HOUSING & REDEVELOPMENT AUTHORITY MEETING

Monday, September 23, 2024 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 - September 23, 2024
2. **Roll Call: Dotson, Fiske, Hole, Olivo, Schultz**
3. **Approval of Last Meeting Minutes**
   3.1. HRA Minutes - August 26, 2024
4. **Executive Director's Report**
5. **Old Business**
   5.1. Board Memorandum
   5.2. Balance Sheets
   5.3. Income Statements
   5.4. HCV-MS Demographics
   5.5. Bridges Demographics
6. **Other / New Business**
7. **Adjournment**

Regular Meeting

Monday, September 23, 2024

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 from August 26, 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:
6. Adjourn

Next scheduled meeting is Monday, October 28, 2024.

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

MINUTES
OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY
REGULAR MEETING on AUGUST 26, 2024

The regular meeting of the Owatonna Housing and Redevelopment Authority was called to order at 4:00 p.m. in the Crandall Small Conference Room by Chairperson Olivo.

Members present were Julie Fiske, Nathan Dotson, Vicki Olivo, John Hole, and 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 Fiske and seconded by Hole to approve the minutes of the July 22, 2024, HRA Board meeting. All Commissioners voting Aye, the motion carried.

Executive Director's Report: Community Development Director Troy Klecker. He said that they have a draft plan of the Comprehensive Plan available for public comment. He said that the City purchased a house on Maple Drive =, purchased through a DNR grant. It is in decent shape, and they were looking into moving it to a vacant lot on Partridge Avenue. He said that he got some information on moving the house. When you start figuring in that it needs new windows, roof, and siding. We're in for $210,000 for sure. There is also asbestos that will have to be removed. We had a realtor look at it and say what it would be worth when it's all said and done, and it was $225,000. Staff is of the opinion that it is not the way to go. The realtor said that you could build it for about the same price. The house still needs to be removed. If there is someone else that wants to move it, they are more than welcome. The City usually gets better pricing if someone is going to move the house. They are investigating what it would cost to build a starter home—a two-bedroom rambler with a two-stall garage and unfinished basement. Maybe that is worth pursuing on these Partridge lots that the City owns. The HRA could upfront the cost to build the house and then sell it. Mohs Construction is interested in looking into it. We want to see more single-family housing, and if its more on the affordable side, all the better. He said they are still pulling together some numbers. Moving the house was not worthwhile to do. Olivo asked if they are considering more than just the one lot. Klecker said possibly—the HRA owns more lots. There would be an opportunity to do multiple houses if it is successful. Schultz asked what the projected sales price would be. Klecker said the United Way received a grant for 10 lots of affordable housing—$250,000 or less. He said they could partner together with United Way. Olivo asked if they were looking at all single family. Klecker said they are looking at single family in this area. There is an opportunity to do four units on the Cashman lot. The City also owns a lot on Cedar Avenue South. There might be a possibility to do up to four units on that lot. Madkour asked if Habitat for Humanity would be able to do something with it. Klecker said he talked to Habitat about the Cashman lot, and they are interested in it. Four units is more than they usually do, but he is willing to check. Schultz said she likes the idea of a starter home. She knew of someone looking, and if they can't find something here, they will move outside the community.

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 July totaled 105. Total year to date assistance and administration costs were $571,031.95 and revenues were $571,970.49. The Housing Choice Voucher Program fund balance at July month end is $169,619.17. The HRA Revenues year to date total is $314,420.42 and the expenses total $277,326.80. The HRA General Fund balance is $696,687.73.

Housing Manager Madkour said we are at 176 clients. We are at 98 for HCV for people living within Steele County. We're at six people who have ported out. He said he's spoken to their field rep. and he is trying to get more vouchers filled so HUD will not use the 2024 Owatonna HRA-HCV reserve fund elsewhere. Three people are searching for rentals for Mainstream and 4 for HCV right now. He said that they had the Homeownership Program starting to move, but it's at a standstill as the staff who was going to take that overtook a different job. There are 31 people searching for rentals for Bridges. He said it at a standstill right now since the affordable vacant units are scarce.

Klecker said that Westlake Meadows has their third building coming on the market on September 1.

