

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

The regular meeting of the Owatonna Housing and Redevelopment Authority was called to order at 4:00 pm on Microsoft Teams by Chairman Schnitzler.

Community Development Director Troy Klecker 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 Jerry Atkinson, Shari Kropp, Vicki Olivo, Cate Schnitzler, and Dennis Werner. 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 February 24, 2020 meeting. A motion was made by Atkinson and seconded by Werner to approve the minutes. Commissioners voting Aye: Atkinson, Kropp, Olivo, Schnitzler, and Werner. 5-0, motion carried.

**Executive Director's Report:** Troy Klecker presented the Executive Director's Report. He said that the HRA purchased a house at 215 N. Elm Avenue with the EDA and City a few months ago. It is currently rented out to Transitional Housing and managed by the HRA with the intent to eventually demolish it to construct a parking lot across from the Law Enforcement Center. So far, the City has purchased three of four houses needed for the future parking lot. The owner of the fourth house at 221 N. Elm Avenue contacted the City because they are interested in selling their home. Their sale price is \$142,000. The assessed value is \$149,000. This would be the same as the last house, with the HRA, EDA, and City all contributing one-third of the purchase price. Because the HRA would manage it, they'd be the first to be reimbursed. As with the last house, this one would be rented out to Transitional Housing until they're ready to do the parking lot. One-third of the purchase price is around \$47,000. Budget-wise, the HRA has the money to do land projects. With the Eastgate tax credit project near Domino's, the City participated by purchasing the land, but no dollars were specifically needed from the HRA. 215 N. Elm Avenue is rented for \$1,000 / month. Werner asked how many bedrooms there are. Klecker said it's three bedroom and two bathrooms. He said Transitional Housing is a good organization to rent to as they assist those in need. This will accomplish two things: short-term needs of housing and the long-term plan of downtown redevelopment. Schnitzler asked if there is a timeframe on the parking lot and said that she's a little concerned about purchasing a house which will eventually be demolished. Klecker said that it would be at least a year. He said this is how redevelopment projects work. Werner asked if it's rentable now. Klecker said that he's pretty sure it is. Given the circumstances of the pandemic, he can't go into the house. The realtor took a lot of photos and he said he felt good about it. He said that based on the photos, without having been inside, he'd say it's rentable. He said Madkour and he would walk through it to see if there are any minor repairs. The current owner runs a home daycare, and they are closely monitored. A motion was made by Kropp to contribute one-third of the purchase price of the home at 221 N. Elm Avenue. Schnitzler asked about a timeline; how many years until it's demolished. Klecker said a lot depends on what happens downtown. He said that it would be next year at the earliest, and that would be aggressive and based on the hotel project. He said realistically, if they don't need a parking lot, they will sit on it until they do. Atkinson said that it's been researched well, and he seconded the motion. Commissioners voting Aye: Atkinson, Kropp, Olivo, Werner. Commissioners voting Nay: Schnitzler. 4-1, motion carried.

**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 March totaled 102. Total year to date assistance and administration costs were \$161,313.50 and revenues were \$161,560.10. The Housing Choice Voucher Program fund balance at March month end is \$67,071.90. 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 \$116,113.00 and the expenses total \$168,519.78. The HRA General Fund balance is \$317,437.77.

Madkour said that he is gun shy on new vouchers because of the circumstances. As people lose jobs due to COVID-19, the budget amount increases. He said that he's keeping HUD in the loop. Bridges is status quo with no changes. He's running 94 vouchers now with 8 port-ins and 2 port-outs. He's working on 3 more port-ins. Port-ins don't come out of his budget, but he does get admin fees for each one. He said that he can't add any more clients, and Olmsted and Austin both know that. The house on N. Elm Avenue is now being leased. He said that he will do a waitlist purge in June. A motion was made by Olivo and seconded by Werner to approve the reports as presented. Commissioners voting Aye: Atkinson, Kropp, Olivo, Schnitzler, and Werner. 5-0, motion carried.

Schnitzler said that there isn't a lot of updates on Owatonna Forward. Matt Durand had taken over and had invited stakeholders to a meeting, which was derailed due to COVID-19. The goal remains to add 500 new housing units. Klecker said that he hasn't heard a lot from Owatonna Forward in general lately.

Madkour said that it's Werner's final term on the HRA Board. He said the Mayor may want him for another term. Klecker said he will check into it and see what the options are.

Madkour said that the May meeting falls on Memorial Day, and the Commissioners had discussed moving the May meeting to Monday, June 1<sup>st</sup> as there are five Mondays in June. A motion was made by Kropp and seconded by Werner to move the May meeting to Monday, June 1<sup>st</sup>. Commissioners voting Aye: Atkinson, Kropp, Olivo, Schnitzler, and Werner. 5-0, motion carried.

**Adjournment:** There being no further business, a motion to adjourn was made by Werner, seconded by Kropp. Commissioners voting Aye: Atkinson, Kropp, Olivo, Schnitzler, and Werner. 5-0, motion carried. The meeting adjourned at 4:33 pm.

Respectfully Submitted,

Ghassan Madkour  
Housing Manager