

**MINUTES OF THE  
SCHEDULED REGULAR MEETING  
OF THE COMMISSIONERS OF THE  
HOUSING AND REDEVELOPMENT AUTHORITY OF DULUTH, MINNESOTA  
HELD ON THE 30<sup>TH</sup> DAY OF JANUARY, 2018**

The Commissioners of the Housing and Redevelopment Authority of Duluth, Minnesota, met in a Scheduled Regular Meeting in the Community Room located on the Second Floor of King Manor, 222 East Second Street, Duluth, Minnesota at 3:30 P.M. on the 30<sup>th</sup> day of January, 2018.

The Chair called the meeting to order and on roll call the following members were found to be present: Commissioners Boshey, Glumac, Julsrud, Scott, and Talarico. Commissioners Johnson and Rolle were absent. The Chair declared a quorum present.

Also present were Jill A. Keppers, Executive Director; staff members Carla Schneider, Maureen Zupancich, David Peterson, Lynne Snyder, Pam Benson, and Carol Schultz; Dan Maddy, Legal Counsel; Barbara Findley and Ann Abraham, King Manor residents; and Roger Endres, Midtowne Manor II Residents Club president.

**SCHEDULED PUBLIC HEARINGS**

None.

**UNFINISHED BUSINESS**

None.

**CONSENT AGENDA:**

The following items were introduced by Commissioner Talarico:

**MINUTES OF THE SCHEDULED REGULAR MEETING OF  
OCTOBER 31, 2017**

**FINANCIAL REPORT FOR PERIOD ENDING OCTOBER 31, 2017**

**FINANCIAL REPORT FOR PERIOD ENDING NOVEMBER 30, 2017**

**FINANCIAL REPORT FOR PERIOD ENDING DECEMBER 31, 2017**

**RESOLUTION NO. 3827-18**

**RESOLUTION DETERMINING EXCESS LAND**

**RESOLUTION NO. 3828-18**

**RESOLUTION AUTHORIZING THE DIRECT CONTINGENT SALE OF  
LOT 4, BLOCK 2, HAWK RIDGE ESTATES FIRST ADDITION  
TO PATRICK J. AND LORENE M. FLEMING BY THE  
HOUSING AND REDEVELOPMENT AUTHORITY**

**RESOLUTION NO. 3829-18**

**RESOLUTION AUTHORIZING THE DIRECT CONTINGENT SALE OF  
LOT 8, BLOCK 4, HAWK RIDGE ESTATES FIRST ADDITION  
TO SARAH P. AND ERIC T. HANHAN BY THE  
HOUSING AND REDEVELOPMENT AUTHORITY**

**RESOLUTION NO. 3830-18**

**RESOLUTION AUTHORIZING THE DIRECT CONTINGENT SALE OF  
LOT 24, BLOCK 2, HAWK RIDGE ESTATES FIRST ADDITION TO  
LOGAN N. JOHNSON-STRANDJORD AND JOHANNAH J. STRANDJORD  
BY THE HOUSING AND REDEVELOPMENT AUTHORITY**

**RESOLUTION NO. 3832-18**

**RESOLUTION RATIFYING APPLICATION SUBMISSION TO THE  
MINNESOTA HOUSING FINANCE AGENCY UNDER THE  
PUBLICLY OWNED HOUSING PROGRAM**

**RESOLUTION NO. 3833-18**

**RESOLUTION APPROVING THE PAY EQUITY REPORT**

Commissioner Talarico moved that the foregoing Items A, B, C, D, E, F, G, H, I, and J be approved as introduced. Commissioner Glumac seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Boshey, Glumac, Julsrud, Scott, and Talarico

Nays: None

The Chair declared the motion carried and said items approved as introduced and read.

**DISCUSSION ITEMS**

**RESOLUTION OF APPRECIATION TO LYNNE JACOBSON**

The Executive Director read into the minutes the Resolution of Appreciation to Lynne Jacobson. The following Resolution was introduced by Commissioner Scott:

**RESOLUTION NO. 3825-18**  
**RESOLUTION OF APPRECIATION TO LYNNE JACOBSON**

Commissioner Scott moved that the foregoing Resolution be approved as introduced. Commissioner Talarico seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Boshey, Glumac, Julsrud, Scott, and Talarico

Nays: None

The Chair declared the motion carried and said Resolution approved as introduced and read.

**RESOLUTION OF APPRECIATION TO PHIL ROLLE**

The Executive Director read into the minutes the Resolution of Appreciation to Phil Rolle. The following Resolution was introduced by Commissioner Scott:

**RESOLUTION NO. 3826-18**  
**RESOLUTION OF APPRECIATION TO PHIL ROLLE**

Commissioner Scott moved that the foregoing Resolution be approved as introduced. Commissioner Glumac seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Boshey, Glumac, Julsrud, Scott, and Talarico

Nays: None

The Chair declared the motion carried and said Resolution approved as introduced and read.

