HOUSING & REDEVELOPMENT AUTHORITY AGENDA

PUBLIC MEETING ROOM MONDAY, NOVEMBER 14, 2022 6:00 PM

1. Call to Order
2. Approval of the Minutes
3. Program Reports
   A. RAD/Repositioning Process
4. Property Reports
   A. Robinwood Manor - Monthly Operating and Budget Statement
   B. Public Housing - Monthly Operating and Budget Statement
   C. Scattered Sites/City Rentals- Monthly Operating and Budget Statement
5. Public Hearings
6. Items for Discussion
   A. Board and Commission Members-Appreciation Dinner
   B. Van Replacement
   C. Service agreement with HCI Mobile Home Coordinator
   D. Resolution 2022-11 and Resolution 2022-12- Approving 2023 HRA Budgets
   E. Resolution 2022-13 Establishing the HRA Downtown Revitalization Program Policy
   F. Resolution 2022-14 Appointing an Interim Executive Director of the Housing and Redevelopment Authority
   G. 2023 Statutory Tort Liability Waiver
7. Adjournment

Faribault Housing and Redevelopment Authority
Meeting Minutes
October 10, 2022

1. Call to Order / Approval of the Agenda

Chair Speckhals called the meeting to order at 6:03 p.m.

Members Present: Loni Ahlers, Narren Brown, Brendan Kennedy, Jonathan Wood, and Chair Matthew Speckhals

Members Absent: Travis Kath and Travis McColley.

Kuennen introduced our new Housing Coordinator, Rebecca Rand. HRA member introductions followed.

2. Minutes

A. Minutes of August 8, 2022.

A motion was made by Brown to approve the minutes of August 8, 2022 seconded by Kennedy as presented. Motion carried on a 5/0 vote.

3. Program Reports

A. Mobile Home Buy-Out Program

The HRA provides funding to assist mobile homeowners with the disposal of substandard mobile homes, to allow for updated/upgraded replacements. An application was received in June for Knollwood and the HRA approved $2000 to assist with the removal. Staff has finalized the paperwork and provided a closing statement for the applicant. It has been requested that the applicant provide a "Certificate of Taxes Paid" and once provided, the funds can be processed for payment. Rand has reached out to the applicant to remind them to submit the certificate.

No additional applications have been received.

B. Mobile Home Heat Tape Program

The HRA provided funding in 2021/2022 for the Heat Tape program. The manufactured home communities are some of the largest water users in the city. This is because of poor insulation of water pipes, and residents running water to prevent pipes from freezing. To reduce excessive water usage, the HRA has developed a program to offer heat tape installation.

Staff met with the contractor and developed a plan for the installation process for four applicants. Staff sent flyers in English and Spanish to all of the park owners/managers, and worked with Growing Up Healthy to have the program information included in their newsletter. There is an energy fair coming up put on by the Community Development Department with the City.

Kuennen stated that Rand has additional ideas on how to better track HRA programs serving the manufactured home communities, to better allocate and direct resources. More on these ideas will come at future meetings.

C. RAD/Repositioning Process

A lot of progress has been made on the RAD Repositioning, including an acceptance and approval by HUD which requires the closing to take place within 90 days. Kuennen stated that the RAD consultant has been asked to attend via Zoom the November meeting to provide the HRA with updates and next steps. With the holidays approaching, the closing on the repositioning is likely going to be pushed to January/February 2023. In addition, Kuennen reported that the delay has caused staff to perform annual recertification on nearly half of the PH tenants since recertifications are required once per year

D. 230 Central Avenue Apartments

The HRA has required that Todd Nelson provide monthly updates on work performed and completed on the 230 Central Avenue apartment project. The project has been completed and was issued a Temporary Certificate of Occupancy by the Building Official. Tenants began moving in effective October 1, 2022.

Another condition of the HRA funding is that two of the two-bedroom, and two of the three-bedroom units must be leased to income-qualified tenants for 10 years as per the loan agreement. The requirement was for two 2-bedroom and two 3-bedroom units; however, the Nelson's have asked to have a 4-bedroom included. These units have not been leased as of yet. The Nelson's are working with Rand on implementing the affordability component of the 10-year plan as a condition of the funding from the HRA.

Chair Speckhals asked for a motion to receive and file the program reports. A motion was made by Kennedy, seconded by Ahlers. Motion carried on a 5/0 vote.

4. Property Reports

A. Robinwood Manor - Monthly Operating and Budget Statement

Kuennen started out by letting the board know that in the past we had been providing information for two months back; however, with the new coordinator, Rand has found a way to streamline this process of reporting. The reports will look a bit different, with the biggest difference being the column on the expenditure statement which shows where we are at in the budget by percent.

B. Public Housing - Monthly Operating and Budget Statement

Refer to the report.

C. Scattered Sites - Monthly Operating and Budget Statement

Refer to the report for detailed information. The Board had no questions but stated that they were fine with the new format

A motion was made by Ahlers and seconded by Wood to receive and file the property reports as presented. Motion carried on a 5/0 vote.

5. Public Hearings

None.

6. Items for Discussion

A. Resolution 2022-07 Public Housing Utility Allowances
Resolution 2022-08 Public Housing Flat Rents

Due to the timing of the closing for RAD Repositioning project being pushed to 2023, the HRA is required to establish the 2023 utility allowances and flat rate rents.

The Faribault HRA manages 49 scattered-site public housing units. Every year the Faribault HRA must complete an analysis of the cost of utilities for these units in order to develop a public housing utility allowance. The utility allowance is used to determine how much money each public housing tenant pays to the Faribault HRA for monthly unit rent. The analysis is based on several factors, including actual consumption data of the units from the utility companies, surveys of the local garbage haulers for their current rates, comparing current utility rates to those used during the last utility analysis, and consumption averages and unit size factors from the US Department of Housing and Urban Development.

In addition, the HRA must set new flat rents for residents with higher incomes. These rents must be at least 80% of the Fair Market Rent as set by HUD. An analysis of rents for units similar to the public housing stock has been conducted and no changes in the flat rents is being proposed.

A motion was made by Kennedy, seconded by Brown to Approve 2022-07 Public Housing Utility Allowances and Approve 2022-08 Public Housing Flat Rents as presented. Motion carried on a 5/0 vote.

B. Funding Request for Mobile Home Coordinator

The HRA was asked to financially support a mobile home coordinator position that the Northfield Healthy Community Initiative (HCI) has created. Sandy Malecha from HCI presented to the HRA. HCI received a grant for mobile home rehabilitation from the Rice County Family Services Collaborative in the amount of $45,000 ($22,500 per year) from July 1, 2022, to June 30, 2024. HCI has contracted with Brian Kopack to do the work but they are looking for outside sources to help fund the position. There are 729 mobile homes spread across several manufactured home parks in Rice County, with the average age of the homes being 39 years. Rice County is considering the use of some of its ARP funds to help fund the position for the remainder of the grant period while more permanent funding can be sought, and the Northfield HRA committed a total of $50,000 over two years for the position. This additional funding allows HCI to use some of the funds currently allocated for staff time for other uses such as the cost of needed repairs.

Malecha provided a power point. The majority of mobile homes in the county are in either Northfield or Faribault.

After some discussion the board expressed support for this position, and agreed to provide funding for the next two years, in the amount of $550,000 per year.

A motion was made by Brown, seconded by Kennedy to approve the gap financing of $55,000 for two years for the position of Rice County Mobile Home Coordinator, and to authorize staff to prepare any required agreements to solidify the funding. Motion carried on a 5/0 vote.

C. Resolution 2022-09 Approve a Preliminary Development Agreement with Faribo Downtown Central; Update on Faribo Downtown Central Funding Request - $500,000

Nort Johnson presented at the meeting on behalf of the Faribo Downtown Central LLC (FDC). Johnson explained that the original plan to acquire, rehab, hold, then sell the buildings in 7-10 years has changed. FDC will utilize the first $250,000 to do immediate repairs on specific buildings, and will then present a Phase 2 plan in 2023 when they are ready for the second installment of funds. Johnson provided a spreadsheet outlining the sources and uses of funds. FCD will be seeking to sell some of the portfolio to interested buyers.

A motion was made by Kennedy, seconded by Brown to Approve Resolution 2022-09 Approving Preliminary Development Agreement and Funding Commitment. The Preliminary Development Agreement will include the conditions of the funding, and identify future actions related to program and policy creation to support the distribution of funding as presented. Motion carried on a 5/0 vote.

D. 2023 Budget Discussion

The HRA annually approves a budget that reflects their work plan and priorities. In 2022 funds were identified for special programs; however, there has been limited activity due to lack of staff resources and the necessary focus placed on the RAD repositioning process.

Kuennen provided information on the current fund balance – stating that the HRA has approximately $1,200,000 in fund balance as of 8/1/2022.

Kuennen also talked about budget items for 2023, including the need to hire a consultant to assess the 49-unit assets and come up with a 20-year capital improvement plan (Facility Assessment Plan). Brown requested that the recent funding commitments of $250,000 and the $55,000 be included in the budget for next meeting. Discussion then ensued about programs. It was directed that Down Payment Assistance be included, but that research be done to understand what surrounding communities are doing, what has been successful, and what inventory is available in Faribault for qualified persons to purchase. Discussion also included the need to provide funding for the Fix Up program, to encourage homeowners to address issues with existing homes. This program has been successful in the past, and could be provided city-wide as a tool to improve the housing stock. Rand will do some research and come back with proposed program perimeters and guidelines. The HRA also expressed their desire to see the Downtown Rental Rehab program be funded.

Kennedy wanted to add to see if Rand could look into something we might be able to do with the homeless population that seems to be growing in our community.

No action taken at this time.

E. Resolution 2022-10 Approving the Property Tax Levy for 2023

Under State Statutes, the City must certify its property tax levy amounts to the County Auditor and accordingly, the Housing and Redevelopment Authority is asked to submit its final levy request to be included with the levy.

The maximum amount the Faribault HRA can levy based on the approved formula is $328,850. The levy is the HRA's primary source of flexible revenue that can be used to fund programs to fulfill the HRA mission.

After some discussion, the board felt that that the current ask is appropriate.

A motion was made by Brown, seconded by Ahlers to approve Resolution 2022-10 Adopting FY2023 Final Property Tax Levy as presented. Motion carried on a 5/0 vote.

7. Adjournment

A motion was made by Kennedy, seconded by Brown to adjourn the meeting at 7:45 p.m. Motion carried unanimously.

Respectfully Submitted,

____

Kari Casper, Recording Secretary

Agenda Item: 3.A

Request for Action

TO:	Faribault Housing & Redevelopment Authority
FROM:	Deanna Kuennen, Community & Economic Development Director
MEETING DATE:	November 14, 2022
SUBJECT:	RAD/Repositioning Process

BACKGROUND:

Updates for this month include:

The RAD Repositioning is now in the closing stage. This means that the RAD Conversion Commitment (RCC) was issued and a RAD Closing Coordinator has been assigned who will be assisting with the conversion.

A kick-off call including the RAD Closing Coordinator, HUD Counsel, and PHA Staff/Consultants/Legal Counsel took place at the end of October. The local Team is working to upload the entire closing packet to the RAD Resource Desk so that HUD can start their review. Staff also met with the Rice County HRA Staff to coordinate the transition.

Nicole Wickliffe from RECAP Advisors will be presenting via Zoom to the HRA at the November meeting. She will provide an update regarding the process, next steps, and anticipated timeline.

In addition to all of the required documents associated with the closing packet. Legal Counsel has also drafted necessary documents to transfer "approving authority" and signatory responsibilities due to the resignation of Deanna Kuennen. Attached is a resolution duly electing David Wanberg as Chief Manager/President, Treasurer, and Secretary of the Company.

Scott Riggs, City Attorney, will participate via Zoom to explain any required actions for both the HRA and the Faribault HRA LLC.

REQUESTED ACTION:

Approve Resolution 2022-15 Resolution Electing Managers to the

Faribault HRA LLC

ATTACHMENTS:

1. Res 2022-15 Electing Managers to the Faribault LLC

RESOLUTION 2022-15

RESOLUTION ELECTING MANAGERS TO THE FARIBAULT HRA LLC

BE IT RESOLVED by the Board of Commissioners (the "Board") of the Faribault Housing and Redevelopment Authority (the "HRA"), Faribault, Minnesota as follows:

WHEREAS, the Faribault Housing and Redevelopment Authority (the "HRA"), Faribault, Minnesota is authorized to exercise the powers of a housing and redevelopment authority, pursuant to Minnesota Statutes, Sections 469.001 to 469.047, as amended (the "HRA Act").

WHEREAS, on June 13, 2022, the HRA adopted a resolution approving the formation of Faribault HRA LLC (the "Company"), whose sole member is the HRA, and articles of organization for the Company, all in accordance with Section 469.012, subdivision 2j of the HRA Act.

WHEREAS, the organizer for the Company filed the Articles of Organization of the Company with the Minnesota Secretary of State and a Certificate of Organization was issued for the Company.

WHEREAS, Article III Section 3.2 of the Articles of Organization designate that the "Chief Manager shall be the person who, from time to time, is the acting or appointed executive director of the sole member."

WHEREAS, on June 13, 2022 the board of Governors of the company adopted a resolution electing managers and naming Deanna Kuennen, the Executive Director of the HRA, the Chief Manager/President, Treasurer, and Secretary of the Company.

WHEREAS, on November 14, 2022, the HRA adopted a resolution appointing David Wanberg as the Interim Executive Director of the HRA.

