

HOUSING & REDEVELOPMENT AUTHORITY OF CLAY COUNTY
Regular Meeting of December 20, 2022

MEMBERS PRESENT:

Anthony Dillard, Cecil Johnson and Kim Schlotfeldt in person, Les Bakke and Tia Braseth via Zoom.

MEMBERS ABSENT:

None

STAFF PRESENT:

Dara Lee and Jill Cossette.

9:30 A.M. REGULAR MEETING CALLED TO ORDER:

AGENDA:

A motion was made by Commissioner Dillard to approve the agenda. Commissioner Schlotfeldt seconded the motion and it carried unanimously.

MINUTES FROM NOVEMBER 15, 2022,

REGULAR MEETING:

A motion was made by Commissioner Johnson to approve the November 15, 2022, regular minutes. Commissioner Dillard seconded the motion and it carried unanimously.

CITIZENS TO BE HEARD:

None

TREASURER'S REPORT:

Director Lee discussed the deficit in the HRA Cares Program. The Rental Assistance Program had an extra \$100,000 that HUD would not allow us to shift. After Director Lee disputed this with HUD, they approved the transfer of the funds. The transfer of \$47,500 was paid to CCRI for additional expenses, administration costs, and support services for tenants.

PROJECT UPDATES:

Director Lee asked if there were any questions regarding the below updates. The Board had no questions.

Houge Estates

As of December 1, there are 9 vacant units and one eviction in process. There is a tenant approved for January move-in. There are eight more applicants whose applications are being processed for eligibility. There are 90 households on the waiting list. The waiting list is currently open.

The Houge Estates Service Coordinator is housed at this location. The renewal grant application has been submitted for 2023.

Agassiz Apartments

As of December 1, there are no vacancies. There are 10 applicants on the waiting list which closed 2/1/22. Agassiz is in need of a new roof.

Clay County Affordable Housing LLC/Boyer Apartments

As of December 1, there are 4 vacant units. One in Moorhead is being filled through a transfer this month.

There are two vacant 3-bedroom units in Ulen and one in Hawley. The third Ulen tenant was evicted by the court effective December 20. A fourth Ulen tenant is in the eviction process as well. If evicted all 4 Ulen units will be empty. There is one additional Hawley tenant, and one Dilworth tenant who are in the eviction process. All evictions are due to non-payment of rent.

Eligibility is being determined for four households for the eight openings. There are still 21 households on the waiting list for the one-bedroom units at Boyer. All open units are 2-, 3-, and 4-bedroom units.

There is no specific subsidy tied to these units. Residents of these units receive a preference for a Housing Choice Voucher if their family size fits the available unit.

Fieldcrest Townhomes

As of December 1, there are 11 vacant units (five 2-bedrooms and six 3-bedrooms) which will be kept vacant during construction. There are 16 households on the waiting list which is now closed. We will reopen the waiting list and start filling the openings when the rehab is complete.

Windows are installed; the sewer has been moved; new sidewalks are poured; the southeast parking lot is completed; the new addition is framed and roofed; and unit rehab has begun on 8 units. It is expected to take 4-6 weeks per building. As always, there have been some unexpected challenges, but overall things are progressing. There is still no siding on the buildings.

Gateway Gardens

As of December 1, there are 3 openings. A tenant was terminated due to ongoing damages to the property. An applicant has been denied and is in the appeals process. Other potential tenants have been identified through the coordinated entry waiting list.

The Housing Supports supplies remain at Gateway Gardens. Two HRA staff have offices at this location. An HRA Assistant Property Manager will move his primary office to this location in January or February. The CCRI case manager continues to have an office at the location. The HRA has hired two current CCRI employees to continue their current work at the front desk. They will each work approximately 24 hours per week. One has been working for the HRA since August and has assisted with our requirement to cover the 5 p.m. to 8 p.m. shift each day. Other HRA staff have continued to be exceptionally flexible and have managed to cover each shift.

Prairie Horizons Townhomes

As of December 1, all units were occupied. There may be an upcoming termination. A supportive services office is available on-site. CCRI continues to have a full-time employee providing support to both Prairie Horizons Townhomes developments and other HRA Cares scattered-site participants. She is officed at that location. CCRI has been providing DHS Housing Stabilization Services to the participants. An HRA employee also provides support to tenants participating in this program.

Housing Choice Vouchers

As of December 1, 2022, there were a total of 660 households of a possible 758 leased from the HRA Housing Choice Voucher program. We are working with 4 additional households from other housing authorities. We have 556 vouchers under our main HCV HUD contract; 187 under our Mainstream HCV contract; and fifteen under our HCV Emergency Housing Voucher (EHV) contract. We plan to reallocate 10 of our 40 VASH units to the Bemidji HRA. Both the Bemidji and Clay HRA boards have approved this transfer.

