

**MINUTES OF THE
SCHEDULED REGULAR MEETING
OF THE COMMISSIONERS OF THE
HOUSING AND REDEVELOPMENT AUTHORITY OF DULUTH, MINNESOTA
HELD ON THE 29TH DAY OF JANUARY, 2019**

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 29th day of January, 2019.

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

Also present were Jill A. Keppers, Executive Director; staff members Maureen Zupancich, Cindy Weiske, Lenelle Hrabik, and Carol Schultz; Dan Maddy, Legal Counsel; Heidi Bringman, LHB; Barb Findley, President of King Manor Residents Club and Annie Abraham, Vice President and Secretary of King Manor Residents Club; and Jermaine Clinton, Vice President of Ramsey Manor Residents Club.

SCHEDULED PUBLIC HEARINGS

None.

UNFINISHED BUSINESS

None.

CONSENT AGENDA:

The following items were introduced by Commissioner Sipress:

**MINUTES OF THE RESCHEDULED REGULAR MEETING OF
NOVEMBER 30, 2018**

FINANCIAL REPORT FOR PERIOD ENDING OCTOBER 31, 2018

FINANCIAL REPORT FOR PERIOD ENDING NOVEMBER 30, 2018

FINANCIAL REPORT FOR PERIOD ENDING DECEMBER 31, 2018

RESOLUTION NO. 3915-19
RESOLUTON AUTHORIZING THE DIRECT CONTINGENT SALE OF
LOT 5, BLOCK 4, HAWK RIDGE ESTATES FIRST ADDITION TO
BRIAN F. AND BRIANNA J. WALDOCH BY THE
HOUSING AND REDEVELOPMENT AUTHORITY

Commissioner Sipress moved that the foregoing Items A, B, C, D, and E be approved as introduced. Commissioner Julsrud seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Johnson, Julsrud, Nephew, Sipress, and Talarico

Nays: None

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

DISCUSSION ITEMS

RESOLUTION AWARDING CONTRACT FOR AMP 2 – REPLACEMENT OF
DOMESTIC HOT WATER BOILER AT RAMSEY MANOR APARTMENTS

The Executive Director explained that the bids for the Ramsey Manor hot water boiler came in at over \$100,000 and needed to be approved by Commissioners. The hot water boiler at Ramsey Manor has been tagged by the Authority's insurance carrier needing to be replaced because it is leaking condensation back into the burning tubes and there is no way to repair it, making it a safety issue for the building. The following Resolution was introduced by Commissioner Johnson:

RESOLUTION NO. 3914-19
RESOLUTON AWARDING CONTRACT FOR AMP 2 –
REPLACEMENT OF THE DOMESTIC HOT WATER BOILER
AT RAMSEY MANOR APARTMENTS

Commissioner Johnson moved that the foregoing Resolution be approved as introduced. Commissioner Sipress seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Johnson, Julsrud, Nephew, Sipress, and Talarico

Nays: None

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

RESOLUTION AWARDDING CONTRACT FOR AMP 2 - CRAWLSPACE WEATHERIZATION UPGRADES AT KING MANOR APARTMENTS

The Executive Director explained that this was a place holder Resolution in Commissioners' board packets. This sometimes happens when bids come in at the last minute and they do not wish to wait a month to do the repairs. This one was particularly important as it was weatherization for the crawlspace at King Manor. The final Resolution is attached to today's green agenda with the final bid and the bid tabulation. In the first round of bids they did not get any bidders, so they went out again and received three bids. The lowest responsive and responsible bidder came in at \$94,500 which was under the \$100,000 threshold for board approval. She thought since there had been a place holder Resolution it was prudent to place this Resolution under the Discussion Items even though it didn't necessarily need Board approval. She explained that they have had problems with the pipes bursting in the area underneath the building where there is seating and parking for residents. The following Resolution was introduced by Commissioner Julsrud:

**RESOLUTION NO. 3916-19
RESOLUTION AWARDDING CONTRACT FOR AMP 2 –
CRAWLSPACE WEATHERIZATION UPGRADES
AT KING MANOR APARTMENTS**

Commissioner Julsrud moved that the foregoing Resolution be approved as introduced. Commissioner Sipress seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Johnson, Julsrud, Nephew, Sipress, and Talarico