NOW, THEREFORE, IT IS HEREBY RESOLVED, that pursuant to the Articles of Organization, the Company duly elects David Wanberg, the Interim executive director of the HRA, to the offices of:

Chief Manager/President, Treasurer, and Secretary of the Company.

Mr. Wanberg shall hold such offices until successors are duly elected and qualified

Adopted by the Board of Commissioners of the Faribault Housing and Redevelopment Authority, on November 14, 2022.

FARIBAULT HOUSING AND REDEVELOPMENT AUTHORITY

____
Matt Speckhals, Chair

Attest:

____
Brendan Kennedy, Vice Chairperson

STATE OF MINNESOTA	)
	)
CITY OF FARIBAULT	) SS.
	)
FARIBUALT HOUSING AND REDEVELOPMENT AUTHORITY	))
	)

I, the undersigned, being the duly qualified and acting Secretary of the Faribault Housing and Redevelopment Authority, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the Board of Commissioners held on November 14, 2022, with the original thereof on file in my office and the same is a full, true and complete transcript therefrom insofar as the same relates to the creation of the Faribault HRA LLC.

WITNESS My hand as Secretary and this 14th day of November, 2022.

____
Brendan Kennedy, Secretary
Faribault Housing and Redevelopment Authority

Agenda Item: 4.A

Request for Action

TO:	Faribault Housing & Redevelopment Authority
FROM:	Rebecca Rand, Housing Coordinator
MEETING DATE:	November 14, 2022
SUBJECT:	Robinwood Manor - Monthly Operating and Budget Statement

BACKGROUND:
The purpose of this memorandum is to provide the HRA with an update on the activity for the month of October 2022.

Robinwood Manor-October

Occupancy: 96%
Turnovers*:* 0
Vacancy*:* 1 Apt. (fire unit), Apt. 222 move out 10/14/2022

Extraordinary Expenses:

- Lamperts Oak Door #219 $382.99, Virg's Appliance $1,952.16 Refigerator #205, #108

Routine Maintenance:

- $9,229.02 (Xcel, City Water, Flom Disposal, Property Pros Lawn Care, Cintas, Culligan Water Softener Salt, All Pro Cleaners, Shofcorp Data Processing, Metronet Holdings Phone, Jimmie Larkin Fire Alarm Monitoring, Minnesota Elevator Monitoring, Tom's Lock & Key, Virg's Appliance)

REQUESTED ACTION:
Receive and file an operating statement for the month of October 2022.

ATTACHMENTS:

1. Expenditure Summary 898 102022

General Ledger
Expenditure Summary

User: rrand@ci.faribault.mn.us
Printed: 11/4/2022 11:24:29 AM
Period 10 - 10
Fiscal Year 2022

Account Number	Description	Original Budget	Amended Budget	Month to Date	YTD	% ExpendCollect
898	**Robinwood Manor**					
898-00000-000-10100	Cash	0.00	0.00	29,238.08	668,362.05	0.00
898-00000-000-10125	Cash in Escrow - Sec Dep	0.00	0.00	0.00	16,218.92	0.00
898-00000-000-10130	Cash Held by Trustee	0.00	0.00	0.00	0.00	0.00
898-00000-000-10410	Investments - Fair Value Adj	0.00	0.00	0.00	-45,464.71	0.00
898-00000-000-10450	Interest Receivable	0.00	0.00	0.00	1,975.78	0.00
898-00000-000-11500	Accounts Receivable	0.00	0.00	0.00	11,455.99	0.00
898-00000-000-11520	Accounts Receivable-Collection	0.00	0.00	0.00	-11,369.99	0.00
898-00000-000-13200	Due From Other Governments	0.00	0.00	0.00	0.00	0.00
898-00000-000-13600	Rent Receivable	0.00	0.00	0.00	5,995.09	0.00
898-00000-000-13610	Uncollectible Rents	0.00	0.00	0.00	-4,892.09	0.00
898-00000-000-15500	Prepaid Items	0.00	0.00	0.00	0.00	0.00
	Current Assets	0.00	0.00	29,238.08	642,281.04	0.00
898-00000-000-16100	Land	0.00	0.00	0.00	62,426.00	0.00
898-00000-000-16200	Building & Improvements	0.00	0.00	0.00	1,888,852.44	0.00
898-00000-000-16210	Accum Depreciation - Buildings	0.00	0.00	0.00	-1,557,168.66	0.00
898-00000-000-16300	Improvements Other Than Bldgs	0.00	0.00	0.00	17,419.00	0.00
898-00000-000-16310	Accum Depreciation - Other Imp	0.00	0.00	0.00	-17,419.00	0.00
898-00000-000-16400	Machinery & Equipment	0.00	0.00	0.00	79,754.39	0.00
898-00000-000-16410	Accum Depreciation - Mach & Eq	0.00	0.00	0.00	-75,144.53	0.00
898-00000-000-16500	Construction In Progress	0.00	0.00	0.00	208,615.50	0.00
	Capital Assets	0.00	0.00	0.00	607,335.14	0.00
898-00000-000-25300	Unreserved Fund Balance	0.00	0.00	0.00	-1,065,000.32	0.00
	Fund Balance	0.00	0.00	0.00	-1,065,000.32	0.00
898-00000-000-20200	Accounts Payable	0.00	0.00	0.00	0.00	0.00
898-00000-000-20210	Payment in Lieu Taxes Payab	0.00	0.00	0.00	0.00	0.00
898-00000-000-20600	Contracts Payable	0.00	0.00	0.00	0.00	0.00
898-00000-000-20610	Contracts Payable-Retained	0.00	0.00	0.00	-9,123.55	0.00

Account Number	Description	Original Budget	Amended Budget	Month to Date	YTD	% ExpendCollect
	$					
898-00000-000-20800	Due to Other Governments	0.00	0.00	0.00	0.00	0.00
898-00000-000-20815	Use Tax Payable	0.00	0.00	0.00	0.00	0.00
898-00000-000-22000	Deposits	0.00	0.00	-25.00	-14,649.03	0.00
898-00000-000-22200	Deferred Revenues	0.00	0.00	0.00	-2,487.00	0.00
898-00000-000-22530	Mortgage Payable - Current	0.00	0.00	0.00	0.00	0.00
	Current Liability	0.00	0.00	-25.00	-26,259.58	0.00
898-00000-000-22400	Unamortized Mortgage Financing	0.00	0.00	0.00	0.00	0.00
898-00000-000-23130	Mortgage Payable - Noncurrent	0.00	0.00	0.00	0.00	0.00
	Noncurrent Liability	0.00	0.00	0.00	0.00	0.00
898-00000-000-33160	Federal Grants	-239,842.00	-239,842.00	-25,262.00	-245,482.00	102.35
	Intergovernmental Revenue	-239,842.00	-239,842.00	-25,262.00	-245,482.00	102.35
898-00000-000-36200	Other Miscellaneous Revenue	-6,000.00	-6,000.00	-480.25	-5,690.07	94.83
898-00000-000-36210	Interest on Investments	-6,800.00	-6,800.00	0.00	-5,795.77	85.23
898-00000-000-36211	Interest Market Value	0.00	0.00	0.00	41,771.23	0.00
898-00000-000-36220	Rents	-239,842.00	-239,842.00	-14,931.00	-160,728.00	67.01
898-00000-000-36221	Vacancies	0.00	0.00	0.00	0.00	0.00
898-00000-000-36227	Excess Utilities	-1,000.00	-1,000.00	-104.00	-1,888.00	188.80
898-00000-000-36280	Project Reimbursement	0.00	0.00	0.00	0.00	0.00
	Miscellaneous Revenue	-253,642.00	-253,642.00	-15,515.25	-132,330.61	52.17
898-00000-000-39200	Transfer In	0.00	0.00	0.00	0.00	0.00
	Other Sources	0.00	0.00	0.00	0.00	0.00
Grand Total		-493,484.00	-493,484.00	-11,564.17	-219,456.33	0.4447
Revenue Total		-493,484.00	-493,484.00	-40,777.25	-377,812.61	-0.7656
Expense Total		0.00	0.00	0.00	0.00	0
00000		***-493,484.00***	***-493,484.00***	***-11,564.17***	***-219,456.33***	***44.47***
898-46310-000-42110	General Supplies	23,000.00	23,000.00	1,254.22	11,171.70	48.57
898-46310-000-42115	Meeting	0.00	0.00	0.00	0.00	0.00
898-46310-000-42210	VehicleEquipment Parts	0.00	0.00	0.00	0.00	0.00
898-46310-000-42230	Building Repair Supplies	0.00	0.00	0.00	0.00	0.00
898-46310-000-42410	Minor Equipment & Tools	0.00	0.00	0.00	0.00	0.00
	Supplies	23,000.00	23,000.00	1,254.22	11,171.70	48.57
898-46310-000-43010	Auditing & Accounting Services	10,000.00	10,000.00	0.00	8,100.00	81.00
898-46310-000-43040	Legal Fees - Civil Process	1,000.00	1,000.00	0.00	0.00	0.00
898-46310-000-43070	Management Services	45,250.00	45,250.00	0.00	36,283.68	80.18
898-46310-000-43090	Expert & Professional Services	15,500.00	15,500.00	70.05	1,123.24	7.25
898-46310-000-43095	Software Maintenance & Support	3,060.00	3,060.00	0.00	0.00	0.00
898-46310-000-43130	Tenant Services	3,000.00	3,000.00	0.00	0.00	0.00
898-46310-000-43210	Telephone	0.00	0.00	0.00	0.00	0.00
898-46310-000-43250	Other Communications	900.00	900.00	225.38	2,665.83	296.20
898-46310-000-43430	Advertising - Other	500.00	500.00	0.00	0.00	0.00
898-46310-000-43610	Insurance & Bonds	9,902.00	9,902.00	0.00	9,887.82	99.86
898-46310-000-43810	Electric Utilities	26,000.00	26,000.00	3,882.13	29,064.73	111.79

Account Number	Description	Original Budget	Amended Budget	Month to Date	YTD	% ExpendCollect
898-46310-000-43820	Water Utilities	2,200.00	2,200.00	175.13	1,895.73	86.17
898-46310-000-43830	Gas Utilities	10,500.00	10,500.00	0.00	9,100.50	86.67
898-46310-000-43840	Refuse Disposal	3,100.00	3,100.00	277.54	2,791.67	90.05
898-46310-000-43850	Sewer Utilities	3,100.00	3,100.00	286.04	3,156.40	101.82
898-46310-000-43860	Storm Water Utilities	750.00	750.00	78.75	708.75	94.50
898-46310-000-44010	Building Maintenance	100,000.00	100,000.00	3,297.46	82,337.54	82.34
898-46310-000-44045	Equipment Repairs	0.00	0.00	0.00	0.00	0.00
898-46310-000-44050	Extraordinary Maintenance	123,000.00	123,000.00	1,952.16	18,579.53	15.11
898-46310-000-44060	Laundry Services	900.00	900.00	65.31	561.83	62.43
898-46310-000-44160	Rents & Leases	0.00	0.00	0.00	0.00	0.00
898-46310-000-44200	Depreciation	0.00	0.00	0.00	0.00	0.00
898-46310-000-44320	Bad Debt	0.00	0.00	0.00	0.00	0.00
898-46310-000-44325	Bank Fees & Charges	300.00	300.00	0.00	160.68	53.56
898-46310-000-44330	Dues & Subscriptions	0.00	0.00	0.00	0.00	0.00
898-46310-000-44370	Miscellaneous Charges	0.00	0.00	0.00	0.00	0.00
898-46310-000-44390	Taxes & Licenses	18,200.00	18,200.00	0.00	1,770.39	9.73
898-46310-000-44450	Claims & Damages	0.00	0.00	0.00	0.00	0.00
898-46310-000-44700	Interest	200.00	200.00	0.00	96.31	48.16
898-46310-000-45950	Loss on Disposal	0.00	0.00	0.00	0.00	0.00
	Other Services & Charges	377,362.00	377,362.00	10,309.95	208,284.63	55.19
898-46310-000-46020	Other Long Term Obligation Pri	0.00	0.00	0.00	0.00	0.00
898-46310-000-46120	Other Long Term Obligation Int	0.00	0.00	0.00	0.00	0.00
898-46310-000-46200	Fiscal Agent Fees	0.00	0.00	0.00	0.00	0.00
	Debt Service	0.00	0.00	0.00	0.00	0.00
898-46310-000-47200	Transfer Out	0.00	0.00	0.00	0.00	0.00
	Other Uses	0.00	0.00	0.00	0.00	0.00
Grand Total		400,362.00	400,362.00	11,564.17	219,456.33	0.5481
Revenue Total		0.00	0.00	0.00	0.00	0
Expense Total		400,362.00	400,362.00	11,564.17	219,456.33	0.5481
46310	***Urban Redevelopment & Housing***	***400,362.00***	***400,362.00***	***11,564.17***	***219,456.33***	***54.81***
898	**Robinwood Manor**	**-93,122.00**	**-93,122.00**	**0.00**	**0.00**	**0.00**

Account Number	Description	Original Budget	Amended Budget	Month to Date	YTD	% Expend/Collect
Grand Total		-93,122.00	-93,122.00	0.00	0.00	0
Revenue Total		-493,484.00	-493,484.00	-40,777.25	-377,812.61	-0.7656
Expense Total		400,362.00	400,362.00	11,564.17	219,456.33	0.5481

Agenda Item: 4.B

Request for Action

TO:	Faribault Housing & Redevelopment Authority
FROM:	Rebecca Rand, Housing Coordinator
MEETING DATE:	November 14, 2022
SUBJECT:	Public Housing - Monthly Operating and Budget Statement

BACKGROUND:

The purpose of this memorandum is to provide the HRA with an update on the activity for the month of October 2022.

