

**Housing & Redevelopment Authority
Regular Meeting
Monday, February 22, 2021
4:00 PM
Virtual Meeting due to Covid-19**

1. Agenda

Documents:

[1 MEETING AGENDA 2.22.2021.PDF](#)

2. Roll Call: Atkinson, Hole, Kropp, Olivo, Schnitzler

3. Approval Of Minutes For: January 25, 2021 Meeting

Documents:

[2 HRA MINUTES FROM 1-25-2021.PDF](#)

4. Executive Directors Report

5. Old Business

5.I. Memorandum

Documents:

[3 BOARD MEMORANDUM 2.22.2021.PDF](#)

5.II. Balance Statements

Documents:

[4 HRA BALANCE STATEMENTS.PDF](#)

5.III. Income Statements

Documents:

[5 HRA INCOME STATEMENTS.PDF](#)

5.IV. Housing Choice Voucher Updates

Documents:

[6 HCV DEMOGRAPHICS.PDF](#)

5.V. Bridges Updates

Documents:

[7 BRIDGES DEMOGRAPHICS.PDF](#)

6. New Business

6.I. Discussion: HUD's Mainstream Vouchers Added To Admin Plan

6.II. Bridges 2021-2023 Application & Administration Changes / Updates

7. Next Scheduled Meeting: Monday, March 22, 2021

8. Adjourn

Please inform Ghassan Madkour as soon as possible whether you will be able to attend at ghassan.madkour@ci.owatonna.mn.us or 507-774-7318.



Regular Meeting

Monday, February 22, 2021

4:00 PM

Virtual Meeting due to Covid-19

Preliminary Agenda

1. Roll Call: Atkinson, Hole, Kropp, Olivo, Schnitzler
2. Approval of Minutes for: January 25, 2021 Meeting
3. Executive Directors Report:
4. Old Business:
 - a. Housing Choice Vouchers Updates
 - b. Bridges Updates
5. New Business:
 - a. Discussion: HUD's Mainstream vouchers added to Admin Plan
 - b. Bridges 2021-2023 application & administration changes/updates
6. Other:
 - a. SEMCAC State grant update
7. Adjourn

Next scheduled meeting: Monday, March 22, 2021.

Please inform Ghassan Madkour as soon as possible whether you will be able to attend at ghassan.madkour@ci.owatonna.mn.us or 507-774-7318.



MINUTES
OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY
REGULAR MEETING on JANUARY 25, 2021

The regular meeting of the Owatonna Housing and Redevelopment Authority was called to order at 4:00 pm on Microsoft Teams by Vice Chairman Atkinson.

Housing Manager Ghassan Madkour read a statement to allow for the meeting to be conducted by telephonic or electronic means and all votes will be roll call votes.

Members present were Jerry Atkinson, John Hole, Shari Kropp, and Vicki Olivo. Also present were Housing Manager Ghassan Madkour, Community Development Director Troy Klecker, Council Member Nathan Dotson, and Administrative Technician Kristen Kopp.

Approval of the Minutes: Vice Chairman Atkinson called for a motion to approve the minutes of the December 28, 2020 meeting. A motion was made by Olivo and seconded by Hole to approve the minutes. Commissioners voting Aye: Atkinson, Hole, Kropp, and Olivo. 4-0, motion carried.

Executive Directors Report: Community Development Director Troy Klecker said that the City Council made appointments to boards at their last meeting. The City Council wanted staff on every board that has the ability to levy tax and spend dollars, which includes the HRA Board. All five members of the HRA Board are within a term limit, and terms come to an end on April 30th. The Council is recommending that Nathan Dotson be the Council Member to sit on the HRA Board when the next HRA member's term ends. Vice Chairman Atkinson's term will end in April 30, 2021. Anyone at any point in time can leave the board as well. He said that is why Council Member Dotson is attending this meeting, and he will plan on attending the meetings through the end of the year. Atkinson said that he would plan on going off the board at the end of April when his three-year term is up. He said he will have fulfilled his term, and said that there are other things he is interested in doing. Klecker said they will plan on having Council Member Dotson join the HRA Board at that time.

