

**Brainerd Housing and Redevelopment Authority
BOARD MEETING MINUTES
Wednesday, January 22, 2020**

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 22, 2020, at the Brainerd HRA Administrative Office, 324 East River Road, in Brainerd, Minnesota.

1. CALL TO ORDER: Interim Executive Director Karen Young called the meeting to order at 1:04 p.m.

2. ROLL CALL:

Board members present: Chair Marlee Larson (via video conference), Commissioners Patrick Wussow, Ashley Storm, Eric Charpentier, Bekah Kent, and Gabe Johnson. **Others present:** Interim Executive Director/Finance Director Karen Young, Housing Manager Shannon Fortune, Rental Assistance Manager Tania Eller, Rehab Coordinator John Schommer, Rehab Specialist Roxanne Hurt, and Executive Assistant LeAnn Goltz. **Absent:** Krista Brodal.

3. INTRODUCTION: Roxanne Hurt, Rehab Specialist

4. ANNUAL MEETING:

a. Oath of Office: Although there are no new board members, Marlee Larson was reappointed to the Board with a term ending 12/31/24.

b. Election of Officers: Interim Executive Director Karen Young asked for nominations for chair for 2020.

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

Young called for nominations for vice chair.

Commissioner Johnson nominated Commissioner Wussow for vice chair. Commissioner Wussow declined his nomination and instead nominated Commissioner Storm, seconded by Commissioner Charpentier. All commissioners voted in favor of nominating Commissioner Storm as vice chair and none were opposed. The motion passed and Commissioner Storm was elected vice chair.

Young called for nominations for secretary/treasurer.

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

- c. **Review Bylaws:** The Board reviewed the current bylaws and noted that Section 3.9 addresses board meeting attendance. The current resident commissioner has been absent all year, despite every attempt to contact her. The Board suggested that staff should begin the process of finding a replacement.
- d. **Review Meeting Schedule:** The Board reviewed the 2020 meeting schedule.

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

Commissioner Johnson moved to approve the minutes from the regular meeting on December 18th, 2019. Commissioner Charpentier seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved.

6. **UNFINISHED BUSINESS:**

- a. **Approve Resolution Appointing Interim Executive Director:** When submitting a Crosby HRA contract renewal document to Minnesota Housing, staff was questioned about the authority of Young's signature. Staff provided the previous board meeting minutes confirming Young's appointment as interim executive director. In the event that this will not be sufficient (the bylaws state that an executive director be appointed by board resolution), staff presented a resolution stating Young's appointment to the position of interim executive director. This can then be provided to funders and others that request such documentation of this change.

Commissioner Johnson moved to approve Resolution No. 2020-01 Appointing Interim Executive Director, seconded by Commissioner Storm. A roll call vote was taken and all commissioners voted in favor and none were opposed. The motion was approved.

- b. **Ratify Assignment & Assumption of the Purchase & Redevelopment Agreement Between the Brainerd HRA and Galilee Ministries:** At the December board meeting, the Board made a motion to approve the transfer and assignment of the Master Purchase and Development Agreement to Lakes Area Habitat for Humanity from Galilee Ministries for the tax forfeited tract they purchased.

Attorney Martha Ingram drafted the Assignment and Assumption of the Master Purchase and Redevelopment Contract. Although the Board did make a motion to authorize the transfer, Ingram indicated a resolution to ratify the assignment of the PDA from Galilee Ministries to Lakes Area Habitat for Humanity was necessary.

Commissioner Johnson moved to approve Resolution 2020-02 to ratify the Assignment and Assumption of the Purchase and Development Contract, seconded by Commissioner Wussow. A roll call vote was taken and all commissioners voted in favor and none were opposed. The motion was approved.

7. **NEW BUSINESS:**

- a. **Authorize Participation in the Foster Youth to Independence (FYI) Program:** Eller presented a copy of a Memorandum of Understanding (MOU) with an effective date of February 1st, 2020, and the application for the FYI Program, which will be submitted on February 3rd, 2020. She explained that they anticipate submitting an application to HUD for potentially eight vouchers shortly thereafter.

