CITY OF OWATONNA

HOUSING & REDEVELOPMENT AUTHORITY MEETING

Monday, January 27, 2025 at 4:00 PM
Council Chambers, City Hall at 540 West Hills Circle
Roll Call: Dotson, Hole, Kropp, Olivo, Osman

1. **HRA Agenda**
   1.1. HRA Agenda - January 27, 2025
2. **Roll Call: Dotson, Fiske, Hole, Olivo, Schultz**
3. **Approval of Last Meeting Minutes**
   3.1. HRA Minutes - November 25, 2024
4. **Executive Director's Report**
5. **Old Business**
   5.1. Current Housing Choice Voucher Updates
   5.2. Current Mainstream Voucher Updates
   5.3. Current Bridges Update
6. **Other / New Business**
   6.1. Review of last year's client activity numbers
   6.2. General Depository Agreement
7. **Adjournment**

CITY OF OWATONNA

Regular Meeting

Monday, January 27, 2025

4:00 PM

City Hall/Crandall Small Conference Room 120

Preliminary Agenda

1. Roll Call: Dotson, Fiske, Hole, Olivo, Schultz
2. Approval of Meeting Minutes: November 25, 2024
3. Executive Directors Report:
4. Old Business:
    a. Current Housing Choice Vouchers Updates
    b. Current Mainstream Voucher Updates
    c. Current Bridges Updates
5. Other/New business:
    a. Review of last year's client activity numbers
    b. General Depository Agreement
6. Adjourn

Next scheduled meeting is Monday, February 24, 2025.

MINUTES
OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY
REGULAR MEETING on NOVEMBER 25, 2024

The regular meeting of the Owatonna Housing and Redevelopment Authority was called to order at 4:04 p.m. in the Crandall Small Conference Room by Chairperson Olivo.

Members present were Nathan Dotson, Julie Fiske, Vicki Olivo, and John Hole. Members absent: Lindsay Schultz. Also present were Community Development Director Troy Klecker, Housing Manager Ghassan Madkour, and Senior Administrative Technician Kristen Kopp.

Approval of the Minutes: A motion was made by Dotson and seconded by Hole to approve the minutes of the October 28, 2024, HRA Board meeting. All Commissioners voting Aye, the motion carried.

Executive Director's Report: Community Development Director Troy Klecker presented the Executive Director's Report. He said that the fourth building of Westlake Meadows will open in December and the last building in February. Ascend will have 69 units opening in January. They should see some movement in the rental market, which is good. He gave an update on Eastgate 2 and said that the project did not get funded. They will change some things and apply again. February is the preliminary deadline. He said that the Hillcrest Project also hit a snag with prevailing wages. Other projects that were awarded were also running into the same issue. He said that they are lucky if they get a tax credit project for affordable housing every four years. Grants through the state or federal government have a lot of strings attached, which makes it more expensive. The rules change every two years and get harder and harder. We've done five or six projects with the same developer that would be doing Eastgate 2 and always were awarded tax credits on the first try. They are still working on the Partridge properties in order to get those legislative dollars ($300,000).

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 October totaled 109. Total year to date assistance and administration costs were $821,288.27 and revenues were $832,899.74. The Housing Choice Voucher Program fund balance at October month end is $180,288.27. The Housing Choice Voucher Program fund balance at October month end is $180,292.10. The HRA Revenues year to date total is $451,619.42 and the expenses total $400,008.67. The HRA General Fund balance is $719,321.33.

Madkour said they're pretty close to hitting 117 vouchers for the HCV program. For the first time in many years, all ten of the applications he sent out came back. If we go over the 117 allotted, we'll put ourselves in a shortfall position, which isn't a good position to be in. There is a little over $30,000 in reserve that they want us to spend. HUD will look at that and maybe give another five to ten vouchers. They are at 35 in Mainstream, 35 in Bridges, and 7 in Bridges Like. The initial Bridges application is due on December 4. He will ask for an additional 15%.

A motion was made by Dotson and seconded by Hole to approve the reports as presented. All Commissioners voting Aye, the motion carried.