Klecker gave an update on housing projects. There are still three apartments under construction. The apartment on Florence Avenue is the furthest along. Eastgate has the foundation in and lower level concrete. They'll be starting framing soon. The Schrom project on Mound Street has all of the underground work done and are planning to start framing tomorrow. It will be fun to watch them come up. They ended up with 35 single family houses, which is an increase from 2019. We also had more single-family homes built than surrounding communities. They'd like to see that pick up this year if they can. A residential subdivision has been annexed in and they will be platting more single family lots. There are two apartment projects in the works right now: Riverwood on Lemond Road and The Pearl, a 43-unit apartment building on Pearl Street. That project is using Tax Incremented Financing. A couple of developers are interested in doing more apartments as well. We'll have a good indication of 2021 projects in the next couple of months. Covid has had a minimal impact on new development. Everything that was in the works has continued. The current eviction restriction goes until March 31st.

Old Business: The Housing Choice Voucher program monthly report was presented by Madkour, including the City of Owatonna monthly balance sheet and revenue/expense report. Program utilization: The Housing Voucher program for December totaled 106. Total year to date assistance and administration costs were \$701,386.31 and revenues were \$701,165.20. The Housing Choice Voucher Program fund balance at December month end is \$66,604.19. Madkour provided City of Owatonna HRA monthly balance sheet and revenue/expense reports for the HRA General Fund including the Bridges Programs. The HRA Revenues year to date total is \$528,013.10 and the expenses total \$583,954.49. The HRA General Fund balance is \$330,422.49.

We're adding two new vouchers this month. There are eleven applications out for Bridges and two for HCV. The 11 Bridges, are on a which is first come, based on funding in the grant. All applicants are

aware of the process. The social workers here in town are great and they want to work hard for these people.

A motion was made by Olivo and seconded by Hole to approve the reports as presented. Commissioners voting Aye: Atkinson, Hole, Kropp, and Olivo. 4-0, motion carried.

Other Business: Housing Manager Madkour said that the SEMCAC grant for seven counties – the numbers aren't final yet, but will be very soon. The breakdown is for rent payments, mortgage assistance, contract for deed assistance, etc. which is quite a spread. Steele County was a good portion of that. Although they are understaffed at the Steele County SEMCAC office, they administered to a lot of people. There's a good chance it will be extended again. He said that landlords aren't really happy at this time due to the eviction moratorium extensions. The 40 vouchers for the homeless population were issued to us finally. Initially when we received, he was told we had until April 1st to administer them. It takes a couple months to get someone housed. We got another letter that says we have until February 1, 2022. The other quirk is that initially they said it's to the homeless population 18-61, which would be set apart from the original 113 vouchers that we were granted. He said that now he thinks they have to go through the waitlist process and will have to vote it in as part of the admin plan. It will be to the homeless, so if someone on our waitlist has a homeless status, they go to the top of the list. It may be slower than we think because they have to get all the paperwork that they need, which can be harder for the homeless population as many are couch-hopping or on the streets. Klecker asked if another issue going to be finding units. Madkour said yes, and another issue will be qualifying with their landlords. He said he doesn't know what to expect, but he is glad we have the means to attempt to assist. Rents have gone up recently possibly because of the new apartments. Klecker said it's supply and demand. The more units we can get built, the more they can stabilize rates. There is a high demand right now.

Klecker asked what the Commissioners are thinking about having an in-person meeting in February. Kropp and Hole said that they'd be interested in another TEAMS meeting. Klecker said that they will plan on TEAMS for the February meeting, and they can evaluate it then.

Adjournment: There being no further business, a motion to adjourn was made by Hole, seconded by -. Commissioners voting Aye: Atkinson, Hole, Kropp, and Olivo. 4-0, motion carried. The meeting adjourned at 4:34 pm.

Respectfully Submitted,

Ghassan Madkour
Housing Manager

MEMORANDUM

TO: OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY BOARD
FROM: GHASSAN MADKOUR, HOUSING MANAGER
SUBJECT: MONTHLY DEMOGRAPHICAL AND FINANCIAL DATA
DATE: FEBRUARY 22, 2021

The purpose of this memorandum is to provide the Owatonna Housing and Redevelopment Authority with demographical and financial data on the HRA General Fund, Housing Choice Voucher Program, and Bridges Programs.

