

**MINUTES OF THE
SCHEDULED REGULAR MEETING OF THE COMMISSIONERS
OF THE HOUSING AND REDEVELOPMENT AUTHORITY
OF DULUTH, MINNESOTA
HELD ON THE 26th DAY OF MARCH, 2024**

The Commissioners of the Housing and Redevelopment Authority of Duluth, Minnesota, met in a Scheduled Regular Meeting at 3:30 P.M. on the 26th day of March 2024.

Chair Cich called the meeting to order and on roll call, the following members were found to be present: Commissioners Awal, Cich, Meyer, Nephew, and Talarico. Commissioners Glumac and Hanek were absent. The Chair declared a quorum present.

Also present were Jill A. Keppers, Executive Director; staff members Jacob Morgan, Rachel Downs, Brandon Engblom, Maureen Zupancich, Lenelle Hrabik, Sarah Pierce, and Caleb Anderson; Rachel Anderson, Community Member; and Chris Virta, Fryberger Law.

SCHEDULED PUBLIC HEARINGS

None.

UNFINISHED BUSINESS

None.

CONSENT AGENDA:

The following items were introduced by Chair Cich:

MINUTES OF THE SCHEDULED REGULAR MEETING OF FEBRUARY 27, 2024

APPROVAL OF THE FINANCIAL REPORT FOR PERIOD ENDING FEBRUARY 2024

RESOLUTION NO. 4502-24

**RESOLUTION APPOINTING DIRECTORS TO GREAT LAKES DEVELOPMENT DULUTH,
INC. BOARD**

RESOLUTION NO. 4503-24

**RESOLUTION AUTHORIZING THE SUBMISSION AND ACCEPTANCE OF A GRANT FROM
THE CITY OF DULUTH FOR THE PURPOSE OF FUNDING THE COORDINATED ENTRY
COORDINATOR AND ASSOCIATED PROGRAM COSTS**

RESOLUTION 4504-24

RESOLUTION APPROVING POLICY FOR EARNED SICK AND SAFE TIME

RESOLUTION 4505-24

**RESOLUTION APPROVING CHANGES TO THE HOUSING AND REDEVELOPMENT
AUTHORITY OF DULUTH, MINNESOTA'S FINANCIAL CONTROLS POLICY**

RESOLUTION 4506-24

**RESOLUTION APPROVING THE REAL ESTATE DEVELOPMENT FINANCIAL
CONSULTANT FOR HOUSING DEVELOPMENT AND REDEVELOPMENT**

RESOLUTION 4507-24

RESOLUTION AUTHORIZING BAD DEBT WRITE-OFFS

RESOLUTION 4508-24

**RESOLUTION AUTHORIZING CHANGE TO THE MANAGEMENT AGREEMENT FEE
CALCULATION WITH NORTH POINTE APARTMENTS**

After a brief discussion regarding Resolution 4507-24 and the substantial damages on a few properties that caused the write-offs to be so high, Chair Cich called for a motion to approve the consent agenda.

Commissioner Nephew moved that the foregoing items be approved as introduced.
Commissioner Talarico seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Awal, Cich, Meyer, Nephew, and Talarico

Nays: None

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

DISCUSSION ITEMS

**RESOLUTION APPROVING BORROWING BY HARBORVIEW PHASE VI TOWNHOMES,
LLLP FOR THE HARBORVIEW PHASE VI HOUSING DEVELOPMENT**

This resolution is a borrowing resolution that allows the Limited Partnership, and the Authority as the sole member of the general partner, to borrow the money from Wells Fargo and the Authority for the construction and permanent loans for Harbor Highlands Phase VI. Borrowing resolutions are needed for whenever the Authority is going to take on debt.

There being no questions, the following resolution was introduced by Chair Cich:

RESOLUTION NO. 4509-24

**APPROVING BORROWING BY HARBORVIEW PHASE VI TOWNHOMES, LLLP FOR THE
HARBORVIEW PHASE VI HOUSING DEVELOPMENT**

Commissioner Meyer moved that the foregoing items be approved as introduced.
Commissioner Talarico seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Awal, Cich, Meyer, Nephew, and Talarico

Nays: None

Chair Cich declared the motion carried and said item approved as introduced and read.

