

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

**Wednesday, December 20, 2023**

A Regular Meeting for the St. Cloud HRA Board of Commissioners was held on Wednesday, December 20, 2023 at 1225 West St. Germain Street. Chair Nancy Gohman called the meeting to order at 5:22 p.m. Commissioners 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 Item 5. Commissioner Dwyer moved for approval on Items 2, 3, 4, 6, 7, and 8; Commissioner Conway seconded the motion. All Commissioners voted in favor; the agenda and consent agenda moved as presented.
3. Approval of Study Session Minutes, November 15, 2023 – approved as presented.
4. Approval of Regular Minutes, November 15, 2023 – approved as presented.
5. Review of 2023 Financial Reports – Commissioner Hontos asked about the Scattered Sites maintenance line item and asked if the amount was a surprise or if more work was completed than the HRA anticipated in 2023. Finance Director, Karen Rizer, noted more projects were completed with Capital Funds and Executive Director, Louise Reis, added one unit flooded and items were turned into insurance. Commissioner Hontos asked if it was a similar situation with Northway A & B. Ms. Rizer responded a large amount is from the boiler replacements and most of it will be paid with a loan from the Community Housing Fund and added the cash flow at this property is positive, so there are no concerns about the line amount. No approval needed.
6. Approval of Contract for Flooring Installation Services – contracts approved with Hansen Flooring Gallery Inc. and Hennen Floor Covering for one year with an option to extend for an additional year if agreeable to the St. Cloud HRA and contractors.
7. Approval of Maintenance Services Contract – contract approved with Master Trade Services, Inc. for repairs at properties owned/managed by the St. Cloud HRA.
8. Approval of Computer Hardware Purchase – purchase approved for 31 laptops and docking stations and the related installation labor from Marco; approximately \$48,560 spread amongst all the HRA’s operating funds.

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. Approval of Recommendation from Personnel Committee as Relating to the Annual Performance Review of the Executive Director for 2023 – 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 5% effective December 24, 2023.* Commissioner Dvorak moved for approval; Commissioner Conway seconded the motion. All commissioners voted in favor; the motion carried.

10. Approval of Resolution 2023-18 – Adopting the 2024 Budgets for Central Office Cost Center and Housing Choice Voucher Funds. Ms. Rizer said there are not many changes to the COCC budget, but the estimated costs for software upgrades have been included and created a deficit, though the upgrades will be paid with reserves. She continued with the HCV program; noting the deficit is also because of the software upgrades and since the HRA does not know what the admin fee will be, it is possible HUD will cover the cost of the software upgrade and the HRA could be in a break-even with the budget. Commissioner Conway moved for approval; Commissioner Jacobson seconded the motion. All commissioners voted in favor; the motion carried. Commissioner Gohman asked Ms. Rizer about HUD potentially paying for the software upgrade; Ms. Rizer responded that the HRA has received funding for the budget every year with the higher admin fee applied for, so it is possible the software upgrade will be funded. Commissioner Hontos asked if there is concern the expenses are increasing greater than the revenues. Ms. Rizer replied no, and noted staff members have been added every year to help with the additional vouchers and there are additional admin fees to help cover those costs.

Commissioner Lewis asked about the ongoing legal issue with the HRA and Ms. Reis said it has been reported to HUD. Ms. Rizer added that she was not sure if anything would be done differently since it is a large amount, but Ms. Rizer pointed to line 3 and said a lot of those funds are from fraud revenue; the typical protocol is 50% for HAP and 50% for admin costs. Commissioner Gohman asked Ms. Rizer to explain the fraud revenue process. Ms. Rizer responded that people can be on a repayment plan, which is the most common option as they can remain on the program and Ms. Reis added if they do not set up a repayment plan, they are off the program and the debt is reported to HUD and the state of MN for revenue recapture.

11. Report on Activities – Ms. Reis said the pre-application for the Community Development Block Grant is due January 5, 2024. The previously discussed plan with the Board was for the St. Cloud HRA to apply for \$250,000 the Single-Family Rehab Loan Program and \$100,000 for The Brownstones Townhomes. Commissioner Gohman asked how much money is needed in total for the Brownstones project and Project Manager, Paul Soenneker, responded that it is around \$600,000 total. Ms. Reis also included there are 14 on the CDBG waiting list.

Ms. Reis shared with the Board the Benton County Economic Partnership invited her to attend a meeting regarding ARPA funds. Ms. Reis put in a request for funds at Eastwood Apartments and Riverside Apartments since those residents reside in Benton County. Ms. Reis will be attending a meeting in January to determine where the funds are allocated.

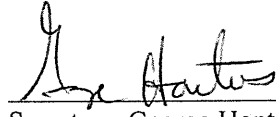
Ms. Reis also shared there was an incident with an HRA staff member that inadvertently used an incorrect email address in correspondence that went out to HRA clients. After working with attorneys, it was concluded there was no data breach and the incident was reported to the state legislative office. A notice will be posted on the HRA website in the future about the incident.

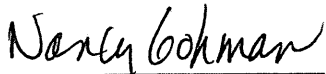
Commissioner Gohman asked about turnover rate at Empire and Wilson. Ms. Rizer said people didn't move for several years due to COVID-19, and the agency is seeing more turnovers now as a result. Ms. Reis said the length of stay at Wilson has decreased and the population appears more mobile. Ms. Reis said the waiting lists are open for Empire and Wilson, but it can be a lengthy process to get someone moved in if they need to obtain paperwork or save up for the deposit. Commissioner Jacobson asked if resources are provided by the

HRA to help people with down payments. Ms. Reis said the HRA can help direct individuals to additional resources.

There being no further business, the meeting adjourned at 5:50 p.m.

ATTEST:

  
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Secretary, George Hontos

  
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Chair, Nancy Gohman