

**Brainerd Housing and Redevelopment Authority
BOARD MEETING MINUTES
March 28, 2018**

A regular meeting of the Board of Commissioners of the Housing and Redevelopment Authority (HRA) in and for the City of Brainerd, Minnesota, was held at 1:00 p.m., Wednesday, March 28th, 2018, at the Brainerd HRA Administrative Office, 324 East River Road, in Brainerd, Minnesota.

1. **CALL TO ORDER:** Vice Chair Patrick Wussow called the meeting to order at 1:00 p.m.
2. **ROLL CALL:** Present at the meeting were Commissioners Patrick Wussow, Gabe Johnson, Rick Fargo, Marlee Larson (via teleconference), and Eric Charpentier. Also present were Executive Director Jennifer Bergman, Finance Director Karen Young, Ashley Storm, Rental Assistance Manager Tania Eller, Rehab Coordinator John Schommer, Housing Manager Teresa Hettver, and Executive Assistant LeAnn Goltz. Absent: Krista Brodal.
3. **OATH OF OFFICE:** Ashley Storm, who was appointed to the Brainerd HRA Board by the City Council at their March 19th meeting, took her oath of office.
4. **READING AND APPROVAL OF MINUTES:**

Commissioner Johnson made a motion to approve the minutes from the February 28, 2018, board meeting. Commissioner Larson seconded the motion. All commissioners voted in favor of the motion and none were opposed. The minutes were approved.

5. **BILLS AND COMMUNICATIONS:**

- a. **Financial Report:** Mary Reedy from CliftonLarsonAllen (CLA) will be at the April board meeting to present the agency audit. The unaudited financial information, due to the Real Estate Assessment Center (REAC) by February 28th, was submitted.

Commissioner Fargo made a motion to approve the February payments as presented. Commissioner Charpentier seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion passed.

- b. **HCV Programs Report:** Eller provided reports for the FSS, Bridges, and Section 8 programs. Through February, the Unit Months Leased (UML) was 101% and HAP utilization was 17%.

Eller reported that the 2018 omnibus spending package for HUD was approved, which means the Brainerd HRA HAP will be funded at 100% rather than 96% as anticipated. Staff projects being able to lease between 98–100%. In addition, the agency being in shortfall with HUD is not expected.

The Section 8 waiting list was opened per Board approval last month. Staff members have been busy notifying applicants on the list.



The “What Home Means to Me” poster contest was a success. The Brainerd HRA received 10 poster entries from children ages six to 16 years. All entries received a \$5.00 gift card for participating and the two winners received a \$25.00 gift card.

- c. **Public Housing Report:** The Board requested that moving forward Hettver also include move-ins and move-outs on her Public Housing Report.

Hettver informed the Board that she was notified yesterday that the Brainerd HRA is a high performer.

Commissioner Johnson made a motion, seconded by Commissioner Charpentier, to formally congratulate staff on their expected high performance. All commissioners voted in favor of the motion and none were opposed. The motion passed.

- d. **Executive Director Report:** Bergman reported on the following items:

Outlot F

City and HRA staff met with a potential buyer for Marsh Run. Bergman informed him that the HRA owns land adjacent to the property and he requested additional information on Outlot F.

Federal Home Loan Bank Affordable Housing Program

The HRA is exploring a potential application for additional funds for owner-occupied housing rehab through the Federal Home Loan Bank’s (FHLB) Affordable Housing Program. We are required to partner with a FHLB member bank and have reached out to Brainerd Savings and Loan who is interested in sponsoring our application. This will be offered through all of Crow Wing County and will be a CWC HRA application.

Opportunity Zones

Crow Wing County submitted an application to the State of Minnesota to request that the Governor select up to five qualified census tracts in Crow Wing County for Opportunity Zones. The Governor has until April 20th to make recommendations for Opportunity Zones in Minnesota to the U.S. Treasury.

Administration of the City of Brainerd’s Revolving Loan Program

The HRA assisted the City of Brainerd in creating guidelines for their revolving loan program and they have asked us to administer it on their behalf. They have approximately \$145,000 in an old Community Development Block Grant (CDBG). The Personnel and Finance Committee discussed the proposed guidelines at their February 5th meeting and an EDA meeting was held on March 27th to discuss this program. The EDA recommended the Council approve the guidelines. The Memorandum of Agreement will likely be on the April Brainerd HRA agenda for the Board’s consideration.