Of the 556 vouchers under our main contract, 481 vouchers are leased: 413 of 475 regular vouchers; 40 out of 40 Tenant Protection Vouchers; 1 of 1 FYI vouchers; and 27 of 40 VASH vouchers. There are two additional VASH participants who are between units, and two more who have been issued initial vouchers. We have issued 6 regular vouchers and are working with 3 additional households to issue a regular voucher.

166 out of 187 Mainstream vouchers are under lease. We have issued 8 Mainstream vouchers and are working with 2 additional households. 13 of 15 EHV vouchers are under lease and two applicants are being worked with.

The HRA's goal is to first focus on the 21 Mainstream and 2 EHV units. We received \$93,500 in additional administrative fees in November to assist with keeping these units filled during this challenging time. After the first of the year, the focus should shift to our 62 open regular vouchers.

We have 40 individuals enrolled in our Family Self-Sufficiency program. We have had 46 FSS participants in the past 12 months. We anticipate the FSS participant numbers will increase significantly in the coming months.

We contacted 102 households who were on the waiting list. Of these, 52 people have attended intake meetings and four more are scheduled to come in. Thirty-one people did not attend their appointments or contact us. Mail was returned for 15 applicants suggesting they have moved since applying without providing us with an updated mailing address. This response rate is standard to above average for our program. There are 245 households who remain on the waiting list.

HRA Cares

We are authorized to serve 64 households and are currently serving 63 households. Of the 63, 15 are at Prairie Horizons Townhomes; 5 are at Bright Sky Apartments; and 43 are in scattered-site units in Clay (36), Douglas (5), and Otter Tail (3) Counties, MN, and in Fargo, ND (4). Six households are searching for units.

Homeless to Housed Rental Assistance

Our current grant is to serve sixty-two households through September 30, 2023. We are serving 56 of our authorized 62 households. Three households are currently searching for units and two that are in the intake process. There are 19 singles and 37 families being served. The grant targets families and youth-headed households. Leased households are from Clay (47), Douglas (7), Grant (1), and Traverse (1) Counties.

Openings are filled through the coordinated entry.

Homework Starts with Home

The current grant term runs from 8/1/2020-9/30/2023. As of December 1, 32 households are leased. This grant is still over budget so we will not be issuing any new vouchers right now. We can average serving 28-29 households for the next 9 months. Households are from Clay (27), Douglas (4), and Otter Tail (1) Counties.

We have transitioned 45 households off the current grant: 28 moving to Housing Choice vouchers; 1 moved to Homeless to Housed; 1 moved to Bridges; 1 transitioned to a more intensive youth program; 1 purchased a home; 3 went off due to increased income; 7 moved to unsubsidized units; 1 was terminated due to no contact; and 1 was evicted and disappeared.

Housing Supports (formerly GRH) in Scattered-Site Units

As of December 1, a total of 122 households were being served by the Housing Supports program in Clay County. There are 104 households leased in the scattered-site Housing Supports program – 9 with the HRA; 23 with CAPLP; 12 with the Presentation Partners in Housing; 9 with LMHC; 10 with Metro Behavioral Health; 8 with the Lotus Center; and 32 with Greater Minnesota Community Services. In addition, CCRI serves 18 Housing Supports clients at Gateway Gardens and 1 in a scattered-site location.

Twenty-two additional households are searching for units. Half of these are individuals who have been asked to leave/evicted from their units. We will not be accepting any additional new clients until the HRA is able to catch up on the financial and support services work of the organization.

Minnesota DHS Community Living Infrastructure Grant

The HRA has 1.0 FTE Housing Resource Specialist and a 0.05 project manager. There are 2 FTE outreach workers funded who are employed by the CAP agencies, CAPLP (1.15 FTE) and WCMCA (.85 FTE). CAPLP is currently short-staffed. The grant also includes a full-time

eligibility worker for Clay County Social Services. Staff has been working diligently on property owner engagement strategies and matching participants with available assistance.

There is an on-site DHS grant monitoring on January 12, 2023.

Minnesota DHS Housing Stabilization Services

Staff began Housing Consultations in 2020. Staff has been performing annual renewal consultations. Due to staff transitions and an inability to recoup our costs, we are only doing on-going consultations and will not accept any additional HSS Transition & Sustaining Services participants at this time.

The Supportive Services Manager applied for and was awarded a \$50,000 capacity building grant to get the necessary infrastructure in place to re-start this program. The grant is for a 6-month period. Due to internal staffing challenges, the Supportive Services Manager reached out to CAPLP to partner on sharing this grant and the underlying work to get a system in place for the area. This grant ends on February 28.

They are working on getting a coordinated referral process in place, streamlined policies and procedures, training components, and effective billing practices. DHS has released an RFP for up to an additional \$150,000 per organization for funding to begin March 1, 2023, until March 2024.

