



Brainerd Housing & Redevelopment Authority BOARD MEETING MINUTES Wednesday, January 27th, 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 via Webex video/teleconference at 1:00 p.m., Wednesday, January 27th, 2021.

1. **CALL TO ORDER:** Chair Marlee Larson called the meeting to order at 1:03 p.m.
2. **ROLL CALL:** Present: Commissioners Marlee Larson, Janet Decker, Michael Duval, Gabe Johnson, Ashley Storm, and Bekah Kent.

Others present: Executive Director Eric Charpentier, Finance Director Karen Young, Executive Assistant LeAnn Goltz, Rental Assistance Manager Tania Eller, Housing Rehab Coordinator John Schommer, and Housing Manager Shannon Fortune.

3. **ANNUAL MEETING:** Chair Larson opened the annual meeting at 1:04 p.m.
 - a. **Oath of Office:** Michael Duval was reappointed to serve on the Brainerd HRA Board of Commissioners for a term expiring 12/31/25. His official oath of office was conducted.
 - b. **Election of Officers:** Chair Larson asked for nominations for chair for 2021.

Commissioner Larson nominated Commissioner Johnson for board chair with a second by Commissioner Storm. Through roll call vote, all commissioners were in favor and none were opposed. The motion carried and Commissioner Johnson was elected chair.

Commissioner Larson called for nominations for vice chair.

Commissioner Larson nominated Commissioner Storm for vice chair, seconded by Commissioner Johnson. Through roll call vote, all commissioners were in favor and none were opposed. The motion carried and Commissioner Storm was elected vice chair.

Commissioner Larson called for nominations for secretary/treasurer.

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

Commissioner Johnson moved to the chair's seat.

- c. **Review Bylaws:** The Board reviewed the current bylaws and had no proposed changes.
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- d. **Review Meeting Schedule:** The Board reviewed the 2021 meeting schedule and had no proposed changes.

Commissioner Duval moved to adopt the 2021 meeting schedule followed by a second from Commissioner Larson. Upon roll call, all commissioners voted in favor and none were opposed. The motion carried.

Chair Johnson closed the annual meeting @ 1:09 p.m.

4. READING AND APPROVAL OF MINUTES:

Commissioner Larson moved to approve the minutes from the meeting on December 16th, 2020. Commissioner Duval 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. **Designation of Official Depository:** Pursuant to Minnesota Statute 118A.02, the Brainerd HRA Board shall designate as a depository of its funds, one or more financial institutions.

Commissioner Larson moved to approve the designation of Bremer Bank as the official depository. Commissioner Duval seconded the motion. Through 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:

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.

2020 Levy Payment

In December, the second half 2020 tax settlement of \$57,399.60 was received as reflected in the General Fund financial statements. Year-to-date, \$128,534.58 in levy payments has been received. The 2020 tax levy was estimated at \$130,430.

Audit Schedule

The 2020 audit schedule has been set with CliftonLarsonAllen (CLA). The Crow Wing County HRA audit will be during the first week of February. The Brainerd HRA audit and Brainerd South compilation are scheduled for the second 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.

2021 Estimated Funding

HUD recently released Housing Choice Voucher (HCV) funding estimates for CY 2021. The estimated HAP proration will be 99.344% with an inflation factor of 1.5% for the agency. The estimated administrative fee proration will be 83.832%.

January and February Public Housing (PH) Operating Subsidy obligations were funded at an interim proration level of approximately 95.23% of eligibility. The final proration will reflect the difference in the amount of the final approved PHA eligibility and the 2021 Appropriation Act.

Moved and seconded by Commissioners Larson and Storm to approve the December payments as presented. Through roll call vote, all commissioners voted in favor of the motion and none were opposed. The motion was approved.

b. HCV/Section 8:

HCV Report

The Unit Months Leased (UML) through December was 99% and HAP utilization through December was 98%.

Bridges Report

There are seven families on the program with a monthly HAP payment of \$2,929. There are also five families that have been issued a voucher and are searching.

Family Self-Sufficiency (FSS) Report

There are currently 29 families on the program with 12 families that are escrowing in the amount of \$1,900 per month. The agency was awarded \$67,304 for the 2021 FSS Program. This is the same amount received in 2020.

Foster Youth Initiative (FYI) Report

There are two families leased up with a total HAP payment of \$601 per month. Carrie is working on getting two more families on the program.

c. Housing Manager Report:

ROSS Program Updates

- 14 active participants
- 3 newly-enrolled participants
- 0 new contacts with non-enrolled residents for more limited resource/referral work
- 27 residents participated in the Senior Nutrition Assistance Programs
- Facebook Stats: 7 new posts on the ROSS Facebook page this past month, which reached 23 individuals with no additional likes or shares.

