

**MINUTES OF THE
SCHEDULED REGULAR MEETING
OF THE COMMISSIONERS OF THE
HOUSING AND REDEVELOPMENT AUTHORITY OF DULUTH, MINNESOTA
HELD ON THE 27TH DAY OF AUGUST, 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 27th day of August, 2019.

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

Also present were Jill A. Keppers, Executive Director; staff members Cindy Weiske, Carol Schultz, Lenelle Hrabik, Bridget Brine, and Lynne Snyder; Dan Maddy, Legal Counsel; Barb Findley, President of the King Manor Resident's Club; Ann Abraham, Vice President of the King Manor Resident's Club; and Roger Endres, President of the Midtowne Manor II Resident's Club.

SCHEDULED PUBLIC HEARINGS

None.

UNFINISHED BUSINESS

None.

CONSENT AGENDA:

The following items were introduced by Commissioner Sipress:

MINUTES OF THE SCHEDULED REGULAR MEETING OF JULY 30, 2019

FINANCIAL REPORT FOR PERIOD ENDING JULY, 2019

The Executive Director pointed out that in the original minutes there was a misspelling and Meghann Jones' name has been corrected with the correct spelling.

Commissioner Sipress moved the foregoing Item A be approved as with the corrected spelling of Meghann Jones' name, and Item B be approved as introduced.

Commissioner Gilbert seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Glumac, Talarico, Gilbert, Nephew, and Sipress

Nays: None

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

DISCUSSION ITEMS

RESOLUTION APPROVING FLAT RENTS FOR PUBLIC HOUSING IN HOPE VI DEVELOPMENTS

The Executive Director explained to commissioners how the Director of Property Management arrived at the flat rent amounts and referred to the chart in their board packet. She explained that essentially the public housing flat rent needs to fall between 80% of the fair market rent established by HUD and the maximum gross rent set by MHFA. Flat rents come into play when a person is eligible for public housing when they enter the public housing system, but then later have an increase in their income. At that point they can choose to pay the flat rent or continue to pay 30% of their income towards rent. This change in rent will affect 2 households in Harbor Highlands public housing. After the Executive Director and the Director of Property Management answered commissioners' questions the following resolution was introduced by Commissioner Nephew:

RESOLUTION NO. 3985-19 RESOLUTION APPROVING FLAT RENTS FOR PUBLIC HOUSING IN HOPE VI DEVELOPMENTS

Commissioner Nephew moved that the foregoing resolution be approved as introduced. Commissioner Glumac seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Glumac, Talarico, Gilbert, Nephew, and Sipress

Nays: None

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

RESOLUTION AMENDING RESOLUTION NO. 3960-19

The Executive Director explained that this resolution relates to the conduit bonds issued for the Marshall School project. She explained that this resolution requests to increase the "not to exceed" amount previously authorized by the board by \$26,100. This amount is needed due to the partial roof replacement being expanded to cover the area between Wing B and Wing C (which were already being replaced), and results in an additional 3,600 square feet of roof replacement. Since the contractor is currently on site, it is more cost effective to have that work done now. After the Executive Director answered commissioners' questions the following resolution was introduced by Commissioner Gilbert:

RESOLUTION 3986-19
RESOLUTION AMENDING RESOLUTION NO. 3960-19

Commissioner Gilbert moved that the foregoing resolution be approved as introduced.
Commissioner Sipress seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Glumac, Talarico, Gilbert, Nephew, and Sipress

Nays: None

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

COMMUNICATIONS/CORRESPONDENCE

The Executive Director pointed out to commissioners that in their green folders were the schedules for the Lincoln Park and Rainbow Centers as well as two recent articles related to housing in Duluth. Additionally, she pointed out that in Commissioners' board packets there were several other articles including articles on the housing market, the Bob Travani medical respite house, the mayor's press conference on housing, the UMD housing –dining project, Lake Superior College housing proposal, and the Board of Trade TIF district.

REPORTS OF COMMITTEES

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

Finance Committee: The Finance Committee had not met.

BUSINESS BY COMMISSIONERS

The Executive Director reviewed the dashboard with Commissioners and commented on progress on the strategic plan goals.

Goal 1 – The RFP for the Repositioning Consultant went out and closes on August 30

Goal 3 – The Executive Director reported that the buyer of the Sackette lot has backed out of the sale, so this lot is back on the market. The HRA closed on two lots at Hawk Ridget Estates, and the Executive Director is working with legal counsel to finalize a Letter of Intent with MN-OZA for the Esmond redevelopment.