Olivo asked Klecker if he had a meeting with the mobile home park. He said he did. Karina at MN Prairie is working on a grant that could potentially buy some units. They are open to filling the vacant spots. They have about 10. The grant application needs to be in by September 8. He said he thinks the HRA could be an active participant. Unfortunately, the application needs to be in before the next HRA meeting. Karina is in charge of writing the grant. It's kind of a last minute deal, but there might be some possibilities to get a grant to fill those spots. He'll have an update at the next meeting. Although the grant will have to be submitted before then. The grant could pay for those units and the HRA could be the owner of those units. They might be able to use the Homeownership voucher for this. Or maybe vouchers if they are just rental units. There are a lot of things up in the air. Madkour said the more avenues the better.

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

New Business: Olivo asked about the Modern Aire. Klecker said that Council set the date for the TIF public hearing on October 1. This would be for a 73 unit with 20 affordable and 53 market rate.

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 4:38 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: SEPTEMBER 23, 2024

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:	$327,244.42
YTD Expenses:	$317,901.62
Fund Balance:	$686,296.91

MHFA BRIDGES PROGRAM

Monthly HAP Revenue	$17,781.00
Monthly Admin Revenue	$1,980.00
Monthly Expense	$19,761.00
Occupancy:	31
Average HAP:	$637.45

COUNTY BRIDGES PROGRAM

Monthly HAP Revenue	$4,144.00
Monthly HAP Expense	$4,144.00
Occupancy:	8
Average HAP:	$518.00

MAINSTREAM VOUCHER PROGRAM

Monthly HAP Revenue	$15,570.00
Monthly HAP Expense	$15,570.00
Occupancy:	33 out of 40 vouchers
Average HAP:	$471.81

SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

YTD Revenue:	$658,318.24
YTD Expense:	$653,696.47
Total Cash Balance:	$173,723.98
Households in Steele Co:	101
Average HAP:	$502.46
Households Portable Out:	6
Average HAP:	$1047.86
Total Assisted Households:	107 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.

City of Owatonna
Balance Sheet
Fund: 280 OWATONNA HRA Period Ending: 8/2024

Account Number	Description	Debit	Credit
280-10100-000-000-000000	CASH	457,180.04	
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	35,283.00	
280-14200-000-000-000000	LAND HELD FOR RESALE	184,208.00	
280-20100-000-000-000000	ACCOUNTS PAYABLE		-3,056.00
280-22015-000-000-000000	DEPOSITS - OTHER		-2,000.00
280-22200-000-000-000000	UNAVAILABLE REVENUE		-16,330.00
280-22210-000-000-000000	UNAVAILABLE REVENUE - TAXES		-959.87
280-29300-000-000-000000	FUND BALANCE		-644,608.24
Current Year Revenue/Expense			-19,342.80
	Fund totals:	686,296.91	-686,296.91

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

Account Number	Description	Debit	Credit
282-10100-000-000-000000	CASH	101,853.53	
282-10150-000-000-000000	RESTRICTED CASH - FSS DEPOSITS	25,595.81	
282-11500-000-000-000000	ACCOUNTS RECEIVABLE	3,668.00	
282-13200-000-000-000000	DUE FROM OTHER GOVERNMENTS	42,606.64	
282-20100-000-000-000000	ACCOUNTS PAYABLE		-421.58
282-22250-000-000-000000	FSS DEPOSITS		-25,595.81
282-29300-000-000-000000	FUND BALANCE		-143,084.82
Current Year Revenue/Expense			-4,621.77
	Fund totals:	173,723.98	-173,723.98