Year-In-Review – Public Housing Highlights from 2020

- Work Orders: 986
 - » Non-Emergency Work Orders: 978
 - » Emergency Work Orders: 8
 - » Busiest Month: October (136) & Slowest Month: April (51)
 - » Average: 82/Month

- New Households Moved In: 26
- 100% occupancy for 12 months
- Annual Recertifications: 199
 - » 111 households had a rent increase (average of \$45/household)
 - » 68 had no change in rent amount at annual recertification
 - » 20 households had a rent decrease (average of \$50/household)
 - » Overall increase of \$3,978 in monthly rent amounts
- Non-Annual Recertification (change of income or household status): 119
 - » 46 households had a rent increase (average of \$191/household)
 - » 10 had no change in rent amount at interim recertification
 - » 63 households had a rent decrease (average of \$195/household)
 - » Overall decrease of \$3,516 in monthly rent amounts
- ROSS Program
 - » Total New Households Enrolled: 15 (Non-Enrolled Households Served: 28)
 - » Average Length of Enrollment: 12 months
 - » Total Exiting Households: 7
 - » 43% increased or added an income source
 - » 2 individuals had goals of finding new housing - 1 exited into non-HUD subsidized housing & 1 exited into a private rental
 - » 2 individuals prevented eviction/cured lease violation and remained residents
- Total SNAPS Program Food Boxes Distributed: 338 (approx. \$20,280.00 value)
- Facebook Posts: 87 (Individuals Reached: 441)

d. Executive Director Report:

Downtown Housing Project

This project continues to move forward. The developer has executed a purchase agreement on the former Thrifty White building in downtown. The sale is not set to close until June of 2022 as there is a lease in place until then. Charpentier is working with the developer and exploring ways the HRA can provide assistance. They are looking into the possibility of submitting a grant application for demolition costs through the DEED redevelopment program. The application is due February 1st, but because the project is still in its early stages, they will likely not have the information needed for a complete application. If that is the case, they will try for the next round of grants in August.

Housing Developer Update

Charpentier recently had a meeting with another developer that has been working on the Meadows development (formally known as Northtown) in Brainerd as they are exploring what their next project/projects will be. They are open to potentially doing infill projects utilizing the tax forfeited property policy that the HRA offers, as well as looking at other larger tracts of undeveloped land in Brainerd and the surrounding communities. They discussed the community's workforce housing needs and the potential for building some 2-4 plex properties to keep the per unit cost down to an affordable level. Charpentier has provided the tax forfeited property list to them and will continue to foster a relationship with this builder.

Maintenance Supervisor

Terry Quick, former maintenance supervisor, had his last day with the agency on January 12th. The hope is to advertise for his position in the coming weeks.

Ongoing COVID-19 Response

There have been no changes in the COVID-19 response in the past month. Staff continues to monitor a number for federal- and state-level sources to ensure that the agency's response is consistent with other PHAs while still being appropriate for the community's needs.

e. Rehab Update:

NE Brainerd SCDP

Address	Owner	Type of Rehab	Units	Status
707 Laurel St.	Knotty Pine Bakery	Commercial	1	Complete
707 Laurel St.	Sarah H.S.	Mixed-use	9	Substantially Complete
212 1 st Ave. NE	Andrea B.	Owner-occupied	1	Complete
612 2 nd Ave. NE	Kelly R.	Owner-occupied	1	Complete
201 & 203 B St.	Travis B.	Rental	2	In Construction
726 4 th Ave. NE	John G.	Rental	3	Bidding
215 Gillis Ave. NE	Cheri S.	Owner-occupied	1	In Construction
414 3 rd Ave. NE	Select Rental Properties	Rental	1	In Construction
206 Gillis Avenue	Herbert & Robin J.	Owner-occupied	1	In Construction
721 2 nd Ave. NE	Darin K.	Owner-occupied	1	In Construction

Emily SCDP

- 7 owner-occupied projects are complete
- 1 project is in construction

MHFA

- 1 project is in construction
- 2 applications are being processed

FHLB

Notification was received that the HRA did not get funded for the FHLB Affordable Housing Program. With 162 applications received for a total request of over \$90 million, they funded 63 projects for a total of \$41.7 million. The HRA's application scored 59.34 points and they funded down to 62.1 points this round.

Brainerd Oaks/Serene Pines

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	47	44	3	8
Serene Pines	23	14	12	0	2
Dalmar Estates	7	1	1	0	0

**Originally 83 lots, two have been merged/combined into a single parcel.*

8. **COMMISSIONER COMMENTS:** Commissioner Larson expressed her gratitude for the opportunity to serve as board chair for the past few years.

9. **ADJOURNMENT:**

Moved and seconded by Commissioners Duval and Kent to adjourn. Chair Johnson declared the meeting adjourned at 2:06 p.m.