



Regular Meeting

Monday, February 24, 2020

4:00 PM

2nd Floor Conference Room
City Administration Building

Preliminary Agenda

1. Roll Call: Atkinson, Kropp, Olivo, Schnitzler, Werner
2. Approval of Minutes for: January 27, 2020 Meeting
3. Executive Directors Report:
4. New Business:
 - a. Housing Choice Vouchers & Bridges numbers
 - b. Bridges in Houston & Fillmore Counties
 - c. 215 Elm update
5. Other:
 - a. Owatonna Forward
6. Adjourn

Next scheduled meeting: Monday, March 23, 2020.

Please inform the Housing and Redevelopment Authority office as soon as possible whether you will be able to attend at ghassan.madkour@ci.owatonna.mn.us or 507-774-7318.



MINUTES
OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY
REGULAR MEETING on January 27, 2020

The regular meeting of the Owatonna Housing and Redevelopment Authority was called to order at 4:00 pm in the City Council Chambers at the City Administration Building by Chairman Schnitzler.

Members present were Cate Schnitzler, Vicki Olivo, Shari Kropp, and Jerry Atkinson. Also present were Housing Manager Ghassan Madkour, Community Development Director Troy Klecker, and Administrative Technician Kristen Kopp.

Approval of the Minutes: Chairman Schnitzler called for a motion to approve the minutes of the December 16, 2019 meeting. A motion was made by Atkinson and seconded by Kropp to approve the minutes. All Ayes, motion carried.

Executive Director's Report: Troy Klecker presented the Executive Director's Report. They ended up with 35 single family and single family attached home permits in 2019. This is down from the last two years, but still as much as Austin, Albert Lea, and Faribault combined. Everyone is having a tough time because of construction costs and people are more likely to buy an existing house. Trying to find contractors to do work is hard now, too. All of Southern Minnesota is in the same place. City Council has been talking about affordable housing. One project that the City is working on is the tax credit project, Eastgate, by Domino's. The land transfer will happen in March or April and the City will convey it back to the developer. It will have to go through the platting process and through TIF. They hope to start sometime this summer. It will be 36 units with units for homeless. There is additional land for another project and the plan is to replicate this project. A lot of growth is happening. The new high school is a big piece of this as well as Costco, Minimizer, and Daikin's warehouse. Twin Cities Business Magazine did a 12-page article of Owatonna, so we are getting a lot of attention.

New 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 December totaled 102. Total year to date assistance and administration costs were \$692,220.23 and revenues were \$729,199.22 The Housing Choice Voucher Program fund balance at December month end is \$98,389.50. 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 \$519,405.56 and the expenses total \$493,557.09. The HRA General Fund balance is \$357,606.47.

A motion was made by Olivo and seconded by Atkinson to approve the reports as presented. All Ayes, motion carried.

Madkour said that the landlords' 1099s went out. The application for MCPP was done on the 15th. CRPs, or Certificates of Rent Paid, will be going out on Wednesday. The audit is coming up and when it's done, Mary will come in and give the report. The ACH direct deposits have been working aside from one quirk in the finance department's software. This is a simple, efficient process and saves a lot of work, and postage on 60 to 80 letters. He said he's added four people to the Bridges program. Fillmore and Houston Counties approved two to three vouchers. He said he won't be traveling there, but will be available via phone. The Section 8 waiting list is at a stand still and he will do another purge in June. Schnitzler asked about the house that the HRA helped to purchase. Klecker said that they have closed on the property. EDA kicked in another one-third and the remaining one-third was paid out of the City Sewer fund.

Other Business: The Commissioners discussed Owatonna Forward. Schnitzler said that there were no new updates, but that she'd connect with Peng Olson. Klecker said that the HRA Board will continue to

focus on 500 new housing units by the end of 2021. Schnitzler said she'd have an update at the next meeting.

Adjournment: There being no further business, a motion to adjourn was made by Kropp, seconded by Atkinson. All Ayes, motion carried. The meeting adjourned at 4:51 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: FEBRUARY 24, 2020

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 (Section 8), and Bridges Programs.