Other / New Business: Madkour said that Housing Opportunity Through Modernization Act (HOTMA) are HUD's regulations. They have made some changes, which he will bring to the Board with resolutions. Some, we won't have a choice on. Some changes have to be made by December 4. One of the adjustments is for assets. If a client has over $100,000 in assets, they have to come off the program. There are changes in payment standards. The payment standards apply to interims also. They have allowed agencies to go to 120% and that helps clients shop for better units.

A motion was made by Dotson and seconded by Fiske to approve Resolution 24-11.25 Authorizing Payment Standard Increase for HUD Assisted programs. All Commissioners voting Aye, the motion carried.

Madkour said that there is a change to the Mainstream voucher issuance. He said now they have 210 days to find a unit—120 days plus a 90-day extension. This may be pushed to HCV also.

A motion was made by Hole and seconded by Fiske to approve Resolution 24-11.25.1 Authorizing Mainstream Voucher Issuance Adjustments. All Commissioners voting Aye, the motion carried.

Madkour reminded Commissioners that the December meeting has been cancelled. The next scheduled meeting is Monday, January 27, 2025.

Adjournment: There being no further business, a motion to adjourn was made by Dotson and seconded by Hole. All Commissioners voting Aye, the motion carried. The meeting adjourned at 4:58 pm.

Respectfully Submitted,
Ghassan Madkour
Housing Managers

MEMORANDUM

TO: OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY BOARD

FROM: GHASSAN MADKOUR, HOUSING MANAGER

SUBJECT: MONTHLY DEMOGRAPHICAL AND FINANCIAL DATA

DATE: JANUARY 27, 2025

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

OWATONNA HRA GENERAL FUND

YTD Revenues:	$538,336.42
YTD Expenses:	$494,354.13
Fund Balance:	$707,362.68

MHFA BRIDGES PROGRAM

Monthly HAP Revenue	$18,019.00
Monthly Admin Revenue	$ 2,040.00
Monthly Expense	$20,059.00
Occupancy:	34
Average HAP:	$529.97

COUNTY BRIDGES PROGRAM

Monthly HAP Revenue	$4,491.00
Monthly HAP Expense	$4,491.00
Occupancy:	7
Average HAP:	$641.57

MAINSTREAM VOUCHER PROGRAM

Monthly HAP Revenue	$17,165.00
Monthly HAP Expense	$17,165.00
Occupancy:	34 out of 40 vouchers
Average HAP:	$504.85

SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

YTD Revenue:	$1,002,082.24
YTD Expense:	$998,768.00
Total Cash Balance:	$171,994.87
Households in Steele Co:	111
Average HAP:	$531.70
Households Portable Out:	7
Average HAP:	$1,048.00
Total Assisted Households:	111 out of 117 vouchers
Households Ported In Billing:	1

