

**MINUTES**  
**OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY**  
**REGULAR MEETING on June 1, 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 Shari Kropp, Vicki Olivo, and Cate Schnitzler. 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 April 27, 2020 meeting. A motion was made by Kropp and seconded by Olivo to approve the minutes. Commissioners voting Aye: Kropp, Olivo, and Schnitzler. 3-0, motion carried.

**Executive Director's Report:** Troy Klecker presented the Executive Director's Report. He said there are nine single family house permits issued so far in 2020 with one currently in review. This is on pace with last year, which is good. He said that the City closed on the Eastgate property last week. The demolition will be done while it's under City ownership so it is eligible for the grant. Demolition and clean up will be done by the developer and then the property will be conveyed to the developer. There are still a couple of zoning approvals needed as there was a request by the City Engineer for one driveway on the property, resulting in moving the building to accommodate this. They will have to go through the variance process to allow the building to be moved. They hope to start building in August and it will take 10 to 12 months to complete. It's a complicated project, but is moving forward and going well. The 43-unit apartment building on Florence Avenue is close to starting. The 71-unit apartment building on Lemond Road has approvals, but plans have not been submitted yet. There is a proposal for a 36-unit market rate apartment building on Mound Street, which would require TIF approvals. The public hearing for this is set for July 7<sup>th</sup>. There are a lot of housing projects which developers still have confidence to do, viewing the economic downturn as short term. The commercial and industrial side is also proceeding as normal. Madkour asked if this would put us over 300. Klecker said that he will have to total everything up. He said not every city is getting these projects. The 28 unit apartment building by Hy-Vee is set to open on June 15<sup>th</sup>. 24 of the 28 units are already rented out. Schnitzler said that shows there is a need. She asked how close they are to 500. Klecker said he will get that number for the next meeting. Madkour said it's awesome for this time we're in.

**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 May totaled 102. Total year to date assistance and administration costs were \$217,034.06 and revenues were \$219,965.01. The Housing Choice Voucher Program fund balance at May month end is \$69,756.25. 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 \$186,493.69 and the expenses total \$213,940.62. The HRA General Fund balance is \$358,917.04.

Madkour said that things are status quo. The biggest difference is he just put out ten invitations for HCV vouchers. He's received seven back and five have gone through criminal check and qualify. He said he will hopefully be able to issue them by July 1. He was finally able to do inspections last Thursday and Friday. The Fire Department supplied him with the equipment he needed. 70% of the inspections passed. He will get photos from some to minimize physical communication. On the Bridges side, he will add Houston and Fillmore Counties when there is room. Five people on Bridges and HCV lost jobs. He said he's glad to fulfill a need. Next Monday he will send letters out for the waitlist purge. He said he thinks

many will respond. He's doing his best to accommodate clients. The building is open by appointment only and he's set up a meeting room downstairs where he will meet clients. Schnitzler asked if he felt comfortable with the PPE he's been given. Madkour said he does. He's had to as a few people for six feet distance. Schnitzler asked how many units were inspected. Madkour said he inspected 18 units and five failed. Schnitzler asked what happens when one fails inspection. Madkour said that they have 30 days from the inspection to address issues. If it's the landlord's responsibility, he will start abatement and if it's the tenant's responsibility, they risk losing their voucher. He said they're given a lot of warning. Olivo asked about mitigating circumstances. Madkour says that unless HUD says to do so, he won't postpone deadlines. (??) He gets regular updates from HUD and they've lightened up a bit, but they want inspections to be done. If the issue is something they need a contractor for, he will pass the inspection with a contingency. If it's a simple fix, like a drain stopper, and not a life safety risk, such as smoke alarms, that's different. Schnitzler asked if unemployment figures as income. Madkour says that it does, but the extra \$600 a week does not.

A motion was made by Olivo and seconded by Kropp to approve the reports as presented. Commissioners voting Aye: Kropp, Olivo, and Schnitzler. 3-0, motion carried.

Madkour said that the 2019 HRA Audit will be presented at the July 27<sup>th</sup> meeting and wanted to make sure there will be a quorum as someone is coming down from St. Cloud to present. Klecker said that they are in the process of trying to get another member as Denny Werner's term is done.

Madkour asked the Commissioners about cancelling the June 22<sup>nd</sup> meeting as today's meeting is in June. A motion was made by Kropp and seconded by Olivo to cancel the June 22<sup>nd</sup> HRA meeting. Commissioners voting Aye: Kropp, Olivo, and Schnitzler. 3-0, motion carried.

Schnitzler said that she didn't have an update from Owatonna Forward. Klecker said that Owatonna Forward doesn't exist as it was. They helped to kick off all of the projects and are working on citizen engagement. Schnitzler said that they'll keep on working toward the goal of 500 housing units.

**Adjournment:** There being no further business, a motion to adjourn was made by Kropp, seconded by Olivo. Commissioners voting Aye: Kropp, Olivo, and Schnitzler. 3-0, motion carried. The meeting adjourned at 4:42 pm.

Respectfully Submitted,

Ghassan Madkour  
Housing Manager