



Brainerd Housing & Redevelopment Authority
BOARD MEETING MINUTES
Wednesday, April 28th, 2021

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 the Brainerd City Call Council Chambers and via Webex video/teleconference at 1:00 p.m., Wednesday, April 28th, 2021.

1. **CALL TO ORDER:** Chair Gabe Johnson called the meeting to order at 1:00 p.m.
2. **ROLL CALL:** Present: Commissioners Marlee Larson, Janet Decker, Michael Duval, Gabe Johnson, and Wayne Erickson. Absent: Bekah Kent.

Others present: Others present: Executive Director Eric Charpentier, Finance Director Karen Young, Finance Assistant Roberta Piekarski, Rental Assistance Manager Tania Eller, Housing Rehab Coordinator John Schommer, Housing Manager Shannon Fortune, and Auditor Mary Reedy with CliftonLarsonAllen.

3. **PRESENTATION OF 2020 BRAINERD HRA AUDIT:** Mary Reedy, CliftonLarsonAllen, presented the 2020 audit. The audit was clean with no findings and the board did not have any questions or comments.
4. **READING AND APPROVAL OF MINUTES:**

Commissioner Duval moved to approve the minutes from the meeting on March 24th, 2021. Commissioner Larson seconded the motion. Through roll call vote, 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. **Water Heater & Boiler Replacement at North Star Apartments:** It was discovered that the water heating tube bundle in the domestic hot water tank was leaking into the tank causing the system to overflow. It was also noticed that the backup heating boiler was leaking when the boiler would fire during peak heating loads. After assessing both of the systems, staff determined it would be best to replace the entire water heating system with a new plate exchanger heating system and also remove the old heating boiler and replace it at the same time.

These improvements were already identified in the agency's 5-Year Capital Fund Action Plan and A&E services were obtained to design and procure the new equipment. The engineers have preliminary design documents ready, which includes installing two new water heating plate exchangers, water treatment equipment, pumps, three new boilers and retrofitting the existing Aercu boiler to work with the new boilers, and other equipment incidental to the project. There

are sufficient funds from the 2019, 2020, and 2021 Capital Fund grants to cover the cost of the project, which engineers estimate to be \$769,665 at this time.

Depending on when the final documents will be ready, the hope is to get the project out for bids within the first couple of weeks of May and have bids due late May or early June. Because of the urgency of the water heating system getting progressively worse, the process will be expedited with a contract for the board's consideration as soon as possible.

Young stated that moving this project up in priority will not affect the amount of funds that the agency can draw down from the Capital Fund into the operating budget. The board expressed concern about not having a large enough job and not being able to find contractors to bid on the project. Staff expressed that the architect felt confident that the project would be a large enough procurement that there would be no issues finding a contractor to fulfill the scope of the project.

Commissioner Duval made a motion to direct staff to continue getting bids on the water heater and boiler replacement at North Star Apartments. Commissioner Decker seconded the motion. Through roll call voted, all commissioners were in favor of the motion and none were opposed. The motion was approved.

- b. **Commissioner Compensation Discussion:** In August of 2019, the board of commissioners unanimously voted to forgo non-resident commissioner compensation and direct those funds to initiatives for Downtown Brainerd, specifically for use in the lease subsidy for the winner of the Destination Downtown contest. Staff asked the board to revisit the commissioner compensation and get board guidance on what they would like to do going forward.

The board had a discussion and asked if the City of Brainerd's website indicates that compensation is paid for those serving as board commissioners. They noted that compared to other boards or committees of the City, significantly more time is spent by the commissioners to fulfill the responsibilities of being on the HRA Board.

Moved and seconded by Commissioners Larson and Erickson to reinstate commissioner stipends beginning April 2021. Via roll call vote, all commissioners were in favor of the motion and none were opposed. The motion was approved.

7. **BILLS AND COMMUNICATIONS:**

- a. **Financial Report:** Young reported that staff looked into a question or concern from the last meeting regarding how some salaries in different funds were under budget and others were over budget. After looking at this deeper, staff discovered that incorrect budget amounts were entered into the accounting software resulting in some salaries showing as over budget. She was not concerned with the salary lines that are under budget because of year-end accruals that happen and delay in payroll payments made that do not line up with monthly reporting of financials. March financial statements reflected the budget corrections.

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

b. HCV/Section 8 Reports:

HCV Report

Unit Months Leased (UML) through March was 101% and HAP utilization through March was 25%.

