

**Brainerd Housing and Redevelopment Authority**  
**BOARD MEETING MINUTES**  
**Wednesday, October 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, October 23, 2019, at the Brainerd HRA Administrative Office, 324 East River Road, in Brainerd, Minnesota.

**1. CALL TO ORDER:** Chair Marlee Larson called the meeting to order at 1:01 p.m.

**2. ROLL CALL:**

**Board members present:** Chair Marlee Larson and Commissioners Gabe Johnson, Eric Charpentier, Patrick Wussow, and Ashley Storm. **Others present:** Executive Director Jennifer Bergman, Finance Director Karen Young, Housing Manager Shannon Fortune, Rental Assistance Manager Tania Eller, and Executive Assistant LeAnn Goltz. **Absent:** Krista Brodal and Bekah Kent.

**3. PUBLIC HEARING: ADOPTION OF RESOLUTION NO. 2019-07 AND APPROVAL OF THE FIVE-YEAR & ANNUAL PLAN:**

Chair Larson opened the public hearing at 1:08 p.m.

The Notice of Public Hearing was posted in the Legal Notice section of the Brainerd Daily Dispatch. Fortune provided the Affidavit of Publication to the Board.

Fortune explained that PHAs are required to develop a Five-Year Plan once every fifth fiscal year and an annual plan every year. The PHA Plan is a comprehensive guide to policies, programs, operations, and strategies for meeting local housing needs and goals. A public hearing must be held prior to the approval of the Five-Year and Annual Plan, copies of which were provided.

After Chair Larson called for speakers in opposition three times, there was no one speaking in opposition of the Plan. Chair Larson then called for speakers in favor three times and there was no one speaking in favor of the Plan.

The public hearing was closed at 1:11 p.m.

**Moved by Commissioner Johnson and seconded by Commissioner Charpentier to adopt Resolution No. 2019-07 and Approve the Five-Year and Annual Plan. Via roll call vote, all commissioners voted in favor of the motion and none were opposed. The motion passed.**

**4. READING AND APPROVAL OF MINUTES:** Commissioner Gabe Johnson was absent from the meeting on September 25<sup>th</sup> though it was not recorded in the minutes. The Board asked staff to make that correction.

**Commissioner Charpentier moved to approve the minutes as amended from September 25<sup>th</sup>. Commissioner Storm seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved.**

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

6. **NEW BUSINESS:**

- a. **Authorization to Submit Small Cities Development Program (SCDP) Preliminary Proposal for the City of Pequot Lakes:** Nancy Malecha, City Administrator for Pequot Lakes, contacted the Brainerd HRA regarding their interest in the Small Cities Development Program (SCDP). Since they are ranked as second in the CWC HRA Housing Conditions Survey, Bergman and Schommer met with her and then presented information to their city council at their July meeting. The council approved submitting a preliminary proposal for SCDP funding from DEED for owner-occupied and commercial rehab.

Brainerd HRA staff has been working on a preliminary proposal for an owner-occupied and commercial rehab in Pequot Lakes. They have been collecting surveys, which are required as a part of the application. In addition to showing need, these surveys contain the data needed to complete the application. Bergman reported that they have not had a good response to the surveys and there's a possibility they may not be able to submit the preliminary proposal, which is due on November 15<sup>th</sup>. Because staff is still in the process of gathering data, a draft application was not provided for the Board's review.

**Moved by Commissioner Johnson and seconded by Commissioner Wussow to authorize the submission of a preliminary proposal to Minnesota DEED for owner-occupied and commercial rehab in Pequot Lakes, all commissioners voted in favor of the motion and none were opposed. The motion passed.**

- b. **Authorization to Submit Family Self-Sufficiency (FSS) Program Grant Application:** On September 29<sup>th</sup>, the Family Self-Sufficiency Program grant was released. The due date for the grant submission is Monday, October 28<sup>th</sup>, 2019. The application will be submitted on Tuesday, October 22<sup>nd</sup> as it is recommended to submit a few days before the due date. The grant is for one year and covers the salary and benefits of a full time position. The amount requested is \$71,353.00. The anticipated announcement of award will take place by December 3<sup>rd</sup>, 2019.

**Commissioner Wussow moved to approve the submission of the Family Self-Sufficiency Program grant application, seconded by Commissioner Storm. All commissioners voted in favor of the motion and none were opposed. The motion passed.**

7. **BILLS AND COMMUNICATIONS**

- a. **Financial Report:** Young reported that the banking transition with Wells Fargo is complete. She provided financial information for September 2019 and reminded the Board that the budget for 2020 will be presented for approval at the next meeting.

**Commissioner Charpentier moved to approve the payments as presented. Commissioner Johnson seconded the motion. All commissioners were in favor of the motion and none were opposed. The motion was approved.**

**b. HCV/Section 8:** Eller reported that UML through September was 99% and HAP utilization was 78%. She is currently projecting to end the year at 98.9% UML with HAP reserves of \$3,792. The Voucher Management System (VMS) Validation Review has been completed. Raana Raza's report showed there were two areas of concern, both involving the same incident. The concerns were related to a very unique incident we interpreted as fraud and how we recorded it in VMS. Ms. Raza reached out to the Quality Assistance Division (QAD) for guidance and they provided a copy of the regulation that clearly defines what fraud is. Upon review of the regulation, it was discovered that staff had incorrectly called this fraud. Both areas of concern have been corrected and the review has been closed.

**c. Public Housing Report:**

**Two-Bedroom Waiting List Update**

After the waiting list update was completed, the two-bedroom waiting list is under the maximum threshold and does not need to be closed.