**RESOLUTION APPROVING CERTAIN GUARANTEES BY THE HOUSING AND
REDEVELOPMENT AUTHORITY OF DULUTH, MINNESOTA WITH RESPECT TO THE
HARBORVIEW PHASE VI TOWNHOMES, LLLP DEVELOPMENT**

This resolution allows the Authority to take on certain guarantees with relation to the Harbor Highlands Phase VI Townhomes project.

Following a brief discussion on the risks, the following resolution was introduced by Chair Cich:

**RESOLUTION NO. 4510-24
APPROVING CERTAIN GUARANTEES BY THE HOUSING AND REDEVELOPMENT
AUTHORITY OF DULUTH, MINNESOTA WITH RESPECT TO THE HARBORVIEW PHASE
VI TOWNHOMES, LLLP DEVELOPMENT**

Commissioner Talarico moved that the foregoing resolution be approved as introduced.
Commissioner Awal seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Awal, Cich, Meyer, Nephew, and Talarico

Nays: None

Chair Cich declared the motion carried and said item approved as introduced and read.

**RESOLUTION APPROVING THE TERMS OF A \$50,000.00 TAX INCREMENT INTERFUND
LOAN IN CONNECTION WITH WELCH PLACE TAX INCREMENT FINANCING DISTRICT**

This resolution authorizes the interfund loan within the Authority that is needed for the Welch Place TIF district. This allows the Authority to pay bills associated with the district. This is standard operating procedure under the TIF statutes in order to effectuate the work needed in relation to the TIF district. Essentially allows the Authority to pay the bills related to the TIF district and then get reimbursed for that.

There being no questions, the following resolution was introduced by Chair Cich:

**RESOLUTION NO. 4511-24
APPROVING THE TERMS OF A \$50,000.00 TAX INCREMENT INTERFUND LOAN IN
CONNECTION WITH WELCH PLACE TAX INCREMENT FINANCING DISTRICT**

Commissioner Awal moved that the foregoing items be approved as introduced.
Commissioner Talarico seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Awal, Cich, Meyer, Nephew, and Talarico

Nays: None

Chair Cich declared the motion carried and said item approved as introduced and read.

COMMUNICATIONS/CORRESPONDENCE

Board members received monthly reports and correspondence prior to the meeting.

REPORTS OF COMMITTEES

Finance Committee: The Finance Committee has not met since the last Board meeting.

OPPORTUNITY FOR VISITORS TO BE HEARD

None.

BUSINESS BY COMMISSIONERS

Chair Cich suggested having the Committee of the Whole meeting at 2:30 p.m. immediately preceding the Regular Scheduled Board meeting on April 30, 2024. Commissioners in attendance were in agreement.

REPORT OF THE EXECUTIVE DIRECTOR

In addition to her written report, the Executive Director added that the RAD closing should be happening in April to hopefully have an HAP effective date of May 1, 2024. She also added that Phase VI should make the closing goal on April 17, 2024 so the contractor can start in early May. Things can still happen, but this is the plan as of right now.

REPORT OF LEGAL COUNSEL: MONTHLY ACTIVITIES

Legal Counsel submitted a written report and piggy-backed on what the Executive Director reported on working hard to get everything done to close on RAD. He also added that the Authority has been working with the City on acquiring the Tiny Home on 6th Ave E, sounds like they might be giving that to the Authority for a minimal fee. Also, updated the Board that the Esmond project looks like everything is moving forward and looking good. Commissioner Nephew asked about the Tiny Home being ok to have a rental license and Legal Counsel informed the Board that that is not an issue and it is ok for a rental license but there may be additional costs to bring it to NSPIRE standards but nothing outrageous. If the Authority is unable to bring it up to NSPIRE standards, it can still be rented for a low income family without a voucher.

No Closed Session was needed.

OTHER BUSINESS

Commissioner Meyer asked if the Executive Director could put something together for the Commissioners showing the accounting for how the added security to the high-rises added up. He also noted he's been hearing comments and getting messages about the Esmond and is curious if there is any kind of update on that. The Executive Director responded with what the Authority has done in relation to the Esmond moving forward. The Authority has done everything they can do in their part and it was the financing portion that was the hold up.

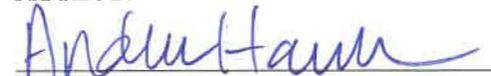
ADJOURNMENT

There being no further business to come before the Board, Chair Cich declared the meeting adjourned at 4:07 P.M.



Chair

ATTEST:



Secretary

Next Scheduled Regular Meeting – April 30, 2024.