Goal 4 – In August the General Counsel position was filled. The Executive Director introduced Bridget Brine to the commissioners.

Commissioner Gilbert asked if the Senior Housing Developer had been selected yet under the agreement between the City and the HRA. The Executive Director reported that City Council at their most recent meeting approved the contract between the HRA and the City. She reported that

the position was advertised, interviews were held, and Jason Hale was selected to fill the position.

The Executive Director reported that she has had preliminary meetings with Ben VanTassel and Adam Fulton at the City. And all are aware of the vision that this position would not only help developers who come to Duluth navigate the process for housing development; but also, be creative with housing and redevelopment initiatives through the HRA.

Commissioner Sipress reported that Jason had already been working at the city in Economic Development. Commissioner Talarico added that he participated in the interview process and that Jason seemed excited and ready to bring new ideas forward. Commissioner Talarico hoped the Senior Housing Developer would be a visionary related to housing in Duluth.

REPORT OF THE EXECUTIVE DIRECTOR

The Executive Director reported that in July she gave a tour of Ramsey Manor along with the Property Manager to one of the board members of MN Housing, Stephanie Klinzing. Ms. Klinzing was interested in seeing how the POHP money was going to be used.

The Executive Director and the Rent Subsidy Director and Supervisor worked with HUD and the VA to send a letter of intent to apply for more VASH vouchers per their request. This is important since between the Duluth HRA and Superior PHA they hope to have at least 25 VASH vouchers to justify the VA placing a service coordinator in the Twin Ports. She stated that she and the Rent Subsidy Department are also working to put together a Mainstream voucher application to assist both homeless and persons with disabilities transitioning into the community.

The Executive Director reported that this month there was a HUD CoC audit on the Shelter Plus Care program, and they were awaiting feedback from the auditor. She explained that the auditor spent time off site with the agencies providing the services as well (CHUM and Northshore Horizons).

She explained that other items that were completed this month included the PIC (PIH Information Center) certification for HUD, Safety and Pension committee meetings, and closing on two lots at Hawk Ridge Estates.

The Executive Director stated that she met with Officer Kaase, HRA police officer, and is working to assist him in finding out trespass procedures used with other HRAs.

She also explained that staff and legal counsel continue to work towards closing on the Harbor Highlands Phase I purchase including a call with HUD and collating additional information they requested to move their approval forward.

Additionally, she and staff attended the Affordable Housing Coalition meeting, the Chamber "let's do lunch" series, and she attended a NAHRO-NERDA meeting with the regional HRA

directors. She announced that Tom Furman, a former Duluth HRA employee, is now the Director of the Two Harbors HRA so she and other staff are assisting him in his new role.

The Executive Director commented on a variety of work this month done with the City of Duluth staff:

- Meeting with Noah Schuchman, CAO, to discuss upcoming programs in the rehab department to coincide with the Mayor's institute on health and housing.
- Meeting with Adam Fulton, Interim Director of Planning and Economic Development, regarding the logistics pertaining to the new Housing Developer.
- Meeting with Ben VanTassel, Manager of Community Planning, regarding the new Housing Developer, Rehab programs, and ideas on moving forward some city and HRA initiatives that have stalled in the past.
- Retirement event for Keith Hamre.
- Planning meeting with city staff and Minnesota Housing staff related to Center City Housing Corporation properties that need substantial rehab to generate ideas to keep this housing viable.

The Executive Director reported that with regard to personnel this month, there was one retirement and one new hire. The Executive Director introduced Bridget Brine, the new General Counsel for the HRA. And reported that tomorrow there is an interview for a potential promotion in our AFSCME unit.

REPORT OF LEGAL COUNSEL: MONTHLY ACTIVITIES

Dan Maddy with the Executive Director, Deputy Director, and external partners on the Harbor Highlands Phase I purchase. He is also working on the letter of intent between the HRA and MN-OZA the Esmond developer. He also reported that he is working with Jason Hale, the new Housing Developer on the Temple Opera Building project which will close tomorrow.

OTHER BUSINESS

None.

ADJOURNMENT

There being no further business to come before the Board, Commissioner Sipress moved the meeting be adjourned. Commissioner Nephew seconded the motion.

Roll was called with the following results:

Ayes: Commissioners Glumac, Talarico, Gilbert, Nephew, and Sipress

Nays: None

The Chair declared the meeting adjourned at 4:00 P.M.


Chair

ATTEST:


Secretary

Next Scheduled Regular Meeting – September 24, 2019