Minnesota Housing-Housing Stability Grant

The HRA is a sub-grantee of the West Central Minnesota Communities Action Agency (WCMCA) to provide Housing Navigation services from June 15, 2022, through June 30, 2023. WCMCA is the grantee with CAPLP, Presentation Partners in Housing, and the HRA as sub-grantees.

The HRA hired three new people for two new positions between June and August. One of these hires remains in the role. Existing HRA staff also perform some of these duties.

The HRA transferred 37% of its sub-grantee funding to CAPLP, which reduced our FTEs to 1.26. CAPLP recently lost funding on a significant grant so were looking for additional resources. This grant ends on June 30, 2023, and it did not appear prudent to add additional staff.

With the addition of only one new staff member, we will be able to absorb her into current HRA operations at the end of the grant term.

Owner-Occupied Rehab Program

Dilworth

The HRA staff applied for funding on behalf of the City of Dilworth for 2021 CDBG funding to DEED through the Small Cities Development Program. We applied for and received \$922,000 on behalf of Dilworth to rehabilitate twenty-one owner-occupied homes and seven businesses. Twenty-three homeowner and 8 commercial property owner applications were received. The

loan limit for homeowners is \$24,999 and for commercial owners is \$40,000. Contractors say they are extremely busy and will have long turnaround times.

For the owner-occupied home rehabilitations, six projects are under construction; 4 projects are finalizing bids and preparing to close; and 2 households are in the eligibility process. One household withdrew its application, and two households have asked to be moved to the end of the waiting list. All other applicants have been contacted and will be processed in the order they respond.

Physical property inspections have been completed on all 8 of commercial buildings. One project is under construction; 5 projects are finalizing contracts; and one project has not started bidding. The 8th applicant sold its building and withdrew its application.

RLP (Minnesota Housing Rehabilitation Loan Program)

The Minnesota Housing Rehabilitation Loan Program is funded by the state. MHFA made updates to the program effective August 1, 2022. The updates were targeted at easing some of the income eligibility requirements by adding additional allowable deductions. Nine applicants are in the process of submitting income and other eligibility information. One is closing in the near future.

MINNESOTA CITY PARTICIPATION PROGRAM (MCP)

For the past few years, the Clay County HRA has applied on behalf of the entire county to participate in the MCP program. Prior to the HRA applying, the cities of Moorhead, Barnesville, Dilworth, and Glyndon all applied separately. By the HRA applying, it eliminates the need for the individual communities to apply and makes this resource available to first-time homebuyers everywhere in Clay County. In 2022 there were applicants from Moorhead, Dilworth, Glyndon, Hawley, Barnesville, and Sabin.

In 2022, over \$10.5 million of funding from this program has been committed for Clay County. Attached is a Clay County-specific form showing the total amount provided by this program and the lenders accessing the program. This information has been shared with city officials from each of the benefitting communities.

Staff requested to resubmit the application in January for 2023.

A motion was made by Commissioner Schlotfeldt to approve and apply for the Minnesota City Participation Program. Commissioner Braseth seconded the motion and it carried unanimously.

MOORHEAD PUBLIC HOUSING AGENCY JOINT OPERATIONS

Moorhead Public Housing Agency (MPHA) staff and board members have been in discussion with HRA staff and a board member regarding potential efficiencies in delivery of affordable housing services to low-income residents.

Staff of both agencies are recommending that the agencies enter into a joint powers and/or management agreement to be effective on March 1, 2023, where the HRA will take over responsibility for the operations of the MPHA and the majority of its staff will transfer from being employees of MPHA to being HRA employees. We propose the agreement be in place until December 31, 2023, with the opportunity of extending up to one additional year.

During that time period, the agencies would exam and determine the best mechanisms to meet their missions and deliver high quality housing and services. The agencies would retain legal representation to help guide this process. The expected fees would be in the \$35,000-\$50,000 range.

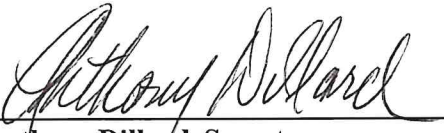
Staff has approached the Greater Minnesota Housing Fund for potential financial support in this process.

Staff requested board approval to develop an agreement with MPHA to begin operations of its agency effective March 1, 2023, and to submit a request for funding to the Greater Minnesota Housing Fund for assistance with this process. No final decisions on operations or retention of counsel would be made until the January or February 2023 board meetings.

A motion was made by Commissioner Schlotfeldt for approval to submit the Greater Minnesota Housing Fund request and retain an attorney if required. Commissioner Dillard seconded the motion and it carried unanimously.

10:34 A.M. MEETING ADJOURNED:

Commissioner Braseth moved to adjourn the meeting at 10:34 a.m. The motion to adjourn was seconded by Commissioner Bakke and carried unanimously.



Anthony Dillard, Secretary



Date