

City of Owatonna

Housing & Redevelopment Authority

Regular Meeting

Monday, June 28, 2021

4:00 PM

City Council Chambers

1. Agenda - June 28, 2021

Documents:

[6 JUNE 2021.PDF](#)

2. Roll Call: Dotson, Hole, Kropp, Olivo

3. Approval Of Minutes For: May 24, 2021

Documents:

[2 MINUTES 05-24-2021.PDF](#)

4. Executive Directors Report

5. Old Business

5.I. Board Memorandum

Documents:

[3 BOARD MEMORANDUM 6.28.2021.PDF](#)

5.II. Balance Sheets

Documents:

[4 BALANCE SHEETS.PDF](#)

5.III. Income Statements

Documents:

[5 INCOME STATEMENTS.PDF](#)

5.IV. HCV Demographics

Documents:

[6 HCV DEMOGRAPHICS.PDF](#)

5.V. Bridges Demographics

Documents:

[7 BRIDGES DEMOGRAPHICS.PDF](#)

5.VI. Mainstream Voucher Updates

6. New Business

7. Other

7.I. Bridges Grant Update

7.II. Renthelpmn Update

7.III. HCV Waitlist Update

8. Adjourn

Next scheduled meeting: Monday, July 26, 2021

Please inform Ghassan Madkour as soon as possible whether you will be able to attend at ghassan.madkour@ci.owatonna.mn.us or 507-774-7318.

THE CITY OF



OWATONNA

Housing & Redevelopment Authority

Regular Meeting

Monday, June 28, 2021

4:00 PM

City Council Chambers

Preliminary Agenda

1. Roll Call: Dotson, Hole, Kropp, Olivo
2. Approval of Minutes for: May 24, 2021 Meeting
3. Executive Directors Report:
4. Old Business:
 - a. Housing Choice Vouchers Updates
 - b. Bridges Updates
 - c. Mainstream Voucher Updates
5. New Business:
6. Other:
 - a. Bridges grant update
 - b. Renthelmpn update
 - c. HCV waitlist update
7. Adjourn

Next scheduled meeting: Monday, July 26, 2021.

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MINUTES
OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY
REGULAR MEETING on MAY 24, 2021

The regular meeting of the Owatonna Housing and Redevelopment Authority was called to order at 4:01 pm in the City Council Chambers and on Microsoft Teams by Senior Member Olivo.

Housing Manager Ghassan Madkour read a statement to allow for the meeting to be conducted by telephonic or electronic means and all votes will be roll call votes.

Members present were Nathan Dotson, John Hole, Shari Kropp, and Vicki Olivo. Also present were Housing Manager Ghassan Madkour, Community Development Director Troy Klecker, Planning Technician Kristen Kopp, and Mary Reedy of Clifton Larson Allen.

Approval of the Minutes: Senior Member Olivo called for a motion to approve the minutes of the April 26, 2021 meeting. A motion was made by Kropp and seconded by Hole to approve the minutes. Commissioners voting Aye: Dotson, Hole, Kropp, and Olivo. 4-0, motion carried.

Executive Directors Report: Community Development Director Troy Klecker gave project updates. He said that they got a letter of resignation from Cate Schnitzler. They will be looking for another HRA member following a new process where the Mayor interviews applicants. He encouraged the Commissioners to let anyone they know who might be interested to apply on the City website. Nathan Dotson is officially on the HRA board now. Klecker said that this is usually the meeting where we elect a Chair and a Vice Chair, but we don't have a full board. Olivo said that waiting to elect officers until we have a full board would be appropriate. Klecker said that 17 permits have been issued for new single-family homes, up from 6 at this time last year. We're off to a good start. There are two apartments under construction: Mound Street and Eastgate. The Pearl, a 43-unit market rate apartment on Pearl Street, will start construction in June or July. Plans have been submitted for the 71-unit apartment building on Lemond Road, but with construction costs rising, it's possible that it will not be underway this year. He said that they met with a national residential developer last week who was interested in building a planned community in Owatonna. This developer usually develops homes over a 20-year period. It's still in early stages, but if they're able to do it, they will start the process of getting zoning approvals. Kropp asked how the staffing shortages with companies around Owatonna impact what we're trying to do with building the community. Klecker said that they recently met with Amesbury Truth and they echo that housing is an obstacle to bringing workforce here. If we have the jobs and have the housing, we're much more able to bring people in. Housing is a stumbling block right now. Kropp asked if the level of housing that they're building would be affordable for someone with a manufacturing job. Klecker said that much of the discussion with this developer was around workforce housing. They want to build what the community needs. Dotson asked if it would be a mix of single-family housing and townhomes. Klecker said that they have a variety of housing types—they even plan on having some multi-family and commercial.