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

Description	Year	MTD	YTD 12/31/2024
	Budget	Actual	Actual
PROPERTY TAXES	- 200,000.00	- 16,600.00	- 203,709.95
MOBILE HOME TAX			- 27.20
STEELE COUNTY - HOUS	- 55,000.00	- 4,706.00	- 55,616.00
OTHER REVENUE		- 25.00	- 315.00
HUD - SEC 8 MGMT FEE	- 7,500.00		
TIF ADMINISTRATIVE F	- 5,638.00		- 2,911.55
INTEREST EARNINGS	- 4,000.00		- 8,707.72
RENT/RENTALS	- 36,000.00	- 3,000.00	- 24,500.00
STATE - HOUSING BRID	- 253,250.00	- 18,019.00	- 218,669.00
STATE - HOUSING BRID	- 18,000.00	- 2,040.00	- 23,880.00
	- 579,388.00	- 44,390.00	- 538,336.42
WAGES - REGULAR FT	99,801.00	7,676.71	99,621.61
WAGES - OT			24.43
PERA	7,485.00	579.80	7,521.67
FICA	7,635.00	562.50	7,321.10
INSURANCE	16,064.00	1,412.84	16,953.80
WORKERS COMP INSURAI	569.00	44.05	571.40
OFFICE SUPPLIES	1,200.00	84.42	1,573.89
OTHER PROFESSIONAL S	10,000.00	5,852.50	10,098.75
BACKGROUND CHECKS	1,300.00	225.00	1,150.00
PHONE	900.00	41.39	495.39
POSTAGE	1,300.00		1,278.45
TRAVEL & TRAINING	2,700.00		444.05
OPERATIONAL SERVICES	4,000.00		3,983.00
ADVERTISING & PROMOT	200.00		
MEMBERSHIPS & SUBSCR	900.00	99.00	1,019.98
PROPERTY & LIABILITY	4,400.00		3,300.00
RENTAL PROPERTY EXPE	6,900.00	493.87	10,201.98
REPAIR & MAINT - EQU	500.00		1,716.87
REPAIR & MAINT - OTH			162.75
SOUTHERN MN INITIATI	1,667.00		1,667.00
HOUSING PAYMENTS - S	55,000.00	4,147.00	54,249.00
LAND PROJECTS	45,600.00	5,890.00	8,240.01
RENTAL CERTIFICATION	25,000.00	2,083.00	25,000.00
TRANSFER TO OTHER FU	15,000.00	1,250.00	15,000.00
HOUSING PAYMENTS - B	271,250.00	19,307.00	222,759.00
	579,371.00	49,749.08	494,354.13

Description	Year	MTD	YTD 12/31/2024
	Budget	Actual	Actual
FEDERAL - PROGRAM	- 749,722.00	- 58,066.00	- 681,552.00
FEDERAL - ADMIN	- 75,833.00	- 6,754.00	- 89,648.00
FEDERAL - PROGRAM (M		- 14,902.00	- 166,146.00
FEDERAL - ADMIN (MS)		- 2,344.00	- 36,064.00
FEDERAL - OTHER	- 170,000.00		
OTHER HA - PORT IN H	- 100,000.00	- 1,002.00	- 22,162.00
OTHER HA - PORT IN A	- 8,000.00	- 57.25	- 1,980.22
OTHER HA-PORT IN UTI	- 1,000.00		
FRAUD RECOVERY - HAP	- 2,500.00	- 55.00	- 1,456.50
FRAUD RECOVERY - ADM	- 2,500.00	- 55.00	- 1,456.50
INTEREST EARNINGS	- 500.00		- 1,617.02
	- 1,110,055.00	- 83,235.25	- 1,002,082.24
WAGES - REGULAR FT	47,486.00	3,652.80	47,384.00
PERA	3,561.00	266.57	3,465.55
FICA	3,633.00	253.53	3,314.52
INSURANCE	11,280.00	813.35	9,760.20
WORKERS COMP INSURAI	271.00	20.26	263.40
AUDIT & ACCOUNTING S	11,500.00		17,535.00
MANAGEMENT FEES	7,500.00		
PORT OUT ADMIN	1,000.00	389.06	3,252.58
TRAVEL & TRAINING	600.00		417.11
MAINSTREAM HAP	170,000.00	17,708.00	184,309.00
MS PORT OUT	2,200.00		
MS PORT OUT ADMIN	800.00		
MS PORT OUT UA	200.00		
MS UTILITY PAYMENTS			
PORT OUT UA	752.00		
HOME OWNERSHIP HAP	12,000.00	1,069.00	12,175.00
HOUSING PYMTS HAP	749,722.00	55,763.00	627,401.00
UTILITY PYMTS HAP	2,000.00	263.00	2,670.00
PORTABLE HSG PYMTS	15,000.00	7,336.00	65,438.64
PORTABLE UTIL PYMTS	550.00		
PORTABLE REC HAP	70,000.00	1,002.00	21,382.00
	1,110,055.00	88,536.57	998,768.00