Nays: None

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

RESOLUTION AUTHORIZING THE BUILDING OUT OF UTILITIES AND COMPLETION OF THE REMAINING SITE WORK FOR ELEVEN SINGLE FAMILY LOTS UNDER THE PROGRAM BUILD UP DULUTH – THE ORCHARDS OF MORGAN PARK

The Executive Director indicated that a representative from LHB was at today's Board

meeting to help present information on the development at The Orchards of Morgan Park. She explained that her recommendation was to table this Resolution today, discuss the information presented today, and give the Commissioners time to think regarding the pros and cons of moving forward on this development. She referred Commissioners to page 30 of the Board packet which showed the estimated cost to complete the project at Morgan Park would be \$557,000 and the architect and engineering fees would be approximately \$100,000. She explained that there was approximately \$157,000 already invested in the project. By the time this was completed the cost would be approximately \$75,000 per lot to build up the site. The Executive Director listed some of the pros and cons for Commissioners to consider. She indicated that this was a good opportunity for single family housing in Morgan Park and the Orchards was a great concept, but the numbers have come in quite a bit higher than expected. She explained that \$365,000 had been budgeted this year for this project, and they are looking at \$557,000 to complete the project.

Heidi from LHB described the project and showed drawings, and walked Commissioners through LHB's design development of this project. She indicated that the City thought this project was a good opportunity for western Duluth. She and the Executive Director answered Commissioners' questions. The Authority's new Commissioner, Lynn Nephew, was able to provide much input from a realtor's point of view. Heidi explained to the Board that LHB was at the point where they needed to know if the Authority wanted them to get the project ready for bidding, and Jill suggested that it was time to run everything by the Board and have the discussion whether to proceed or not.

The Chair indicated that he thought this project was doable, but maybe this was not the time to do it. Commissioner Sipress expressed that he thought the Esmond and Harbor Highlands needed to be the Authority's priority, and they would not lose anything by waiting to proceed with the The Orchards. The Executive Director reminded Commissioners that the original intention had been to start with these eleven lots and then spread The Orchard theme with new construction throughout the neighborhood on additional tax forfeit lots.

Commissioner Julsrud moved that this Resolution be removed from the agenda. Commissioner Sipress seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Johnson, Julsrud, Nephew, Sipress, and Talarico

Nays: None

The Chair declared the motion carried and this Resolution was removed from the agenda.

**RESOLUTION AUTHORIZING AGREEMENT WITH GENERAL DRIVERS,
WAREHOUSEMEN, HELPERS AND INSIDE EMPLOYEES LOCAL 346
CONFIDENTIAL UNIT**

The Executive Director stated that both of the Teamster unions completed negotiations in January, so the next two Resolutions relate to the collective bargaining agreements for these bargaining units. The first one was the Teamster Confidential unit. She pointed out that this was a one year contract. Generally the contracts were negotiated for three years. She indicated that during negotiations it was discovered that the definition of confidential employee, as it relates to a bargaining unit, was not the definition that everybody thought it was. The State Statute defines confidential employee as an employee whose part of employee's job duties was required to access and use labor relations information in a term defined in Section 13.37 which means management positions on economic and noneconomic items that have not been presented during the collective bargaining process or interest arbitration, including information specifically collected or created to prepare the management position; or they actively participate in meeting and negotiating on behalf of the public employer.

The two people in the confidential unit are the Executive Assistant and the IT Manager. The IT Manager was added to the confidential unit in 2008. When they reviewed the Board Resolution from that time it referred to a confidential employee without this definition. They indicated that neither employee was performing duties that met the statute. The question then becomes should these employees actually be in the AFSCME unit? If yes, should they explore with AFSCME and Teamsters how that would work with the ultimate goal being that these two employees would get protected (i.e. they would not lose any seniority, and they would not lose any pay).

She confirmed with Legal Counsel that it was not illegal or improper for the Authority to continue having a confidential bargaining unit even if those two employees don't meet the definition of a confidential employee under the statute. Nothing has to happen, but over the course of the next year, they will discuss to determine if they should continue to have this unit of two, and have these two employees to start performing duties that meet the definition of a confidential employee. They will have negotiations again in a year after they will have resolution to this issue. Included in the Board packet were the list of changes to the bargaining agreement. The following Resolution was introduced by Commissioner Julsrud:

**RESOLUTION NO 3918-19
AUTHORIZING AGREEMENT WITH GENERAL DRIVERS,
WAREHOUSEMEN, HELPERS AND INSIDE EMPLOYEES
LOCAL 346 CONFIDENTIAL UNIT**

Commissioner Julsrud moved that the foregoing Resolution be approved as introduced.