Old Business: The Housing Choice Voucher program monthly report was presented by Madkour, including the City of Owatonna monthly balance sheet and revenue/expense report. Program utilization: The Housing Voucher program for April totaled 100. Total year to date assistance and administration costs were \$240,369.15 and revenues were \$322,081.44. The Housing Choice Voucher Program fund balance at April month end is \$143,148.24. Madkour provided City of Owatonna HRA monthly balance sheet and revenue/expense reports for the HRA General Fund including the Bridges Programs. The HRA Revenues year to date total is \$166,746.52 and the expenses total \$146,214.27. The HRA General Fund balance is \$357,300.19.

Madkour said they're still pretty much status quo. He's happy to see four clients that have new jobs, which reduces our numbers.

He said that there is one more month with the old Bridges grant, then starting in July it will be just four counties. Because the grant is such a high amount for basically two counties, he's considering doing something else, on a case-by-case basis. Right now, he has 23 Bridges referrals.

The Mainstream Voucher program had 43 applications, but 26 have not responded for some reason or another. Nine vouchers have been issued, two have been denied, and two are currently going through the background process. He's waiting for more information on the rest. If the two qualify, we'll have 11 vouchers issued. One has been out shopping for a place. He said he's hoping they can all find places. They have a lot of money, but not a lot of places to house. He spoke with a larger landlord today about notifying him when units become available. He said he's meeting tomorrow with his HUD representative. There are a lot of changes and people are in motion.

A motion was made by Hole and seconded by Kropp to approve the reports as presented. Commissioners voting Aye: Dotson, Hole, Kropp, and Olivo. 4-0, motion carried.

New Business: Mary Reed of Clifton Larson Allen, gave a review of the 2020 HRA audit. She said that it's a good, clean audit report with no findings. She asked if anyone had any questions. Olivo said that she's very happy with the report and thanked Mary for the report. A motion was made by Kropp and seconded by Hole to approve the audit report. Commissioners voting Aye: Dotson, Hole, Kropp, and Olivo. 4-0, motion carried.

Other Business. Madkour said that the new Bridges grant will be \$487,650.00 that will cover four counties and last year there was money for 10 counties. He said that Vicki and Shari will need to sign those grants sometime this week, and they agreed to come in. Klecker said that going from 10 to 4 counties will mean less administrative work, but we're getting enough dollars to meet our need. The main concern is housing availability.

He asked the Commissioners if they want to do hybrid or all in person for the June 28th meeting. He said there is plenty of space, and said it was up to them. Kropp said that it shouldn't be a problem to come in. Olivo said it looks like the June meeting will be in person.

Olivo asked about the Partridge Avenue Pond Project. She asked where she could go to see the plans. Klecker said that our Engineering Department has the plans. The HRA contributed to the purchase because some of those lots will be single family lots. HRA and Stormwater split the cost. It will be platted and sold off when the pond is done.

Adjournment: There being no further business, a motion to adjourn was made by Kropp, seconded by Hole. Commissioners voting Aye: Dotson, Hole, Kropp, and Olivo. 4-0, motion carried. The meeting adjourned at 4:46. pm.

Respectfully Submitted,

Ghassan Madkour
Housing Manager

MEMORANDUM

TO: OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY BOARD
FROM: GHASSAN MADKOUR, HOUSING MANAGER
SUBJECT: MONTHLY DEMOGRAPHICAL AND FINANCIAL DATA
DATE: JUNE 28, 2021

The purpose of this memorandum is to provide the Owatonna Housing and Redevelopment Authority with demographical and financial data on the HRA General Fund, Housing Choice Voucher Program, and Bridges Programs.