OWATONNA HRA GENERAL FUND

YTD Revenues:	\$40,472.00
YTD Expenses:	\$35,515.29
Fund Balance:	\$335,764.47

MHFA BRIDGES PROGRAM

Monthly HAP Revenue	\$16,855.00
Monthly Admin Revenue	\$1,650.00
Monthly HAP Expense	\$18,505.00
Occupancy:	33
Average HAP:	\$510.76

COUNTY BRIDGES PROGRAM

Monthly HAP Revenue	\$3,477.00
Monthly HAP Expense	\$3,477.00
Occupancy:	7
Average HAP:	\$496.71

SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

YTD Revenue:	\$62,938.46
YTD Expense:	\$59,590.52
Total Cash Balance:	\$66,867.10
Program Demographics:	
Households in Steele Co:	107
Average HAP:	\$468.16
Households Portable Out:	5
Average HAP:	\$851.00
Total Assisted Households:	107
Households Ported In Billing:	11

Requested Action: The Board is asked to review and approve the monthly reports and program expenditures.

City of Owatonna
Balance Statement by Fund
31-Jan-21

FUND 280: OWATONNA HRA

Account Number	Account Name	Ending Balance
ASSETS		
280-000-000-10100	BANK ACCOUNTS	\$ 108,937.87
280-000-000-10900	INVESTMENTS	50,000.00
280-000-000-12100	ACCOUNTS RECEIVABLE	750.00
280-000-000-12200	DELINQUENT TAXES RECEIVABLE	352.74
280-000-000-13200	DUE FROM OTHER GOVERNMENTS	15,848.00
280-000-000-14150	LAND HELD FOR RESALE	184,208.00
280-000-000-14240	NOTE RECEIVABLE	6,170.00
Total Assets		<u>\$ 366,266.61</u>
LIABILITIES		
280-000-000-20100	ACCOUNTS PAYABLE	\$ 14,365.47
280-000-000-21015	REFUNDABLE DEPOSITS	9,000.00
280-000-000-22200	DEFERRED REVENUE	6,170.00
280-000-000-22210	DEFERRED REVENUE - DEL TAXES	966.67
Total Liabilities		<u>\$ 30,502.14</u>
FUND EQUITY		
280-000-000-29100	FUND BALANCE	\$ 335,764.47
Total Fund Equity		<u>\$ 335,764.47</u>
Total Liabilities and Fund Equity		<u>\$ 366,266.61</u>

FUND 282: OWATONNA HRA-HUD

Account Number	Account Name	Ending Balance
ASSETS		
282-000-000-10100	BANK ACCOUNTS	\$ 77,880.35
282-000-000-10101	BANK ACCOUNTS - DEPOSITS	25,183.44
282-000-000-12100	ACCOUNTS RECEIVABLE	-530.00
282-000-000-13200	DUE FROM OTHER GOVERNMENTS	270.61
Total Assets		<u>\$ 102,804.40</u>
LIABILITIES		
282-000-000-20100	ACCOUNTS PAYABLE	\$ 6,454.75
282-000-000-20550	DUE TO OTHER GOVERNMENTS	4,299.11
282-000-000-22200	DEFERRED REVENUE	0.00
282-000-000-22250	DEPOSITS	25,183.44
Total Liabilities		<u>\$ 35,937.30</u>
FUND EQUITY		
282-000-000-29100	FUND BALANCE	\$ 66,867.10
Total Fund Equity		<u>\$ 66,867.10</u>
Total Liabilities and Fund Equity		<u>\$ 102,804.40</u>