Lease Subsidy Agreement for the Purple Fern

Staff is working with Martha Ingram from Kennedy & Graven to create the necessary documents for the lease subsidy for the winner of the Destination Downtown competition, the Purple Fern. A forgivable loan agreement will be on the April Brainerd HRA agenda for the Board’s consideration and approval.



Governor’s Task Force

Bergman participated on a panel and presented at the Governor’s Task Force Meeting. They are doing a state tour on April 5th and will be coming to the Initiative Foundation that evening from 5:00 to 8:00 p.m.

River to Rail

The Steering Committee has a meeting scheduled on Monday, April 9th to debrief on the February community event and to discuss the next steps.

Legislative Conference

Bergman will be in Washington DC for the NAHRO Legislative Conference the weekend of April 20th.

Rehab Report

Schommer reviewed the Rehab Report. He added that we solicited proposals for a hazardous material assessment for 601 South 10th property. Proposals were received from Elite Environmental and Braun Intertec. Elite Environmental was selected.

6. **UNFINISHED BUSINESS:** Nothing to report.

7. **NEW BUSINESS:**

- a. **Authorize MHFA Rehab Loan Program Project Service Area:** Of the 19 requests for rehabilitation loans received last year, five of them were from Cass County and four of those five requests were from the Pillager area. Given the significant interest we have for MHFA Loans from this area and the close proximity to the HRA office, staff requested the Board’s authorization to expand its service area.

Commissioner Johnson made a motion to approve the expansion of the service area for the MHFA Rehabilitation Loan Program. Commissioner Fargo seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion passed.

8. **POLICY REVIEW AND APPROVAL:**

- a. **Section 3/MBE/WBE Policy:** Federal regulation at 24 CFR Part 135 requires that, to the extent possible, employment and other economic opportunities generated by HUD funds be directed to low- and very-low income (Section 3) residents. Staff presented an updated policy to ensure that requirements of Section 3/MBE/WBE (Minority Business Enterprise/Woman Business Enterprise) are met. The Brainerd HRA will take all necessary affirmative steps to assure that Section 3 residents, minority firms, and women’s business enterprises are used when possible.

Commissioner Johnson made a motion to approve Resolution No. 2018-03 adopting the Section 3/MBE/WBE Policy. Commissioner Charpentier seconded the motion. Via roll call vote, all commissioners voted in favor of the motion and none were opposed. The motion passed.



- b. Access to Public Records Policy:** The Brainerd HRA, along with all governmental entities, must comply with the Minnesota Government Data Practices Act (MGDPA), Minnesota Statutes, Chapter 13. This act creates a presumption that state and local government records are accessible to the public, unless a statute or rule provides otherwise. Staff provided the Board with a policy that defines accessibility of records and the process to see (inspect) or obtain copies of government data maintained by the Brainerd HRA.

Commissioner Storm made a motion to approve Resolution No. 2018-04 adopting the Access to Public Records Policy. Commissioner Johnson seconded the motion. Via roll call vote, all commissioners voted in favor of the motion and none were opposed. The motion passed.

Commissioner Johnson recommended that staff of the Brainerd HRA use a footer in all email correspondence that states they abide by the act.

- c. Natural Disaster Response Policy:** A Natural Disaster Response Policy was presented to the Board. The policy focuses primarily on how the Brainerd HRA shall react to such a disaster. All reasonable steps will be taken to act promptly and effectively in an emergency.

Bergman pointed out a plan must be created within 60 days, which will be done.

Commissioner Johnson requested an amendment to policy by striking the sentence that discusses petty cash.

Commissioner Johnson made a motion to approve Resolution No. 2018-05 adopting the Natural Disaster Response Policy as amended. Commissioner Fargo seconded the motion. Via roll call vote, all commissioners voted in favor of the motion and none were opposed. The motion passed.

- 9. COMMISSIONER COMMENTS:** Commissioner Johnson reported that the City's intern performed a vacancies count and the result was about two months. Commissioner Wussow asked for an updated policies spreadsheet as well as an update and discussion on the HRA goals.

Next meeting agenda topics: Revolving Loan Program Memo of Agreement; Purple Fern Lease Subsidy Agreement; and Presentation of the 2017 Audit.

Since Bergman would be in Washington DC for the next scheduled board meeting, the Board chose to push it back to May 2nd.

10. ADJOURN:

Commissioner Fargo made a motion to adjourn the meeting. Commissioner Johnson seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved and meeting was adjourned at 2:23 p.m.