OWATONNA HRA GENERAL FUND

YTD Revenues:	\$209,531.89
YTD Expenses:	\$190,052.80
Fund Balance:	\$356,247.03

MHFA BRIDGES PROGRAM

Monthly HAP Revenue	\$19,344.00
Monthly Admin Revenue	\$ 2,000.00
Monthly HAP Expense	\$21,344.00
Occupancy:	40
Average HAP:	\$533.60

COUNTY BRIDGES PROGRAM

Monthly HAP Revenue	\$3,705.00
Monthly HAP Expense	\$3,705.00
Occupancy:	8
Average HAP:	\$463.13

SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

YTD Revenue:	\$383,951.73
YTD Expense:	\$297,246.22
Total Cash Balance:	\$148,141.46
Program Demographics:	
Households in Steele Co:	102
Average HAP:	\$432.69
Households Portable Out:	5
Average HAP:	\$917.40
Total Assisted Households:	107
Households Ported In Billing:	9

Requested Action: The Board is asked to review and approve the monthly reports and program expenditures.

City of Owatonna
Balance Statement by Fund
31-May-21

FUND 280: OWATONNA HRA

Account Name	Ending Balance
ASSETS	
BANK ACCOUNTS	\$ 63,181.03
INVESTMENTS	50,000.00
ACCOUNTS RECEIVABLE	336.00
DELINQUENT TAXES RECEIVABLE	2,184.89
DUE FROM OTHER GOVERNMENTS	77,150.00
LAND HELD FOR RESALE	184,208.00
NOTE RECEIVABLE	6,170.00
Total Assets	<u>\$ 383,229.92</u>
LIABILITIES	
ACCOUNTS PAYABLE	\$ 13,628.00
REFUNDABLE DEPOSITS	3,000.00
DEFERRED REVENUE	8,170.00
DEFERRED REVENUE - DEL TAXES	2,184.89
Total Liabilities	<u>\$ 26,982.89</u>
FUND EQUITY	
FUND BALANCE	\$ 356,247.03
Total Fund Equity	<u>\$ 356,247.03</u>
Total Liabilities and Fund Equity	<u>\$ 383,229.92</u>

FUND 282: OWATONNA HRA-HUD

Account Name	Ending Balance
ASSETS	
BANK ACCOUNTS	\$ 151,290.71
BANK ACCOUNTS - DEPOSITS	24,705.32
ACCOUNTS RECEIVABLE	2,864.00
DUE FROM OTHER GOVERNMENTS	5,938.26
Total Assets	<u>\$ 184,798.29</u>
LIABILITIES	
ACCOUNTS PAYABLE	\$ 0.00
DUE TO OTHER GOVERNMENTS	40.00
DEFERRED REVENUE	11,911.51
DEPOSITS	24,705.32
Total Liabilities	<u>\$ 36,656.83</u>
FUND EQUITY	
FUND BALANCE	\$ 148,141.46
Total Fund Equity	<u>\$ 148,141.46</u>
Total Liabilities and Fund Equity	<u>\$ 184,798.29</u>