City of Owatonna
Income Statement by Fund
For the Period Ending January 31, 2021

FUND 280: OWATONNA HRA

Account Name	Original Budget	MTD Actual	YTD Actual	\$ Remaining
REVENUES				
PROPERTY TAXES	\$ 185,000.00	\$ 15,410.00	\$ 15,410.00	\$ 169,590.00
STEELE COUNTY - HOUSING GRANT	45,000.00	3,477.00	3,477.00	41,523.00
TIF ADMINISTRATIVE FEE	3,761.00	0.00	0.00	3,761.00
INTEREST INCOME	800.00	0.00	0.00	800.00
RENTS & LEASES - 204 E FREMONT	12,000.00	1,000.00	1,000.00	11,000.00
RENTS & LEASES 215 ELM ST	12,000.00	1,000.00	1,000.00	11,000.00
RENTS & LEASES 221 ELM ST	12,000.00	1,080.00	1,080.00	10,920.00
TRANSFER FROM HUD-SEC 8	7,500.00	0.00	0.00	7,500.00
STATE - BRIDGES	276,000.00	16,855.00	16,855.00	259,145.00
STATE - BRIDGES ADMIN	27,000.00	1,650.00	1,650.00	25,350.00
Total Revenues	\$ 581,061.00	\$ 40,472.00	\$ 40,472.00	\$ 540,589.00
EXPENDITURES				
WAGES - FULL TIME EMPLOYEES	\$ 84,588.00	\$ 6,361.10	\$ 6,361.10	\$ 78,226.90
PERA	6,344.00	481.06	481.06	5,862.94
FICA	6,471.00	431.91	431.91	6,039.09
INSURANCE	14,467.00	1,278.52	1,278.52	13,188.48
WORKERS COMP INSURANCE	488.00	36.40	36.40	451.60
OFFICE SUPPLIES	1,200.00	68.00	68.00	1,132.00
CONSULTING SERVICES	8,500.00	0.00	0.00	8,500.00
BACKGROUND CHECKS	600.00	-50.00	-50.00	650.00
TELEPHONE	600.00	41.50	41.50	558.50
POSTAGE	1,000.00	44.38	44.38	955.62
VEHICLE ALLOWANCE	500.00	16.50	16.50	483.50
TRAVEL & CONFERENCES	2,000.00	0.00	0.00	2,000.00
OPERATIONAL SERVICES - SEC 8	4,500.00	0.00	0.00	4,500.00
ADVERTISING	200.00	0.00	0.00	200.00
MEMBERSHIPS & SUBSCRIPTIONS	750.00	340.92	340.92	409.08
INSURANCE	3,500.00	875.00	875.00	2,625.00
RENTAL HOUSE EXP	2,000.00	0.00	0.00	2,000.00
RENTAL HOUSE EXP - 215 ELM	2,000.00	0.00	0.00	2,000.00
RENTAL HOUSE EXP - 2?? ELM	2,000.00	0.00	0.00	2,000.00
REPAIR SERVICE - OFFICE EQUIP	500.00	0.00	0.00	500.00
HOUSING PAYMENTS - STEELE CO	45,000.00	3,477.00	3,477.00	41,523.00
LAND PROJECTS	50,000.00	0.00	0.00	50,000.00
RENTAL CERTIFICATION PROGRAM	22,000.00	1,870.00	1,870.00	20,130.00
SOUTHERN MN INITIATIVE FOUNDAT	1,667.00	0.00	0.00	1,667.00
TRANSFER TO OTHER FUNDS	15,000.00	1,250.00	1,250.00	13,750.00
HOUSING PAYMENTS - BRIDGES	276,000.00	16,993.00	16,993.00	259,007.00
Total Expenditures	\$ 551,875.00	\$ 33,515.29	\$ 33,515.29	\$ 518,359.71
Expenditures	\$ 29,186.00	\$ 6,956.71	\$ 6,956.71	\$ 22,229.29