Public Housing

- Occupancy: 98%
- Turnovers:0
- Vacancy: 1 move out 10/11/2022

Extraordinary Expenses:

- Kennedy & Graven, Declaration of Trust $616.80, Recap Advisors RAD Conversion $10.000, Faribault Interiors $475, Bathroom Vinyl, Virg's Appliance 1520 Western Refrigerator $954

Routine Maintenance:

- *$10,814.54 (HD Supply, Lampert's, Property Pros Lawn Care/Repairs, Tom's Lock & Key, Xcel, City of Faribault Water, Flom Disposal, All Pro Cleaners, Bluefin, B & B Drain Cleaning, Bug Busters, Faribo Air Conditioning & heating, Faribault Interiors, Utility Reimbursements)*

REQUESTED ACTION:

Receive and file an operating statement for the month of October 2022.

ATTACHMENTS:

1. Expenditure Summary 241 102022

General Ledger
Expenditure Summary

User: rrand@ci.faribault.mn.us
Printed: 11/4/2022 11:19:56 AM
Period 10 - 10
Fiscal Year 2022

Account Number	Description	Original Budget	Amended Budget	Month to Date	YTD	% ExpendCollect
241	**Public Housing**					
241-00000-461-33160	Federal Grants	-250,000.00	-250,000.00	-13.00	-1,452.00	0.58
	Intergovernmental Revenue	-250,000.00	-250,000.00	-13.00	-1,452.00	0.58
241-00000-461-36200	Other Miscellaneous Revenue	-6,000.00	-6,000.00	-507.34	-9,783.07	163.05
241-00000-461-36210	Interest on Investments	-1,100.00	-1,100.00	0.00	-1,851.11	168.28
241-00000-461-36211	Interest Market Value	0.00	0.00	0.00	12,334.32	0.00
241-00000-461-36220	Rents	-260,000.00	-260,000.00	-21,936.00	-199,397.44	76.69
241-00000-461-36240	Refunds & Reimbursements	0.00	0.00	0.00	0.00	0.00
	Miscellaneous Revenue	-267,100.00	-267,100.00	-22,443.34	-198,697.30	74.39
Grand Total		-517,100.00	-517,100.00	-22,456.34	-200,149.30	0.3871
Revenue Total		-517,100.00	-517,100.00	-22,456.34	-200,149.30	-0.3871
Expense Total		0.00	0.00	0.00	0.00	0
00000		***-517,100.00***	***-517,100.00***	***-22,456.34***	***-200,149.30***	***38.71***
241-46330-461-42110	General Supplies	23,000.00	23,000.00	1,887.47	21,018.49	91.38
241-46330-461-42115	Tenant Services	0.00	0.00	0.00	0.00	0.00
241-46330-461-42120	Motor Fuels	0.00	0.00	0.00	0.00	0.00
241-46330-461-42410	Minor Equipment & Tools	0.00	0.00	0.00	0.00	0.00
	Supplies	23,000.00	23,000.00	1,887.47	21,018.49	91.38
241-46330-461-43010	Auditing & Accounting Services	1,500.00	1,500.00	0.00	1,500.00	100.00
241-46330-461-43040	Legal Fees - Civil Process	6,500.00	6,500.00	616.80	15,267.80	234.89
241-46330-461-43070	Management Services	80,484.00	80,484.00	0.00	60,363.00	75.00
241-46330-461-43090	Expert & Professional Services	52,500.00	52,500.00	10,000.00	32,536.44	61.97
241-46330-461-43430	Advertising - Other	500.00	500.00	0.00	0.00	0.00
241-46330-461-43610	Insurance & Bonds	34,748.00	34,748.00	0.00	22,495.18	64.74
241-46330-461-43810	Electric Utilities	1,100.00	1,100.00	105.12	968.90	88.08
241-46330-461-43820	Water Utilities	800.00	800.00	104.88	984.75	123.09
241-46330-461-43830	Gas Utilities	500.00	500.00	0.00	410.00	82.00
241-46330-461-43840	Refuse Disposal	3,000.00	3,000.00	215.42	2,052.44	68.41
241-46330-461-43850	Sewer Utilities	500.00	500.00	0.00	31.49	6.30
241-46330-461-43860	Storm Water Utilities	700.00	700.00	89.53	809.63	115.66
241-46330-461-44010	Building Maintenance	89,500.00	89,500.00	6,736.08	80,332.35	89.76
241-46330-461-44050	Extraordinary Maintenance	240,000.00	240,000.00	1,663.95	16,079.27	6.70
241-46330-461-44160	Rents & Leases	0.00	0.00	0.00	0.00	0.00

Account Number	Description	Original Budget	Amended Budget	Month to Date	YTD	% ExpendCollect
241-46330-461-44320	Bad Debt	0.00	0.00	0.00	0.00	0.00
241-46330-461-44325	Bank Fees & Charges	0.00	0.00	0.00	614.34	0.00
241-46330-461-44370	Miscellaneous Charges	0.00	0.00	0.00	0.00	0.00
241-46330-461-44375	Utility Reimbursement	7,500.00	7,500.00	1,538.00	14,483.00	193.11
241-46330-461-44390	Taxes & Licenses	10,000.00	10,000.00	0.00	5,209.54	52.10
241-46330-461-44700	Interest	300.00	300.00	8.67	146.53	48.84
	Other Services & Charges	530,132.00	530,132.00	21,078.45	254,284.66	47.97
241-46330-461-45200	Building & Improvements	0.00	0.00	0.00	0.00	0.00
	Capital Outlay	0.00	0.00	0.00	0.00	0.00
Grand Total		553,132.00	553,132.00	22,965.92	275,303.15	0.4977
Revenue Total		0.00	0.00	0.00	0.00	0
Expense Total		553,132.00	553,132.00	22,965.92	275,303.15	0.4977
46330	***Public Housing Projects***	***553,132.00***	***553,132.00***	***22,965.92***	***275,303.15***	***49.77***
241	**Public Housing**	**36,032.00**	**36,032.00**	**509.58**	**75,153.85**	**208.58**

Account Number	Description	Original Budget	Amended Budget	Month to Date	YTD	% Expend/Collect
Grand Total		36,032.00	36,032.00	509.58	75,153.85	2.0858
Revenue Total		-517,100.00	-517,100.00	-22,456.34	-200,149.30	-0.3871
Expense Total		553,132.00	553,132.00	22,965.92	275,303.15	0.4977

Agenda Item: 4.C

Request for Action

TO:	Faribault Housing & Redevelopment Authority
FROM:	Rebecca Rand, Housing Coordinator
MEETING DATE:	November 14, 2022
SUBJECT:	Scattered Sites/City Rentals- Monthly Operating and Budget Statement

---

BACKGROUND:

The purpose of this memorandum is to provide the HRA with an update on the activity for the month of October 2022.

City Property (16 SE 1st Street) -

Occupancy: 100%
Turnovers:0
Vacancy:0

Extraordinary Expenses: $0

Routine Maintenance:

- *$215.06 (City of Faribault Water, Property Pros mowing)*

REQUESTED ACTION:

Receive and file an operating statement for the month of September 2022.

ATTACHMENTS:

1. Expenditure Summary 211 102022

General Ledger
Expenditure Summary

User: rrand@ci.faribault.mn.us
Printed: 11/4/2022 11:26:02 AM
Period 10 - 10
Fiscal Year 2022

Account Number	Description	Original Budget	Amended Budget	Month to Date	YTD	% ExpendCollect
211	**City Rental Property Mgmt**					
211-00000-000-10100	Cash	0.00	0.00	859.94	90,408.62	0.00
211-00000-000-10410	Investments - Fair Value Adj	0.00	0.00	0.00	-6,657.84	0.00
211-00000-000-10450	Interest Receivable	0.00	0.00	0.00	256.46	0.00
211-00000-000-11500	Accounts Receivable	0.00	0.00	0.00	0.00	0.00
211-00000-000-11520	Accounts Receivable-Collection	0.00	0.00	0.00	0.00	0.00
211-00000-000-13200	Due From Other Governments	0.00	0.00	0.00	0.00	0.00
211-00000-000-13600	Rent Receivable	0.00	0.00	0.00	5,292.50	0.00
211-00000-000-13610	Uncollectible Rents	0.00	0.00	0.00	-5,292.50	0.00
	Current Assets	0.00	0.00	859.94	84,007.24	0.00
211-00000-000-25300	Unreserved Fund Balance	0.00	0.00	0.00	-82,887.52	0.00
	Fund Balance	0.00	0.00	0.00	-82,887.52	0.00
211-00000-000-20200	Accounts Payable	0.00	0.00	0.00	0.00	0.00
211-00000-000-20800	Due To Other Governments	0.00	0.00	0.00	0.00	0.00
211-00000-000-22000	Deposits	0.00	0.00	0.00	-899.70	0.00
211-00000-000-22200	Deferred Revenues	0.00	0.00	0.00	-9.00	0.00
	Current Liability	0.00	0.00	0.00	-908.70	0.00
211-00000-000-36211	Interest Market Value	0.00	0.00	0.00	0.00	0.00
211-00000-460-36200	Other Miscellaneous Revenue	0.00	0.00	0.00	0.00	0.00
211-00000-460-36210	Interest on Investments	-1,200.00	-1,200.00	0.00	-856.77	71.40
211-00000-460-36211	Interest Market Value	0.00	0.00	0.00	6,354.08	0.00
211-00000-460-36220	Rents	-12,900.00	-12,900.00	-1,075.00	-10,742.00	83.27
211-00000-460-36240	Refunds & Reimbursements	0.00	0.00	0.00	0.00	0.00
	Miscellaneous Revenue	-14,100.00	-14,100.00	-1,075.00	-5,244.69	37.20
211-00000-460-39200	Transfer In	0.00	0.00	0.00	0.00	0.00
	Other Sources	0.00	0.00	0.00	0.00	0.00
Grand Total		-14,100.00	-14,100.00	-215.06	-5,033.67	0.357
Revenue Total		-14,100.00	-14,100.00	-1,075.00	-5,244.69	-0.372
Expense Total		0.00	0.00	0.00	0.00	0
00000		***-14,100.00***	***-14,100.00***	***-215.06***	***-5,033.67***	***35.70***
211-46310-460-42110	General Supplies	500.00	500.00	0.00	0.00	0.00

Account Number	Description	Original Budget	Amended Budget	Month to Date	YTD	% ExpendCollect
	Supplies	500.00	500.00	0.00	0.00	0.00
211-46310-460-43040	Legal Fees - Civil Process	0.00	0.00	0.00	0.00	0.00
211-46310-460-43070	Management Services	1,140.00	1,140.00	0.00	855.00	75.00
211-46310-460-43090	Expert & Professional Services	0.00	0.00	0.00	0.00	0.00
211-46310-460-43430	Advertising - Other	0.00	0.00	0.00	0.00	0.00
211-46310-460-43610	Insurance & Bonds	527.00	527.00	0.00	268.00	50.85
211-46310-460-43810	Electric Utilities	200.00	200.00	0.00	0.00	0.00
211-46310-460-43820	Water Utilities	300.00	300.00	28.81	238.48	79.49
211-46310-460-43830	Gas Utilities	100.00	100.00	0.00	0.00	0.00
211-46310-460-43840	Refuse Disposal	200.00	200.00	0.00	0.00	0.00
211-46310-460-43850	Sewer Utilities	450.00	450.00	37.72	300.48	66.77
211-46310-460-43860	Storm Water Utilities	100.00	100.00	6.53	58.77	58.77
211-46310-460-44010	Building Maintenance	3,000.00	3,000.00	142.00	1,243.14	41.44
211-46310-460-44160	Rents & Leases	0.00	0.00	0.00	0.00	0.00
211-46310-460-44320	Bad Debt	0.00	0.00	0.00	0.00	0.00
211-46310-460-44390	Taxes & Licenses	1,800.00	1,800.00	0.00	2,064.00	114.67
211-46310-460-44700	Interest	50.00	50.00	0.00	5.80	11.60
	Other Services & Charges	7,867.00	7,867.00	215.06	5,033.67	63.98
211-46310-460-45200	Building & Improvements	0.00	0.00	0.00	0.00	0.00
	Capital Outlay	0.00	0.00	0.00	0.00	0.00
Grand Total		8,367.00	8,367.00	215.06	5,033.67	0.6016
Revenue Total		0.00	0.00	0.00	0.00	0
Expense Total		8,367.00	8,367.00	215.06	5,033.67	0.6016
46310	***Urban Redevelopment & Housing***	***8,367.00***	***8,367.00***	***215.06***	***5,033.67***	***60.16***
211	**City Rental Property Mgmt**	**-5,733.00**	**-5,733.00**	**0.00**	**0.00**	**0.00**

Account Number	Description	Original Budget	Amended Budget	Month to Date	YTD	% Expend/Collect
Grand Total		-5,733.00	-5,733.00	0.00	0.00	0
Revenue Total		-14,100.00	-14,100.00	-1,075.00	-5,244.69	-0.372
Expense Total		8,367.00	8,367.00	215.06	5,033.67	0.6016

Agenda Item: 6.A

Request for Action

TO: Faribault Housing & Redevelopment Authority
FROM: Rebecca Rand, Housing Coordinator
MEETING DATE: November 14, 2022
SUBJECT: Board and Commission Members-Appreciation Dinner

BACKGROUND:

On December 7th, 2022 there will be an Appreciation Dinner for Board and Commission members. We will need one or two HRA board members to present HRA's accomplishments in 2022.