OWATONNA HRA GENERAL FUND

YTD Revenues:	\$47,500.00
YTD Expenses:	\$87,488.59
Fund Balance:	\$317,437.77

MHFA BRIDGES PROGRAM

Monthly HAP Revenue	\$23,979.00
Monthly Admin Revenue	\$2,550.00
Monthly HAP Expense	\$25,765.00
Occupancy:	51
Average HAP:	\$470.17

COUNTY BRIDGES PROGRAM

Monthly HAP Revenue	\$3,461.00
Monthly HAP Expense	\$3,461.00
Occupancy:	8
Average HAP:	\$432.63

SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

YTD Revenue:	\$51,908.87
YTD Expense:	\$53,280.25
Total Cash Balance:	\$96,986.22
Program Demographics:	
Households in Steele Co:	105
Average HAP:	\$459.40
Households Portable Out:	1
Average HAP:	\$656.00
Total Assisted Households:	106
Households Ported In Billing:	10

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

City of Owatonna
Income Statement by Fund
For the Period Ending January 31, 2020

FUND 280: OWATONNA HRA

Account Name	Original Budget	Current Period to Date Actual	Current Year to Date Actual	Available Budget
REVENUES				
PROPERTY TAXES	\$ 185,000.00	\$ 15,410.00	\$ 15,410.00	\$ 169,590.00
STEELE COUNTY - HOUSING GRANT	45,000.00	3,461.00	3,461.00	41,539.00
TIF ADMINISTRATIVE FEE	1,726.00	0.00	0.00	1,726.00
INTEREST INCOME	800.00	0.00	0.00	800.00
RENTS & LEASES - 140 32ND AVE	11,000.00	1,100.00	1,100.00	9,900.00
RENTS & LEASES - 204 E FREMONT	11,000.00	1,000.00	1,000.00	10,000.00
TRANSFER FROM HUD-SEC 8	7,500.00	0.00	0.00	7,500.00
STATE - BRIDGES	256,000.00	23,979.00	23,979.00	232,021.00
STATE - BRIDGES ADMIN	27,000.00	2,550.00	2,550.00	24,450.00
Total Revenues	\$ 545,026.00	\$ 47,500.00	\$ 47,500.00	\$ 497,526.00
EXPENDITURES				
WAGES - FULL TIME EMPLOYEES	\$ 80,597.00	\$ 6,054.65	\$ 6,054.65	\$ 74,542.35
PERA	6,045.00	458.05	458.05	5,586.95
FICA	6,166.00	445.33	445.33	5,720.67
INSURANCE	13,888.00	1,231.03	1,231.03	12,656.97
WORKERS COMP INSURANCE	508.00	38.48	38.48	469.52
OFFICE SUPPLIES	1,000.00	212.94	212.94	787.06
CONSULTING SERVICES	15,000.00	0.00	0.00	15,000.00
BACKGROUND CHECKS	750.00	0.00	0.00	750.00
TELEPHONE	600.00	0.00	0.00	600.00
POSTAGE	800.00	65.34	65.34	734.66
VEHICLE ALLOWANCE	500.00	16.50	16.50	483.50
TRAVEL & CONFERENCES	2,000.00	0.00	0.00	2,000.00
OPERATIONAL SERVICES - SEC 8	4,500.00	0.00	0.00	4,500.00
ADVERTISING	300.00	0.00	0.00	300.00
MEMBERSHIPS & SUBSCRIPTIONS	750.00	0.00	0.00	750.00
INSURANCE	4,100.00	1,000.00	1,000.00	3,100.00
RENTAL HOUSE EXP	5,000.00	0.00	0.00	5,000.00
RENTAL HOUSE EXP - 140 32ND AVE	5,000.00	0.00	0.00	5,000.00
REPAIR SERVICE - OFFICE EQUIP	500.00	0.00	0.00	500.00
HOUSING PAYMENTS - STEELE CO	45,000.00	3,715.00	3,715.00	41,285.00
LAND PROJECTS	50,000.00	45,366.27	45,366.27	4,633.73
RENTAL CERTIFICATION PROGRAM	22,000.00	1,870.00	1,870.00	20,130.00
SOUTHERN MN INITIATIVE FOUNDAT	1,667.00	0.00	0.00	1,667.00
TRANSFER TO OTHER FUNDS	15,000.00	1,250.00	1,250.00	13,750.00
HOUSING PAYMENTS - BRIDGES	256,000.00	25,765.00	25,765.00	230,235.00
Total Expenditures	\$ 537,671.00	\$ 87,488.59	\$ 87,488.59	\$ 450,182.41
Expenditures	\$ 7,355.00	\$ -39,988.59	\$ -39,988.59	\$ 47,343.59

