

City of Owatonna

HRA Board

Regular Meeting

Monday, January 22, 2024

4:00 pm

City Hall/Crandall Small Conference Room 120

Preliminary Agenda

1. HRA Board Agenda - 1/22/2024

Documents:

[1 JANUARY MEETING AGENDA.PDF](#)

2. Roll Call: Dotson, Fiske, Hole, Olivo, Schultz

3. Approval Of Minutes From November 27, 2023

Documents:

[2 HRA MINUTES 11-27-2023.PDF](#)

4. Executive Director's Report

5. Old Business

5.I. 2023 Voucher Numbers

5.II. Board Memorandum

Documents:

[3 BOARD MEMORANDUM 1.22.2024.PDF](#)

5.III. Balance Sheets

Documents:

[4 BALANCE SHEETS.PDF](#)

5.IV. Income Statements

Documents:

[5 INCOME STATEMENTS.PDF](#)

5.V. Voucher Demographics

Documents:

6 VOUCHERS DEMOGRAPHICS.PDF

5.VI. Bridges Demographics

Documents:

7 BRIDGES DEMOGRAPHICS.PDF

5.VII. Current Mainstream Voucher Numbers

5.VIII. Current Bridges Updates

6. New Business

7. Other

8. Adjourn

Next scheduled meeting: February 26, 2024

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.



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Monday, January 22, 2024

4:00 PM

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Preliminary Agenda

1. Roll Call: Dotson, Fiske, Hole, Olivo, Schultz
2. Approval of Minutes from November 27, 2023, meeting
3. Executive Directors Report:
4. Old Business:
 - a. 2023 voucher numbers
 - b. Current Housing Choice Vouchers Updates
 - c. Current Mainstream Voucher Updates
 - d. Current Bridges Updates
5. New Business:
6. Other:
7. Adjourn

Next scheduled meeting, February 26, 2024

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MINUTES
OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY
REGULAR MEETING on NOVEMBER 27, 2023

The regular meeting of the Owatonna Housing and Redevelopment Authority was called to order at 4:04 p.m. in the 2nd Floor Conference Room by Vice Chairperson Hole.

Members present were Nathan Dotson, Julie Fiske, John Hole. Also present were Executive Director Troy Klecker, Housing Manager Ghassan Madkour and Administrative Technician Kristen Kopp.

Approval of the Minutes: Chairperson Olivo called for a motion to approve the minutes of the October 23, 2023 meeting. A motion was made by Dotson and seconded by Fiske to approve the minutes. All Commissioners voting Aye, the motion carried.

Executive Director's Report: Troy Klecker gave an update on housing projects. He said the apartments on 26th Street and Cedar Avenue North are open. Some units may not be open yet, but they are pretty close to being open. Westlake Meadows apartments are progressing. Each of the five buildings are at a different stage. The first one should be opening up as soon as January and they will open in phases throughout the next couple of years. The other apartment project, Ascend, is a mixed-use project. They're moving along well and are planning to be done around this time next year. There are two projects we're working on now: the redevelopment of Modern Aire Apartments, which will be 60 units, 20 of which are affordable, and Eastgate II, which is a tax credit project very similar to Eastgate. We were not awarded tax credits, but will be reapplying in June. These projects take a long time, especially the affordable ones. The City owns a lot on the corner of 3rd Avenue NW and 22nd Street NW. We're trying to get the title work cleared up so we can plat it. That was land that was given to the City for affordable housing by the Cashmans. There is a lot behind Fareway Foods on Cedar Avenue South that's getting some interest as well. All the approvals are in place for Mineral Springs Estates up by the waterpark. They were hoping to get started this fall, but the costs related to infrastructure is too high to move forward, as that affects the lot prices. They're looking at equity investors and hoping to move forward in the spring. We've had a couple of local developers asking what they need to do for a single-family development. That is very encouraging that they're starting to ask questions. The good news is we're getting a good number of apartments and we're at 21 houses. Last year we had 16 houses, so that is encouraging.

