

MINUTES
OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY
REGULAR MEETING on January 28, 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 Chairman Cate Schnitzler.

Members present were Jerry Atkinson, Betsy Rossi, Cate Schnitzler, and Dennis Werner. Also present were Ghassan Madkour, 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 December 17, 2018 meeting. A motion was made by Atkinson and seconded by Werner to approve the minutes. All Ayes, motion carried.

Executive Director's Report: Klecker said they finished the year with 38 single family homes, which is up from 33 last year and the most new homes since 2007. We were also ahead of all other cities in the area, except for Lonsdale, which had 45. He said the 33-unit apartment near the theater is hoping to open in March and the 54-unit apartment on Vine Street is aiming for a June 1st opening. Werner asked about the women's and children's homeless shelter. Klecker said that their tenant still hasn't found anything. He said that West Hills Lodge will not be occupying their space on Florence after the end of this month. This building will revert back to the County. Transitional Housing is talking to them as it may be a good fit for the women's and children's shelter. Atkinson asked if there were places for warming on extremely cold nights like this week. Klecker said there isn't a specific place, but the Hospitality House and local churches are resources.

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 December totaled 99. Total year to date assistance and administration costs were \$733,779.89 and revenues were \$704,847.58. The Housing Choice Voucher Program fund balance at December month end is \$25,582.64. 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 \$469,676.74 and the expenses total \$522,737.18. The HRA General Fund balance is \$226,838.38. Program utilization for both Bridges programs totaled 51 households. A motion was made by Rossi and seconded by Atkinson to authorize payments and approve the financial reports as presented. All Ayes, motion carried.

Madkour said that HUD will pay for February vouchers and they are expecting March and April payments. He said he has a letter ready to go out to landlords, but is holding off as he doesn't want to sound any unnecessary alarms.

He said Bridges is status quo and they are coming to an end of the grant as of June. They have 12 portable vouchers and a couple who want to port in. He's been working with Finance Director Rhonda Moen.

New Business: Madkour said that the two-year Bridges grant is up in June. He said that we administer our grant, plus nine other counties, of which two are active—Olmsted and Mower Counties. He said that they send us their numbers, we cut a check, and get reimbursed. Klecker said that when Stotts was here, Olmsted County was willing to administer, but we got some pushback from the Human Relations Center, who was afraid that our vouchers would be swallowed up by Olmsted County. We had more grants, which is why we administered it in the first place. At that time, nothing was done. Madkour said that they could break it up geographically. He said that currently, if they are audited and have errors, that is on us as we are supposed to be holding Olmsted County accountable. We have 24 clients and they have 18. Klecker added that we had the majority because we had the need, but it was perceived by some that we weren't

giving them to other counties. He said that they are considering separating them. Rossi clarified that we wouldn't be asking Olmsted County to administer our grant. Schnitzler questioned the grant amount. Madkour said that it would go by past performance, so if we used \$300,000 of \$512,000, that's what we could get. Rossi said to go for it, but said that Olmsted County would ultimately make the decision. Madkour said he is asking the board if they are okay with him starting a conversation and making an offer. Klecker said that we originally administered for several counties because (they) didn't want every county doing their own. A motion was made by Rossi and seconded by Werner to proceed with the conversation and make an offer to split the grants with Olmsted County. All Ayes, motion carried.

Other Business: Klecker said that they have received a letter from a client who is in the homeownership program. This letter was addressed to Klecker and the HRA Board. All of her communication is through mail. She feels she's not being treated how she interprets the rules. They decided the best way to resolve it was to have a third party review it all. Madkour said that it was a question of a calculation of the maintenance and utility allowances. It was sent for a desk review at another county who deals with the homeownership program more than we do. They determined that she's already maximized her payment standard—she can't do both the maintenance and utility allowances. Her portion has gone up from \$0 to \$17, which could be what prompted her questioning. He said that her mortgage is still \$480. He wanted to let the board know in case she contacts them directly. Rossi said that she hasn't and said that they did what needed to be done with the third party review. Schnitzler asked if there was any concern with fraud. Madkour said he doesn't go down that road unless he has concrete info. He said he can use Enterprise Income Verification, which is a web-based computer system that contains employment and income information of individuals who participate in HUD rental assistance programs.

Madkour said that there was a good turnout at Thursday's Project Community Connect.

The commissioners discussed Owatonna Forward. Schnitzler said that it's going well. More people are signing up and there are a lot of ideas being shared. There is a meeting on February 6th in the City Council Chambers from 4 to 6 pm. The City will do a presentation on the housing study as well as a Q & A. Klecker said that the housing study isn't current and they are planning to do the next study next year. Schnitzler said one of the goals is education. Atkinson asked if other cities in the area are doing anything like this and whether we can reach out to them. Schnitzler said that Austin and Mankato are. She said that she's asked the team leaders to come up with smart goals, all revolving around the goal of 500 units. People feel good about coming to the table and being active. One of the most common questions being asked is, "What is the greatest housing need in Owatonna?"

Adjournment: There being no further business, a motion to adjourn was made by Rossi, seconded by Atkinson. All Ayes, motion carried. The meeting adjourned at 5:21 pm.

Respectfully Submitted,

Ghassan Madkour
Housing Manager