FUND 282: OWATONNA HRA-HUD

Account Name	Original Budget	Current Period to Date Actual	Current Year to Date Actual	Available Budget
REVENUES				
FEDERAL GRANTS - PROGRAM	\$ 615,276.00	\$ 44,310.00	\$ 44,310.00	\$ 570,966.00
FEDERAL GRANT ADMINISTRATION	62,000.00	5,007.00	5,007.00	56,993.00
PORTABLES IN HAP	108,000.00	2,300.00	2,300.00	105,700.00
PORTABLES IN ADMIN	6,200.00	291.87	291.87	5,908.13
PORTABLES RECEIVING UTIL REIMB	1,000.00	0.00	0.00	1,000.00
INTEREST INCOME	300.00	0.00	0.00	300.00
Total Revenues	\$ 792,776.00	\$ 51,908.87	\$ 51,908.87	\$ 740,867.13
EXPENDITURES				
WAGES - FULL TIME EMPLOYEES	\$ 37,024.00	\$ 2,770.56	\$ 2,770.56	\$ 34,253.44
PERA	2,777.00	200.53	200.53	2,576.47
FICA	2,832.00	190.44	190.44	2,641.56
INSURANCE	9,698.00	678.04	678.04	9,019.96
WORKERS COMP INSURANCE	233.00	16.84	16.84	216.16
AUDIT SERVICE	9,000.00	0.00	0.00	9,000.00
PORTABLE OUT ADMINISTRATION	500.00	78.84	78.84	421.16
MANAGEMENT FEE	7,500.00	0.00	0.00	7,500.00
VEHICLE ALLOWANCE	500.00	0.00	0.00	500.00
PORT UA OUT	300.00	0.00	0.00	300.00
HOME OWNERSHIP HAP	10,000.00	728.00	728.00	9,272.00
HOUSING PYMTS HAP	610,000.00	42,778.00	42,778.00	567,222.00
FSS PYMTS HAP	8,000.00	209.00	209.00	7,791.00
UTILITY PYMTS HAP	4,000.00	447.00	447.00	3,553.00
PORTABLE HSG PYMTS	11,000.00	656.00	656.00	10,344.00
PORTABLE UTIL PYMTS	750.00	0.00	0.00	750.00
PORTABLE REC HAP	108,000.00	4,527.00	4,527.00	103,473.00
Total Expenditures	\$ 822,114.00	\$ 53,280.25	\$ 53,280.25	\$ 768,833.75
Expenditures	\$ -29,338.00	\$ -1,371.38	\$ -1,371.38	\$ -27,966.62

City of Owatonna
Balance Statement by Fund
31-Jan-20

FUND 280: OWATONNA HRA

Account Number	Account Name	Ending Balance
ASSETS		
280-000-000-10100	BANK ACCOUNTS	\$ 21,684.80
280-000-000-10900	INVESTMENTS	100,000.00
280-000-000-12100	ACCOUNTS RECEIVABLE	12,490.64
280-000-000-12200	DELINQUENT TAXES RECEIVABLE	507.77
280-000-000-13200	DUE FROM OTHER GOVERNMENTS	20,217.80
280-000-000-14150	LAND HELD FOR RESALE	184,208.00
280-000-000-14240	NOTE RECEIVABLE	6,170.00
Total Assets		<u>\$ 345,279.01</u>
LIABILITIES		
280-000-000-20100	ACCOUNTS PAYABLE	\$ 13,373.22
280-000-000-20550	DUE TO OTHER GOVERNMENTS	5,542.00
280-000-000-21015	REFUNDABLE DEPOSITS	1,905.00
280-000-000-22200	DEFERRED REVENUE	6,170.00
280-000-000-22210	DEFERRED REVENUE - DEL TAXES	851.02
Total Liabilities		<u>\$ 27,841.24</u>
FUND EQUITY		
280-000-000-29100	FUND BALANCE	\$ 317,437.77
Total Fund Equity		<u>\$ 317,437.77</u>
Total Liabilities and Fund Equity		<u>\$ 345,279.01</u>