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 100. Total year to date assistance and administration costs were \$696,665.79 and revenues were \$747,581.01. The Housing Choice Voucher Program fund balance at September month end is \$84,656.83. The HRA Revenues year to date total is \$489,079.77 and the expenses total \$448,453.45. The HRA General Fund balance is \$561,982.74.

He said by the end of this month, we should be hitting 100. Mainstream is back over 30. Bridges is currently at 37 for regular Bridges and 7 for Bridges Like. Quite a bit of waitlist applications are coming in lately—the list is over 200. It's a constant thing that people don't respond. He said he's considering giving them a month instead of two weeks, but it already takes a long time to get someone on board after they have an application. To put it out another two weeks adds another two weeks to fill the voucher. It takes the sense of urgency out. Klecker says it leaves those on the waiting list there longer. Dotson agreed. The Commissioners agreed to keep it at two weeks. Klecker said they can gauge the need based on how quickly they act. He said they coordinate with the police department. The Police Department have a list of addresses, so if anything happens, we get notified. If it rises to a level that violates the voucher, we take action. Dotson asked how much notice we give. Klecker said someone could be charged and not be guilty, but we watch it. Madkour said to be customer oriented, we usually give them an extra month, so 60 days, if the charge is set in stone.

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

New Business: Madkour said he's working with a couple of agencies to see if we can absorb the vouchers. He said he'd rather fill it with our people. He said he wants to keep the numbers where they need to be. Klecker said he's on the Affordable Housing Task Force through United Way. It's a group of people who want to see more affordable housing, although it's not really clear what role the group can play. There is something this group can do, and that is that we have a Community Affordable Housing Action Plan. He said to let him know if they have any ideas of what this group can do.

Other: Madkour said that the December meeting falls on Christmas Day. Klecker said we could just cancel the meeting in December. Madkour said it will slow down quite a bit. Dotson asked if we have to have a special meeting, how much notice do we need? Madkour said at least a week. We're planning to be in the new building next meeting.

Adjournment: There being no further business, a motion to adjourn was made by Dotson and seconded by Fiske. All Commissioners voting Aye, the motion carried. The meeting adjourned at 4:40 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: JANUARY 22, 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:	\$591,959.64
YTD Expenses:	\$538,683.72
Fund Balance:	\$630,485.31

MHFA BRIDGES PROGRAM

Monthly HAP Revenue	\$21,572.00
Monthly Admin Revenue	\$2,400.00
Monthly Expense	\$23,972.00
Occupancy:	40
Average HAP:	\$539.30

COUNTY BRIDGES PROGRAM

Monthly HAP Revenue	\$4,007.00
Monthly HAP Expense	\$4,007.00
Occupancy:	8
Average HAP:	\$500.88

MAINSTREAM VOUCHER PROGRAM

Monthly HAP Revenue	\$12,511.00
Monthly HAP Expense	\$12,511.00
Occupancy:	31
Average HAP:	\$403.58

SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

YTD Revenue:	\$898,059.81
YTD Expense:	\$845,369.04
Total Cash Balance:	\$163,752.28
Households in Steele Co:	100
Average HAP:	\$556.78
Households Portable Out:	4
Average HAP:	\$1,060.75
Total Assisted Households:	104
Households Ported In Billing:	4

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

Fund: 280 OWATONNA HRA

Account Number	Description	Debit	Credit
280-10100-000-000-0000000	CASH	389,515.27	
280-10400-000-000-0000000	INVESTMENTS	50,000.00	
280-10700-000-000-0000000	TAXES REC - DELINQUENT	592.04	
280-12900-000-000-0000000	LOANS RECEIVABLE	6,170.00	
280-14200-000-000-0000000	LAND HELD FOR RESALE	184,208.00	
280-20100-000-000-0000000	ACCOUNTS PAYABLE		-5,468.04
280-22015-000-000-0000000	DEPOSITS - OTHER		-3,000.00
280-22200-000-000-0000000	UNAVAILABLE REVENUE		-6,170.00
280-22210-000-000-0000000	UNAVAILABLE REVENUE - TAXES		-588.61
280-29300-000-000-0000000	FUND BALANCE		-561,982.74
Current Year Revenue/Expense			-53,275.92
Fund totals:		630,485.31	630,485.31

