

**Brainerd Housing and Redevelopment Authority
BOARD MEETING MINUTES
October 28, 2015**

The October 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, October 28, 2015, at the Brainerd HRA Administrative Office, 324 East River Road, in Brainerd, Minnesota.

- 1. CALL TO ORDER:** Chair Fargo called the meeting to order at 1:00 p.m.
- 2. ROLL CALL:** Present at the meeting were Chair Rick Fargo, Commissioners Nathan Steffenson, Dale Parks, Gabe Johnson, Patrick Wussow, Marlee Larson, and Eric Charpentier. Also present were Executive Director Jennifer Bergman, Finance Director Karen Young, Housing Manager Teresa Hettver, Executive Assistant LeAnn Goltz, and Jason Edens from RREAL.

Chair Fargo moved to adjust the agenda's sequence and hold the public hearing first.

- 3. Public Hearing - Approval of PHA Plan:** Chair Fargo opened the public hearing at 1:01 p.m.

The HRA is required to develop an Annual Plan each year between the Five-Year Agency Plan. If there are any changes to the goals, objectives, and policies of the agency, a public hearing must be held prior to the approval of the Annual Plan.

Changes made to the Plan were to Paragraph 8.1 regarding Capital Fund Program current and open grants and to the Capital Fund Program Five-Year Action Plan.

Commissioner Steffenson requested that whenever possible environmentally-friendly projects be considered.

Chair Fargo asked for any public response. Three residents were present and one responded with, "The HRA is doing a good job. Thank you."

Commissioner Parks made a motion to close the public hearing. Commissioner Johnson seconded the motion. All commissioners voted in favor and Chair Fargo closed the public hearing at 1:08 p.m.

Commissioner Johnson made a motion to adopt Resolution No. 2015-01 and approve the Annual Plan. Commissioner Parks seconded the motion. A roll call vote was taken and Commissioners Fargo, Steffenson, Parks, Johnson, Wussow, Larson, and Charpentier voted in favor of the motion. No commissioners opposed and the motion was approved.

- 4. READING AND APPROVAL OF MINUTES FROM THE PREVIOUS MEETING:** Commissioner Steffenson made a correction to the minutes. Section 5, Part A, third paragraph should read, " Other suggestions from conference included: all appliances in Public Housing are required to be Energy Star Rated..."



Commissioner Larson made a motion to approve the minutes as amended from September 30th, 2015. Commissioner Parks seconded the motion. All Commissioners voted in favor of the motion and none were opposed. The minutes were approved as amended.

5. **Presentation on Solar Electric/Heat - Jason Edens, RREAL:** Jason Edens from the Rural Renewable Energy Alliance (RREAL) gave an informational presentation about the organization. He also shared that the solar electric panel system that was installed at the Todd Street residence last winter has accumulated 1.74 megawatt hours to date. In addition, the system has already halved electric consumption for one year and the family has saved approximately \$25 per month.

6. **BILLS AND COMMUNICATIONS:**

a. **Financial Report:**

Tax Exemption Claim

Per Minnesota State Statute, we can apply for a refund of sales tax paid for construction materials and supplies used in our Public Housing properties. The Brainerd HRA received a refund claim of \$2,611.42 in September for purchases made primarily from 2014 to the present for purchases made by our contractors. Prior to this, we've submitted and received back about \$12K. The hope is to do this for Valley View, College Drive, and Brainerd South. Our finance staff is currently doing claims for Crosby HRA.

Brainerd South Fund Balance

The September Brainerd South fund balance shows a deficit of (\$6,789.52). This was caused from the property and liability insurance premium payment of \$24,684 made in September and the reimbursement from the escrow account for that amount not received until October. Commissioner Parks wondered if city taxes are reimbursed as well as the state. Young was not certain and would find out.

- b. **HCV Report:** Bergman informed the Board that the total vouchers for the month of September was 302. Staff members are working very hard to increase that number as well as the average number to date, which was 312. It is always our goal to finish as close to 100% as possible, but because we were short staffed for five months and Tania has a learning curve, we may not meet that goal. In addition, the staff is looking into how to switch to biennial inspections. Commissioner Parks requested to see the utilization numbers, the ratio of HAP spent to eligibility and unit months leased (UML) included in the monthly reporting.

c. **Public Housing Report:**

Vacancy Report for September 2015

Vacancies increased slightly in September but appear to be decreasing for October.

Monthly Property Performance Report for September 2015

Per the Board's request, Hettver included the number of units we have of each bedroom size in public housing. She also informed the Board of the pre-bid meeting that will be held on November 3rd for the POHP North Star Elevator Upgrade project.



d. Executive Director Report:

Housing Institute

On October 12th, the Downtown Brainerd team had a meeting and heard presentations on marketing and the Northeast Investment Club. They also had their final full Housing Institute October 20–21st, where they narrowed down their goals. They met one-on-one with five different funders to get advice on how to finance a project, using the Downtown Mall as an example. The team is meeting for the final time in November and will present final goals in January to the Brainerd HRA Board, Brainerd City Council, Region 5, Brainerd Restoration, and BLAEDC.