Commissioner Sipress seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Johnson, Julsrud, Nephew, Sipress, and Talarico

Nays: None

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

RESOLUTION AUTHORIZING AGREEMENT WITH GENERAL DRIVERS, WAREHOUSEMEN, HELPERS AND INSIDE EMPLOYEES LOCAL 346 SUPERVISORY UNIT

The Executive Director explained that this Resolution authorized the agreement with the Teamsters Supervisory unit, and it was a three year contract. The changes to their bargaining agreement are included in the Board packet. The following Resolution was introduced by Commissioner Julsrud:

**RESOLUTION NO. 3919-19
AUTHORIZING AGREEMENT WITH GENERAL DRIVERS,
WAREHOUSEMEN, HELPERS AND INSIDE EMPLOYEES
LOCAL 346 SUPERVISORY UNIT**

Commissioner Julsrud moved that the foregoing Resolution be approved as introduced. Commissioner Johnson seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Johnson, Julsrud, Nephew, Sipress, and Talarico

Nays: None

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

RESOLUTION AUTHORIZING THE SALE OF 412 EAST 7TH STREET, DULUTH, MN FOR THE QUALIFIED APPRAISED PRICE

The Executive Director reminded Commissioners that the Authority has a program call Build Up Duluth – Seeding the Hillside, and as part of this program the Authority built two model homes. These model homes could be leased by the builders for two years to

be used as models to generate interest in building in the Central and East Hillside neighborhoods. The two years is up at 412 East 7th Street, and the Authority wishes to proceed with the sale of this home. The other home at 917 East 10th Street will have its two years expire at the end of March. A public hearing was held on October 12, 2016 regarding the proposed sale of this property which is required, and now the Board must set a price. This Resolution was written that the Board will set the price as determined by a qualified appraisal. Commissioner Nephew has recommended that the Authority seek a new appraisal to set the price as our previous appraisal was now two years old. The Executive Director reminded Commissioners that there would be a loss on the sale of this property. The following Resolution was introduced by Commissioner Nephew:

RESOLUTION NO 3920-19
RESOLUTION AUTHORIZING THE SALE OF 412 EAST 7TH STREET
DULUTH, MN FOR THE QULIFIED APPRAISED VALUE

Commissioner Nephew moved that the foregoing Resolution be approved as introduced. Commissioner Julsrud seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Johnson, Julsrud, Nephew, Sipress, 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 in the blue pages and in the green folders there were many articles that have come out in the past two months. Also, in the Commissioners' green folders they have the schedules for the Lincoln Park and Rainbow Centers as well as the Esmond Report. She also included a copy of the organizational chart. She reminded Commissioners that they have been using the opportunity for promotions internally as a chance to reorganize to a more horizontal organizational structure which also results in the direct supervision of the department directors by the Executive Director, thus, eliminating the barrier that existed under the previous structure. There have been two promotions in January for the positions of FSS Coordinator and the Rent Subsidy Supervisor.

REPORTS OF COMMITTEES

Rehab Advisory Committee: The Rehab Advisory Committee did not meet.

Finance Committee: The Finance Committee did not meet.

OPPORTUNITY FOR VISITORS TO BE HEARD

None.

BUSINESS BY COMMISSIONERS

The Executive Director explained that every January she started over on the dashboard. This month she gave the Board an update of where they were starting in 2019. She will provide a few highlights.

Goal 1:

They will be trying to sell the model homes as the leases expire in the Build Up Duluth program, and bring that money back into the HRA to repurpose that money for other programs. She presented the costs to the Board for Morgan Park. She reminded that much of Goal 1 had been based on the City's Housing Action Framework, but the City has not pursued some of these goals. This is a strategic planning year this year and with new Board members it will be a chance to rework the document to see the Authority move ahead.

As far as single family rehab work, they did 28 units in 2018, and they already have two applicants in 2019 for a total of 41 units.

