

**MINUTES OF THE
SCHEDULED REGULAR MEETING OF THE COMMISSIONERS
OF THE HOUSING AND REDEVELOPMENT AUTHORITY
OF DULUTH, MINNESOTA
HELD ON THE 25th DAY OF MARCH, 2025**

The Commissioners of the Housing and Redevelopment Authority of Duluth, Minnesota, met in a Scheduled Regular Meeting at 3:30 P.M. on the 25th day of March 2025.

Secretary Meyer called the meeting to order and on roll call, the following members were found to be present: Commissioners Awal, Joeckel, McShane, Meyer, and Nephew. Commissioner Talarico arrived after the vote on the Consent Agenda and Commissioner Cich was absent. Secretary Meyer declared a quorum present.

Also present were Jill A. Keppers, Executive Director; staff members Anna Carlson, Jacob Morgan, Rachel Downs, Brandon Engblom, Lenelle Hrabik, Jill Erickson, Rob Johnson, and Traci Nindorf; Chris Virta, Fryberger Law; and community member Rachael Anderson.

SCHEDULED PUBLIC HEARINGS

None.

UNFINISHED BUSINESS

None.

OPPORTUNITY FOR VISITORS TO BE HEARD ON AGENDA ITEMS

None.

NEW BUSINESS

CONSENT AGENDA:

The following items were introduced by Secretary Meyer:

MINUTES OF THE SCHEDULED REGULAR MEETING OF FEBRUARY 25, 2025

APPROVAL OF THE FINANCIAL REPORT FOR PERIOD ENDING FEBRUARY 2025

RESOLUTION NO. 4610-25

**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 4611-25

**RESOLUTION APPROVING PROPOSAL FOR BRING IT HOME MINNESOTA STATE
RENTAL ASSISTANCE PROGRAM FOR CENTER CITY HOUSING SITE BASED PROGRAM**

RESOLUTION 4612-25

RESOLUTION AUTHORIZING BAD DEBT WRITE-OFFS

RESOLUTION 4613-25

**RESOLUTION APPROVING THE EMPLOYEE HANDBOOK UPDATE FOR THE HOUSING
AND REDEVELOPMENT AUTHORITY OF DULUTH, MINNESOTA**

**RESOLUTION 4614-25
RESOLUTION APPOINTING A REPLACEMENT MEMBER TO THE PENSION
COMMITTEE AND TRUSTEES**

**RESOLUTION 4615-25
RESOLUTION AWARDED CONTRACT FOR MIDTOWNE MANOR PARKING LOT
PROJECT**

Commissioner Awal asked a question regarding what the update was to the Employee Handbook to which Executive Director Keppers explained it was only updating the section on Reasonable Accommodations for employees.

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

Roll was called with the following results:

Ayes: Commissioners Awal, Joeckel, McShane, Meyer, and Nephew

Nays: None

Secretary Meyer declared the motion carried and said items approved as introduced and read.

DISCUSSION ITEMS

**RESOLUTION ACCEPTING THE ANNUAL REPLACEMENT RESERVE REPORT AND
REPLACEMENT RESERVE WITHDRAWAL AMOUNTS FOR RAD-PBV PROJECTS**

This resolution is part of the compliance for the RAD-PBV program. Each year the Board needs to be informed of the deposits to replacement reserves and the withdrawals from replacement reserves. During the budget process, the Board approved the annual deposits to replacement reserves; however, the Board has not seen the withdrawals from replacement reserves this year – because the Authority is still in the first year of conversion. The Board has approved every contract over \$100,000 as is required per the procurement policy. HUD recently sent a DocuSign asking the Executive Director to sign off that the Authority is in compliance with the requirement that the Board has reviewed both the deposits and withdrawals. Generally, this report would be done during the budget process, but the DocuSign is due before then, so it is being brought to the Board early.

Withdrawals have been made this year because they were required as part of the RAD conversion. When the Authority closed on the RAD conversion, money was deposited in the replacement reserve account not only for the 20-year needs, but also for the required 12-month first year repairs. The withdrawals listed on the support with the resolution are for the first year repairs as required by the RAD Conversion Commitment. Therefore, the support attached to the resolution is the annual report of deposits to replacement reserves and annual withdrawals from replacement reserves. The Board will receive another report of this nature in July with the budget process.

There being no discussion, the following resolution was introduced by Secretary Meyer:

RESOLUTION NO. 4616-25

**ACCEPTING THE ANNUAL REPLACEMENT RESERVE REPORT AND REPLACEMENT
RESERVE WITHDRAWAL AMOUNTS FOR RAD-PBV PROJECTS**

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, Joeckel, McShane, Meyer, Nephew, and Talarico

Nays: None

Secretary Meyer declared the motion carried and said item approved as introduced and read.

