All commissioners voted in favor; the agenda and consent agenda moved as presented.
3. Approval of Regular Minutes, August 23, 2023 – approved as presented.
4. Review of 2023 Financial Reports – no approval needed.
5. Approval to Write-Off Resident Accounts Receivable – Commissioner Hontos asked for an explanation on Empire Apartments and why the numbers are so high. Finance Director, Karen Rizer, said it is showing the rental income and the accounts being written off. Executive Director Louise Reis added that in 2020 there was an eviction moratorium and there has been a backlog of cases to get in front of the court system, and the properties are still feeling the effects from that time. Ms. Reis noted there was a particular resident at Empire Apartments that cost the HRA more than \$10,000 in damages, and several other residents leave behind property when they move out that the HRA is responsible for disposing of. Commissioner Hontos moved for approval and Commissioner Lewis seconded the motion. All commissioners voted in favor; the motion carried.
6. Approval of Payment Standards for the Housing Choice Voucher and Emergency Housing Voucher Programs Effective December 1, 2023 – Commissioner Hontos observed the increase amounts are close to 20% and he was surprised by the amount. Staff responded that average rents have increased significantly over the past few years and this increase reflects that. Commissioner Hontos moved for approval and Commissioner Lewis seconded the motion. All commissioners voted in favor; the motion carried.
7. Approval of Change Order for Installation of Roof Access Hatches to Westwood Village Apartments One and Two – change order approved with Kue Contractors, Inc. in the amount of \$18,863.00.
8. Approval of Contract for Ventilation Fan Replacement at Swisshelm Village Apartments One and Two – contract approved with Climate Air in the amount of \$35,386.00.

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.

Old Business: None.

New Business:

9. A. Public Hearing for Stability Voucher Program Policy – Ms. Reis said the St. Cloud HRA was awarded seven vouchers with a start date of October 1, 2023. The Stability Vouchers must be issued to individuals and/or families who are homeless, at risk of homelessness, fleeing domestic violence, dating violence, sexual assault, stalking or human trafficking, or veterans. Chair Gohman opened the Public Hearing and asked if anyone would like to speak.

There were not requests to speak or comment, so the Public Hearing was closed. Commissioner Hontos asked how these vouchers differ from current vouchers. Voucher Programs Manager, Lori Lygre, said these vouchers include at risk of homelessness, which has not been included for other voucher programs. Chair Gohman asked if the HRA asked for more vouchers than were allocated and Ms. Reis said yes, the HRA was willing to take more but only received seven vouchers.


B. Approval of Resolution 2023-13 – Approval Stability Voucher Program Policy; Commissioner Lewis moved for approval; Commissioner Dwyer seconded the motion. All commissioners voted in favor; the motion carried.


10. Approval of Cost-of-Living Market Adjustments – Ms. Reis shared the HRA has been trying to hire for several positions and the agency has struggled to fill the positions with quality candidates. The HRA worked with Baker Tilly on a market study for cost-of-living and market increases. Ms. Rizer added the HRA's pay wages on average were 6.8% below market at the minimum, 3.7% below market at the midpoint, and 2.5% below market at the maximum. The proposed increases range from 2%-4%, depending on position. Commissioner Hontos asked to clarify the adjustments have nothing to do with evaluations. Ms. Rizer said yes, this is in addition to the annual evaluation process. Commissioner Lewis moved for approval; Commissioner Dvorak seconded the motion. All commissioners voted in favor; the motion carried.

11. Report on Activities – Ms. Reis shared the main office lobby is open to the public again Monday through Thursday, and on Friday by appointment only. Ms. Reis noted Brownstones Townhomes and Westwood Village Apartments Two had a tax credit compliance review by Minnesota Housing this summer and both properties received a satisfactory review. Ms. Reis also shared the 2023 County Profiles from Minnesota Housing Partnership providing data measurements at the county level in housing areas.

There being no further business, the meeting adjourned at 6:18 p.m.

ATTEST:


Secretary, Hani Jacobson


Chair, Nancy Gohman