She reported that the Authority continues to put capital fund money into the scattered sites. Carol Schultz was working with HUD on the disposition of some of the scattered site units. There had been delays with the government shutdown.

The POHP application was submitted in December. They received over \$960,000 for the Ramsey Manor waste line replacement, and this project should take place this summer. Another POHP application was submitted for Ramsey Manor windows and siding.

Goal 3:

At the beginning of 2019 there are 11 lots available at Hawk Ridge Estates to show to potential buyers. In the middle of January the Executive Director took a customer through the development, and yesterday she had a call about another lot. She indicated that she would like to tap Commissioner Nephew's expertise. Commissioner Julsrud suggested that the Authority find a way to pay realtors for selling lots. Commissioner Nephew suggested that as a non-profit the Authority find a way to provide a small realtor's fee for selling lots. The Executive Director indicated that Legal Counsel was

looking into the requirements for the Authority selling property without a broker, and if they were exempt.

Goal 4:

The Executive Director indicated that they have two vacancies coming up on the Board in February. She indicated that there was one potential Commissioner lined up, and one person who indicated they were interested, so both vacancies may be filled in February. The Executive Director welcomed Lynn Nephew as a new Commissioner and thanked Jen Julsrud and Rachel Johnson for their service.

Goal 5:

The Executive Director stated that the HRA was already on TV once in 2019 with the government shutdown, so the Authority's media presence is happening.

In regards to working with partners, the Executive Director traveled to MHFA with Center City to support their Garfield Square project, and help answer questions. She met with LISC's national personnel and the strategic planning consultant. She has met as the Affordable Coalition and have started conversations again about the Affordable Housing Trust Fund. She will be reaching out to Commissioner Sipress for help regarding this. They have been putting together the 2019 contract for TLC, and Legal Counsel has been working on how the second portion of those funds can be transferred through the City and then back to One Roof. They have been working on a program to assist One Roof to help them sell their homes at Hawk Ridge Estates to incorporate down payment assistance that they generally would not have been eligible for because they received a \$1.00 lot at Hawk Ridge. They declined that program and would prefer gap financing, for which the Authority doesn't currently have a program.

REPORT OF EXECUTIVE DIRECTOR

Phase I:

Commissioners have been informed at prior Board meetings regarding purchasing Phase I at Harbor Highlands. These talks continue. They have some decisions to make in the coming months. In order for a change in ownership to occur, they need the consent of GMHF and MHFA. In order to refinance the project, we again need their consent. GMHF has said that they will not consent to us taking ownership unless we allow them to move up in the payment structure. Right now they are in 4th place (Wells Fargo First Mortgage and TIF Note, HRA HOPE VI loan, MHFA, GMHF, HRA Bridge loan). They want to move up to a spot equal to the HRA HOPE VI loan and receive cash flow if there was any from the project. After much discussion, it was the Executive Director's recommendation that (assuming MHFA wasn't going to want a similar deal) the

Authority allow GMHF to move to a position, with MHFA's approval, equal to the HRA HOPE VI loan. The HRA would get the first \$25,000 in cash flow and anything more than that would go to GMHF up to \$17,500.

Currently the Wells Fargo loan has an interest rate of approximately seven and one half percent. Wells Fargo will allow the Authority to pay off the loan with a \$25,000 pre-payment penalty rather than the pre-payment penalty that was going to be equal to the full interest of the loan. That payment would be approximately \$1.2 million. The thought is to use the restricted HOPE VI funds and pay off the loan and then charge a nominal three percent interest rate and maintain the first position. That loan would be paid back, and three percent was a better rate than we currently get on our CDs, and the money would come back as program income. That would help the bottom line of the project, changing it from a \$10,000 per year cash flow to a \$29,000 cash flow.

Esmond and Garfield:

They went to MHFA. They have not heard back from HUD on the waiver request for the project based vouchers. The Applewood Knoll vouchers which had to be placed in service by March 2020 were originally going to go to Brewery Creek and Decker Dwellings. Those projects did not get funded so they were hoping to take the vouchers that were going to go to those projects and put them in Garfield Square. What that would mean is that if we do get the waiver the project based vouchers for Garfield Square might be significantly reduced to half or less than half of what they originally had intended. It would also create a subsidy gap for Brewery Creek and Decker Dwellings.