REQUESTED ACTION:

Identify what members will speak at the dinner.

ATTACHMENTS:

1. Board and Commissions flier - 22
2. 2022 Appreciation Dinner

"Volunteering is the ultimate exercise in democracy. You vote in elections once a year; but, when you volunteer, you vote every day about the kind of community you want to live in."

City Of Faribault

Boards and Commissions Open House

JOIN US

Wednesday, Dec. 7 • 5 -6 p.m.
The 3 Ten Event Venue
310 Central Ave. N

The City of Faribault is seeking enthusiastic community members to join one or more of our boards and commissions, which help set policies and shape our community. Representatives from each board and commission will be available to answer any questions you may have. Plus, with a wide variety of meeting schedules, there's likely a board or commission that meets both your interests and availability.

BOARDS AND COMMISSIONS WITH OPENINGS:

- Airport Advisory Board
- Faribault-Rice County Joint Airport Zoning Board
- Charter Commission
- Children's Fund Board
- Economic Development Authority
- Environmental Commission
- Heritage Preservation Commission
- Housing and Redevelopment Authority
- Library Advisory Board
- Park and Recreation Advisory Board
- Peter Smith Advisory Board
- Planning Commission
- Tommy Allen Youth Endowment Fund
- Tourism Commission
- Tree Board

Please contact the City Administrator's Office if you need special accommodations related to a disability to attend or participate in this event.

Join us for the 2022

Appreciation Dinner

for our Board and Commission Members

Our Board and Commission members selflessly volunteer many hours to help improve our community. By serving on these committees, individuals become involved in the decision-making process and help shape our community through policies. As a way to show our appreciation, please plan to join us for dinner honoring all of the hours they put into the City of Faribault.

When: Wednesday, Dec. 7, 2022

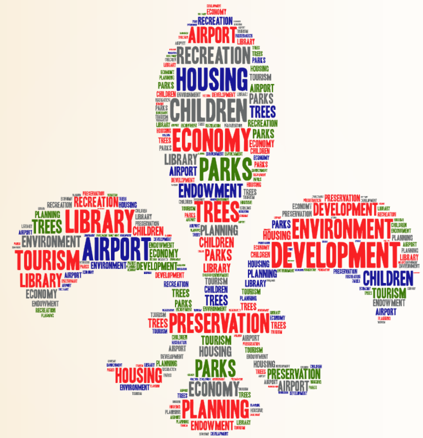
Where: The 3 Ten Event Venue
310 Central Ave., Faribault, MN

Time: 6-8 p.m.
Social Gathering: 6 p.m.
Dinner: 6:30 p.m.
Presentation: 7 p.m.

Please RSVP to Heather Slechta (507-333-0353, or hslechta@ci.faribault.mn.us) by Nov. 23

“**VOLUNTEERING** is the ultimate exercise in democracy. You vote in elections once a year; but, when you volunteer, you vote every day about the kind of community **YOU WANT TO LIVE IN.**”

-author unknown



City of Faribault

Agenda Item: 6.B

Request for Action

TO:	Faribault Housing & Redevelopment Authority
FROM:	Rebecca Rand, Housing Coordinator
MEETING DATE:	November 14, 2022
SUBJECT:	Van Replacement

BACKGROUND:

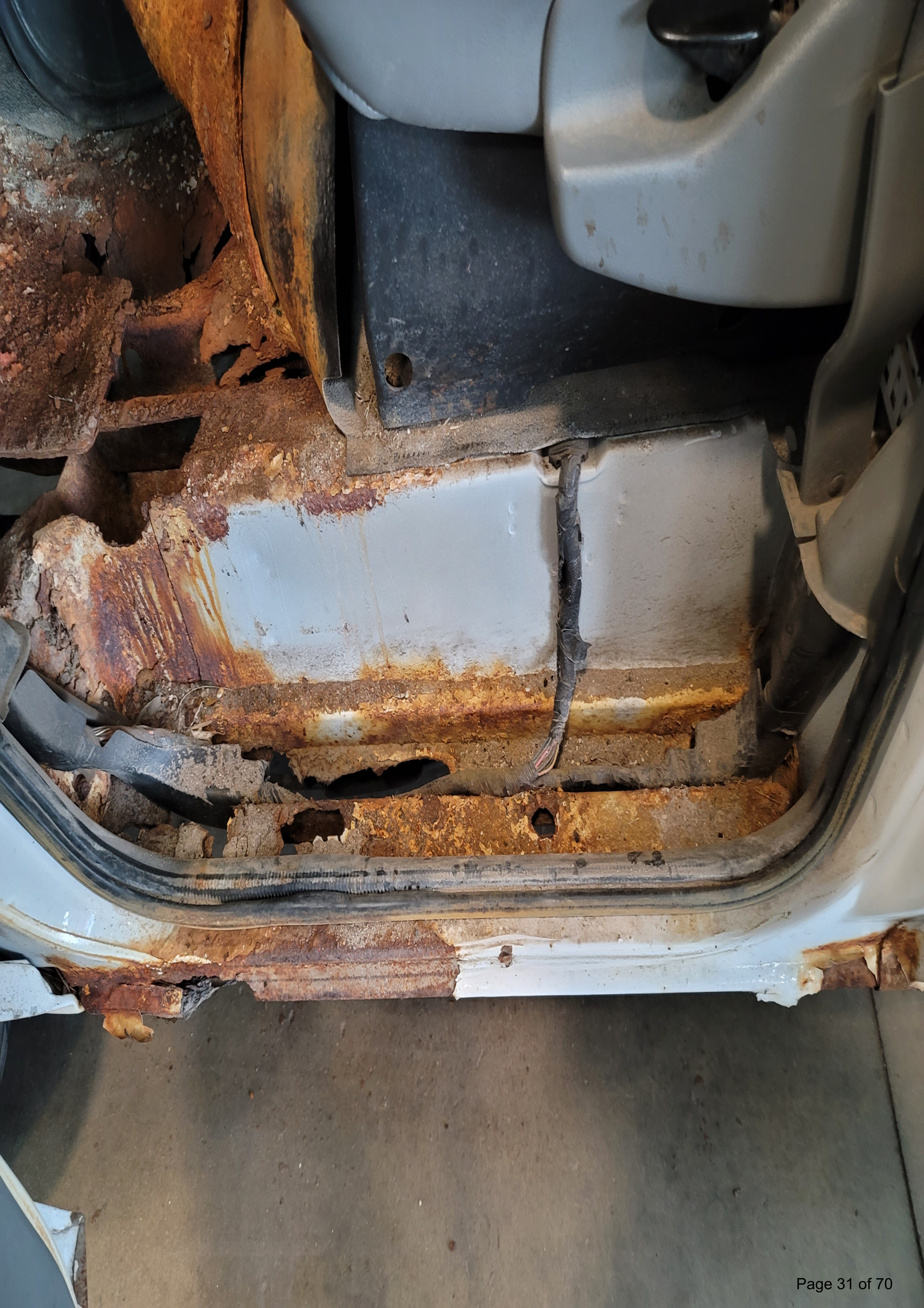
The replacement of the maintenance van was included in a previous year's budget. However, the replacement did not occur at that time. Recently, the van was deemed inoperable. Staff have requested three bids for a replacement van from local dealerships, and to date have received one back. Staff is seeking authorization to amend the current year's HRA budget to purchase a replacement vehicle - and authorization to order/acquire a maintenance van.

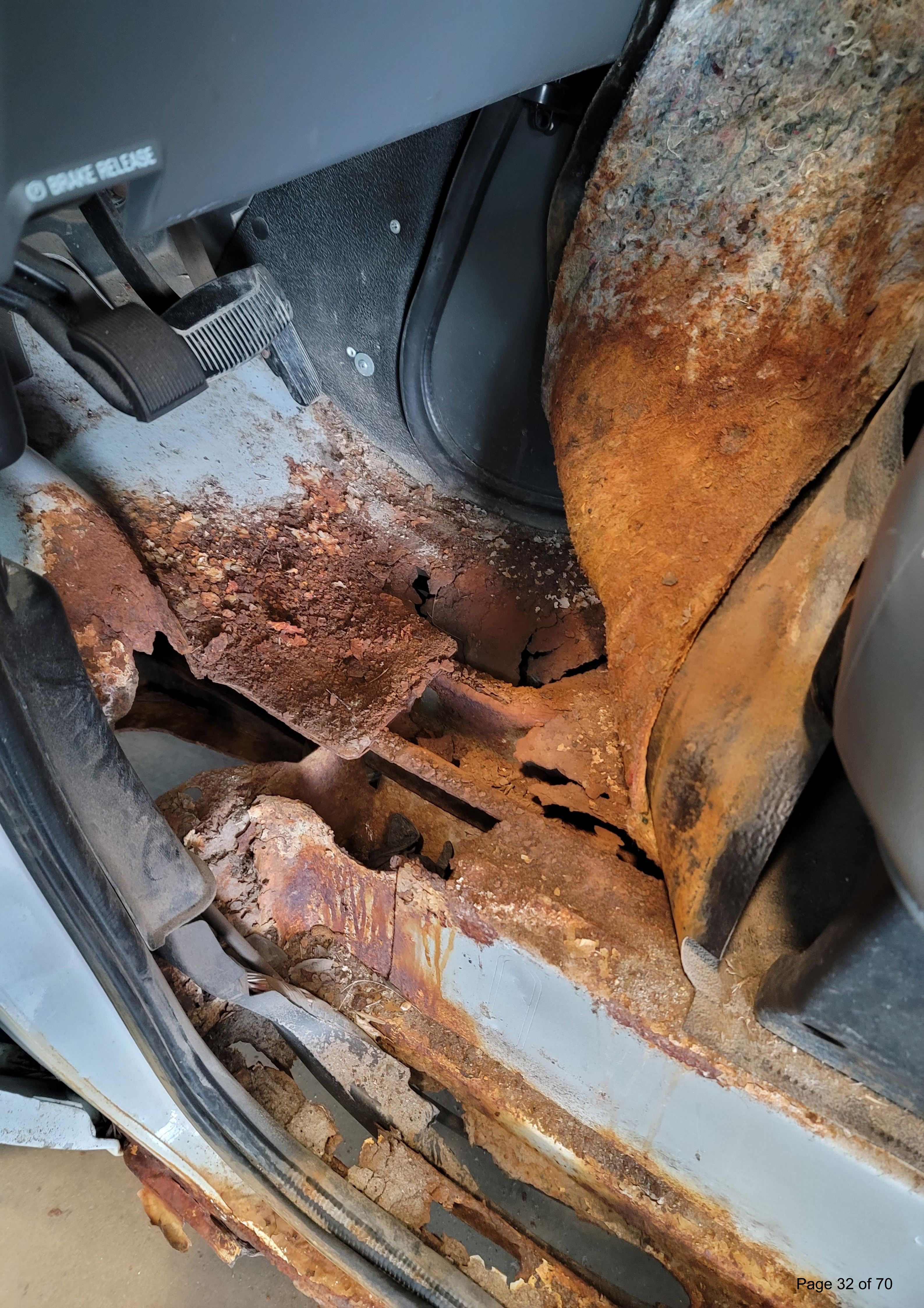
REQUESTED ACTION:

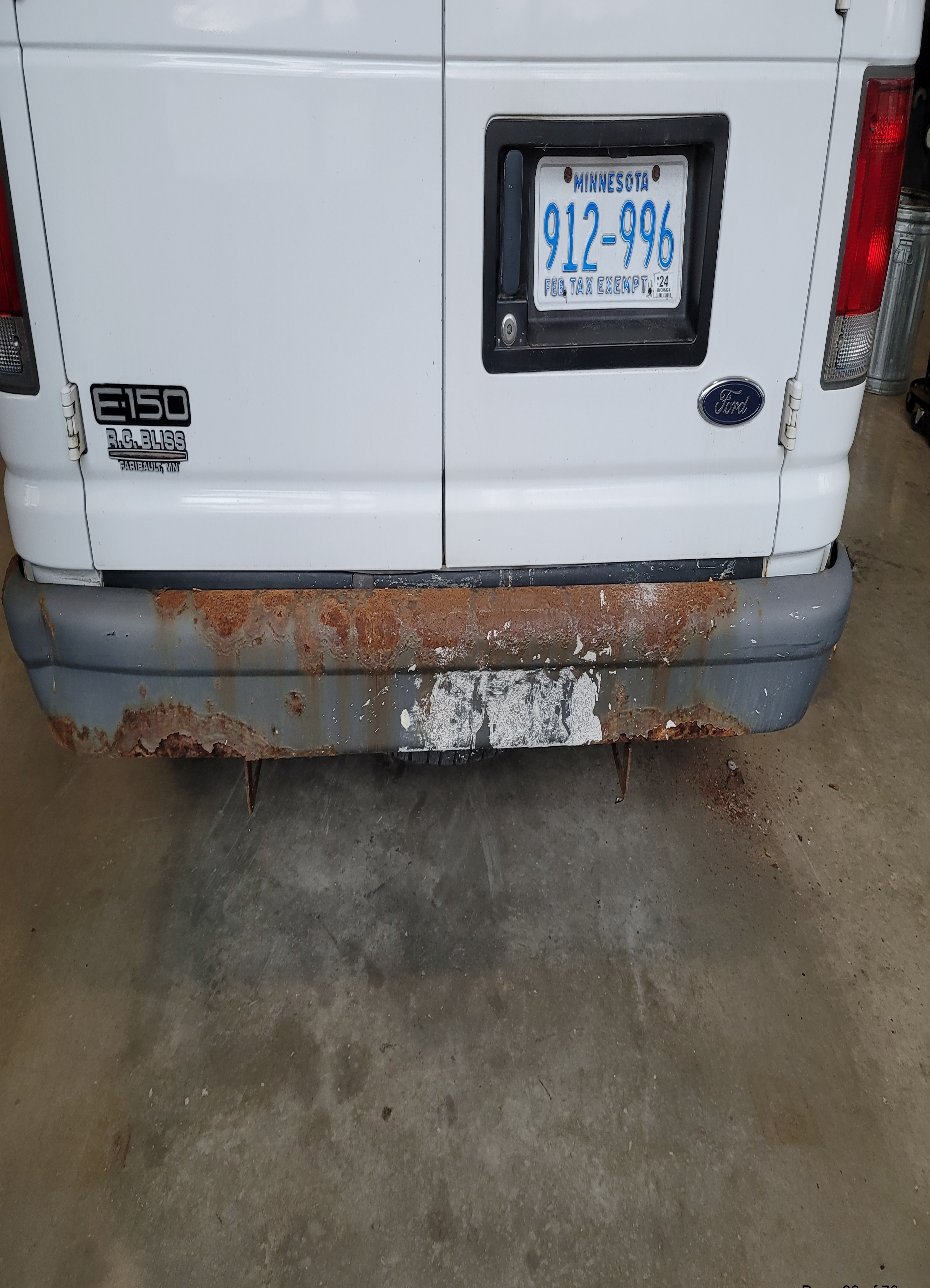
Approve funds to purchase a new maintenance van.