**Crosby HRA: NAHRO Technical Assistance Grant for Repositioning Public Housing**

Crosby HRA was not selected as a recipient for technical assistance funds to explore repositioning of Public Housing. The application had been written and submitted collaboratively with Aitkin HRA and Pequot Lakes HRA, who were also not selected. At the NAHRO annual conference in Duluth in September, HUD representatives spoke about a new tool they had developed to provide some basic analytic information for PHA's interested in repositioning. That data was requested for both the Crosby HRA and the Brainerd HRA.

**North Star Apartments Caretaker Position**

The North Star caretaker team submitted their resignation and staff has begun the process of selecting a new caretaker/caretaker team. In preparation for a new team/person, Maintenance, Finance, and Housing Management have worked together to review and fine-tune the job duties and employment contract. Interviews have been completed and pending a background check, a new caretaker will begin November 1<sup>st</sup>.

**Emergency Safety & Security Grant Application – Carbon Monoxide Detectors**

We submitted an application through HUD's Emergency Safety & Security Grant program to pay for 163 carbon monoxide detectors for the North Star Apartments. The total requested was \$7,325.00. The application was due October 25<sup>th</sup> and there is no information yet on when awards will be selected or announced.

**ROSS Program Update**

There were no newly-enrolled households in the ROSS Program in September and currently there are five actively participating households. On September 17<sup>th</sup>, five North Star residents participated in a cooking class facilitated by the SNAP Educator from the University of MN Extension Office. In September, Erik Warner attended the AARP Lakes Area "Scam Jam," a day-long seminar focused on preventing telephone and internet scams targeting seniors. Erik also spent time this past month connecting with several area financial institutions to locate resources for "unbanked" tenants that are trying to get reconnected with banking resources. Lastly, Warner is preparing to submit his six-month data report to HUD using the new Standards for Success program evaluation platform. That report is due in October and the data will be shared at the November board meeting.

**d. Executive Director Report:****CWC HRA Levy and Housing Trust Fund**

The County Board adopted the resolution setting the preliminary levy, which includes the CWC HRA's levy of \$729,500. This includes \$450,000 for a Housing Trust Fund, \$112,000 for BLAEDC, and \$150,000 for the Brainerd HRA. Staff is working on an ordinance for the Housing Trust Fund, which will be presented at the November CWC HRA board meeting and then to the County Board in December. A draft for a Contract for Services between BLAEDC and the CWC HRA has also been requested.

**New Position**

The purpose for the increase in the Brainerd HRA's contribution from \$60,000 to \$150,000 was to add an additional staff person to assist with our rehab efforts and the administration and creation of the Housing Trust Fund. Staff is in the process of creating a job description, which will be brought to the Board. Logistically, Bergman anticipates hiring a Brainerd HRA rehab staff person who will start after the first of the year, however, we will not receive levy dollars until we get the first half in July. General Fund dollars will cover the management fee to the Brainerd HRA. In the meantime, staff is working on remodeling the downstairs closet into an extra office in preparation for the added employee. The Capital Fund Budget has been amended to include the cost of the project.

**Workforce Housing Study**

The Workforce Housing Task Force met on October 14<sup>th</sup> and discussed the survey and the interviews Kristen Fish-Peterson conducted with businesses and community partners. A decision was made to create an additional survey for employers to find out if they currently have housing options for their employees or if they are interested in creating programs. Because Redevelopment Resources has done more work than anticipated, their deadline to complete the study has been extended a month. The next Workforce Housing Task Force meeting will be on November 21<sup>st</sup>.

**Rural Rental Housing Preservation Workshop**

Bergman will be attending the Rural Rental Housing Preservation Workshop sponsored by Minnesota Housing Partnership (MHP) at the Initiative Foundation on Tuesday, October 22<sup>nd</sup>. The purpose of the Workshop is to explore the rural rental housing challenge and develop solutions together. The workshop will help to generate policy recommendations for preserving affordable housing, including USDA-financed affordable rental homes in Minnesota.

**MHP Webinar on Local Housing Trust Funds and Community Engagement**

Bergman is also participating in a webinar hosted by the Minnesota Housing Partnership to discuss community engagement and local housing trust funds. The webinar will be held on October 29<sup>th</sup>.

- e. Rehab Update:** Bergman informed the Board that the Crow Wing County HRA Board approved the transfer of the Master Purchase and Redevelopment Agreement from Paxmar to Level Contracting. She also shared two news articles that were recently published in the Brainerd Dispatch about the rehab work that has taken place in Downtown Brainerd utilizing the SCDP grant. Bergman commended the HRA staff for the great work.

**8. Commissioner Comments:** Commissioner Johnson shared that the judges of the Destination Downtown Competition have selected the top three finalists. Those finalists, all of which will receive prize packages, will be announced at the end of the month. Public voting to take place November 11–15<sup>th</sup> and the final winner will be announced at the Brainerd Lakes Chamber Annual Dinner. Commissioner Johnson also reported that Ascensus will be moving locations as the company wants to purchase a single building for all of its employees rather than leasing two separate spaces. The City of Brainerd is currently accepting bids for the renovation of City Hall. In addition, the City has received ten applications for the city administrator position. Commissioner Charpentier reported that the BLAEDC Unified Fund Board has recently approved two new loans. Commissioner Wussow shared that there are four new single-family units in Breezy Point.

**9. Adjournment:**

**Moved by Commissioner Johnson and seconded by Commissioner Storm, the meeting was adjourned at 1:56 p.m.**

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