Account Number	Description	Debit	Credit
282-10100-000-000-0000000	CASH	128,422.62	
282-10150-000-000-0000000	RESTRICTED CASH - FSS DEPOSITS	24,703.40	
282-13200-000-000-0000000	DUE FROM OTHER GOVERNMENTS	10,626.26	
282-20100-000-000-0000000	ACCOUNTS PAYABLE		-1,701.28
282-22250-000-000-0000000	FSS DEPOSITS		-24,703.40
282-29300-000-000-0000000	FUND BALANCE		-84,656.83
Current Year Revenue/Expense		-52,690.77	
Fund totals:		163,752.28	163,752.28
***** End of Report *****			

Description	Year	MTD	YTD 12/31/23
	Budget	Actual	Actual
PROPERTY TAXES	- 195,000.00	- 12,471.58	- 196,214.72
MOBILE HOME TAX		- 252.87	- 301.06
STEELE COUNTY - HOUS	- 55,000.00	- 4,034.00	- 55,054.00
OTHER REVENUE		- 125.00	- 540.00
HUD - SEC 8 MGMT FEE	- 7,500.00		
TIF ADMINISTRATIVE F	- 7,175.00	- 2,818.84	- 5,637.68
INTEREST EARNINGS	- 200.00		- 9,559.18
RENT/RENTALS	- 36,000.00		- 36,104.00
STATE - HOUSING BRID	- 230,000.00	- 21,572.00	- 260,859.00
STATE - HOUSING BRID	- 25,000.00	- 2,400.00	- 27,690.00
	- 555,875.00	- 43,674.29	- 591,959.64
WAGES - REGULAR FT	93,892.00	7,325.27	95,061.93
WAGES - OT			6.28
PERA	7,042.00	553.45	7,195.74
FICA	7,183.00	536.45	6,992.14
INSURANCE	15,765.00	1,357.99	16,349.18
WORKERS COMP INSURAN	573.00	42.07	577.69
OFFICE SUPPLIES	1,200.00	54.81	1,645.72
OTHER PROFESSIONAL S	8,500.00	2,486.00	23,673.50
BACKGROUND CHECKS	1,300.00	150.00	1,500.00
PHONE	900.00	41.23	493.88
POSTAGE	1,300.00	75.12	1,191.77
TRAVEL & TRAINING	2,700.00		1,639.04
OPERATIONAL SERVICES	4,000.00	3,305.00	3,785.00
ADVERTISING & PROMOT	200.00		
MEMBERSHIPS & SUBSCR	900.00	99.00	958.98
PROPERTY & LIABILITY	3,200.00		3,200.00
RENTAL PROPERTY EXPE	6,000.00	1,740.44	9,342.78
REPAIR & MAINT - EQU	500.00		1,139.83
REPAIR & MAINT - OTH			155.00
SOUTHERN MN INITIATI	1,667.00		1,667.00
HOUSING PAYMENTS - S	55,000.00	4,007.00	54,100.00
LAND PROJECTS	50,000.00		6,742.26
RENTAL CERTIFICATION	22,000.00	1,870.00	22,400.00
TRANSFER TO OTHER FU	15,000.00	1,250.00	15,000.00
HOUSING PAYMENTS - B	255,000.00	21,522.00	263,866.00
	553,822.00	46,415.83	538,683.72

