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