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

Description	Year	MTD	YTD 8/31/24
	Budget	Actual	Actual
PROPERTY TAXES	- 200,000.00	- 16,600.00	- 137,309.95
MOBILE HOME TAX			- 27.20
STEELE COUNTY - HOUS	- 55,000.00	- 4,144.00	- 37,502.00
OTHER REVENUE		- 80.00	- 240.00
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	- 2,000.00	- 14,000.00
STATE - HOUSING BRID	- 253,250.00		- 123,286.00
STATE - HOUSING BRID	- 18,000.00		- 13,260.00
	- 579,388.00	- 22,824.00	- 337,244.42
WAGES - REGULAR FT	99,801.00	11,515.09	68,914.76
WAGES - OT			24.43
PERA	7,485.00	867.69	5,202.45
FICA	7,635.00	854.07	5,071.11
INSURANCE	16,064.00	1,412.84	11,302.44
WORKERS COMP INSURAN	569.00	65.92	395.20
OFFICE SUPPLIES	1,200.00		1,188.87
OTHER PROFESSIONAL S	10,000.00		2,036.25
BACKGROUND CHECKS	1,300.00	175.00	775.00
PHONE	900.00	41.23	329.84
POSTAGE	1,300.00		941.18
TRAVEL & TRAINING	2,700.00		237.70
OPERATIONAL SERVICES	4,000.00		240.00
ADVERTISING & PROMOT	200.00		
MEMBERSHIPS & SUBSCR	900.00		399.95
PROPERTY & LIABILITY	4,400.00		3,300.00
RENTAL PROPERTY EXPE	6,900.00	54.98	9,638.79
REPAIR & MAINT - EQU	500.00		
REPAIR & MAINT - OTH			
SOUTHERN MN INITIATI	1,667.00		1,667.00
HOUSING PAYMENTS - S	55,000.00	4,144.00	37,038.00
LAND PROJECTS	45,600.00		147.65
RENTAL CERTIFICATION	25,000.00	2,083.00	16,668.00
TRANSFER TO OTHER FU	15,000.00	1,250.00	10,000.00
HOUSING PAYMENTS - B	271,250.00	17,781.00	142,383.00
	579,371.00	40,244.82	317,901.62

Description	Year	MTD	YTD 8/31/24
	Budget	Actual	Actual
FEDERAL - PROGRAM	- 749,722.00	- 58,256.00	- 448,908.00
FEDERAL - ADMIN	- 75,833.00	- 6,718.00	- 52,425.00
FEDERAL - PROGRAM (M		- 14,831.00	- 106,422.00
FEDERAL - ADMIN (MS)		- 4,202.00	- 25,744.00
FEDERAL - OTHER	- 170,000.00		
OTHER HA - PORT IN H	- 100,000.00	- 2,069.00	- 19,053.00
OTHER HA - PORT IN A	- 8,000.00	- 171.75	- 1,751.22
OTHER HA-PORT IN UTI	- 1,000.00		
FRAUD RECOVERY - HAP	- 2,500.00	- 50.00	- 1,199.00
FRAUD RECOVERY - ADM	- 2,500.00	- 50.00	- 1,199.00
INTEREST EARNINGS	- 500.00		- 1,617.02
	- 1,110,055.00	- 86,347.75	- 658,318.24
WAGES - REGULAR FT	47,486.00	5,479.20	32,772.80
PERA	3,561.00	403.55	2,399.27
FICA	3,633.00	393.27	2,300.37
INSURANCE	11,280.00	813.35	6,506.80
WORKERS COMP INSURAN	271.00	30.67	182.36
AUDIT & ACCOUNTING S	11,500.00		17,535.00
MANAGEMENT FEES	7,500.00		
PORT OUT ADMIN	1,000.00	333.48	1,751.92
TRAVEL & TRAINING	600.00		190.31
MAINSTREAM HAP	170,000.00	15,109.00	114,139.00
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	994.00	7,537.00
HOUSING PYMTS HAP	749,722.00	49,516.00	409,809.00
UTILITY PYMTS HAP	2,000.00	239.00	1,622.00
PORTABLE HSG PYMTS	15,000.00	6,287.00	36,164.64
PORTABLE UTIL PYMTS	550.00		
PORTABLE REC HAP	70,000.00	2,544.00	20,786.00
	1,110,055.00	82,142.52	653,696.47

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	132	94	249	92
Total All Locations	141	100	270	100

Family Composition	Count	Percent	Avg Age
Average Family Size	2		
Elderly Heads of Household (age 62 or older)	26	18	70
Non-Elderly Heads of Household (age 61 or less)	115	82	46
Near-Elderly Heads of Household (ages 55 to 61)	30	21	58
Other Heads of Household (age 54 or less)	85	60	41
Female Heads of Household	104	74	49
Elderly	21	20	72
Non-Elderly	83	80	43
Near-Elderly	14	13	58
Other	69	66	41
Male Heads of Household	37	26	53
Elderly	5	14	64
Non-Elderly	32	86	51
Near-Elderly	16	43	57
Other	16	43	45
Disabled/Handicapped Heads of Household	88	62	54
Male	30	34	52
Female	58	66	54
Non-Minority Heads of Household	96	68	
Minority Heads of Household	45	32	
Black/African American	33	23	
Hispanic	12	9	
# of Family Members younger than 18 years	99		11
# of Families with children	47	33	

Income Source	Annual Amount	Percent	Count	Percent
Child Support	$59,018	2.1	21	6
Federal Wage	$1,620	0.1	1	0
General Assistance	$321,395	11.4	109	32
Military Pay	$1,991	0.1	1	0
Other Nonwage Sources	$154,032	5.5	25	7
SSI	$853,190	30.3	75	22
Social Security	$549,192	19.5	56	16
TANF (formerly AFDC)	$1,320	0.0	1	0
Unemployment Benefits	$18,356	0.7	1	0
Other Wage	$854,503	30.4	53	15
Total All Income Sources	$2,814,618	100	343	100

Public Assistance is the sole source of income for 4% of households.
Households that are working comprise 34% of households.
Of the working households, 0% of households also receive TANF.