As for Phase III at the Esmond, the Authority has listed the site on the LISC/Northspan site for potential developer interest. The Executive Director continues to work with LISC and other leads on potential investors. The Executive Director, Legal Counsel, and Commissioner Sipress explained Opportunity Zones.

Voluntary Conversion:

HUD had contacted the Authority about voluntary conversion, but then they shut down. In the meantime they found information in the CFR about converting and will start looking into the studies that are required to move along with this. There are four options available through HUD for this process, but the ones that would work best for the Authority are either voluntary conversion or disposition to a LLC.

Government Shutdown:

The government shut down affected the Authority by holding up the Garfield waiver request, by not being able to speak to our field representatives, and by creating stress for our customers (clients and landlords). We anticipate that in the next three weeks HUD

will release funds for March and April. We are also hoping that Congress will pass the T-HUD bill to give the Authority funding for the full year. She asked that the Board continue to write to their Congress men and women about keeping the government open and passing T-HUD. The Executive Director explained to the Board what would have happened if the government had continued the shutdown.

HUD EnVision Centers:

HUD reached out to the Executive Director about starting an EnVision center in Duluth. HUD's EnVision centers are set up to create opportunities for Section 8 and public housing participants to be lifted into self-sufficiency. They have four pillars of opportunity: Economic Empowerment, Educational Advancement, Health and Wellness, and Character and Leadership. She has reached out to Community Action Duluth, and Jeff Longenecker, the Executive Director, was very excited about this potential partnership as was their Board of Directors.

HUD does not provide any funding, only technical assistance. Once HUD is back from the shutdown she will discuss the possibility of this for Duluth. She believes Lincoln Park Center would be a good location to set up an EnVision center.

Marketing:

The Executive Director spoke at both the landlord association and the Riverfront Community Development group. Both engagements went well with participants learning more about the Authority's programs

Sackette Addition:

The Executive Director reported that the lot that was set to be sold to HNH, LLC, the entity slated to develop land behind Denim Street below Decker Road, has come back to the Authority. Subsequently the City has asked the Authority for an easement on 20 feet of that lot for sewer lines. The Executive Director and Legal Counsel have been in contact with Eric Schafer, the City Engineer, about the need for this easement. It turns out that without this easement six households will incur costs of over \$10,000 each above what they are currently being assessed, so it seems logical that the Authority grants this easement. Both Eric Schafer and Adam Fulton have agreed that if we grant this easement and sell this lot later, and the customer asks for a variance to build closer to the lot line of the outlot that was next to this lot, they will give staff support to the future owner of the lot. A Resolution for this easement will be on the February Board packet.

City of Duluth:

The Executive Director explained that she and the Mayor were moving to quarterly

meetings, and she will be moving to bi-monthly meetings with Noah and Keith, to continue our housing relationship and communication. When she, Noah, and Keith met, she indicated the Authority had the open development coordinator position, she asked how do we work together, what was the expertise they would like to see, how would they like to use the Authority, and indicated they make this decision together and move forward. She will be meeting with them again on February 7th.

Audit:

The audit is nearing completion. She wanted to alert the Board that the auditors did find two issues that the Authority will need to report on. They were not a material weakness, but are called a significant deficiency which are not as severe. Both were related to contracts. The first one was that our employee forgot to check the debarment list for the insurance renewal. He had only been in the position for five months, and made the incorrect assumption that the agency we used, which is Housing Authority Insurance (HAI) and was only available to housing authorities, was not subject to that requirement. That was incorrect, and he has since documented the file appropriately.

The second deficiency found was when a director that no longer works at the HRA signed for a work authorization resulting in payments to contractors without the required Davis-Bacon paperwork. This happened when the property manager was out on medical leave so the director was filling in and was handling these types of tasks. This paperwork has since been collected and wages have been verified.

A corrective action plan will be written on those two items. Procurement training with a national trainer has been secured to ensure we all operate under the same expectations and understand the complicated nature of HUD procurement regulations. This training will happen in April. This will be open to other members of the MN NAHRO organization.

