

## **Minutes of the July 23, 2014 Brainerd HRA Board Meeting**

The July 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, July 23, 2014, at the Brainerd HRA Administrative Office, 324 East River Road, in Brainerd, Minnesota.

1. **Call to Order:** Chair Parks called the meeting to order at 1:02 p.m.
2. **Roll Call:** Present at the meeting was Commissioners Burnett, Parks, Fargo, Steffenson, and Nesheim. Absent was Commissioner Larson. Also present were Director Jennifer Bergman, Assistant Director Diana Kliber, Finance Director Karen Young and Finance/Administrative Assistant Roberta Piekarski.

3. **Reading and Approval of Minutes from the Previous Meeting:**

**Commissioner Fargo made a motion to approve the minutes for the June 25, 2014 meeting. Commissioner Burnett seconded the motion. All Commissioners voted in favor of the motion and none were opposed. The minutes were approved.**

4. **Annual Meeting:**

- b. **Review By Laws:**

Changes in the By-Laws include: changing all occurrence of the word "Chairman" to "Chair", section 2.2 change "The Chair shall reside at all meetings of the board" to "The Chair shall preside at all meetings of the board", section 3.5 change the last sentence from "Resolutions may but need not be read aloud prior to vote taken thereon and may but need not be executive after passage" to "Resolutions may be need not be read aloud prior to vote taken thereon and may but need not be executed after passage".

**Commissioner Nesheim made a motion to approve changes in the By-Laws as stated. Commissioner Fargo seconded the motion. All Commissioners voted in favor of the motion and none were opposed. The By-Laws were changed as amended.**

- a. **Election of Officers:**

Commissioner Burnett nominated Commissioner Parks for Chair position.

**Commissioner Fargo made a motion to nominate Commissioner Parks as Chair. Commissioner Nesheim seconded the motion. All Commissioners voted in favor and none were opposed. The motion passed.**

Commissioner Fargo nominated Commissioner Larson for Vice-Chair position.

**Commissioner Fargo made a motion to nominate Commissioner Larson as Vice-Chair. Commissioner Burnett seconded the motion. All Commissioners voted in favor and none were opposed. The motion passed.**

Commissioner Fargo nominated Commissioner Burnett for Secretary/Treasurer position.

**Commissioner Fargo made a motion to nominate Commissioner Burnett as Secretary/Treasurer. Commissioner Nesheim seconded the motion. All Commissioners voted in favor and none were opposed. The motion passed.**

**5. Bills and Communications:**

**a. Financial Report:**

**Capital Fund Projects:** In June the security camera project was completed in the North Star and payment was processed to Electrical Systems for \$36,032.

**General Fund-Tax Levy:** In June \$42,306.59 was received from Crow Wing County for 70 percent of the first half of 2014 Levy Payment. We received the additional 30 percent of the first half of 2014 payment in July of \$18,277.57.

**College Drive Developer's Fee:** In June a check in the amount of \$13,810 was received for the final developer's fee for College Drive. Brainerd HRA entered into a partnered ownership in College Drive in 2008 as a .425 percent owner receiving 45 percent of the developer's fees since that time.

Karen reported that she spoke with Jeff Banick about the rating on the windows at the North Star. Jeff worked with Widseth Smith & Nolting and found that the exterior wrap and windows were done in 1988. The exterior wrap has a rating of R13, anything over R11 is good. The windows have a rating of R2 anything over R5 is good so there would be energy efficiency improvements if they were ever replaced in the future. However Jeff stated that the windows we have now work well, they don't have to be repaired often and maintenance staff is happy with how well they work mechanically.

The Board inquired about air conditioners and what our policy is. Staff reported that tenants need to supply their own air conditioners. Recent pricing for a high efficiency air conditioner that is the correct dimensions is around \$500-\$600. The unit's residents are bringing in often do not fit in the openings on the building and are not energy efficient. This can cause inefficiencies in both the summer and winter months if the unit is left in year round. The Board asked about the air conditioner covers if maintenance could look into the cost of those and report back.

**b. HCV Report:**

Jennifer reported that 73 applications were received, 31 applications were taken off the list, 8 vouchers issued and 7 vouchers went off the program in June. Also, HUD announced this month that admin fee is going up from 75 to 79 percent.

