

Brainerd Housing and Redevelopment Authority
BOARD MEETING MINUTES
Wednesday, January 23, 2019

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, January 23, 2019, at the Brainerd HRA Administrative Office, 324 East River Road, in Brainerd, Minnesota.

1. **CALL TO ORDER:** Vice Chair Wussow called the meeting to order at 1:00 p.m.
2. **ROLL CALL:** Present at the meeting were Vice Chair Wussow, Commissioners Eric Charpentier, Ashley Storm, and Marlee Larson (via teleconference). Others present: Executive Director Jennifer Bergman, Finance Director Karen Young, Housing Manager Teresa Hettver, Rental Assistance Manager Tania Eller, and Executive Assistant LeAnn Goltz. Absent: Commissioners Gabe Johnson, Bekah Kent, and Krista Brodal.

3. **ANNUAL MEETING:**

- a. **Oath of Office:** There are no new board members.
- b. **Election of Officers:** Vice Chair Wussow asked for nominations for chair for 2019.

Commissioner Wussow nominated Commissioner Larson for board chair and Commissioner Charpentier seconded the nomination. All commissioners voted in favor and none were opposed. The motion passed and Commissioner Marlee Larson was elected as chair.

Vice Chair Wussow called for nominations for vice chair.

Commissioner Charpentier nominated Commissioner Wussow for vice chair, seconded by Commissioner Storm. All commissioners voted in favor and none were opposed. The motion passed and Commissioner Patrick Wussow was elected as vice chair.

Vice Chair Wussow called for nominations for secretary/treasurer.

Commissioner Wussow nominated Commissioner Charpentier for secretary/treasurer, seconded by Commissioner Larson. All commissioners voted in favor and none were opposed. The motion passed and Commissioner Charpentier was elected as secretary/treasurer.

- c. **Review By Laws:** The Board reviewed the current bylaws and had no recommended changes.
- d. **Review Meeting Schedule:** The Board reviewed the 2019 meeting schedule.

4. **READING AND APPROVAL OF MINUTES:**

Commissioner Charpentier made a motion to approve the minutes from the December 19, 2018, board meeting. Commissioner Storm seconded the motion. All commissioners voted in favor of the motion and none were opposed. The minutes were approved.

5. UNFINISHED BUSINESS:

- a. **Approve CWC HRA Shared Services Agreement:** The Board reviewed the revised Crow Wing County HRA Shared Services Agreement.

Commissioner Charpentier made a motion to approve the CWC HRA Shared Services Agreement and forward to the CWC HRA for their consideration. Commissioner Storm seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion passed.

6. NEW BUSINESS:

- a. **Approve Resolution No. 2019-01 Authorizing the Agreement Establishing a Regional Safety Group:** The Cities of Brainerd, Baxter, and Pillager are part of a Regional Safety Group (RSG), which is sponsored by the League of Minnesota Cities Insurance Trust (LMCIT). The RSG provides training and helps with navigating state and federal OSHA requirements. Brainerd HRA staff had recently been participating in some training through the City of Brainerd’s membership in the group.

It came to staff’s attention that the HRA should be (but was not) in compliance with OSHA regulations and has basically the same requirements as the City. Roberta and Christine met with a LMCIT representative to find out how to start the process of becoming compliant. The representative stated that since the HRA is autonomous and staff are technically not City employees, it should have its own safety training. He provided some options including asking the RSG if they would allow the HRA to become a member of their group. The RSG agreed to let the Brainerd HRA in.

The cost to participate is \$1,800; however LMCIT covers half and Sourcewell has agreed to cover the other half. This means currently there is no cost to the agency.

Commissioner Storm made a motion to adopt Resolution No. 2019-01 authorizing membership in the new Regional Safety Group. Commissioner Wussow seconded the motion. Via roll call vote, all commissioners voted in favor of the motion and none were opposed. The motion carried.

7. BILLS AND COMMUNICATIONS

- a. **Financial Report:** Young provided the financial report for December 2018. She also reported the following:

Year-end Financial Statements and Ratios

The December ratios and financial statements do not fully reflect all year-end entries and adjustments. The final year-end entries and adjustments will be recorded prior to the audit and REAC submission. Therefore, the financial information is subject to change due to necessary year-end adjustments.