City of Owatonna
Income Statement by Fund
For the Period Ending May 31, 2021

FUND 280: OWATONNA HRA

Account Name	Original Budget	MTD Actual	YTD Actual	\$ Remaining
REVENUES				
PROPERTY TAXES	\$ 185,000.00	\$ 15,410.00	\$ 77,050.00	\$ 107,950.00
STEELE COUNTY - HOUSING GRANT	45,000.00	3,705.00	18,700.00	26,300.00
TIF ADMINISTRATIVE FEE	3,761.00	0.00	0.00	3,761.00
INTEREST INCOME	800.00	36.37	389.89	410.11
RENTS & LEASES - 204 E FREMONT	12,000.00	1,000.00	5,000.00	7,000.00
RENTS & LEASES 215 ELM ST	12,000.00	1,000.00	5,000.00	7,000.00
RENTS & LEASES 221 ELM ST	12,000.00	1,000.00	5,080.00	6,920.00
TRANSFER FROM HUD-SEC 8	7,500.00	0.00	0.00	7,500.00
STATE - BRIDGES	276,000.00	19,344.00	89,262.00	186,738.00
STATE - BRIDGES ADMIN	27,000.00	2,000.00	9,050.00	17,950.00
Total Revenues	<u>\$ 581,061.00</u>	<u>\$ 43,495.37</u>	<u>\$ 209,531.89</u>	<u>\$ 371,529.11</u>
EXPENDITURES				
WAGES - FULL TIME EMPLOYEES	\$ 84,588.00	\$ 6,417.84	\$ 35,241.38	\$ 49,346.62
PERA	6,344.00	485.32	2,663.17	3,680.83
FICA	6,471.00	474.22	2,572.01	3,898.99
INSURANCE	14,467.00	1,278.24	6,391.50	8,075.50
WORKERS COMP INSURANCE	488.00	40.77	219.71	268.29
OFFICE SUPPLIES	1,200.00	40.68	391.49	808.51
CONSULTING SERVICES	8,500.00	0.00	0.00	8,500.00
BACKGROUND CHECKS	600.00	125.00	150.00	450.00
TELEPHONE	600.00	41.51	207.52	392.48
POSTAGE	1,000.00	200.69	558.91	441.09
VEHICLE ALLOWANCE	500.00	16.50	102.63	397.37
TRAVEL & CONFERENCES	2,000.00	0.00	0.00	2,000.00
OPERATIONAL SERVICES - SEC 8	4,500.00	120.00	240.00	4,260.00
ADVERTISING	200.00	0.00	0.00	200.00
MEMBERSHIPS & SUBSCRIPTIONS	750.00	0.00	340.92	409.08
INSURANCE	3,500.00	0.00	1,750.00	1,750.00
RENTAL HOUSE EXP	2,000.00	6,700.00	6,700.00	-4,700.00
RENTAL HOUSE EXP - 215 ELM	2,000.00	0.00	119.00	1,881.00
RENTAL HOUSE EXP - 221 ELM	2,000.00	0.00	1,264.80	735.20
REPAIR SERVICE - OFFICE EQUIP	500.00	998.76	998.76	-498.76

HOUSING PAYMENTS - STEELE CO	45,000.00	3,705.00	18,700.00	26,300.00
LAND PROJECTS	50,000.00	0.00	0.00	50,000.00
RENTAL CERTIFICATION PROGRAM	22,000.00	1,830.00	9,190.00	12,810.00
SOUTHERN MN INITIATIVE FOUNDAT	1,667.00	0.00	1,667.00	0.00
TRANSFER TO OTHER FUNDS	15,000.00	1,250.00	6,250.00	8,750.00
HOUSING PAYMENTS - BRIDGES	276,000.00	20,114.00	94,334.00	181,666.00
Total Expenditures	<u>\$ 551,875.00</u>	<u>\$ 43,838.53</u>	<u>\$ 190,052.80</u>	<u>\$ 361,822.20</u>
Expenditures	<u>\$ 29,186.00</u>	<u>\$ -343.16</u>	<u>\$ 19,479.09</u>	<u>\$ 9,706.91</u>