The Board had a discussion.

Commissioner Johnson made a motion to authorize staff to enter into a Memorandum of Understanding and authorize the submission of the FYI application. Commissioner Storm seconded the motion. All commissioners voted in favor and none were opposed. The motion was approved.

8. BILLS AND COMMUNICATIONS

- a. **Financial Report:** Young provided the financial information for December 2019.

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.

2019 Levy Payment

In December, the second half 2019 tax settlement of \$56,004.05 was received. Year-to-date, \$124,897.10 in levy payments has been received. The 2019 tax levy was estimated at \$126,890.

Scattered Site Replacement Program (SSRP)

The Board took action at the December meeting to remove the commitment of fund balance from SSRP. As such, these funds are reflected as General Fund and not SSRP in the December Operating Account Balances Report.

Audit Schedule

The 2019 audit schedule has been set with CliftonLarsonAllen (CLA). The Crow Wing County HRA audit will be during the week of February 3rd. The Brainerd HRA audit and Brainerd South compilation are scheduled for the week of February 10th. 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.

ASI TIF District Decertification

The Brainerd HRA administered the City's ASI Redevelopment TIF District which required decertification on 12/31/19. The City Council passed a resolution in February 2019 authorizing the decertification. The County did not receive the decertification in time to stop 2019 increment, so we collected July and December increment of \$5,886.02. A check was issued in December and this amount was remitted to the County along with the Confirmation of Decertification by the City.

Commissioner Wussow made a motion for approval of payments as presented. Commissioner Johnson seconded the motion. All commissioners voted in favor and none were opposed. The motion passed.

- b. **HCV/Section 8:** Eller reported that the Unit Months Leased (UML) through December was 99% and HAP utilization was 103%. The waiting list will open February 3rd. In addition, the Brainerd HRA received notice that the agency was awarded \$67,304, which is an increase from last year's award of \$60,645 and over what was budgeted. Eller also informed the Board they she just found out that Set Aside Funds were available for 2019 and the HRA will apply for \$4,762.

c. **Public Housing Report:** Fortune reported that there were 62 move-ins/move-outs in 2019. Also, the two-bedroom waiting list is increasing and they may need to close it. She will keep the Board posted. Receipts for the updated handbooks have been received from all but one resident and staff worked with legal counsel to address this situation. Fortune also shared the ROSS Program updates. Fortune gave an update to the Board regarding a situation in which our caretaker at the North Star was assaulted.

d. **Executive Director Report:**

Executive Director Search

Gary Weiers is continuing to stay in contact regarding the Executive Director search. We have determined that the interviews will all take place in the HRA conference room on February 26th. Tentatively, Board interviews shall begin at 12:30 and end with deliberations at 5:45 p.m. This time could change depending on the number of candidates and also whether we hold a February board meeting that day. The Board may also submit any interview questions that they may have to the subcommittee.

Housing Trust Fund

The ordinance establishing a Housing Trust Fund was on the agenda for the January 21st CWC Committee of the Whole Meeting (COW). Staff provided the ordinance and a summary memo. It is tentatively planned that the ordinance will go through public hearing at the February 11th county board meeting. The Workforce Housing Study is on task to be completed next month and presented at the February or March Crow Wing County HRA board meeting.

Crosby HRA Policies

Staff plans to review Crosby HRA policies and go through the same process that was done for Brainerd policies in the fiscal year to come for Crosby.

e. **Rehab Update:** Schommer reviewed his report. He informed the Board that the application to the Federal Home Loan Bank was not accepted. Staff will continue to try in upcoming application opportunities.

9. **Commissioner Comments:** Commissioner Wussow shared that Sourcewell offers a grant (up to \$2,500) for a project that could be done by June 30. It requires matching funds and Wussow suggested looking into it. Commissioner Johnson mentioned that Yesterday's Gone and Life Cycle is for sale. There are opportunities downtown. Commissioner Charpentier shared that Tyler Glynn is now the executive director of BLAEDC.

10. **Adjournment:**

Commissioner Charpentier 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 2:13 p.m.