City of Owatonna
Balance Sheet
Period Ending: 12/2024

Fund: 280 OWATONNA HRA

Account Number	Description	Debit	Credit
280-10100-000-000-000000	CASH	391,786.81	
280-10700-000-000-000000	TAXES REC - DELINQUENT	959.87	
280-11500-000-000-000000	ACCOUNTS RECEIVABLE	2,496.00	
280-12900-000-000-000000	LOANS RECEIVABLE	6,170.00	
280-13200-000-000-000000	DUE FROM OTHER GOVERNMENTS	121,742.00	
280-14200-000-000-000000	LAND HELD FOR RESALE	184,208.00	
280-20100-000-000-000000	ACCOUNTS PAYABLE		-2,482.28
280-22015-000-000-000000	DEPOSITS - OTHER		-3,000.00
280-22200-000-000-000000	UNAVAILABLE REVENUE		-12,330.00
280-22210-000-000-000000	UNAVAILABLE REVENUE - TAXES		-959.87
280-29300-000-000-000000	FUND BALANCE		-644,608.24
Current Year Revenue/Expense			-43,982.29
	Fund totals:	707,362.68	-707,362.68

City of Owatonna
Balance Sheet
Fund: 282 OWATONNA HRA HUD SECTION 8 Period Ending: 12/2024

Account Number	Description	Debit	Credit
282-10100-000-000-000000	CASH	94,504.42	
282-10150-000-000-000000	RESTRICTED CASH - FSS DEPOSITS	25,595.81	
282-11500-000-000-000000	ACCOUNTS RECEIVABLE	6,096.00	
282-13200-000-000-000000	DUE FROM OTHER GOVERNMENTS	42,606.64	
282-20100-000-000-000000	ACCOUNTS PAYABLE	3,192.00	
282-22250-000-000-000000	FSS DEPOSITS		-25,595.81
282-29300-000-000-000000	FUND BALANCE		-143,084.82
Current Year Revenue/Expense			-3,314.24
	Fund totals:	171,994.87	-171,994.87

******* End of Report *********

Owatonna H.R.A.

Demographic Statistics Report

Vouchers - All Projects

Unit Locations	HoH Count	Percent	Fam Count	Percent
	7	5	19	7
Blooming Prairie	1	1	1	0
Ellendale	1	1	1	0
Owatonna	136	94	256	92
Total All Locations	145	100	277	100

Family Composition	Count	Percent	Avg Age
Average Family Size	2		
Elderly Heads of Household (age 62 or older)	24	17	69
Non-Elderly Heads of Household (age 61 or less)	121	83	45
Near-Elderly Heads of Household (ages 55 to 61)	31	21	58
Other Heads of Household (age 54 or less)	90	62	41
Female Heads of Household	107	74	49
Elderly	20	19	70
Non-Elderly	87	81	44
Near-Elderly	15	14	58
Other	72	67	41
Male Heads of Household	38	26	51
Elderly	4	11	65
Non-Elderly	34	89	50
Near-Elderly	16	42	58
Other	18	47	43
Disabled/Handicapped Heads of Household	91	63	54
Male	31	34	51
Female	60	66	54
Non-Minority Heads of Household	98	68	
Minority Heads of Household	47	32	
Black/African American	34	23	
American Indian/Alaska Native	1	1	
Hispanic	12	8	
# of Family Members younger than 18 years	109		11
# of Families with children	51	35	

Income Source	Annual Amount	Percent	Count	Percent
Child Support	$82,448	2.8	22	6
Federal Wage	$1,620	0.1	1	0
General Assistance	$357,242	12.2	116	33
Military Pay	$2,106	0.1	1	0
Other Nonwage Sources	$136,944	4.7	24	7
SSI	$851,506	29.2	75	21
Social Security	$574,476	19.7	57	16
TANF (formerly AFDC)	$1,368	0.0	1	0
Unemployment Benefits	$8,164	0.3	1	0
Other Wage	$904,931	31.0	53	15
Total All Income Sources	$2,920,806	100	351	100

Public Assistance is the sole source of income for 7% of households.
Households that are working comprise 33% of households.
Of the working households, 0% of households also receive TANF.

