

MINUTES
OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY
REGULAR MEETING on April 22, 2019

The regular meeting of the Owatonna Housing and Redevelopment Authority was called to order at 4:00 pm in the meeting room at the City Administration Building by Vice Chairman Jerry Atkinson.

Members present were Jerry Atkinson, Betsy Rossi, Vicki Olivo, and Dennis Werner. Also present were Ghassan Madkour, Housing Manager, Troy Klecker, Community Development Director, and Kristen Kopp, Administrative Technician.

Approval of the Minutes: Vice Chairman Atkinson called for a motion to approve the minutes of the January 28, 2019 meeting. A motion was made by Werner and seconded by Rossi to approve the minutes. All Ayes, motion carried.

Executive Director's Report: Troy Klecker said that the apartment that is next to the theater is complete and was half filled with it was opened. Vine Street apartments are on schedule for a June 1 opening. There are 54 units with a mix of studio, one bedroom, and two bedroom, with a majority being one bedroom. Six house permits have been issued and there are three currently in review. They are working on an application for tax credits for affordable housing and will try to get it in by June 13. They are working with Metro Plains on this and it is a competitive process based on how we structure City participation. Rossi asked if they have a location in mind. Klecker said that they do, but can't say at this time. Werner asked about progress on a homeless shelter at the former West Hills Lodge. Klecker said that it is owned by the County and isn't sure where they're at. Atkinson asked about the second apartment building downtown (on Pearl Street). Klecker said that it is the same developer as the apartments on Vine Street and they're waiting to see how that rents up. The second apartment could be four stories—they'll look at the market and figure it out. Rossi asked what the need is for bigger units. Klecker said that there is a need for three bedroom units, but the need for one and two bedroom units is higher. He said that three bedrooms are typically a different clientele—usually families with kids. Typically you don't mix one, two, and three bedroom units in the same apartment building because of the different clientele. Atkinson asked about the housing at Pillsbury. Klecker explained that the Pillsbury dorms have been providing housing for Viracon employees who have come here from Puerto Rico. He said that the housing is a temporary transitional spot. Atkinson asked about the hotel downtown. Klecker said that it's still being worked on but has taken a different form and a different group could be developing it. If that is the case, it will take longer as they do their due diligence. It is still high priority, though not as grandiose as originally planned. It will still be a good thing for the downtown. Klecker said that this is the most complex project he's worked on. He said that they're starting to make an effort to enforce maintenance on downtown buildings and the EDA may be purchasing the building next to Mizuki Fusion. This should be the last failing building downtown.

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 March totaled 93. Total year to date assistance and administration costs were \$184,097.29 and revenues were \$190,541.17. The Housing Choice Voucher Program fund balance at March month end is \$21,715.00. 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 \$91,589.00 and the expenses total \$123,476.80. The HRA General Fund balance is \$299,870.20. Program utilization for both Bridges programs totaled 54 households.

Madkour explained that the total vouchers is down because people's HAPs have gone up and they can't add more at this time.

New Business: Madkour said that the Section Eight Management Assessment Program (SEMAP) survey was completed and sent to HUD on January 31, 2019. He said this survey is completed every two years

to determine funding. It is designed to keep people in check and now they will not have to do it again until 2021.

Madkour said the new Bridges two-year grant application was sent March 8, 2019 and they are waiting for the new grant from MN Housing. He said this includes Steele, Mower, and Olmsted Counties. They are working to get other counties involved as only three of ten are currently using the program. He said that Olmsted County will stick with us for this two-year period, with Steele County still administering the program. This time they asked for \$796,000. He said that the ELHF program is ending June 30 and will then be filtered through the main Bridges fund.

Madkour said that he was invited to speak that COLA, the landlord meeting, on May 22nd. The meeting is at 6 pm in the Gainey Room at the library. He said that he wants landlords to understand that they can have a three-way relationship between landlords, tenants, and the HRA.

The May meeting falls on Monday, May 27, which is Memorial Day. Klecker said that if they can cancel the May meeting unless board action is needed. If it is, they will meet on the third Monday: Monday, May 20, 2019 instead.

Adjournment: There being no further business, a motion to adjourn was made by Rossi, seconded by Werner. All Ayes, motion carried. The meeting adjourned at 4:55 pm.

The meeting was reconvened by Atkinson at 4:57 pm. A motion was made by Rossi and seconded by Olivo to authorize payments and approve the financial reports as presented. All Ayes, motion carried.

A motion was made to adjourn by Olivo and seconded by Werner. All Ayes, motion carried. The meeting adjourned at 5:58 pm.

Respectfully Submitted,

Ghassan Madkour
Housing Manager