FUND 282: OWATONNA HRA-HUD

Account Name	Original Budget	MTD Actual	YTD Actual	\$ Remaining
REVENUES				
FEDERAL GRANTS - PROGRAM	\$ 625,000.00	\$ 52,179.00	\$ 258,513.00	\$ 366,487.00
FEDERAL GRANT ADMINISTRATION	62,000.00	5,366.00	29,020.00	32,980.00
FEDERAL - OTHER	0.00	0.00	70,120.00	-70,120.00
PORTABLES IN HAP	80,000.00	3,882.00	20,176.00	59,824.00
PORTABLES IN ADMIN	6,200.00	394.80	2,044.08	4,155.92
PORTABLES RECEIVING UTIL REIMB	100.00	0.00	0.00	100.00
FRAUD RECOVERY - HAP	0.00	0.00	1,872.50	-1,872.50
FRAUD RECOVERY - ADMIN	0.00	0.00	1,872.50	-1,872.50
INTEREST INCOME	500.00	48.49	333.65	166.35
Total Revenues	\$ 773,800.00	\$ 61,870.29	\$ 383,951.73	\$ 389,848.27
EXPENDITURES				
WAGES - FULL TIME EMPLOYEES	\$ 39,244.00	\$ 2,958.40	\$ 16,244.91	\$ 22,999.09
PERA	2,943.00	214.58	1,181.72	1,761.28
FICA	3,002.00	205.82	1,105.90	1,896.10
INSURANCE	10,118.00	713.03	3,564.75	6,553.25
WORKERS COMP INSURANCE	227.00	18.03	95.77	131.23
AUDIT SERVICE	9,000.00	0.00	3,255.00	5,745.00
PORTABLE OUT ADMINISTRATION	500.00	206.21	1,031.05	-531.05
MANAGEMENT FEE	7,500.00	0.00	0.00	7,500.00
VEHICLE ALLOWANCE	500.00	0.00	20.12	479.88
PORT UA OUT	300.00	0.00	0.00	300.00
HOME OWNERSHIP HAP	10,000.00	856.00	4,341.00	5,659.00
HOUSING PYMTS HAP	625,000.00	43,278.00	222,982.00	402,018.00
FSS PYMTS HAP	8,000.00	0.00	0.00	8,000.00
UTILITY PYMTS HAP	4,000.00	91.00	238.00	3,762.00
PORTABLE HSG PYMTS	11,000.00	4,496.00	22,515.00	-11,515.00
PORTABLE UTIL PYMTS	750.00	0.00	0.00	750.00
PORTABLE REC HAP	80,000.00	3,840.00	20,671.00	59,329.00
Total Expenditures	\$ 812,084.00	\$ 56,877.07	\$ 297,246.22	\$ 514,837.78
Expenditures	\$ -38,284.00	\$ 4,993.22	\$ 86,705.51	\$ -124,989.51

Demographic Statistics Report

Vouchers - All Projects

Unit Locations	HoH Count	Percent	Fam Count	Percent
	6	6	16	6
Blooming Prairie	1	1	1	0
Ellendale	1	1	1	0
Owatonna	96	92	241	93
Total All Locations	104	100	259	100

Family Composition	Count	Percent	Avg Age
Average Family Size	2		
Elderly Heads of Household (age 62 or older)	28	27	69
Non-Elderly Heads of Household (age 61 or less)	76	73	45
Near-Elderly Heads of Household (ages 55 to 61)	15	14	57
Other Heads of Household (age 54 or less)	61	59	42
Female Heads of Household	81	78	50
Elderly	21	26	69
Non-Elderly	60	74	44
Near-Elderly	13	16	57
Other	47	58	40
Male Heads of Household	23	22	54
Elderly	7	30	70
Non-Elderly	16	70	47
Near-Elderly	2	9	57
Other	14	61	46
Disabled/Handicapped Heads of Household	59	57	59
Male	18	31	54
Female	41	69	59
Non-Minority Heads of Household	58	56	
Minority Heads of Household	46	44	
Black	36	35	
Hispanic	10	10	
# of Family Members younger than 18 years	125		10
# of Families with children	44	42	

Income Source	Annual Amount	Percent	Count	Percent
Child Support	\$98,089	4.9	23	8
General Assistance	\$125,022	6.2	44	16
Other Nonwage Sources	\$271,656	13.5	71	25
SSI	\$423,972	21.1	51	18
Social Security	\$344,100	17.1	39	14
TANF (formerly AFDC)	\$28,044	1.4	9	3
Unemployment Benefits	\$113,880	5.7	12	4
Other Wage	\$604,008	30.1	34	12
Total All Income Sources	\$2,008,771	100	283	100

Public Assistance is the sole source of income for 0% of households.
 Households that are working comprise 31% of households.
 Of the working households, 6% of households also receive TANF.