Average Household Income	$20,143
Average Tenant Rent (0-Bdrm)	$576
Average Tenant Rent (1-Bdrm)	$318
Average Tenant Rent (2-Bdrm)	$421
Average Tenant Rent (3-Bdrm)	$432
Average Tenant Rent (4-Bdrm)	$441

Average Tenant Rent (5-Bdrm)	$666
Average Tenant Rent (Combined)	$363
Average TTP (rent + utilities per month)	$388
Average Housing Assistance Payment	$532

Length of Time On Program	Count	Percent
Less than 1 years	24	17
Less than 2 years	32	23
Less than 3 years	20	14
Less than 4 years	15	11
Less than 5 years	4	3
Less than 6 years	2	1
Less than 7 years	3	2
Less than 8 years	2	1
Less than 9 years	3	2
Less than 10 years	11	8
More than 10 years	22	16

Broad Range of Income	Count	Percent
$0 - $5,000	0	0
$5,000 - $10,000	11	8
$10,000 - $15,000	40	28
$15,000 - $20,000	38	27
$20,000 - $25,000	22	15
More than $25,000	32	22

Income Levels	Count	Percent
Over Income	145	100

Demographic Statistics Report

Bridges - All Projects

Unit Locations	HoH Count	Percent	Fam Count	Percent
Dodge Center	1	3	2	3
Ellendale	1	3	3	4
Janesville	2	5	2	3
Kasson	2	5	4	5
Owatonna	32	80	63	83
Waseca	1	3	1	1
West Concord	1	3	1	1
Total All Locations	40	100	76	100

Family Composition	Count	Percent	Avg Age
Average Family Size	2		
Elderly Heads of Household (age 62 or older)	2	5	70
Non-Elderly Heads of Household (age 61 or less)	38	95	37
Near-Elderly Heads of Household (ages 55 to 61)	2	5	60
Other Heads of Household (age 54 or less)	36	90	36
Female Heads of Household	27	68	37
Elderly	2	7	70
Non-Elderly	25	93	35
Near-Elderly	1	4	59
Other	24	89	34
Male Heads of Household	13	33	41
Elderly	0	0	0
Non-Elderly	13	100	41
Near-Elderly	1	8	61
Other	12	92	40
Disabled/Handicapped Heads of Household	9	23	45
Male	6	67	40
Female	3	33	45
Non-Minority Heads of Household	31	78	
Minority Heads of Household	9	23	
Black/African American	3	8	
American Indian/Alaska Native	1	3	
Hispanic	6	15	
# of Family Members younger than 18 years	29		9
# of Families with children	12	30	

Income Source	Annual Amount	Percent	Count	Percent
Child Support	$20,237	3.2	4	5
General Assistance	$212,652	33.2	50	62
Other Nonwage Sources	$12,002	1.9	1	1
SSI	$36,780	5.7	4	5
Social Security	$85,776	13.4	7	9
Other Wage	$273,519	42.7	15	19
Total All Income Sources	$640,967	100	81	100

Public Assistance is the sole source of income for 30% of households.
Households that are working comprise 35% of households.
Of the working households, 0% of households also receive TANF.

Average Household Income	$16,024
Average Tenant Rent (0-Bdrm)	$298
Average Tenant Rent (1-Bdrm)	$278
Average Tenant Rent (2-Bdrm)	$294
Average Tenant Rent (3-Bdrm)	$633
Average Tenant Rent (4-Bdrm)	$816
Average Tenant Rent (Combined)	$353

Demographic Statistics Report

Bridges - All Projects

Average TTP (rent + utilities per month)	$330
Average Housing Assistance Payment	$609

Length of Time On Program	Count	Percent
Less than 1 years	22	55
Less than 2 years	15	38
Less than 3 years	3	8
Less than 4 years	0	0
Less than 5 years	0	0
Less than 6 years	0	0
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	11
$5,000 - $10,000	5	14
$10,000 - $15,000	9	25
$15,000 - $20,000	6	17
$20,000 - $25,000	3	8
More than $25,000	9	25

Income Levels	Count	Percent
Over Income	40	100