Demographic Statistics Report

Vouchers - All Projects

Average Household Income	$19,962
Average Tenant Rent (0-Bdrm)	$661
Average Tenant Rent (1-Bdrm)	$323
Average Tenant Rent (2-Bdrm)	$368
Average Tenant Rent (3-Bdrm)	$436
Average Tenant Rent (4-Bdrm)	$830
Average Tenant Rent (5-Bdrm)	$666
Average Tenant Rent (Combined)	$372
Average TTP (rent + utilities per month)	$389
Average Housing Assistance Payment	$503

Length of Time On Program	Count	Percent
Less than 1 years	30	22
Less than 2 years	26	19
Less than 3 years	18	13
Less than 4 years	12	9
Less than 5 years	4	3
Less than 6 years	1	1
Less than 7 years	3	2
Less than 8 years	4	3
Less than 9 years	2	1
Less than 10 years	11	8
More than 10 years	23	17

Broad Range of Income	Count	Percent
$0 - $5,000	2	1
$5,000 - $10,000	7	5
$10,000 - $15,000	40	29
$15,000 - $20,000	34	25
$20,000 - $25,000	23	17
More than $25,000	31	23

Income Levels	Count	Percent
Over Income	141	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
Kasson	1	3	3	4
Owatonna	30	79	59	82
Waseca	4	11	4	6
West Concord	1	3	1	1
Total All Locations	38	100	72	100

Family Composition	Count	Percent	Avg Age
Average Family Size	2		
Elderly Heads of Household (age 62 or older)	3	8	67
Non-Elderly Heads of Household (age 61 or less)	35	92	38
Near-Elderly Heads of Household (ages 55 to 61)	3	8	58
Other Heads of Household (age 54 or less)	32	84	36
Female Heads of Household	26	68	39
Elderly	2	8	69
Non-Elderly	24	92	36
Near-Elderly	1	4	59
Other	23	88	35
Male Heads of Household	12	32	43
Elderly	1	8	62
Non-Elderly	11	92	41
Near-Elderly	2	17	58
Other	9	75	38
Disabled/Handicapped Heads of Household	11	29	46
Male	8	73	47
Female	3	27	46
Non-Minority Heads of Household	29	76	
Minority Heads of Household	9	24	
Black/African American	3	8	
American Indian/Alaska Native	2	5	
Hispanic	4	11	
# of Family Members younger than 18 years	31		9
# of Families with children	14	37	

Income Source	Annual Amount	Percent	Count	Percent
Child Support	$32,217	5.0	8	10
General Assistance	$203,244	31.8	44	57
Other Nonwage Sources	$12,002	1.9	1	1
SSI	$64,512	10.1	6	8
Social Security	$74,064	11.6	6	8
Other Wage	$252,515	39.5	12	16
Total All Income Sources	$638,555	100	77	100

Public Assistance is the sole source of income for 29% of households.
Households that are working comprise 32% of households.
Of the working households, 0% of households also receive TANF.

Average Household Income	$16,804

Demographic Statistics Report

Bridges - All Projects

Average Tenant Rent (0-Bdrm)	$298
Average Tenant Rent (1-Bdrm)	$310
Average Tenant Rent (2-Bdrm)	$314
Average Tenant Rent (3-Bdrm)	$475
Average Tenant Rent (4-Bdrm)	$489
Average Tenant Rent (Combined)	$341
Average TTP (rent + utilities per month)	$344
Average Housing Assistance Payment	$567

Length of Time On Program	Count	Percent
Less than 1 years	14	37
Less than 2 years	17	45
Less than 3 years	7	18
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	8	23
$15,000 - $20,000	7	20
$20,000 - $25,000	4	11
More than $25,000	7	20

Income Levels	Count	Percent
Over Income	38	100