**RESOLUTION AUTHORIZING CONVEYANCE OF PROPERTY FROM THE HOUSING AND REDEVELOPMENT AUTHORITY OF DULUTH, MINNESOTA (HRA)**

The Executive Director explained that this Resolution allowed the Authority to move

forward with selling one of their NSP (Neighborhood Stabilization Program) houses. These houses are sold as a contract for deed to eligible buyers. The Executive Director indicated that this program was run by the rehab department, and Lynne Snyder, Director of Rehabilitation and Real Estate, explained the program to Commissioners. The following Resolution was introduced by Commissioner Glumac:

**RESOLUTION NO. 3831-18**  
**RESOLUTION AUTHORIZING CONVEYANCE OF PROPERTY FROM**  
**THE HOUSING AND REDEVELOPMENT AUTHORITY OF**  
**DULUTH, MINNESOTA (HRA)**

Commissioner Glumac moved that the foregoing Resolution be approved as introduced. Commissioner Scott seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Boshey, Glumac, Julsrud, Scott, and Talarico

Nays: None

The Chair declared the motion carried and said Resolution approved as introduced and read.

**RESOLUTION AUTHORIZING COMMITMENT OF \$40,000 FOR THE TENANT LANDLORD CONNECTION**

The Executive Director explained to Commissioners that the Tenant Landlord Connection was a neutral service offered in response to the Affordable Housing Coalition and the Housing for All summit, where they both identified this as one of their top priorities in the City of Duluth. The Authority has assisted in the funding of this program at \$20,000 per year for the past two years. This year the Authority committed \$10,000 of the tax levy funds for the Tenant Landlord Connection, as they had anticipated that there would be increased licensing fees for the public housing program in the amount of approximately \$10,000. The City has determined they were unable to increase the licensing fees as it had to be tied to an ordinance or a requirement. In addition, the two foundations that were part of funding this program had indicated earlier in the year that they would commit funds for one more year, but actually they ended up not committing to another year. She indicated that the Mayor had called her and three City Councilors had come and met with her requesting that the HRA fund TLC for one more year. They indicated that the City administration was asking that the City, County, and the HRA each to contribute \$40,000 of funding to this program. She explained that the Authority had funds in reserves to cover this cost, but because it was a change in the budget, she was bringing it forward to Commissioners for their consideration. She indicated that the

City Councilors were committed to finding a long term funding solution for this program if it is proven that the TLC truly does result in stabilized housing at a level consistent with the funding. She was willing to recommend it for one more year since they were bringing in an outside consultant to help with an evaluation. After Commissioners asked questions, the following Resolution was introduced by Commissioner Glumac:

**RESOLUTION NO. 3834-18**  
**RESOLUTION AUTHORIZING COMMITMENT OF \$40,000 FOR**  
**THE TENANT LANDLORD CONNECTION**

Commissioner Glumac moved that the foregoing Resolution be approved as introduced. Commissioner Boshey seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Boshey, Glumac, Julsrud, Scott, and Talarico

Nays: None

The Chair declared the motion carried and said Resolution approved as introduced and read.

**COMMUNICATIONS/CORRESPONDENCE**

The Executive Director mentioned that included in the blue pages of Commissioners' board packets were articles relating to the Central High School site, the Mayor's appointment to the Governor's housing task force, the new development of District Flats, and an article regarding Hawk Ridge Estates. Included in Commissioners' green folders were copies of the Esmond report, and the Rainbow Center and Lincoln Park Center schedules.

**REPORTS OF COMMITTEES**

*Rehab Advisory Committee:* The Rehab Advisory Committee had not met.

*Finance Committee:* The Finance Committee had not met.

**OPPORTUNITY FOR VISITORS TO BE HEARD**

None.

**BUSINESS BY COMMISSIONERS**

The Executive Director reported that she would briefly cover dashboard highlights.

The Executive Director reported that under Goal 1 they had the debrief with MHFA regarding why the gap financing was not approved for Build Up Duluth. The bottom line was that they felt there was too much subsidy needed per unit. She indicated that this will force the Authority to regroup and strategize on how to impact the neighborhoods if new construction is cost prohibitive. The City is focusing on rehab and the Authority will continue with rehab as well. She expressed that the Authority was still interested in new construction, but if gap funding was not available, they will have to find other sources of funding. Commissioners shared their concerns regarding this.

Also, as part of the launch meeting with MHFA, they discussed the exterior rehab project which will be handled by the Rehab Department. The marketing materials will be sent to MHFA for approval.

The Executive Director indicated that the CDBG contracts with the City had been signed.

The Executive Director reported that they had attended a meeting with the City and Eco3 regarding moving forward with the Housing Action Framework. The Rehab Department has been working with Eco3 to assess the houses in those Strategic Improvement Areas (SIA) as part of the Housing Action Framework to determine what level of assistance would be needed.

The Executive Director indicated that a draft contract regarding the revolving loan fund had been sent to the City to explain how those funds would be structured within the City and how it would match funds being contributed by the Authority.

The Executive Director reported that they were working with the City and LHB to move forward to ready the Morgan Park site for lot sales.