ATTACHMENTS:

1. Cargo van pic 2
2. Cargo van pic 1
3. Cargo van pic 3
4. Quote RC Bliss 10312022




BRAKE RELEASE


MINNESOTA
912-996
FEB TAX EXEMPT
24
E150
R.C. BLISS
FARIBAULT, MN
Ford

City Of Faribault

Request for Quotation

October 14, 2022

The City of Faribault is accepting sealed quotes for one (1) 2023 E1Y 150-Low Roof RWD Cargo Van. Quotes are to be delivered to the Community and Economic Development Department at City Hall (208 NW 1st Avenue. Faribault MN 55021) no later than close-of-business on November 1, 2022 at 3:00 p.m. Quotes shall include all costs including taxes and delivery, less trade-in amount and the cost of city logos.

Following are the preferred specifications set by the City of Faribault Building Department for this vehicle. Detailed specifications shall be submitted with the quotations, along with a listing of any/all items on the proposed vehicle that do not meet or exceed the preferred specifications.

Specifications

Exterior Color: White RWD
Interior Color: Grey or Black (flexible)
Similar or in comparison to: Ford E-150

Trade-In

There will be a 2004 Ford E150 Van, VIN # 1FTRE14W64HA55797 with approximately 69,637 miles for trade-in. This vehicle can be viewed at City Hall at 1300 Belview Ave, Faribault-by calling the Tony Pemrick at 507-838-0131.

Delivery

As part of the quote the Dealer will specify a "no later than" deliver date.

The City reserves the right to reject any or all quotes, to waive any informalities or irregularities, and to accept the quote that is in the best interest of the City. Quotes shall be valid for a minimum period of 45 days. Please call the Housing Coordinator with any questions at 507-333-0375.

Company: R.C. Bliss Inc By: Jeff Bliss

Address: 901 LyndaleAveN. Title: G.M.

FaribAult MN Signature: Jeff Bliss

55021 Date: 10/31/22

Preview Order 1011 - E1Y 150 Low Roof Cargo RWD: Order Summary Time of Preview: 10/11/2022 11:57:37

Dealership Name: R C Bliss, Inc. **Sales Code :** F58613

Dealer Rep.	JEFFREY BLISS	**Type**	Stock	**Vehicle Line**	Transit	**Order Code**	1011
Customer Name		**Priority Code**	80	**Model Year**	2023	**Price Level**	325

DESCRIPTION	**MSRP**	**DESCRIPTION**	**MSRP**
E1Y0 T150 LR CARGO RWD	$41955	FRONT LICENSE PLATE BRACKET	$0
130" WHEELBASE	$0	AUTO START STOP REMOVAL	$-50
OXFORD WHITE	$0	WIFI 4G LTE HOTSPOT DELETE	$-20
VINYL	$0	8670# GVWR PACKAGE	$0
DARK PALAZZO GRAY	$0	50 STATE EMISSIONS	$0
PREFERRED EQUIPMENT PKG.101A	$0	MANUAL AIR CONDITIONER	$0
.XL TRIM	$0	60/40 PASSENGER-SIDE DOOR	$0
3.5L PFDI V6 (GAS)	$0	E-85 FLEX FUEL CAPABLE	$0
.10-SPEED TRANSMISSION	$0	FUEL CHARGE	$0
.235/65R16C BSW ALL-SEASON	$0	PRICED DORA	$0
3.73 NON-LIMITED SLIP AXLE	$0	ADVERTISING ASSESSMENT	$0
JOB #1 ORDER	$0	DESTINATION & DELIVERY	$1795
CV LOT MANAGEMENT	$0		

	MSRP
TOTAL BASE AND OPTIONS	$43680
DISCOUNTS	NA
TOTAL	$43680

Customer Name:
Customer Address:

Customer Email:

Customer Phone:

Customer Signature Date

This order has not been submitted to the order bank.

This is not an invoice.

Agenda Item: 6.C

Request for Action

TO:	Faribault Housing & Redevelopment Authority
FROM:	
MEETING DATE:	November 14, 2022
SUBJECT:	Service agreement with HCI Mobile Home Coordinator

BACKGROUND:

At the October HRA meeting, Sandy Malecha from Healthy Community Initiative (HCI) presented a request for funding to help support a newly created Mobile Home Coordinator position. As part of the presentation, an overview of the condition and issued with the Rice County manufactured home parks was provided, as well as an overview of the role and impact ofthe Mobile Home Coordinator. The HRA agreed to provide funding in the amount of $55,000 for two years. Staff has been working with legal counsel to prepare a service agreement with HCI. The service agreement will outline the expectations and obligations of HCI in return for $55,000 from the HRA for two years.

If the draft agreement is available before the November HRA meeting, Staff will present it at the meeting. If it is not prepared and ready, this item will be tabled until a later meeting. An approved and executed service agreement will be necessary to provide the funding.

REQUESTED ACTION:

Review and approve Service Agreement with Healthy Community Initiative (HCI) related to funding for the Mobile Home Coordinator for two years.

ATTACHMENTS:

Agenda Item: 6.D

Request for Action

TO:	Faribault Housing & Redevelopment Authority
FROM:	Deanna Kuennen, Community & Economic Development Director
MEETING DATE:	November 14, 2022
SUBJECT:	Resolution 2022-11 and Resolution 2022-12- Approving 2023 HRA Budgets

---

BACKGROUND:

Annually, the HRA must approve a budget for the HRA, Robinwood, Public Housing, and Scattered-Site City Rentals. Over the last few months, the HRA has been discussing 2023 programming priorities. Based on these discussions, and based on the funding decisions that the HRA has committed to - the following budgets are being presented for review and approval:

FUND 280 - HRA Budget

Fund 280 is the HRA Budget. The primary revenue source is the HRA levy, which is approved annually. This budget funds the operating expenses of the HRA and programming. Unspent funds are returned to the fund. The current unrestricted cash balance of the fund is $902,993.

Early budget discussions involved trying to create a balanced budget that did not require the use of fund balance. However, the HRA made funding commitments that are now reflected in the budget. The budget also includes funding for programming - recognizing that limited programming was accomplished in 2022 because resources were focused on the RAD repositioning. The new Housing Coordinator has been hired and can dedicate time and energy to program development and implementation moving forward. Based on that, the budget is as follows:

FUND 280	
TOTAL REVENUE	$383,543 *$80,000 less than in previous years due to the elimination of Public Housing Administration fees
TOTAL EXPENSES	$940,805

USE OF FUND BALANCE / Difference between Revenue & Expenses	-$557,262
"New Expenses" in 2023	$353,000 HCI Funding - $55,000 FDC Funding - $250,000 Van Replacement - $40,000 Training/Travel - $8,000
Programs/Initiatives	$270,000 $20,000 - Mobile Home Improvement Funds (formerly Mobile Home Buyout Program and Mobile Home Heat Tape Program) $100,000 - Down Payment / First Time Homebuyer Assistance $100,000 - Downtown Rehab Program - 2nd Floor Housing $50,000 - Corridor Rehab (city-wide)
Indirect Cost Allocation	$271,462
Other Operating	$46,343
Remaining Fund Balance	$345,731 est.

FUND 898 - ROBINWOOD BUDGET

Robinwood is the 51-unit apartment building owned by The Elderly Housing Corporation and managed by the HRA. Revenue is generated through rents and the federal subsidy received from HUD. The Elderly Housing Corporation meets once a year to review the Operations and Capital Improvement Plan for the property. No capital improvement programs were completed in 2022 and therefore have been included in the 2023 budget. The budget also includes a Facilities Plan that will update the Capital Improvement Plan for the next 20 years, so that the property can be properly cared for to ensure its longevity and to plan for major replacements (example: roof).

FUND 898	
TOTAL REVENUE	$500,084
TOTAL EXPENSES	$440,446
Capital Improvements	$20,000 - Facilities Plan $95,000 - Building Maintenance

	$14,000 - Water Heater Replacement $50,000 - Security Camera Replacement $75,000 - CIP Project TBD $19,000 - Flooring & Applicance
Current Fund Balance	$668,362

FUND 241 - PUBLIC HOUSING BUDGET

The Public Housing program is being repositioned. This means that once the repositioning closes, the 49 units of Public Housing will no longer be regulated/controlled by HUD. The HRA will no longer receive operating funds or capital funds from HUD. Instead, the HRA will collect 100-percent of the rent which will be used to maintain the properties. The RAD Repositioning consultants have prepared an estimated budget.

FUND 241	
TOTAL REVENUES	$693,300
TOTAL EXPENSES	$552,962
Expense Details	$66,000 - Facilities Assessment (20 Year CIP) $89,500 - Building Maintenance $210,000 - Implementation of CIP $17,550 - Required Replacement Reserves

FUND 211 - SCATTERED SITE-CITY RENTAL 2023 BUDGET

The HRA provides management services for the city-owned rental properties. Currently, the city owns one rental property, but in the past there were nine. No investments are being made into this property. The city intends to demolish the house when the long-term tenant vacates.

FUND 211	
TOTAL REVENUE	$14,390
TOTAL EXPENSES	$8,263

REQUESTED ACTION:

The HRA is asked to review and approve the 2023 budgets

ATTACHMENTS:

1. Fund 211 - updated

2. Fund 241 - updated
3. Fund 280 - updated
4. Fund 898 - updated
5. Resolution 2022-11 Adopting the FY 2023 HRA Budgets
6. Resolution 2022-12 Adopting the FY 2023 Public Housing Budget

SCATTERED SITE - CITY RENTAL - 2023 BUDGET

Entry Name	Acct 1	Acct 2	Acct 3	Acct 4	Account Description	Detail Description		Detail Amount
CD 211	211	00000	000	36211	Interest Market Value			$0.00
CD 211	211	00000	460	36200	Other Miscellaneous Revenue			$0.00
CD 211	211	00000	460	36210	Interest on Investments	Based on 2020/2021/YTD 2022 Thru 5/22		$1,090.00
CD 211	211	00000	460	36211	Interest Market Value			$0.00
CD 211	211	00000	460	36220	Rents	Per City Administrator/Finance Director Budget Meeting		$400.00
CD 211	211	00000	460	36220	Rents	1 rental - reflects monthly rents		$12,900.00
CD 211	211	00000	460	36240	Refunds & Reimbursements			$0.00
CD 211	211	00000	460	39200	Transfer In			$0.00
							REVENUE	**$14,390.00**
CD 211	211	46310	460	42110	General Supplies			$500.00
CD 211	211	46310	460	43040	Legal Fees - Civil Process	Removed - we do not anticipate having to file a UD for this tenant		$0.00
CD 211	211	46310	460	43070	Management Services	based on $95 per month/per unit management fee		$1,140.00
CD 211	211	46310	460	43090	Expert & Professional Services			$0.00
CD 211	211	46310	460	43430	Advertising - Other			$0.00
CD 211	211	46310	460	43610	Insurance & Bonds	2% Increase Over 2022 Actual Expense		$273.00
CD 211	211	46310	460	43810	Electric Utilities	Tenant responsibility (but include small amount in case tenant leaves)		$200.00
CD 211	211	46310	460	43820	Water Utilities	Owner responsibility (not tenant)		$300.00
CD 211	211	46310	460	43830	Gas Utilities	Tenant responsibility (but include a small amount in case tenant leaves)		$100.00
CD 211	211	46310	460	43840	Refuse Disposal	Tenant responsibility (but budget in case tenant leaves)		$200.00
CD 211	211	46310	460	43850	Sewer Utilities	Owner responsibility (not tenant)		$400.00
CD 211	211	46310	460	43860	Storm Water Utilities	Owner responsibility (not tenant)		$100.00
CD 211	211	46310	460	44010	Building Maintenance	Parks Dept. is mowing, fewer units to maintain, no large item planned - maintaining maintenance fund for standard items		$3,000.00
CD 211	211	46310	460	44160	Rents & Leases			$0.00
CD 211	211	46310	460	44320	Bad Debt			$0.00
CD 211	211	46310	460	44390	Taxes & Licenses	Taxes for 16 1st St SE based on Beacon report		$2,000.00
CD 211	211	46310	460	44700	Interest			$50.00
							EXPENSES	**$8,263.00**