**c. Public Housing Report:**

Jennifer reported that Teresa's main focus in June was focused on Crosby and getting prepared for file audits from MN Housing Finance Agency, REAC inspection and getting familiar with Crosby software for collecting rents and maintaining work orders.

The Board also discussed having the PHA plan changes available and presented at the next resident council meeting being held on October 16<sup>th</sup> before the public hearing on October 22<sup>nd</sup>.

**d. Executive Director Report:**

Brainerd Restoration: Brainerd Restoration a non-profit organization focused on revitalizing downtown Brainerd is making a concerted effort to reestablish their organization. The group met on July 13<sup>th</sup> to hold a strategic plan and discuss the future of the organization. Jennifer requested to attend the meeting but it was limited to Board Members only. Jennifer will be in touch with them to see if there are areas that the HRA can partner with them and assist in revitalizing downtown Brainerd. Jennifer plans to invite them to a Brainerd HRA Board meeting.

Vista: The Initiative Foundation has extended our VISTA applications to November 1<sup>st</sup>. Jennifer does have an interested applicant that she is meeting with next week for an interview.

Crosby HRA: June and July have been busy with the Crosby HRA. Their public housing units just went thru a REAC inspection on June 26<sup>th</sup> and this year is a PHAS scoring year. They received a 36 out of a possible 40 on their REAC inspection. Their Section 8 New Construction property was just monitored by MN Housing and received a 71 percent which is satisfactory. They also just had their financial audit on July 9<sup>th</sup>. Staff is still working on converting the financial data from the fee accountant and preparing financial statements thru their software, which has proven to be a difficult process.

MHP Funded Brainerd Oaks Redevelopment Application: Minnesota Housing partnership applied and received a Rural Capacity Building Grant from HUD. The application included a number of projects totaling \$300,000 one of which being a \$70,000 request for a redevelopment plan for Brainerd Oaks. The request has been approved but it was reduced to \$80,000 over the course of four years. MHP has not determined how they will allocate the funds however \$40,000 of the awarded amount is spoken for and the remaining \$40,000 if we were to get it would not be enough funds to hire a planning firm which would be a minimum of \$70,000 investment. At this time hiring a firm is not an option due to lack of funding.

Housing Study: Jennifer reported that a draft copy of the housing study arrived. She has reviewed it and deemed it unacceptable to present to the Board. The draft had many errors and Jennifer was not comfortable releasing it to the Board and has sent it back with corrections noted. She is also requesting having it completed and a new draft done by the August meeting.

Housing/Commercial Rehab Update: Jennifer reported that the SCDP-Homeowner program has 10 projects complete, three in process and five applications are getting bids. The SCDP-Commercial program has three projects complete, one in process and 2 applications are getting bids.

Jennifer also mentioned that there is Training for Commissioners a day-long seminar/class in Duluth at the MN NAHRO conference on September 18<sup>th</sup> and strongly suggested all Board Members attend if they are able.

5. **Reports of Committees:** None to report.

6. **Unfinished Business:** None to report

7. **New Business:**

a. **Consider Levy Request to the City of Brainerd:**

Minnesota State Statute allows HRA's to levy a tax upon all taxable property within a taxing jurisdiction subject to City Council Resolution. The amount cannot exceed .0185 percent of the estimated market value. The projected amount in 2015 would be \$116,500.

**Commissioner Nesheim motioned to authorize staff to prepare a letter to the Mayor and City requesting the full HRA levy of .0185 percent of the estimated market value. Commissioner Burnett seconded the motion. All Commissioners in favor and none opposed. The motion passes.**

b. **Authorize Submission of the ROSS Grant:**

The Notice of Funding Availability came out regarding the Resident Opportunity and Self-Sufficiency (ROSS) Program. The grant would cover one full time coordinator to be placed at the North Star for a 3 year period. The purpose of the program is to provide public housing agencies to coordinate supportive services for residents.

**Commissioner Burnett motioned to authorize staff to submit the ROSS Grant Application to HUD by August 18<sup>th</sup>. Commissioner Nesheim seconded the motion. All Commissioners voted in favor and none opposed. The motion passed.**

8. **Adjournment:**

**Commissioner Fargo made a motion to adjourn the meeting. Commissioner Burnett seconded the motion and the meeting was adjourned at 2:11pm.**