Hawk Ridge:

The Executive Director reported that a while ago a Resolution was passed by Commissioners to allow the sale of Block 2, Lot 5. As it turned out, a 2010 shoreland zoning change made it impossible to build a home with a basement on this lot without a variance. The buyers of this lot are asking if the Authority would help them. What they proposed was that they would front all of the money and work required for the variance, but if the variance was denied, they would like the Authority to reimburse their costs. If the City approves their variance request, there would be no cost to the HRA. She had originally told them no, but they had a good argument. Their lot has been for sale since the beginning of the development on the lower side of Phase 1. The reason she was bringing this to the Board was because the buyer of the lot was Philip Keppers, the Executive Director's husband's cousin. She told him she could not have the appearance

of a conflict of interest, but she would bring this to the Board and let them decide, keeping her at arm's length in the transaction. She believes in compromise, and this would not have to be all or nothing. Legal Counsel gave explanations to the Chair's questions, but he did not give an opinion. The Executive Director answered Commissioners' questions. Legal Counsel explained that this lot was not grandfathered in, because nothing had been built on the lot at the time the ordinance was changed. Commissioner Sipress suggested the Authority offer to pay for half the costs if the variance was denied. Commissioner Nephew suggested that if the buyers do walk away from the agreement, they would give the Authority all their information. Commissioner Talarico thought that the consensus of the Board was that they were authorizing the Executive Director to meet with Legal Counsel and to enter into an agreement that was acceptable to both sides regarding the costs in a reasonable way if the variance was denied. Commissioner Sipress introduced the motion that the Board authorized the Executive Director to meet with Legal Counsel and enter into agreement that was acceptable to both parties regarding the costs associated with the variance, if the variance was denied. Commissioner Julsrud seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Johnson, Julsrud, Nephew, Sipress, and Talarico

Nays: None

The Chair declared the motion carried and approved.

REPORT OF LEGAL COUNSEL: MONTHLY ACTIVITIES

Legal Counsel indicated that he had been working on the use of HOPE VI funds, the acquisition of Harbor View Phase I, partnership interests and dealings with GMHF, and a number of miscellaneous questions including the question of whether or not the HRA or its employees must be licensed as a real estate broker. His preliminary conclusion was they were not. His conclusion was that the agency was a public officer, but that was not defined. He would talk further with staff about whether they want to get an opinion from the Commissioner to that effect. If they do need to be licensed as a real estate broker or a limited broker, there was a process and it was not that difficult to go through. He has been working on issues regarding reimbursement of lead funds as the lead contract with the City of Duluth has been closed out, and he has also worked with Jill about ideas to help One Roof out in the context of a down payment assistance program, but they did not want to pursue that so he did not draft a policy. He indicated that one thing to remember when policies were created, they can't be specific to a particular party. They have to come up with a policy that was generally applicable. He explained that if he ever comes to the Board with a policy it will have a large number of specific details and he will try to get a dollar limit on it. He has also been working on the Sackette easement.

OTHER BUSINESS

Commissioner Sipress indicated that regarding the open development director position, that in conversation with the Mayor and the new CEO he did encourage them to work in close partnership with the Authority. Commissioners and the Executive Director thanked him for doing that.

As far as an update on the Tenant Landlord Connection, the County, the City, and the HRA have worked with One Roof to get stable funding for the coming year, and One Roof brought down their budget as far as they could. That depended on being awarded a \$25,000 Community Development Block Grant allocation, and staff made that recommendation. Before it went to the City Council, there was a Community Development Committee, which makes recommendations on the allocations. When they made their recommendations they only recommended \$20,000 of that rather than \$25,000. He indicated that they amended the recommendation, and that last night they approved the whole \$25,000 allocation to the Tenant Landlord Connection and the amendment passed the City Council.

Commissioner Jen Julsrud said goodbye to the Board and indicated it was a very hard decision to make. The Board also said goodbye to Commissioner Rachel Johnson.

ADJOURNMENT

There being no further business to come before the Board, the meeting was recessed at 5:20 P.M., and would reconvene at 6 P.M. at the Pickwick Restaurant.

The Board reconvened at the Pickwick, and prior to the dinner there were presentations by the Sara Cole and Desmond Rakestaw from the Duluth Area Family YMCA – Harbor Highlands. The meeting was adjourned at 8:30 P.M.

Chair

ATTEST:

Secretary

Scheduled Regular Meeting – January 29, 2019