PUBLIC HOUSING 2023 BUDGET

Entry Name	Acct 1	Acct 2	Acct 3	Acct 4	Account Description	Detail Description	Detail Amount
HRAPUBHS	241	00000	461	33160	Federal Grants	HUD Cap	$225,000.00
HRAPUBHS	241	00000	461	33160	Federal Grants	HUD Operating Subsidy	$25,000.00
HRAPUBHS	241	00000	461	33160	Federal Grants	No HUD	-$250,000.00
HRAPUBHS	241	00000	461	36200	Other Miscellaneous Revenue		$6,000.00
HRAPUBHS	241	00000	461	36210	Interest on Investments	Average Interest Earnings 2020 Thru 5/31/22	$2,300.00
HRAPUBHS	241	00000	461	36211	Interest Market Value		$0.00
HRAPUBHS	241	00000	461	36220	Rents	Repositioning Proform Rent calc - increased from $230,000 under Public Ho	$631,000.00
HRAPUBHS	241	00000	461	36240	Refunds & Reimbursements		$0.00
						REVENUE	**$639,300.00**
HRAPUBHS	241	46330	461	42110	General Supplies	paint, filters, smoke detectors, doors, minor tools, etc.	$23,000.00
HRAPUBHS	241	46330	461	42120	Motor Fuels		$0.00
HRAPUBHS	241	46330	461	42410	Minor Equipment & Tools		$0.00
HRAPUBHS	241	46330	461	43010	Auditing & Accounting Services	Per Audit Proposal & Allocation (REAC)	$1,500.00
HRAPUBHS	241	46330	461	43040	Legal Fees - Civil Process	legal associated with repositioning / closing planned for Jan/Feb.	$5,000.00
HRAPUBHS	241	46330	461	43040	Legal Fees - Civil Process	general legal	$1,500.00
HRAPUBHS	241	46330	461	43070	Management Services	No HUD	-$80,484.00
HRAPUBHS	241	46330	461	43070	Management Services	REQ. Replacement Reserves per Repositioning Proforma	$17,550.00
HRAPUBHS	241	46330	461	43070	Management Services	ADDITIONAL Replacement Reserve based on HRA policies (TBD)	$0.00
HRAPUBHS	241	46330	461	43070	Management Services	HUD Formula	$80,484.00
HRAPUBHS	241	46330	461	43090	Expert & Professional Services	Facility Assessment / 20-year CIP plan preparation	$66,000.00
HRAPUBHS	241	46330	461	43090	Expert & Professional Services	RECAP consultant -asset repositioning completion planned Jan/Feb	$50,000.00
HRAPUBHS	241	46330	461	43430	Advertising - Other	Close/Open Wait List	$500.00
HRAPUBHS	241	46330	461	43430	Advertising - Other	Wait List will be managed by RCHRA	-$500.00
HRAPUBHS	241	46330	461	43610	Insurance & Bonds	2% Increase Over 2022 Actual Expense	$22,945.00
HRAPUBHS	241	46330	461	43810	Electric Utilities		$1,100.00
HRAPUBHS	241	46330	461	43820	Water Utilities	Increased based on trends	$1,000.00
HRAPUBHS	241	46330	461	43830	Gas Utilities	Increased based on trends	$750.00
HRAPUBHS	241	46330	461	43840	Refuse Disposal		$3,000.00
HRAPUBHS	241	46330	461	43850	Sewer Utilities		$500.00
HRAPUBHS	241	46330	461	43860	Storm Water Utilities		$700.00
HRAPUBHS	241	46330	461	44010	Building Maintenance	Unit turnovers, pest control, plow/mow, maintenance	$89,500.00
HRAPUBHS	241	46330	461	44010	Building Maintenance	Dan Peterson's Balance of Wages Not Charged Out	$17,817.00
HRAPUBHS	241	46330	461	44050	Extraordinary Maintenance	Year 1 CIP implementation based on 2023 Facility Assessment	$210,000.00
HRAPUBHS	241	46330	461	44050	Extraordinary Maintenance	Flooring	$20,000.00
HRAPUBHS	241	46330	461	44050	Extraordinary Maintenance	Appliances	$10,000.00
HRAPUBHS	241	46330	461	44320	Bad Debt		$0.00
HRAPUBHS	241	46330	461	44325	Bank Fees & Charges	Credit Card Fees	$800.00
HRAPUBHS	241	46330	461	44370	Miscellaneous Charges		$0.00
HRAPUBHS	241	46330	461	44375	Utility Reimbursement		$7,500.00
HRAPUBHS	241	46330	461	44375	Utility Reimbursement	Removed due to repositioning - no HUD requirement	-$7,500.00
HRAPUBHS	241	46330	461	44390	Taxes & Licenses	increase due to COVID	$10,000.00
HRAPUBHS	241	46330	461	44700	Interest		$300.00
HRAPUBHS	241	46330	461	45200	Building & Improvements		$0.00
						EXPENSES	**$552,962.00**
						Difference Between REVENUE and EXPENSES	$86,338.00
						Adopt policies regarding use of Fund Balance	
						Consider add'l funds for Reserves - in addition to HUD requirement	

HRA 2023 BUDGET

Entry Name	Acct 1	Acct 2	Acct 3	Acct 4	Account Description	Detail Description	Detail Amount
HRA	280	00000	461	31010	Current Ad Valorem Taxes	From Finance - HRA levy (100%)	$328,850.00
HRA	280	00000	461	34108	Administrative Fees	No Public Housing Administration with Repositioning	-$80,484.00
HRA	280	00000	461	34108	Administrative Fees	Public Housing Administration	$80,484.00
HRA	280	00000	461	34108	Administrative Fees	Robinwood Administration - rent increase results in mgmt fee increase	$45,250.00
HRA	280	00000	461	34700	Application Fees		$0.00
HRA	280	00000	461	36200	Other Miscellaneous Revenue		$1,000.00
HRA	280	00000	461	36210	Interest on Investments	Automatic Adjustment	$7,500.00
HRA	280	00000	461	36211	Interest Market Value		$0.00
HRA	280	00000	461	36215	Loan Interest	T Nelson Loan interest (principal payments go right to loans receivable on balance sheet)	$943.00
HRA	280	00000	461	36240	Refunds & Reimbursements		$0.00
HRA	280	00000	461	36400	Loan Principal		$0.00
HRA	280	00000	461	39101	Sale of Capital Assets		$0.00
HRA	280	00000	461	39200	Transfer In		$0.00
						REVENUE	**$383,543.00**
HRA	280	46310	461	42115	Meeting		$0.00
HRA	280	46310	461	43010	Auditing & Accounting Services		$0.00
HRA	280	46310	461	43040	Legal Fees - Civil Process	Keep - for general HRA legal issues	$5,000.00
HRA	280	46310	461	43080	Indirect Cost Allocation	Indirect Cost Allocation - UPDATED BY FINANCE	$60,980.00
HRA	280	46310	461	43080	Indirect Cost Allocation	Indirect Cost Allocation from 2022 - There is potential that this will change with Repositioning in the future.	$210,482.00
HRA	280	46310	461	43090	Expert & Professional Services	Undetermine use at this time.	$20,000.00
HRA	280	46310	461	43095	Software Maintenance & Support	Direct charge for HDS software	$3,200.00
HRA	280	46310	461	43130	Special Programs	Final loan installment/payout - T. Nelson - 230 Central Apartments - max $240,000 ($180k forgivable, $60K installment)	$13,500.00
HRA	280	46310	461	43130	Special Programs	Per agreement with Faribo Downtown Central - Phase 2 funding (total $500,000 forgivable loan)	$250,000.00
HRA	280	46310	461	43130	Special Programs	Mobile Home Improvement funds / formerly Mobile Home Buyout Program and Mobile Home Heat Tape Program	$20,000.00
HRA	280	46310	461	43130	Special Programs	Down Payment / First Time Homebuyer Assistance	$100,000.00
HRA	280	46310	461	43130	Special Programs	Downtown Rehab Program - focused on 2nd floor housing	$100,000.00
HRA	280	46310	461	43130	Special Programs	Corridor Rehab ("Fix Up") Program - for improvements to owner-occupied housing city-wide	$50,000.00
HRA	280	46310	461	43130	Special Programs	Mobile Home Heat Tape	$10,000.00
HRA	280	46310	461	43130	Special Programs	Mobile Home Heat Tape	-$10,000.00
HRA	280	46310	461	43140	Training & Education	Training for Housing Coordinator and Dept. Specialist. Training used to be included in CD Admin budget until 2023.	$6,000.00
HRA	280	46310	461	43310	Travel Expense	Travel/Hotel/Mileage associated with training for Coordinator and Specialist	$2,000.00
HRA	280	46310	461	43430	Advertising - Other	Reduced - but keep to advertise new programs in 2023	$1,000.00
HRA	280	46310	461	43510	Legal Notices Publishing	Reduced based on trends	$500.00
HRA	280	46310	461	43520	Recording Fees		$0.00
HRA	280	46310	461	43610	Insurance & Bonds	2% Increase Over 2022 Actual Expense	$2,643.00
HRA	280	46310	461	44330	Dues & Subscriptions	HCI - year 1 or a 2 year agreement to provide $55k per year for Mobile Home Coordinator. Approved in 2022	$55,000.00
HRA	280	46310	461	44330	Dues & Subscriptions	NAHRO and MN Multi Housing Memberships	$500.00
HRA	280	46310	461	45500	Vehicles	Van replacement was 2021 - but was not replaced. Needs replacement	$40,000.00
HRA	280	46310	461	47200	Transfer Out		$0.00
						EXPENSES	**$940,805.00**

USE OF FUND BALANCE / Difference between Revenue & Expenses	**-$557,262.00**	**Current Fund 280 Cash Balance**	**$ 1,152,993.00**
"New" Expenses in 2023			
		Restricted Cash (Commitments)	
HCI Funding	$55,000.00		
FDC Funding	$250,000.00	FDC - 1st Payment	$ 250,000.00
Van Replacement	$40,000.00		
Training	$6,000.00	Available	$ 902,993.00
Travel for Training	$2,000.00		
	$353,000.00	Available Based on 2023 Budget	$ 345,731.00
Indirect Cost Allocation - non-negotiable expenses	$271,462.00		
	$67,200.00		

ROBINWOOD 2023 BUDGET

Entry Name	Acct 1	Acct 2	Acct 3	Acct 4	Account Description	Detail Description		Detail Amount
HRA ROB	897	00000	000	36200	Other Miscellaneous Revenue			$0.00
HRA ROB	897	00000	000	36210	Interest on Investments	Average Interest Earnings 2020 Thru 5/31/22		$6,400.00
HRA ROB	898	00000	000	33160	Federal Grants			$239,842.00
HRA ROB	898	00000	000	36200	Other Miscellaneous Revenue	Reflects increased charges for laundry		$6,000.00
HRA ROB	898	00000	000	36210	Interest on Investments	Average Interest Earnings 2020 Thru 5/31/22		$7,000.00
HRA ROB	898	00000	000	36211	Interest Market Value			$0.00
HRA ROB	898	00000	000	36220	Rents			$239,842.00
HRA ROB	898	00000	000	36221	Vacancies			$0.00
HRA ROB	898	00000	000	36227	Excess Utilities			$1,000.00
HRA ROB	898	00000	000	36280	Project Reimbursement			$0.00
HRA ROB	898	00000	000	39200	Transfer In			$0.00
							REVENUE	$500,084.00
HRA ROB	898	46310	000	42110	General Supplies			$23,000.00
HRA ROB	898	46310	000	42115	Meeting			$0.00
HRA ROB	898	46310	000	42210	Vehicle/Equipment Parts			$0.00
HRA ROB	898	46310	000	42230	Building Repair Supplies			$0.00
HRA ROB	898	46310	000	42410	Minor Equipment & Tools			$0.00
HRA ROB	898	46310	000	43010	Auditing & Accounting Services			$10,000.00
HRA ROB	898	46310	000	43040	Legal Fees - Civil Process			$1,000.00
HRA ROB	898	46310	000	43070	Management Services	1% increase - tied to rents (HUD formula)		$45,250.00
HRA ROB	898	46310	000	43090	Expert & Professional Services	Annual Roof Inspection (1 x per year)		$500.00
HRA ROB	898	46310	000	43090	Expert & Professional Services	Facilities Plan / Update to CIP - to build out a new 20-year CIP		$20,000.00
HRA ROB	898	46310	000	43095	Software Maintenance & Support	Hosted Phone System Per Finance Estimate Adjustment		$3,060.00
HRA ROB	898	46310	000	43130	Tenant Services			$3,000.00
HRA ROB	898	46310	000	43210	Telephone			-$2,900.00
HRA ROB	898	46310	000	43210	Telephone	phone, elevator, possible wi-fi or remote access		$2,900.00
HRA ROB	898	46310	000	43250	Other Communications	per IT - $75 per month		$900.00
HRA ROB	898	46310	000	43430	Advertising - Other			$500.00
HRA ROB	898	46310	000	43610	Insurance & Bonds	2% Increase Over 2022 Actual Expense		$10,086.00
HRA ROB	898	46310	000	43810	Electric Utilities			$26,000.00
HRA ROB	898	46310	000	43820	Water Utilities			$2,200.00
HRA ROB	898	46310	000	43830	Gas Utilities	Increase based on trends		$15,000.00
HRA ROB	898	46310	000	43840	Refuse Disposal	Increased due to trends		$3,500.00
HRA ROB	898	46310	000	43850	Sewer Utilities			$3,100.00
HRA ROB	898	46310	000	43860	Storm Water Utilities			$750.00
HRA ROB	898	46310	000	44010	Building Maintenance	regular unit turnovers, repairs, preventative maint., cleaning, pest control		$95,000.00
HRA ROB	898	46310	000	44045	Equipment Repairs			$0.00
HRA ROB	898	46310	000	44050	Extraordinary Maintenance	Water heater replacement (2022 item)		$14,000.00
HRA ROB	898	46310	000	44050	Extraordinary Maintenance	Replace security cameras (2022 item)		$50,000.00
HRA ROB	898	46310	000	44050	Extraordinary Maintenance	Appliances		$4,000.00
HRA ROB	898	46310	000	44050	Extraordinary Maintenance	Apt flooring		$15,000.00
HRA ROB	898	46310	000	44050	Extraordinary Maintenance	Bathroom upgrades per CIP (Project may change based on Facilities Plan)		$75,000.00
HRA ROB	898	46310	000	44060	Laundry Services	hand sanitizing stations, mat cleaning		$900.00
HRA ROB	898	46310	000	44160	Rents & Leases			$0.00
HRA ROB	898	46310	000	44200	Depreciation			$0.00
HRA ROB	898	46310	000	44320	Bad Debt			$0.00
HRA ROB	898	46310	000	44325	Bank Fees & Charges	Credit Card fees		$300.00
HRA ROB	898	46310	000	44330	Dues & Subscriptions			$0.00
HRA ROB	898	46310	000	44370	Miscellaneous Charges			$0.00
HRA ROB	898	46310	000	44390	Taxes & Licenses	PILOT		$17,900.00
HRA ROB	898	46310	000	44390	Taxes & Licenses	Elevator License		$300.00
HRA ROB	898	46310	000	44450	Claims & Damages			$0.00
HRA ROB	898	46310	000	44700	Interest			$200.00
HRA ROB	898	46310	000	45950	Loss on Disposal			$0.00
HRA ROB	898	46310	000	46020	Other Long Term Obligation Pri			$0.00
HRA ROB	898	46310	000	46120	Other Long Term Obligation Int			$0.00
HRA ROB	898	46310	000	46200	Fiscal Agent Fees			$0.00
HRA ROB	898	46310	000	47200	Transfer Out			$0.00
							EXPENSES	**$440,446.00**