FUND 282: OWATONNA HRA-HUD

Account Name	Original Budget	MTD Actual	YTD Actual	\$ Remaining
REVENUES				
FEDERAL GRANTS - PROGRAM	\$ 625,000.00	\$ 53,319.00	\$ 53,319.00	\$ 571,681.00
FEDERAL GRANT ADMINISTRATION	62,000.00	5,217.00	5,217.00	56,783.00
PORTABLES IN HAP	80,000.00	3,971.00	3,971.00	76,029.00
PORTABLES IN ADMIN	6,200.00	431.46	431.46	5,768.54
PORTABLES RECEIVING UTIL REIMB	100.00	0.00	0.00	100.00
INTEREST INCOME	500.00	0.00	0.00	500.00
Total Revenues	\$ 773,800.00	\$ 62,938.46	\$ 62,938.46	\$ 710,861.54
EXPENDITURES				
WAGES - FULL TIME EMPLOYEES	\$ 39,244.00	\$ 2,932.11	\$ 2,932.11	\$ 36,311.89
PERA	2,943.00	212.62	212.62	2,730.38
FICA	3,002.00	170.61	170.61	2,831.39
INSURANCE	10,118.00	712.63	712.63	9,405.37
WORKERS COMP INSURANCE	227.00	14.34	14.34	212.66
AUDIT SERVICE	9,000.00	0.00	0.00	9,000.00
PORTABLE OUT ADMINISTRATION	500.00	206.21	206.21	293.79
MANAGEMENT FEE	7,500.00	0.00	0.00	7,500.00
VEHICLE ALLOWANCE	500.00	0.00	0.00	500.00
PORT UA OUT	300.00	0.00	0.00	300.00
HOME OWNERSHIP HAP	10,000.00	872.00	872.00	9,128.00
HOUSING PYMTS HAP	625,000.00	44,917.00	44,917.00	580,083.00
FSS PYMTS HAP	8,000.00	0.00	0.00	8,000.00
UTILITY PYMTS HAP	4,000.00	49.00	49.00	3,951.00
PORTABLE HSG PYMTS	11,000.00	4,255.00	4,255.00	6,745.00
PORTABLE UTIL PYMTS	750.00	0.00	0.00	750.00
PORTABLE REC HAP	80,000.00	5,249.00	5,249.00	74,751.00
Total Expenditures	\$ 812,084.00	\$ 59,590.52	\$ 59,590.52	\$ 752,493.48
Expenditures	\$ -38,284.00	\$ 3,347.94	\$ 3,347.94	\$ -41,631.94

Owatonna H.R.A.
Demographic Statistics Report
Vouchers - All Projects

<u>Unit Locations</u>	<u>HoH Count</u>	<u>Percent</u>	<u>Fam Count</u>	<u>Percent</u>
	5	5	13	5
Blooming Prairie	1	1	1	0
Ellendale	1	1	1	0
Owatonna	100	93	253	94
Total All Locations	107	100	268	100

<u>Family Composition</u>	<u>Count</u>	<u>Percent</u>	<u>Avg Age</u>
Average Family Size	3		
Elderly Heads of Household (age 62 or older)	29	27	70
Non-Elderly Heads of Household (age 61 or less)	78	73	44
Near-Elderly Heads of Household (ages 55 to 61)	12	11	57
Other Heads of Household (age 54 or less)	66	62	42
Female Heads of Household	82	77	50
Elderly	22	27	70
Non-Elderly	60	73	43
Near-Elderly	11	13	57
Other	49	60	40
Male Heads of Household	25	23	54
Elderly	7	28	70
Non-Elderly	18	72	47
Near-Elderly	1	4	57
Other	17	68	47
Disabled/Handicapped Heads of Household	59	55	58
Male	18	31	54
Female	41	69	58
Non-Minority Heads of Household	59	55	
Minority Heads of Household	48	45	
Black	38	36	
Hispanic	10	9	
# of Family Members younger than 18 years	128		10
# of Families with children	46	43	

<u>Income Source</u>	<u>Annual Amount</u>	<u>Percent</u>	<u>Count</u>	<u>Percent</u>
Child Support	\$90,703	4.6	22	8
General Assistance	\$111,066	5.6	42	15
Other Nonwage Sources	\$244,368	12.3	68	25
SSI	\$420,852	21.3	52	19
Social Security	\$354,168	17.9	41	15
TANF (formerly AFDC)	\$30,288	1.5	9	3
Unemployment Benefits	\$104,104	5.3	10	4
Other Wage	\$624,923	31.6	32	12
Total All Income Sources	\$1,980,472	100	276	100

Public Assistance is the sole source of income for 1% of households.
 Households that are working comprise 27% of households.
 Of the working households, 3% of households also receive TANF.