Audit Schedule

The 2018 audit schedule has been set with CliftonLarsonAllen (CLA). The Crow Wing County HRA audit will be during the week of February 4th. The Brainerd HRA audit and Brainerd South compilation are scheduled for the week of February 11th. The agency unaudited financial

statements are due to the Real Estate Assessment Center (REAC) by February 28th and the unaudited Brainerd South financial statements are due to REAC by March 31st.

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

- b. **HCV/Section 8:** Eller reported that the UML through December was 99% and HAP utilization was 99%. She also stated that she has not heard the status of the FSS grant due to the government shutdown.
- c. **Public Housing Report:** December was a very busy month for maintenance; all 203 public housing units were inspected and necessary work orders completed. Hettver shared that they will be doing annual inspections again in the spring. Also, she reported that the total vacancy rate for the 2018 year was .09%.
- d. **Executive Director Report:** Bergman reported on the following:

Government Shutdown

The federal government shutdown continues. The Brainerd HRA received funding for January and was notified that funding will also be received for February. However, if the government shutdown continues, there will not be any HUD funding (Operating Subsidy, Capital Fund, ROSS, FSS, HAP or Administrative Fees) after that. Bergman received an email from HUD specifically in regards to the Housing Choice Voucher (HCV) program. With approximately \$38,700 in HAP reserves with an estimated HAP of \$114,000, there will not be enough funds in HAP reserves to pay for rent for the month of March. There is approximately \$95,000 in admin reserves but staff would not recommend using that to cover HAP. NAHRO is drafting a letter to Housing Choice Voucher landlords for housing authorities to use notifying them that HAP payments will not be made after February. If it's anticipated that the government shutdown will continue through February, staff plans to notify landlords and tenants in February.

Housing Supports

Staff continues to have conversations with Crow Wing County and Lutheran Social Services (LSS) about the Housing Supports program. This program provides funding for eligible individuals for room, board, and supportive services. CWC has 47 beds available. CWC has asked the Brainerd HRA to take the lead in this program. Should the HRA decide to administer this program, a contract with CWC and a Supportive Services Agreement with LSS would be executed. LSS would be responsible to work with the participant to find a unit. The Brainerd HRA would be responsible to verify that the unit is within the appropriate cost limits, inspect the unit, and pay the rent and utilities. LSS would be responsible to provide the "board," which includes supplies such as laundry detergent, dishwashing soap, etc. We have reviewed a draft agreement and a Supportive Services Agreement but still have several issues to resolve. Representatives from LSS and CWC will be attending the February Brainerd HRA board meeting to discuss this program more in depth. A final draft of the documents will be provided for the Board's consideration.

Potential Mixed-Use Development in OZ

On December 21st, Bergman met with a potential developer and property owner in downtown Brainerd to explore options of developing a mixed-use project with commercial space on the first floor and residential housing on the upper floors. The developer has talked to the existing owner who has requested he make an offer on the property. They had hoped to be able to apply

for a redevelopment grant to assist in the acquisition and demolition of an existing commercial building; however, a purchase agreement or a letter of intent would be needed in order to receive the grant. The application is due on February 1st and they will not be prepared to submit this application. The next round is August 1st and they hope to be ready at that point.

Bergman met with Bremer Bank this morning to discuss the possibility of developing their block. Bremer will reach out to their facilities management department and they'll schedule a meeting to discuss this in more detail.

Destination Downtown

A meeting will be scheduled in late January/early February to discuss round three of the Destination Downtown competition. This will likely be the last round.

Bergman also shared that Commissioner Johnson was reappointed as the HRA liaison.

Also, CWC HRA will be releasing an RFP for a workforce housing study.

- e. **Rehab Report:** Bergman provided a hard copy to the Board.

8. POLICIES: REVIEW & APPROVAL:

- a. **Technology Use Policy:** The purpose of the Technology Use Policy is to define expectations of staff in regards to the use of computers and related equipment owned and managed by the Agency.

Commissioner Charpentier made a motion to adopt Resolution No. 2019-02 Approving the Technology Use Policy. Commissioner Storm seconded the motion. Via roll call vote, all commissioners voted in favor of the motion and none were opposed. The motion was approved.

- 9. **COMMISSIONER COMMENTS:** The Brainerd Jaycee's Fishing Extravaganza is taking place this weekend.

10. ADJOURN

Next meeting: Wednesday, February 27th, 2019

Commissioner Charpentier made a motion to adjourn the meeting. The meeting was adjourned at 1:45 p.m.