Bridges Report

There were nine families on the program with a monthly HAP payment of \$4,214. As discussed at the last meeting, the Bridges grant was submitted and awards are anticipated on April 26th, 2021.

Family Self-Sufficiency (FSS) Report

There were currently 30 families on the program with nine escrowing in the amount of \$1,929 per month.

Foster Youth Initiative (FYI) Report

There were four families leased up with a total HAP payment of \$1,498 per month.

c. Housing Manager Reports: A brief review of the vacancy and performance reports was provided.

Late Fees, Past Due Rents & Revenue Recapture Snapshot

As of March 31st, balances owed for five current tenants were submitted to the MN Revenue Recapture program for a total of \$2,184.00.

ROSS Program Updates

- 18 active participants in the ROSS program; 1 newly-enrolled participant; 0 exits.
- 2 new contacts with non-enrolled residents for more limited resource/referral work.
- Food Program Participation:
 - » SNAP Food Boxes: 29 residents; shelf-stable box; elderly tenants only.
 - » LSS Senior Dining: 4 residents; 48 frozen meals (12 each); elderly tenants only.
 - » Catholic Charities: 18 residents; 540 frozen meals (30 each); elderly tenants only.
 - » On-Site Pop-Up Pantry: 53 residents; shelf stable & perishable; no age restrictions.
- Facebook Stats: 13 new posts on the ROSS Facebook page this past month, which reached 53 individuals, with 0 additional likes or shares; however, 2 viewers clicked through posts for more information.
- Grant Prep Work: The ROSS Program grant application will be released soon, which provides funding for the next three years of the ROSS program. In preparation for the application, Erik is collecting needs assessment surveys. (13 completed surveys received so far.)
- Success Story: Although plans for an on-site COVID vaccine clinic did not work out, Erik provided information to all residents about how to schedule vaccines on their own. One new tenant was struggling through the process, so Erik helped make the first appointment and showed him how to schedule the second shot once it's time.

d. Executive Director Report:

Maintenance Supervisor

The maintenance supervisor position was offered to Michael Foote, pending normal background hiring procedures. Mike did accept the job offer and is tentatively scheduled to start on June 1st, 2021. Mike has a background in carpentry and general building. He also has a wealth of experience in general maintenance and spent approximately nine years in the Alaskan oil fields

as a foreman and maintenance lead in an oil workers camp. Mike is originally from Crosby and is excited to join the team. He will be finishing up a project in the next few weeks before he starts with the agency.

Housing Trust Fund Update

Charpentier gave a presentation to the Crow Wing County commissioners on April 20th to update them on progress with the trust fund. The presentation went well and staff continues to make progress towards hopefully having the first loan through the rehab program. There is another meeting with MHP on April 29th and discussions continue with MMFCU continue about servicing the portfolio.

Resignation of Board Commissioner

Charpentier regretfully announced the resignation of Board Commissioner Ashley Storm. Commissioner Storm resigned from her position on April 6th, effective immediately due to ongoing work/life commitments that she felt were prohibiting her from being an effective member of the board. Charpentier expressed gratitude for Commissioner Storm's years of commitment on the board and wished her the best in her future endeavors.

Commissioner Erickson made a motion to accept Ashley Storm's resignation with regret and thanked her for her service. Commissioner Duval seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved.

Ongoing COVID-19 Response

There have been no changes in the COVID-19 response in the past month. Staff continues to monitor several federal- and state-level sources to ensure that our response is consistent with other PHAs while still being appropriate for our own community's needs. While the case counts continue to stay relatively low in Crow Wing County, staff is also watching the vaccination rates rates and polling other PHAs. The hope is to have a plan to start reopening community spaces in our properties.

- e. **Rehab Update:** Five single-family rental applications were recently received and there are five owner-occupied grants remaining. A postcard mailing was sent to the target area for the NE Brainerd grant in April to generate interest and get additional applicants.

- 8. **COMMISSIONER COMMENTS:** Commissioner Decker expressed the desire to have education classes for the tenants start back up and hopes they can start taking place outside during the transition to get back to opening up community spaces. Commissioner Duval asked staff if a tour could be set up of the North Star Apartments mechanical rooms in light of the boiler and water heater project to see what happens behind the scenes and get a sense of why the project is so costly.

9. **ADJOURNMENT:**

Moved and seconded by Commissioners Erickson and Duval to adjourn the meeting. Though roll call vote, all commissioners, with the exception of Commissioner Larson who had left the meeting, were in favor of the motion and the meeting was adjourned at 1:58 p.m.