FUND 282: OWATONNA HRA-HUD

Account Number	Account Name	Ending Balance
ASSETS		
282-000-000-10100	BANK ACCOUNTS	\$ 82,278.42
282-000-000-10101	BANK ACCOUNTS - DEPOSITS	22,693.57
282-000-000-12100	ACCOUNTS RECEIVABLE	10,655.00
282-000-000-13200	DUE FROM OTHER GOVERNMENTS	8,078.28
Total Assets		<u>\$ 123,705.27</u>
LIABILITIES		
282-000-000-20100	ACCOUNTS PAYABLE	\$ 1,778.64
282-000-000-20550	DUE TO OTHER GOVERNMENTS	2,104.86
282-000-000-22200	DEFERRED REVENUE	141.98
282-000-000-22250	DEPOSITS	22,693.57
Total Liabilities		<u>\$ 26,719.05</u>
FUND EQUITY		
282-000-000-29100	FUND BALANCE	\$ 96,986.22
Total Fund Equity		<u>\$ 96,986.22</u>
Total Liabilities and Fund Equity		<u>\$ 123,705.27</u>

Owatonna H.R.A.
Demographic Statistics Report
Vouchers - All Projects

<u>Unit Locations</u>	<u>HoH Count</u>	<u>Percent</u>	<u>Fam Count</u>	<u>Percent</u>
	1	1	2	1
Blooming Prairie	1	1	2	1
Ellendale	2	2	4	1
Owatonna	101	96	274	97
Total All Locations	105	100	282	100

<u>Family Composition</u>	<u>Count</u>	<u>Percent</u>	<u>Avg Age</u>
Average Family Size	3		
Elderly Heads of Household (age 62 or older)	22	21	71
Non-Elderly Heads of Household (age 61 or less)	83	79	43
Near-Elderly Heads of Household (ages 55 to 61)	11	10	58
Other Heads of Household (age 54 or less)	72	69	40
Female Heads of Household	82	78	48
Elderly	16	20	70
Non-Elderly	66	80	42
Near-Elderly	10	12	58
Other	56	68	39
Male Heads of Household	23	22	53
Elderly	6	26	75
Non-Elderly	17	74	45
Near-Elderly	1	4	61
Other	16	70	44
Disabled/Handicapped Heads of Household	57	54	56
Male	18	32	53
Female	39	68	56
Non-Minority Heads of Household	56	53	
Minority Heads of Household	49	47	
Black	39	37	
Hispanic	10	10	
# of Family Members younger than 18 years	140		9
# of Families with children	48	46	

<u>Income Source</u>	<u>Annual Amount</u>	<u>Percent</u>	<u>Count</u>	<u>Percent</u>
Child Support	\$102,461	5.0	23	9
General Assistance	\$73,272	3.6	30	11
HA Wages	\$1,320	0.1	1	0
Other Nonwage Sources	\$199,608	9.8	60	23
SSI	\$395,154	19.3	50	19
Social Security	\$261,360	12.8	33	13
TANF (formerly AFDC)	\$41,796	2.0	12	5
Other Wage	\$967,660	47.4	54	21
Total All Income Sources	\$2,042,632	100	263	100

Public Assistance is the sole source of income for 1% of households.
 Households that are working comprise 43% of households.
 Of the working households, 4% of households also receive TANF.