The Executive Director stated that the Authority had submitted the Publically Owned Housing Program (POHP) application.

The Executive Director explained that the Family Self Sufficiency Program had created a new report that was included in the Board packet. She thought that they would look into HUD's Centers of Excellence to see if it would be applicable for Duluth.

The Executive Director indicated that regarding Goal 3 there had been three purchase agreements for Hawk Ridge Estates that had been approved at today's Board meeting.

The Executive Director reported that the RFQ for a development partner for the Esmond Building has gone out. She asked if any Board members were interested in serving on the evaluation committee to let her know. Commissioner Scott indicated he would be

interested in serving on that committee.

The Executive Director reported that the Authority was now fully managing Gateway Tower and they had hired a maintenance technician and were still in the process of hiring a housing technician.

Regarding Goal 5, the Executive Director reported that she had met with Police Chief Tusken, and they were in the process of reviewing the existing contract for security services in order to make the changes to add a second police officer. The Duluth Police Department was currently advertising the position internally. She indicated that the Authority would be allowed to participate in the interviews, so if any Board members were interested in participating on the interview team let her know. The officer should be fully operational by the second quarter.

The Executive Director informed the Board that Pam Kramer from LISC has started a collective impact group which was replacing the At Home in Duluth group. The HRA would be a participant in this as they were in At Home.

## **REPORT OF EXECUTIVE DIRECTOR**

The Executive Director reported that Harbor Highlands' budgets were completed and had been submitted to the respective phases.

Garfield Square had their team kick off meeting for their project.

Siemen's delivered their annual report on the Authority's Energy Performance contract. They met with property managers to see if the energy efficiencies were saving the amount that had been promised, and it appears that they were.

The Executive Director reported they had met with Dan Maddy regarding structuring the Authority's single family contract for deed project at Harbor Highlands. Decisions needed to be made regarding phasing, covenants, and other details. They also met with Dan Maddy and One Roof staff to discuss putting together a Memorandum of Understanding for land acquisition. Currently it is set up so they would have to fill out an application every time they wanted to acquire land or property for their land trust.

The Executive Director and David Peterson spoke with Shaun McElhatton from North Country Cooperative Foundation. His company assists mobile home parks in becoming co-ops. They hoped to meet with him the next time he was in town to tour some sites in Duluth that could perhaps benefit from this model.

Gateway Tower had its grand re-opening. Carol Schultz, with input from Carla Schneider, and assistance from maintenance, worked with One Roof to set up the event.

The Executive Director was one of the speakers.

The Executive Director reported that Minnesota NAHRO held their first annual redevelopment symposium in Bloomington. She and David attended and were able to see how developments came together in other municipalities, and how the municipalities reached out to developers and assisted them through the process. They also obtained the contact information of certain developers who have done interesting developments in other parts of the state, and who might have interest in the Authority's RFQs and RFPs.

The Executive Director indicated that the NAHRO legislative committee meetings have begun and she attended her first Board meeting in December. National NAHRO's Legislative Conference will take place in April.

The Executive Director reported the City has convened their "shared housing strategies" group which was attended by the Mayor and the Chief Administrative Officer. Keith Hamre has begun attending the Affordable Housing Trust Fund group to discuss potential options.

The Executive Director attended the Chamber Leadership Summit. Some of the sessions included topics on employee satisfaction, customer service and engagement, as well as diversity and developing a stronger team, having a cohesive media presence, and the power of connections.

The Executive Director indicated the health fair for staff and the United Way kick-off event had been held, as well as staff training and a sloppy joe lunch in November, and the annual holiday party for staff in December.

The Executive Director reported that she attended the enhanced Proof of Concept voucher management system (eVMS) summit in Washington D.C., along with staff who would be working with the pilot project. Nine PHAs in the U.S. were participating, and Duluth was chosen to represent the smaller PHAs.

The Executive Director indicated that the Authority had their regular audit from RSM and the CDBG audit from the City.

The Executive Director announced that Carla Schneider has announced her retirement from the HRA effective April 12<sup>th</sup>. She will be starting the search process this week, and they wish Carla the best and hope for a smooth transition.

Commissioners asked questions and expressed their concerns regarding the City's shared housing strategies group.

## **REPORT OF LEGAL COUNSEL: MONTHLY ACTIVITIES**



Legal Counsel reported that he had been working on the agreement with One Roof to incorporate several issues to streamline the process, and they continued work on quite a few eviction files. He mentioned that there was a need to change the Court of Appeals attitude requiring attorneys to be involved in all of these eviction proceedings.

### **OTHER BUSINESS**

None.

### **ADJOURNMENT**

There being no further business to come before the Board, the meeting was recessed at 4:40 P.M., and would reconvene at 5 P.M. at the Pickwick Restaurant.

The Board reconvened at the Pickwick, and prior to the dinner there were presentations by the property managers and the maintenance supervisors. The meeting was adjourned at 8:15 P.M.

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Chair

ATTEST:

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Secretary

Scheduled Regular Meeting – January 30, 2018