Chair Fargo asked about the Entrepreneur Fund and if it is something they will want to consider again. Bergman explained that it is likely that Brainerd Restoration will continue with the goals and efforts for Downtown. She also noted that she met with Sheila Haverkamp from BLAEDC and they may be establishing a similar program.

CWC HRA Veterans Housing Project

Hoisington Koegler Group, Inc., (HKGi) convened a meeting of the Veterans Service Member Advisory Group on October 7th to seek input on the project vision, goals, and outcomes. HKGi will be conducting a charrette exercise on November 19th to brainstorm about potential projects, prepare a sketch concept plan, and summarize the ideas generated from the session. HKGi will prepare the plans and meet again with the Veterans Advisory Group in December.

Brainerd Oaks

The Urban Land Institute – Minnesota has scheduled the Navigating Your Competitive Future and a Technical Assistance Panel for January 13th, 2016. This will consist of a panel of seven professionals and will be geared towards elected officials, HRA Board members and staff. It will be used to assist in informing us of the current market and the redevelopment potential for Brainerd Oaks. Bergman would like the Board to attend. She will also be personally reaching out to the City Council.

Presentation to the League of Women Voters

Bergman reported that she gave a presentation to the League of Women Voters on October 8th.

National NAHRO Conference

Bergman attended the National NAHRO Conference in Los Angeles from October 13th–17th. She participated in the final National NAHRO Strategic Planning Group meeting and all day meetings for the Community Revitalization and Development (CR&D) Committee.

Housing/Commercial Rehab Update

The SCDP Housing/Commercial Rehab update was provided to the Board. Bergman also shared the 2016 preliminary proposal for Small Cities Development Program for the City of Brainerd, which will be presented to the City Council. They are hoping to get funding for an 80/20 commercial loan program for Downtown Brainerd businesses. The final proposal is due at the end of February.



7. REPORTS OF COMMITTEES:

- a. NAHRO Commissioners Committee:** Chair Fargo received a letter from the past president of NAHRO thanking him for supporting Bergman's work for the organization, for which they are grateful. Commissioner Steffenson also received an email informing him that he was one of the first 30 to complete the NAHRO Commissioners training. Chair Fargo reminded the group that he, along with Commissioners Parks, Steffenson, and Larson, will be compiling their training notes to share with the rest of the Board.
- b. Mississippi Riverfront Sub-Committee:** The Brainerd HRA released the Request for Qualifications and received responses from four firms: Bolton & Menk, Confluence, Short Elliot & Hendrickson (SEH), and Widseth Smith Nolting (WSN). The Riverfront Sub-Committee chose to send Request for Proposals (RFP) to all four firms. RFPs were sent October 13th with proposals due on October 29th. Interviews will be held the week of November 9th and the Brainerd HRA will be selecting a consultant at the November 18th Board meeting. The consultant is expected to start the riverfront project on November 24th.

- 8. UNFINISHED BUSINESS:** Commissioner Larson would like to form a subcommittee to review HRA policies and operations and asked if anyone would be interested. Chair Fargo suggested putting the discussion on next month's meeting agenda.

Bergman reported that HUD has a Section 3 reporting requirement that we were not aware of and that hadn't been tracked in past years. She will be creating a new policy to follow so that the HRA is in compliance moving forward.

9. NEW BUSINESS:

- a. Authorize Cooperation Agreement to Administer the Bridges Program:** The Board authorized the submission of the Bridges Application to Minnesota Housing at the September Brainerd HRA Board meeting. The total request is \$236,400 with administrative fees paid to the HRA of \$50 per voucher per month for a maximum of \$14,400. In addition, we will be contracting with the County HRAs to conduct the HQS inspections for the Bridges Vouchers on our behalf. Each unit is required to be inspected prior to leasing up and annually. We will pay each HRA \$50 per inspection.

In addition to the application, the HRA is also required to enter into a Cooperative Agreement with the Region V+ Mental Health Initiative.

Commissioner Parks made a motion to authorize the Executive Director to execute the Cooperative Agreement with the Region V+ Mental Health Initiative. Commissioner Wussow seconded the motion. All Commissioners voted in favor of the motion and none were opposed. The motion was approved.



- b. **Approve Resolution No. 2015-02 Authorizing POHP Loan Document Execution:** Bid proposals for the POHP North Star Apartments project are due on November 24th, at which time they will be opened and a contractor will be selected. Minnesota Housing Finance Agency requires a resolution adopted by the Authority's governing board that provides authorization to execute any and all Minnesota Housing loan documents.

Commissioner Steffenson made a motion to approve Resolution No. 2015-02 by to authorize the HRA Board Chair and Executive Director to execute any and all loan documents for the Publicly Owned Housing Program (POHP). Commissioner Larson seconded the motion. A roll call vote was taken and Commissioners Fargo, Steffenson, Parks, Johnson, Wussow, Larson, and Charpentier voted in favor of the motion. No commissioners opposed and the motion was approved.

10. ADJOURN

Commissioner Charpentier made a motion to adjourn at 2:50 p.m. 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.