Description	Year	MTD	YTD 12/31/23
	Budget	Actual	Actual
FEDERAL - PROGRAM	- 628,024.00	- 49,417.00	- 550,738.00
FEDERAL - ADMIN	- 63,000.00	- 6,767.00	- 82,230.00
FEDERAL - PROGRAM (M		- 13,940.00	- 205,191.00
FEDERAL - ADMIN (MS)		- 2,293.00	- 27,090.00
FEDERAL - OTHER	- 96,000.00		
OTHER HA - PORT IN H	- 100,000.00	- 1,803.00	- 24,966.00
OTHER HA - PORT IN A	- 8,000.00	- 208.44	- 2,548.72
OTHER HA-PORT IN UTI	- 1,000.00		
FRAUD RECOVERY - HAP	- 2,500.00	- 130.00	- 1,279.50
FRAUD RECOVERY - ADM	- 2,500.00	- 130.00	- 1,279.50
INTEREST EARNINGS	- 500.00		- 2,737.09
	- 901,524.00	- 74,688.44	- 898,059.81
WAGES - REGULAR FT	44,820.00	3,448.00	44,725.59
PERA	3,362.00	251.23	3,249.03
FICA	3,429.00	236.60	3,072.11
INSURANCE	11,058.00	773.23	9,225.21
WORKERS COMP INSURAN	273.00	19.09	260.94
AUDIT & ACCOUNTING S	10,500.00		12,602.50
MANAGEMENT FEES	7,500.00		
PORT OUT ADMIN	1,000.00	301.36	2,408.76
TRAVEL & TRAINING	600.00		389.25
MAINSTREAM HAP	96,000.00	12,511.00	158,315.45
MS PORT OUT			1,352.00
MS PORT OUT ADMIN			210.20
MS UTILITY PAYMENTS			234.00
PORT OUT UA	300.00		
HOME OWNERSHIP HAP	10,000.00	881.00	10,972.00
HOUSING PYMTS HAP	628,024.00	50,406.00	518,243.00
FSS PYMTS HAP	3,000.00		
UTILITY PYMTS HAP	2,000.00	238.00	1,338.00
PORTABLE HSG PYMTS	15,000.00	4,243.00	52,106.00
PORTABLE UTIL PYMTS	250.00		
PORTABLE REC HAP	70,000.00	2,308.00	26,665.00
	907,116.00	75,616.51	845,369.04

Demographic Statistics Report

Vouchers - All Projects

<u>Unit Locations</u>	<u>HoH Count</u>	<u>Percent</u>	<u>Fam Count</u>	<u>Percent</u>
	4	3	11	4
Blooming Prairie	2	1	2	1
Ellendale	1	1	1	0
Owatonna	131	95	254	95
Total All Locations	138	100	268	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)	28	20	70
Non-Elderly Heads of Household (age 61 or less)	110	80	45
Near-Elderly Heads of Household (ages 55 to 61)	26	19	57
Other Heads of Household (age 54 or less)	84	61	41
Female Heads of Household	106	77	49
Elderly	24	23	71
Non-Elderly	82	77	43
Near-Elderly	15	14	58
Other	67	63	40
Male Heads of Household	32	23	52
Elderly	4	13	64
Non-Elderly	28	88	50
Near-Elderly	11	34	57
Other	17	53	45
Disabled/Handicapped Heads of Household	84	61	55
Male	27	32	51
Female	57	68	55
Non-Minority Heads of Household	94	68	
Minority Heads of Household	44	32	
Black	35	25	
Hispanic	9	7	
# of Family Members younger than 18 years	102		10
# of Families with children	48	35	

<u>Income Source</u>	<u>Annual Amount</u>	<u>Percent</u>	<u>Count</u>	<u>Percent</u>
Child Support	\$51,999	2.0	18	6
Federal Wage	\$38,059	1.5	1	0
General Assistance	\$290,650	11.3	96	30
Other Nonwage Sources	\$163,057	6.3	32	10
SSI	\$719,075	28.0	67	21
Social Security	\$519,480	20.2	51	16
TANF (formerly AFDC)	\$7,200	0.3	3	1
Other Wage	\$782,937	30.4	52	16
Total All Income Sources	\$2,572,459	100	320	100

Public Assistance is the sole source of income for 4% of households.
 Households that are working comprise 33% of households.
 Of the working households, 2% of households also receive TANF.