**RESOLUTION IMPLEMENTING THE ANNUAL OPERATING COST ADJUSTMENT
FACTOR (OCAF) FOR RAD PBV HI-RISES**

This resolution authorizes the annual cost adjustment factor for the RAD-PBV properties. This is similar to the OCAF for the RAD-PBRA properties and tenants still pay 30% of their income towards rent. The increase in rent results in an increase in Housing Assistance Payments for the properties to maintain operations. The only tenants who will see an increase in rent are those that are the over income tenants. However, those tenants will still be paying less than 30% of their income in rent.

There being no discussion, the following resolution was introduced by Secretary Meyer:

**RESOLUTION NO. 4617-25
IMPLEMENTING THE ANNUAL OPERATING COST ADJUSTMENT FACTOR (OCAF) FOR
RAD PBV HI-RISES**

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

Roll was called with the following results:

Ayes: Commissioners Awal, Joeckel, McShane, Meyer, Nephew, and Talarico

Nays: None

Secretary Meyer declared the motion carried and said item approved as introduced and read.

RESOLUTION CONSENTING TO THE APPOINTMENT OF SUCCESSOR TRUSTEE

This resolution relates to conduit bonds that the Authority issued to Tischer Creek Duluth Building Company in 2018. The majority bondholder is requesting the appointment of a successor trustee to U.S. Bank National Association. The Authority has been in conversations with Christopher Virta, the Authority's bond counsel and he has stated that there is no objection, and that this does not affect the Authority. He is here today to answer Commissioners' questions. The Authority is just a pass through on these bonds.

There being no discussion, the following resolution was introduced by Secretary Meyer:

**RESOLUTION NO. 4618-25
CONSENTING TO THE APPOINTMENT OF SUCCESSOR TRUSTEE**

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

Roll was called with the following results:

Ayes: Commissioners Awal, Joeckel, McShane, Meyer, Nephew, and Talarico

Nays: None

Secretary Meyer declared the motion carried and said item approved as introduced and read.

**RESOLUTION APPROVING MODIFICATIONS TO THE AUTHORITY'S PURCHASING AND
PROCUREMENT POLICY**

This resolution approves updates to the Authority's Purchasing and Procurement Policy. Authority Staff and Legal Counsel have created a master procurement policy by incorporating both North Pointe and Bluewater into the overall policy. Rules for procurement are different for the different entities due to the nature of the programs they administer. The Board previously approved the HRA procurement policy and the Bluewater policy. The North Pointe policy is a mirror of the Bluewater policy. Updates included in this overall policy include clarification to the credit card, charge account, and purchase order sections; a more robust appeals process for contractors; statutory citation updates; and removal of AMP language that is no longer applicable.

Legal Counsel also consulted with the Authority's partners at the Minneapolis PHA, St. Paul PHA, and Dakota County CDA when updating this policy for best practices.

After a discussion surrounding the threshold for contracts coming to the Board, local preference, and subscriptions, the following resolution was introduced by Secretary Meyer:

**RESOLUTION NO. 4619-25
APPROVING MODIFICATIONS TO THE AUTHORITY'S PURCHASING AND
PROCUREMENT POLICY**

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

Roll was called with the following results:

Ayes: Commissioners Awal, Joeckel, McShane, Meyer, Nephew, and Talarico

Nays: None

Secretary Meyer 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. The Executive Director had nothing else to add. Commissioner Nephew mentioned that the Rehab Team should look

into possibly coordinating with the City when they are replacing lead lines to do sewer lines coinciding with that so the ground would only need to be dug up once.

REPORTS OF COMMITTEES

Finance Committee: The Finance Committee has not met since the last Board meeting. The hope is to have the audit done in April and schedule a Finance Committee meeting in May.

OPPORTUNITY FOR VISITORS TO BE HEARD OPEN FLOOR

None.

BUSINESS BY COMMISSIONERS

None.

REPORT OF THE EXECUTIVE DIRECTOR

In addition to her written report, the Executive Director asked the Board if they would be ok stopping with the monthly PHAS and licensing reports. There were no objections to this request and all Commissioners present were in agreement that these reporting parameters could be stopped. In addition, Commissioner Meyer complimented the staff on the great job they have done with these reports and the improved communication between staff and the Board.

REPORT OF LEGAL COUNSEL: MONTHLY ACTIVITIES

In addition to his written report, Legal Counsel had an item to discuss in a closed session.

Session Closed at 4:08 P.M. at which time all visitors left.

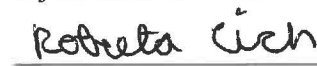
Session Reopened at 4:21 P.M.

OTHER BUSINESS

None.

ADJOURNMENT

There being no further business to come before the Board, Secretary Meyer declared the meeting adjourned at 4:22 P.M.



Chair

ATTEST:



Secretary

Next Scheduled Regular Meeting – April 29, 2025.