FUND BALANCE (Cash)	$668,362.00

FARIBAULT HOUSING AND REDEVELOPMENT AUTHORITY

Resolution 2022-11
ADOPTING THE FY 2023 HRA BUDGETS

WHEREAS, the Faribault Housing and Redevelopment Authority ('the HRA"); was established by the City of Faribault, on October 13, 1970, under the "Minnesota Housing and Redevelopment Act" pursuant to Minnesota Statutes 469.003; and

WHEREAS, the HRA administers several housing and redevelopment programs in the City of Faribault, including Robinwood Manor Apartments, Low-Rent Public Housing (currently in the process of Repositioning), Scattered Site City-Rentals, and the HRA General Fund; and

WHEREAS, the HRA generates revenues and expenses from properties it owns and manages, and

WHEREAS, the HRA receives property tax revenues pursuant to Minnesota Statutes 469.033, and

WHEREAS, the HRA finds it prudent to manage its revenues and expenses by the adoption of an annual budget; and

WHEREAS, the HRA has reviewed and considered the details of the FY 2023 Budget Recommendations and finds them to be acceptable as attached, and

NOW, THEREFORE, BE IT RESOLVED by the Housing and Redevelopment Authority of Faribault, Minnesota that the FY 2023 Budget is hereby approved, including the budgets of Robinwood Manor Apartments, Low-Rent Public Housing, Scattered Site City-Rentals, and the HRA General Fund.

ADOPTED: November 14, 2022

Faribault Housing and Redevelopment Authority

____
Matthew Speckhals, Chairperson

ATTEST:

____
Brendan Kennedy, Vice Chair/Secretary

ATTACHMENT:

FARIBAULT HOUSING AND REDEVELOPMENT AUTHORITY

Resolution 2022-12
ADOPTING THE FY 2023 FARIBAULT PUBLIC HOUSING BUDGET

WHEREAS, the Faribault Housing and Redevelopment Authority ('the HRA"); was established by the City of Faribault, on October 13, 1970, under the "Minnesota Housing and Redevelopment Act" pursuant to Minnesota Statutes 469.003; and

WHEREAS, the HRA administers several housing and redevelopment programs in the City of Faribault, including Robinwood Manor Apartments, Low-Rent Public Housing and the HRA General Fund; and

WHEREAS, the HRA generates revenues and expenses from properties it owns and manages, and

WHEREAS, the HRA finds it prudent to manage its revenues and expenses by the adoption of an annual budget; and

WHEREAS, the HRA has reviewed and considered the details of the FY 2023 Faribault Public Housing Budget Proposal and finds it to be acceptable, as attached, and in accordance with HUD-52574; and

NOW, THEREFORE, BE IT RESOLVED by the Housing and Redevelopment Authority of Faribault, Minnesota that the FY 2023 Faribault Public Housing Budget is hereby approved.

ADOPTED: November 14, 2022

Faribault Housing and Redevelopment Authority

____
Matthew Speckhals, Chairperson

ATTEST:

____
Brendan Kennedy, Vice Chair/Secretary

ATTACHMENT:

Agenda Item: 6.E

Request for Action

TO:	Faribault Housing & Redevelopment Authority
FROM:	Deanna Kuennen, Community & Economic Development Director
MEETING DATE:	November 14, 2022
SUBJECT:	Resolution 2022-13 Establishing the HRA Downtown Revitalization Program Policy

---

BACKGROUND:

At the October HRA meeting, Nort Johnson, representing Faribo Downtown Central LLC (FDC), provided an update on the $500,000 funding request with additional details on how the funds would be used in both Phase 1 and Phase 2. The HRA recommitted to providing the funding based on the new project understanding. Since then - Staff have worked with the City Attorney to draft a Downtown Revitalization Program Policy and an accompanying application in order to allow the HRA to provide funding to Faribo Downtown Central LLC (FDC). Per the City Attorney, a policy must be adopted and the HRA must follow any/all business subsidy laws. The attached program policy adheres to the state's business subsidy laws, and formalizes the HRA's conditions associated with the $500,000 funding commitment. Please note - this policy closely mirrors the policy approved by the Faribault EDA, which also committed $500,000 of funding to FDC.

Phase 1 funding will be available for the following addresses in 2022. Please note - there are no known occupied apartments in any of these buildings. It is recommended that to be consistent with the EDA policy, these addresses will be ineligible for future HRA program assistance for a period of five (5) years from the date of the execution of the individual loan agreements:

Property addresses for which Phase 1 funding is allocated	
Address:	Funding Allocation:
219 Central	$75,000
223 Central	$75,000
227 Central	$25,000
229 Central	$25,000
313 Central	$25,000
329 Central	$25,000
Total Funding Phase 1	$250,000

The other addresses associated with the FDC portfolio are eligible for future HRA program assistance.

A loan agreement, a promissory note, and a personal guarantee will be required for each loan, and funding will be dispersed upon receipt of fully executed loan documents. Faribo Downtown Central LLC will also be required to provide contractor quotes and upon receipt of proof of inspection, closed building permit, and signed affidavit confirming that the funds provided by the HRA were used in the manner that was presented and included in the policy - the loan on the corresponding property will be forgiven.

The accompanying application is currently being reviewed by the City Attorney.

REQUESTED ACTION:

The HRA is asked to review and approve the Downtown Revitalization Program Policy. The policy is consistent with the HRA's commitment to provide $500,000 of funding, over two-years, to support the investment into and rehabilitation of the portfolio of buildings acquired by Faribo Downtown Central LLC.

ATTACHMENTS:

1. Res 2022-13 Establishing HRA Downtown Revitalization Program Policy
2. 10-7-22 EDA-HRA grant allocation memo
3. 10-7-22 EDA - HRA Investment 13 buildings Phase I worksheet

Resolution 2022-16

ESTABLISHING THE HOUSING AND REDEVELOPMENT AUTHORITY DOWNTOWN REVITALIZATION PROGRAM POLICY

WHEREAS, Community Vision 2040 provides a framework to help ensure success of the community and “a vibrant downtown” is one of the strategic priorities identified in the vision; and

WHEREAS, the Housing and Redevelopment Authority has reviewed the following Downtown Revitalization Program policy set forth in Exhibit “A” and desires to adopt such policy; and

WHEREAS, as a means to further the community vision, encourage investment, support redevelopment, and leverage private investment in the Central Business District the Housing and Redevelopment Authority has made available a total of $500,000 for the program - $250,000 in forgivable loans for Phase 1 available for disbursement in 2022, and a second $250,000 for disbursement in 2023 for Phase 2, for the specific buildings as set forth in the policy guidelines; and

WHEREAS, all funding provided in the form of a forgivable loan pursuant to this Program shall comply with Minnesota Statutes, Section 116J.993 to 116J.995 (Minnesota subsidy provisions), or such other applicable laws, as necessary.

NOW, THEREFORE, BE IT RESOLVED, by the Housing and Redevelopment Authority for the City of Faribault, Minnesota that the recitals and exhibits set forth in this Resolution are incorporated into and made a part of this Resolution.

BE IT FURTHER RESOLVED, by the Housing and Redevelopment Authority for the City of Faribault, Minnesota that the Housing and Redevelopment Authority adopts the following Downtown Revitalization Program Policy, as essentially set forth and attached in Exhibit “A”.

BE IT FURTHER RESOLVED, by the Housing and Redevelopment Authority for the City of Faribault, Minnesota that the Housing and Redevelopment Authority will administer the program.

BE IT FINALLY RESOLVED, by the Housing and Redevelopment Authority for the City of Faribault, Minnesota that staff and consultants are hereby authorized and directed to take any and all additional steps and actions necessary or convenient in order to accomplish the intent of this Resolution.

ADOPTED: November 14, 2022

ATTEST:

____
Matthew Speckhals, Chairperson

____
Brendan Kennedy, Vice Chair/Secretary

Exhibit A

2022 Downtown Revitalization Program Policy

FARIBAULT HOUSING AND REDEVELOPMENT AUTHORITY
DOWNTOWN REVITALIZATION PROGRAM POLICY

PROGRAM DESCRIPTION

The purpose of the Faribault HRA Downtown Revitalization Program (the "Program") is to provide financial support in the form of forgivable loans to the thirteen (13) building property investment made by Faribo Downtown Central LLC. The Faribault HRA has made available a total of $500,000 for the Program – $250,000 in forgivable loans for Phase 1 of this project available for disbursement in 2022, and a second $250,000 for disbursement in 2023 for Phase 2. Actual projects associated with the Phase 2 funding, and the specific buildings within the 13-building portfolio that are eligible for funding, will be defined at the time funding is requested. All funding provided in the form of a forgivable loan pursuant to this Program shall comply with Minnesota Statutes, Sections 116J.993 to 116J.995 (Minnesota business subsidy provisions), or such other applicable laws, as necessary.

As identified in Attachment A, Phase 1 funding is available for the following addresses:

Property addresses for which Phase 1 funding is allocated	
Address:	Funding Allocation:
219 Central	$75,000
223 Central	$75,000
227 Central	$25,000
229 Central	$25,000
313 Central	$25,000
329 Central	$25,000
Total Funding Phase 1	$250,000

The addresses listed above have been deemed eligible properties to receive this funding from this HRA program, and will be ineligible for future HRA program assistance for a period five (5) years from the date of the execution of the individual loan agreements. Loan agreements, and promissory notes and a personal guaranty will be required for each building, to secure the forgivable loans. These six (6) properties will be eligible to receive Phase 1 funding in the form of forgivable loans to repair roofs on the buildings to prevent further damage.

Faribo Downtown Central, LLC acquired a total of thirteen (13) properties as part of this portfolio. All properties in the portfolio are eligible for consideration for funding. Pursuant to Attachment A, the seven (7) properties below will not be accessing Phase 1 funding.

Other Properties that are part of the purchased portfolio:	
116 Central	225 Central
Eastman Building – 301 Central (4 buildings, 1 PID)	311 Central

ELIGIBILITY

To be eligible for the Downtown Revitalization Program funds the property must be one of the addresses identified in Attachment A. Unless amended, six (6) of the thirteen (13) buildings will be accessing Phase 1 funding and seven (7) buildings remain eligible for all other HRA funded programs. Any building/address that accesses Phase 1 funding will not be eligible to apply for HRA funding of any type for a period of five (5) years regardless of ownership, from the date of the executed loan agreement.

Faribault's Community and Economic Development department will provide a loan agreement, a promissory note and a personal guaranty, based on the funding allocation, to Faribo Downtown Central LLC for each property as identified to receive Phase 1 funding. Funding will be dispersed to Faribault Downtown Central LLC upon receipt of fully executed loan documents. Faribo Downtown Central LLC shall provide appropriate documentation to support all disbursed loan proceeds pursuant to the loan agreements.

Faribo Downtown LLC will provide staff with contractor quotes that correlate to the project as presented to the Faribault HRA. Upon receipt of proof of inspection and a closed building permit and a signed affidavit confirming that the funds provided by the Faribault HRA were used in the manner that was presented on the attached spreadsheet, the loan on the corresponding property will be forgiven.