Average Household Income	\$18,641
Average Tenant Rent (0-Bdrm)	\$240
Average Tenant Rent (1-Bdrm)	\$337
Average Tenant Rent (2-Bdrm)	\$414
Average Tenant Rent (3-Bdrm)	\$415
Average Tenant Rent (4-Bdrm)	\$552
Average Tenant Rent (5-Bdrm)	\$622
Average Tenant Rent (Combined)	\$370
Average TTP (rent + utilities per month)	\$389
Average Housing Assistance Payment	\$490

Demographic Statistics Report

Vouchers - All Projects

<u>Length of Time On Program</u>	<u>Count</u>	<u>Percent</u>
Less than 1 years	35	26
Less than 2 years	27	20
Less than 3 years	18	13
Less than 4 years	5	4
Less than 5 years	2	1
Less than 6 years	3	2
Less than 7 years	2	1
Less than 8 years	3	2
Less than 9 years	13	10
Less than 10 years	2	1
More than 10 years	24	18

<u>Broad Range of Income</u>	<u>Count</u>	<u>Percent</u>
\$0 - \$5,000	2	1
\$5,000 - \$10,000	5	4
\$10,000 - \$15,000	44	33
\$15,000 - \$20,000	35	26
\$20,000 - \$25,000	23	17
More than \$25,000	25	19

<u>Income Levels</u>	<u>Count</u>	<u>Percent</u>
Over Income	138	100

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

Unit Locations	HoH Count	Percent	Fam Count	Percent
Blooming Prairie	1	2	3	3
Ellendale	1	2	3	3
Owatonna	35	80	80	86
Waseca	5	11	5	5
West Concord	2	5	2	2
Total All Locations	44	100	93	100

Family Composition	Count	Percent	Avg Age
Average Family Size	2		
Elderly Heads of Household (age 62 or older)	2	5	67
Non-Elderly Heads of Household (age 61 or less)	42	95	40
Near-Elderly Heads of Household (ages 55 to 61)	7	16	58
Other Heads of Household (age 54 or less)	35	80	37
Female Heads of Household	30	68	39
Elderly	1	3	72
Non-Elderly	29	97	38
Near-Elderly	3	10	59
Other	26	87	35
Male Heads of Household	14	32	47
Elderly	1	7	62
Non-Elderly	13	93	46
Near-Elderly	4	29	58
Other	9	64	40
Disabled/Handicapped Heads of Household	12	27	46
Male	7	58	48
Female	5	42	46
Non-Minority Heads of Household	32	73	
Minority Heads of Household	12	27	
Black	4	9	
American Indian/Alaska Native	2	5	
Asian/Pacific Islander	1	2	
Hispanic	5	11	
# of Family Members younger than 18 years	44		8
# of Families with children	20	45	

Income Source	Annual Amount	Percent	Count	Percent
Child Support	\$37,314	4.7	11	12
Federal Wage	\$6,036	0.8	1	1
General Assistance	\$195,876	24.7	48	52
Other Nonwage Sources	\$9,456	1.2	1	1
SSI	\$75,864	9.6	7	8
Social Security	\$93,756	11.8	8	9
TANF (formerly AFDC)	\$1,320	0.2	1	1
Other Wage	\$372,265	47.0	15	16
Total All Income Sources	\$791,887	100	92	100

Public Assistance is the sole source of income for 14% of households.
 Households that are working comprise 34% of households.
 Of the working households, 0% of households also receive TANF.

Average Household Income	\$17,997
Average Tenant Rent (0-Bdrm)	\$290
Average Tenant Rent (1-Bdrm)	\$318
Average Tenant Rent (2-Bdrm)	\$344
Average Tenant Rent (3-Bdrm)	\$376
Average Tenant Rent (4-Bdrm)	\$581

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

Average Tenant Rent (Combined)	\$364
Average TTP (rent + utilities per month)	\$344
Average Housing Assistance Payment	\$550

<u>Length of Time On Program</u>	<u>Count</u>	<u>Percent</u>
Less than 1 years	24	55
Less than 2 years	15	34
Less than 3 years	3	7
Less than 4 years	0	0
Less than 5 years	1	2
Less than 6 years	0	0
Less than 7 years	0	0
Less than 8 years	1	2
Less than 9 years	0	0
Less than 10 years	0	0
More than 10 years	0	0

<u>Broad Range of Income</u>	<u>Count</u>	<u>Percent</u>
\$0 - \$5,000	1	3
\$5,000 - \$10,000	5	13
\$10,000 - \$15,000	9	23
\$15,000 - \$20,000	8	21
\$20,000 - \$25,000	8	21
More than \$25,000	8	21

<u>Income Levels</u>	<u>Count</u>	<u>Percent</u>
Over Income	44	100