Average Household Income	\$19,454
Average Tenant Rent (0-Bdrm)	\$50
Average Tenant Rent (1-Bdrm)	\$249
Average Tenant Rent (2-Bdrm)	\$281
Average Tenant Rent (3-Bdrm)	\$400
Average Tenant Rent (4-Bdrm)	\$623
Average Tenant Rent (5-Bdrm)	\$395
Average Tenant Rent (Combined)	\$329
Average TTP (rent + utilities per month)	\$397

Owatonna H.R.A.
Demographic Statistics Report
Vouchers - All Projects

Average Housing Assistance Payment \$461

<u>Length of Time On Program</u>	<u>Count</u>	<u>Percent</u>
Less than 1 years	16	15
Less than 2 years	10	10
Less than 3 years	3	3
Less than 4 years	13	13
Less than 5 years	14	13
Less than 6 years	9	9
Less than 7 years	1	1
Less than 8 years	4	4
Less than 9 years	10	10
Less than 10 years	3	3
More than 10 years	21	20

<u>Broad Range of Income</u>	<u>Count</u>	<u>Percent</u>
\$0 - \$5,000	5	5
\$5,000 - \$10,000	7	7
\$10,000 - \$15,000	39	38
\$15,000 - \$20,000	13	13
\$20,000 - \$25,000	12	12
More than \$25,000	26	25

<u>Income Levels</u>	<u>Count</u>	<u>Percent</u>
Over Income	105	100

Owatonna H.R.A.
Demographic Statistics Report
 Bridges - All Projects

<u>Unit Locations</u>	<u>HoH Count</u>	<u>Percent</u>	<u>Fam Count</u>	<u>Percent</u>
Ellendale	1	3	1	2
Owatonna	30	86	47	84
Waseca	4	11	8	14
Total All Locations	35	100	56	100

<u>Family Composition</u>	<u>Count</u>	<u>Percent</u>	<u>Avg Age</u>
Average Family Size	2		
Elderly Heads of Household (age 62 or older)	0	0	0
Non-Elderly Heads of Household (age 61 or less)	35	100	42
Near-Elderly Heads of Household (ages 55 to 61)	4	11	59
Other Heads of Household (age 54 or less)	31	89	40
Female Heads of Household	23	66	40
Elderly	0	0	0
Non-Elderly	23	100	40
Near-Elderly	3	13	59
Other	20	87	37
Male Heads of Household	12	34	45
Elderly	0	0	0
Non-Elderly	12	100	45
Near-Elderly	1	8	57
Other	11	92	44
Disabled/Handicapped Heads of Household	27	77	42
Male	11	41	46
Female	16	59	42
Non-Minority Heads of Household	25	71	
Minority Heads of Household	10	29	
Black	6	17	
Hispanic	4	11	
# of Family Members younger than 18 years	15		12
# of Families with children	8	23	

<u>Income Source</u>	<u>Annual Amount</u>	<u>Percent</u>	<u>Count</u>	<u>Percent</u>
Child Support	\$1,872	0.5	1	1
General Assistance	\$28,980	7.7	14	20
Other Nonwage Sources	\$43,812	11.6	15	22
SSI	\$127,986	34.0	14	20
Social Security	\$127,992	34.0	18	26
TANF (formerly AFDC)	\$8,400	2.2	1	1
Other Wage	\$37,130	9.9	6	9
Total All Income Sources	\$376,173	100	69	100

Public Assistance is the sole source of income for 9% of households.
 Households that are working comprise 17% of households.
 Of the working households, 0% of households also receive TANF.

Average Household Income	\$10,748
Average Tenant Rent (0-Bdrm)	\$61
Average Tenant Rent (1-Bdrm)	\$189
Average Tenant Rent (2-Bdrm)	\$268
Average Tenant Rent (3-Bdrm)	\$432
Average Tenant Rent (4-Bdrm)	\$564
Average Tenant Rent (Combined)	\$248
Average TTP (rent + utilities per month)	\$236
Average Housing Assistance Payment	\$471

Owatonna H.R.A.
Demographic Statistics Report
Bridges - All Projects

<u>Length of Time On Program</u>	<u>Count</u>	<u>Percent</u>
Less than 1 years	13	37
Less than 2 years	6	17
Less than 3 years	4	11
Less than 4 years	9	26
Less than 5 years	3	9
Less than 6 years	0	0
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

<u>Broad Range of Income</u>	<u>Count</u>	<u>Percent</u>
\$0 - \$5,000	6	18
\$5,000 - \$10,000	10	30
\$10,000 - \$15,000	8	24
\$15,000 - \$20,000	4	12
\$20,000 - \$25,000	4	12
More than \$25,000	1	3

<u>Income Levels</u>	<u>Count</u>	<u>Percent</u>
Over Income	35	100