Average Household Income	\$18,509
Average Tenant Rent (0-Bdrm)	\$51
Average Tenant Rent (1-Bdrm)	\$234
Average Tenant Rent (2-Bdrm)	\$281
Average Tenant Rent (3-Bdrm)	\$367
Average Tenant Rent (4-Bdrm)	\$390
Average Tenant Rent (5-Bdrm)	\$638
Average Tenant Rent (Combined)	\$282
Average TTP (rent + utilities per month)	\$348

Owatonna H.R.A.
Demographic Statistics Report
Vouchers - All Projects

Average Housing Assistance Payment \$474

<u>Length of Time On Program</u>	<u>Count</u>	<u>Percent</u>
Less than 1 years	16	16
Less than 2 years	14	14
Less than 3 years	7	7
Less than 4 years	2	2
Less than 5 years	11	11
Less than 6 years	12	12
Less than 7 years	7	7
Less than 8 years	0	0
Less than 9 years	2	2
Less than 10 years	8	8
More than 10 years	23	23

<u>Broad Range of Income</u>	<u>Count</u>	<u>Percent</u>
\$0 - \$5,000	4	4
\$5,000 - \$10,000	7	7
\$10,000 - \$15,000	42	41
\$15,000 - \$20,000	15	15
\$20,000 - \$25,000	12	12
More than \$25,000	23	22

<u>Income Levels</u>	<u>Count</u>	<u>Percent</u>
Over Income	107	100

Owatonna H.R.A.
Demographic Statistics Report
 Bridges - All Projects

<u>Unit Locations</u>	<u>HoH Count</u>	<u>Percent</u>	<u>Fam Count</u>	<u>Percent</u>
Owatonna	20	91	31	91
Waseca	2	9	3	9
Total All Locations	22	100	34	100

<u>Family Composition</u>	<u>Count</u>	<u>Percent</u>	<u>Avg Age</u>
Average Family Size	2		
Elderly Heads of Household (age 62 or older)	1	5	62
Non-Elderly Heads of Household (age 61 or less)	21	95	41
Near-Elderly Heads of Household (ages 55 to 61)	1	5	58
Other Heads of Household (age 54 or less)	20	91	40
Female Heads of Household	14	64	39
Elderly	1	7	62
Non-Elderly	13	93	38
Near-Elderly	1	7	58
Other	12	86	36
Male Heads of Household	8	36	46
Elderly	0	0	0
Non-Elderly	8	100	46
Near-Elderly	0	0	0
Other	8	100	46
Disabled/Handicapped Heads of Household	17	77	40
Male	7	41	47
Female	10	59	40
Non-Minority Heads of Household	18	82	
Minority Heads of Household	4	18	
Black	3	14	
Hispanic	1	5	
# of Family Members younger than 18 years	10		10
# of Families with children	7	32	

<u>Income Source</u>	<u>Annual Amount</u>	<u>Percent</u>	<u>Count</u>	<u>Percent</u>
Child Support	\$5,832	2.2	2	4
General Assistance	\$33,492	12.8	11	22
Other Nonwage Sources	\$25,512	9.7	10	20
SSI	\$94,674	36.1	10	20
Social Security	\$68,106	26.0	10	20
Unemployment Benefits	\$6,604	2.5	1	2
Other Wage	\$27,773	10.6	5	10
Total All Income Sources	\$261,993	100	49	100

Public Assistance is the sole source of income for 5% of households.
 Households that are working comprise 23% of households.
 Of the working households, 0% of households also receive TANF.

Average Household Income	\$11,909
Average Tenant Rent (1-Bdrm)	\$192
Average Tenant Rent (2-Bdrm)	\$283
Average Tenant Rent (3-Bdrm)	\$412
Average Tenant Rent (Combined)	\$253
Average TTP (rent + utilities per month)	\$249
Average Housing Assistance Payment	\$435

<u>Length of Time On Program</u>	<u>Count</u>	<u>Percent</u>
Less than 1 years	3	14
Less than 2 years	4	18

Owatonna H.R.A.
Demographic Statistics Report
Bridges - All Projects

Less than 3 years	5	23
Less than 4 years	4	18
Less than 5 years	5	23
Less than 6 years	1	5
Less than 7 years	0	0
Less than 8 years	0	0
Less than 9 years	0	0
Less than 10 years	0	0
More than 10 years	0	0

Broad Range of Income	Count	Percent
\$0 - \$5,000	4	18
\$5,000 - \$10,000	5	23
\$10,000 - \$15,000	7	32
\$15,000 - \$20,000	2	9
\$20,000 - \$25,000	3	14
More than \$25,000	1	5

Income Levels	Count	Percent
Over Income	22	100