Average Household Income	\$19,315
Average Tenant Rent (0-Bdrm)	\$72

Demographic Statistics Report

Vouchers - All Projects

Average Tenant Rent (1-Bdrm)	\$254
Average Tenant Rent (2-Bdrm)	\$278
Average Tenant Rent (3-Bdrm)	\$359
Average Tenant Rent (4-Bdrm)	\$767
Average Tenant Rent (5-Bdrm)	\$642
Average Tenant Rent (Combined)	\$312
Average TTP (rent + utilities per month)	\$361
Average Housing Assistance Payment	\$438

<u>Length of Time On Program</u>	<u>Count</u>	<u>Percent</u>
Less than 1 years	16	16
Less than 2 years	12	12
Less than 3 years	5	5
Less than 4 years	5	5
Less than 5 years	8	8
Less than 6 years	11	11
Less than 7 years	8	8
Less than 8 years	2	2
Less than 9 years	2	2
Less than 10 years	7	7
More than 10 years	22	22

<u>Broad Range of Income</u>	<u>Count</u>	<u>Percent</u>
\$0 - \$5,000	4	4
\$5,000 - \$10,000	6	6
\$10,000 - \$15,000	37	37
\$15,000 - \$20,000	17	17
\$20,000 - \$25,000	10	10
More than \$25,000	25	25

<u>Income Levels</u>	<u>Count</u>	<u>Percent</u>
	4	4
Extremely Low	77	74
Very Low	17	16
Low	6	6
Over Income	0	0

Demographic Statistics Report

Bridges - All Projects

Unit Locations	HoH Count	Percent	Fam Count	Percent
Owatonna	24	89	38	88
Waseca	3	11	5	12
Total All Locations	27	100	43	100

Family Composition	Count	Percent	Avg Age
Average Family Size	2		
Elderly Heads of Household (age 62 or older)	1	4	62
Non-Elderly Heads of Household (age 61 or less)	26	96	41
Near-Elderly Heads of Household (ages 55 to 61)	2	7	60
Other Heads of Household (age 54 or less)	24	89	40
Female Heads of Household	17	63	39
Elderly	1	6	62
Non-Elderly	16	94	38
Near-Elderly	1	6	58
Other	15	88	37
Male Heads of Household	10	37	47
Elderly	0	0	0
Non-Elderly	10	100	47
Near-Elderly	1	10	61
Other	9	90	45
Disabled/Handicapped Heads of Household	18	67	39
Male	7	39	47
Female	11	61	39
Non-Minority Heads of Household	23	85	
Minority Heads of Household	4	15	
Black	3	11	
Hispanic	1	4	
# of Family Members younger than 18 years	14		11
# of Families with children	9	33	

Income Source	Annual Amount	Percent	Count	Percent
Child Support	\$11,596	3.5	3	5
General Assistance	\$32,844	10.0	11	19
Other Nonwage Sources	\$44,460	13.5	14	24
SSI	\$105,024	31.8	11	19
Social Security	\$86,148	26.1	11	19
TANF (formerly AFDC)	\$7,332	2.2	2	3
Unemployment Benefits	\$6,604	2.0	1	2
Other Wage	\$35,939	10.9	5	9
Total All Income Sources	\$329,947	100	58	100

Public Assistance is the sole source of income for 4% of households.
 Households that are working comprise 19% of households.
 Of the working households, 0% of households also receive TANF.

Average Household Income	\$12,220
Average Tenant Rent (1-Bdrm)	\$206
Average Tenant Rent (2-Bdrm)	\$324
Average Tenant Rent (3-Bdrm)	\$411

Demographic Statistics Report

Bridges - All Projects

Average Tenant Rent (Combined)	\$281
Average TTP (rent + utilities per month)	\$275
Average Housing Assistance Payment	\$441

Length of Time On Program	Count	Percent
Less than 1 years	9	33
Less than 2 years	4	15
Less than 3 years	4	15
Less than 4 years	4	15
Less than 5 years	3	11
Less than 6 years	3	11
Less than 7 years	0	0
Less than 8 years	0	0
Less than 9 years	0	0
Less than 10 years	0	0
More than 10 years	0	0

Broad Range of Income	Count	Percent
\$0 - \$5,000	4	15
\$5,000 - \$10,000	5	19
\$10,000 - \$15,000	9	35
\$15,000 - \$20,000	2	8
\$20,000 - \$25,000	5	19
More than \$25,000	1	4

Income Levels	Count	Percent
Over Income	27	100