

**MINUTES**  
**OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY**  
**REGULAR MEETING on August 27, 2018**

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 Chairman Cate Schnitzler.

Members present were Betsy Rossi, Vicki Olivo, Cate Schnitzler, and Jerry Atkinson. Also present were Justin Stotts, Housing Manager, Troy Klecker, Community Development Director, and Kristen Kopp, Administrative Technician.

**Approval of the Minutes:** Chairman Schnitzler called for a motion to approve the minutes of the July 23, 2018 meeting. A motion was made by Olivo and seconded by Atkinson approve the minutes. All Ayes, motion carried.

**Executive Director's Report:** Klecker said that 32 permits for single family homes have been issued so far this year. Last year, the year-end total was 33. He said that it is possible that they could hit 50. Southpointe apartments opened up and were fully pre-leased. There are two apartments under construction: 111 E. Vine Street, a 54-unit apartment, and Park Plaza II by the theater, a 33-unit apartment. Anticipated opening for Park Plaza II is spring / early summer of 2019 and anticipated opening for Vine Street is June 1, 2019. With first floor parking for the Vine Street apartments, they didn't just want a brick wall facing the street, so the developer came up with a way to have a small storefront, office space, and exercise room at street level. The Pearl Street project has slowed down due to unforeseen circumstances. There have been some discussions about the project, and the goal is to have something started by next spring. He said that they are still working on a 36-unit affordable housing project. Atkinson asked about the hotel project on North Cedar. Klecker said that they are still proceeding. It's a very complex project, but every benchmark has been met. Schnitzler asked about patio homes. Klecker explained that there isn't a City ordinance that requires basement, though there can be development covenants.

**Old Business:** The Housing Choice Voucher program monthly report was presented by Stotts, including the City of Owatonna monthly balance sheet and revenue/expense report. Program utilization: the Housing Voucher program for July totaled 112. Total year to date assistance and administration costs were \$425,494.51 and revenues were \$424,601.28. The Housing Choice Voucher Program fund balance at July month end is \$43,846.20. Stotts 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 \$299,868.72 and the expenses total \$327,385.41. The HRA General Fund balance is \$246,382.13. The HRA fund includes housing assistance payments under the Bridges Like program that total \$3,832.00. The housing assistance payments under the MHFA Bridges program total \$13,156.00. Program utilization for both Bridges programs totaled 34 households. A motion was made by Olivo and seconded by Atkinson to authorize payments and approve the financial reports as presented. All Ayes, motion carried.

Stotts said that he has accepted a position as the Executive Director of North Iowa Housing, based in Mason City. He will be in charge of a 10-county area. Klecker said that the City has posted the position and have looked into other options such as contracting with Rice County or an accounting firm to handling the higher end financial side of things.

**Other:** The members discussed their Owatonna Forward Destiny Driver—Affordable Housing. Schnitzler said that she attended the kickoff and completed a video. She will be attending a meeting tomorrow as well. She said that she's gotten feedback that the Owatonna Forward movement is larger than the goal of 500 new housing units. Rossi said that there is a big need for high-end low maintenance housing. Schnitzler said that the stakeholders have a big focus on affordable housing. Olivo said that the HRA Board is focusing on a mix of housing. Klecker said that if they only focused on affordable housing, that is

all that they would have. A lot of the groups being drawn in are focused on affordable housing. It is a need, but it shouldn't dominate. Atkinson suggested getting employers involved. Schnitzler said that they need HR Directors at the table. Klecker said that Federated has invested in market rate apartments in the past. Viracon is currently bussing people from other communities to Owatonna. They would also want to see more housing. Stotts said that a lot of people would move up out of affordable housing if there were more options, which would open up more affordable housing. Klecker said that the bigger the spectrum, the better off they will be. Schnitzler said that the stakeholders' focus on affordable housing is great, but is only one piece of the puzzle. Klecker said that the HRA Board is the champion for housing, and their goal is 500 units by 2021. They can't lose focus of their goal. Schnitzler said she put together a long-term goal for the stakeholders: "We will produce living spaces in Owatonna which reflect the community we want to become." Rossi said that she didn't have a problem with that language and Olivo agreed. Stotts said that the vision and the goal are great together. They need both as the vision is very subjective.

**Adjournment:** There being no further business, a motion to adjourn was made by Werner, seconded by Olivo. All Ayes, motion carried. The meeting adjourned at 5:10 pm.

Respectfully Submitted,

Justin Stotts  
Housing Manager