CITY CONTACT INFORMATION

Rebecca Rand
Housing Coordinator
Phone: 507-333-0375
Email: rrand@ci.faribault.mn.us

Stephanie Aman
Economic Development Coordinator
Phone: 507-333-0388
Email: saman@ci.faribault.mn.us

Memorandum from the desk of Nort Johnson

Memo: Faribo Downtown Central LLC forgivable loan request
To; Deanna Kuennen, CED Director, Faribault EDA and HRA

10/7/2022

Dear Deanna and Faribault EDA and HRA,

Faribo Downtown Central LLC (FDC) is a partnership of the Faribault Industrial Corporation, Mike & Mary Richie and Brett Reese. This organization assumed the purchase agreement negotiated by our Community Investment Fund (CIF) group made with John Sheesley for 13 buildings in the Historic Downtown District of Faribault. The transaction closed in mid-July.

The CIF group presented earlier this year and the EDA and HRA each committed to $500K in forgivable loans for this project. Since that presentation the changes in economic and market factors gave us pause on fundraising. The failure of the Minnesota legislature to renew the Historic Tax Credits was one of the key factors along with surging interest rates. The FDC partners are all part of the original CIF team and agreed that it was critical for the downtown to move these properties into development friendly hands. FDC was formed and proceeded with the acquisition under the new umbrella.

FDC is moving ahead with securing the buildings from water infiltration, debris removal and general preparation for the next phases of renovation. We want to ensure that before the winter freeze the roofs are replaced/repaired so interior work is not compromised. Initial bid pricing shows costs could exceed $700,000.

Attached find the requested breakdown of grant allocations by building. As directed, no dollars are allocated to buildings with tenants that may be relocated during the renovations. The spreadsheet shows phase I and phase II investments by building and the 2022 (phase I) disbursements of $250K from each the EDA and HRA. Below find a breakdown of funding sources for phase I. Note that the acquisition was funded by investor capital and loan proceeds.

Funding Sources Phase I	
EDA forgivable loan	$250,000
HRA forgivable loan	$250,000
DEED Grant	$250,000
Private capital	$260,340
total phase I	$1,010,340

The funding sources for ongoing costs in phases I & II will be from additional private capital, loans, historic tax credits, and potential sales of properties not subject to investment of forgivable loan proceeds. Expected ongoing costs will exceed $1.5 million. The estimated total investments in these buildings will exceed $10.5 million.

Thank you for considering our request. Both FDC and the Faribault Industrial Corporation are committed to making a difference in Faribault and your participation is making this possible.

Sincerely,

Nort Johnson

Cc; FDC Team, Faribault Industrial Corp Board, file

Faribo Downtown Central LLC Properties

Property Name	Address	Approx. Above Ground SF	Portfolio allocations		Roof repairs (less sheeting and structural)	Cleaning / Clearing	Buildout	Acquisition and Phase I work	Phase II Estimates	Phase I Grant Allocations HRA	Phase I Grant Allocations EDA
116	116 Central Avenue	4,865	146,860		0	2,250		149,110	335,500.00	0	0
219	219 Central Avenue	5,940	375,246		56,425	2,000	100,000	533,671	$85,580	75,000	75,000
223	223 Central Avenue	8,129	336,995		5,100	9,145	156,420	507,660	$626,000	75,000	75,000
225	225 Central Avenue	3,520	221,339		49,250	1,800		272,389	$213,840	0	0
227	227 Central Avenue	3,520	167,840		47,850	2,000		217,690	$249,403	25,000	25,000
229	229 Central Avenue	3564	230,780		63,650	2,673		297,103	$521,125	25,000	25,000
Eastman	301 Central Avenue	19,424	576,950		238,915	21,852		837,717	$2,117,060	0	0
311	311 Central Avenue	3,564	217,773		46,150	0		263,923	$288,321	0	0
313	313 Central Avenue	4,675	236,475		51,025	2,500		290,000	$412,500	25,000	25,000
329	329 Central Avenue	3,498	164,693		47,400	3,935		216,028	$587,400	25,000	25,000
329 Lot	Vacant Lot (.06										
	totals	60,699	2,674,950	Bids	605,765	48,155	256,420	3,585,290	$5,436,729		
				Roof reserve	100,000					0	
Acquisition	*2,674,950*			Total roof	705,765			Total PH I Grant Allocations		**250,000**	**250,000**
Phase I Clean and Dry	753,920	Roof bids plus reserves for expected structural repairs & cleanup									
Phase I planned buildout	256,420										
Total Phase I	*1,010,340*										
Ongoing costs (Phases I & II)											
Structural repairs	150,000										
H-Vac reserve	175,000										
Soft Costs	1,218,973	architecture, inspection, accounting, engineering, permits, taxes,legal fees						***Notes***			
Total ongoing costs p I & II	*1,543,973*							*	***indicates current tenants***		
								219 Buildout	office and apartment buildout		
Phase II renovations	*5,436,729*							223 Buildout	apartment plan/rough in (student housing)		
								Roof Reserve	expected repairs for decking and beams		
Estimated Total Investment	***10,665,992***										

Agenda Item: 6.F

Request for Action

TO:	Faribault Housing & Redevelopment Authority
FROM:	
MEETING DATE:	November 14, 2022
SUBJECT:	Resolution 2022-14 Appointing an Interim Executive Director of the Housing and Redevelopment Authority

---

BACKGROUND:

The HRA By-Laws specifically state the Powers and Duties of the Executive Director, along with who shall be appointed to both the Executive Director and Interim Executive Director positions :

Section 5. Powers and Duties of the Executive Director

The Executive Director shall be considered a staff person of the HRA and not a member or an officer of the HRA Board. <u>The Executive Director of the HRA shall be the Community Development Director of the City of Faribault. The position of Executive Director shall be approved by HRA resolution. In the absence of a Community Development Director, an Interim Executive Director shall be approved by HRA resolution based on a recommendation by the City of Faribault City Administrator.</u> The Executive Director shall supervise all HRA staff; serve as staff liaison to the HRA, or appoint a designee(s) to be the liaison to the HRA; sign resolutions and other official documents approved by the HRA that require the signature of the Executive Director; assist in the development of meeting agendas; and see that all actions of the HRA are properly taken and carried out.

With the resignation of Community and Economic Development Director Deanna Kuennen, the City Administrator has recommended to City Council that David Wanberg be appointed as Interim Community and Economic Development Director, effective November 14, 2022. With Mr. Wanberg's Interim appointment, he will also serve as Interim Executive Director of the Faribault Housing and Redevelopment Authority, as approved by resolutions of the HRA.

REQUESTED ACTION:

Approve Resolution 2022-14 Appointint Interim Executive Director of the HRA.

ATTACHMENTS:

1. 2022-14 Appointing Interim Executive Director of the Housing and Redevelopment Authority
2. HRA By-Laws - revised 2016

RESOLUTION 2022-14

APPOINTING AN INTERIM EXECUTIVE DIRECTOR FOR THE HOUSING AND REDEVELOPMENT AUTHORITY

WHEREAS, the Faribault Housing and Redevelopment Authority's (HRA's) by-laws allow for the appointment of an Executive Director and/or an Interim Executive Director by board resolution; and,

WHEREAS, the bylaws state that the Executive Director/Interim Executive Director of the HRA shall be the City of Faribault Community Development Director; and

WHEREAS, David Wanberg has been appointed as Interim Community and Economic Development Director as of November 14, 2022.

NOW, THEREFORE, BE IT RESOLVED that the Faribault HRA hereby appoints David Wanberg as the Interim Executive Director of the Faribault HRA.

ADOPTED: November 14, 2022

____
Matthew Speckhals, Chairperson

ATTEST:

____
Brendan Kennedy, Vice Chair/Secretary

Housing and Redevelopment Authority of Faribault, Minnesota

BYLAWS

ARTICLE I THE AUTHORITY

Section 1. Name of the Authority

The name of the Authority shall be the "Housing and Redevelopment Authority of Faribault, Minnesota" and is herein referred to as the "HRA".

Section 2. Seal of the Authority

The seal of the HRA shall be in the form of a circle and shall bear the name of the HRA and the date of its organization.

Section 3. Office of the Authority

The offices of the HRA shall be located at Faribault City Hall, 208 NW First Avenue, Faribault, Minnesota.

ARTICLE II POWERS AND DUTIES

The HRA is a body corporate and politic, governed by the HRA Board, and shall have all the powers and duties afforded under Minnesota Statutes, Chapter 469, Economic Development, Housing and Redevelopment Authorities, as amended.

ARTICLE III BOARD MEMBERSHIP

Section 1. Board Membership and Appointments

The HRA Board shall consist of seven (7) voting members, who shall be residents of the City of Faribault, Minnesota. Board membership shall be comprised of one (1) Faribault City Council member and six (6) at-large members. One of the at-large members can also be a City Council member. At no time shall there be more than two (2) City Council members on the HRA Board.

HRA Board members shall be appointed by the Mayor of the City of Faribault, with the approval of the Faribault City Council, upon recommendation of the City Council's Joint Committee.

HRA Board members must be appointed in accordance with the requirements of the Code of Federal Regulations, Title 24, part 964, as amended.

Section 2. Term of Office

The term of office of any HRA Board member serving at-large shall be five (5) years. The City Council's HRA Board representative shall serve for one (1) year with board membership reviewed on an annual basis by the City Council. HRA Board members may serve a maximum of three (3) consecutive five (5) year terms for a total of fifteen (15) years. Thereafter, any HRA Board member may re-apply for additional terms after a one (1) year absence from the HRA Board.

HRA Board members shall serve until a successor is appointed and qualified but not longer than ninety (90) days after the members term has expired.

Section 3. Compensation of Board Members

HRA Board members may receive necessary expenses and compensation pursuant to Minnesota Statutes, Section 469.011, subdivision 4, as amended.

Section 4. Meeting Attendance

It shall be the duty of each HRA Board member to attend all regular and special meetings of the HRA and to attend each subcommittee meeting to which a member is appointed. Attendance of HRA members shall be entered in the minutes of each meeting.

HRA Board members shall attend at least two thirds (2/3) of all regularly scheduled meetings during the HRA's fiscal year. Failure of an HRA Board member to meet these minimum attendance requirements may constitute grounds for removal from the HRA Board.

Section 5. Board Vacancies

The Mayor with the approval of the City Council shall fill vacancies occurring on the HRA Board, other than through expiration of term of office, for the remainder of the original term of the vacated position.

Section 6. Resignations

Resignations shall be submitted in writing to the Mayor and the City Council, a minimum of sixty (60) days prior to the effective date of the resignation.

Section 7. Removal of Board Members

An HRA Board member may be removed by the Mayor and the City Council for inefficiency, neglect of duty, or misconduct in office in accordance with Minnesota Statutes, Section 469.010, as amended.

ARTICLE IV OFFICERS

Section 1. Election of Officers

The HRA Board, at its regularly scheduled monthly meeting in February of each fiscal year, shall elect to office from its membership, a Chairperson and a Vice-Chairperson / Secretary. Each officer shall hold office for one (1) year.

Section 2. Term of Officers

An HRA Board member may serve a maximum of three (3) consecutive one (1) year terms to any one (1) office. After completing three (3) terms in any one (1) office, the Board member must wait one (1) year before serving in that office again.

Section 3. Powers and Duties of Chairperson

The Chairperson shall preside at meetings of the HRA Board; call special meetings; establish committees, appoint committee members and select committee chairpersons; sign minutes, resolutions, and other official documents adopted or approved by the HRA Board that require the signature of the Chairperson; assist in the development of meeting agendas; and see that all actions of the HRA are properly taken and carried out.

Section 4. Powers and Duties of Vice-Chairperson / Secretary

The Vice-Chairperson / Secretary shall perform all duties of a Secretary for the HRA. During the absence, disability, or disqualification of the Chairperson, the Vice-Chairperson / Secretary shall exercise all the powers and duties of the Chairperson.

Section 5. Powers and Duties of the Executive of Director

The Executive Director shall be considered a staff person of the HRA and not a member or an officer of the HRA Board. The Executive Director of the HRA shall be the Community Development Director of the City of Faribault. The position of Executive Director shall be approved by HRA resolution. In the absence of a Community Development Director, an Interim Executive Director shall be approved by HRA resolution based on a recommendation by the City of Faribault City Administrator. The Executive Director shall supervise all HRA staff; serve as staff liaison to the HRA, or appoint a designee(s) to be the liaison to the HRA; sign resolutions and other official documents approved by the HRA that require the signature of the Executive Director; assist in the development of meeting agendas; and see that all actions of the HRA are properly taken and carried out.

Section 6. Replacement of Officers

In the event that either the office of Chairperson or Vice-Chairperson / Secretary becomes vacant, a replacement officer shall be elected at the next regularly scheduled meeting to serve out the balance of the original term of the vacated office.

Section 7. Temporary Absence and Appointments

In the event of the temporary absence, disability, or disqualification of the Vice-Chairperson / Secretary, the Chairperson may appoint another member to serve temporarily in this capacity and to assume during this temporary period all the powers and duties of the office as may be immediately necessary to carry out the duties of the Vice-Chairperson / Secretary.

ARTICLE V MEETINGS

Section 1. Regular Meetings

Regularly scheduled meetings of the HRA shall be held on the second Monday of every month commencing at 6 o'clock p.m. in the Faribault City Hall, 208 NW First Avenue, Faribault, Minnesota.

An alternate meeting date, time, and place may be fixed by the HRA Board.

A schedule of HRA monthly meetings shall be kept on file at its offices pursuant to Minnesota Statutes, Section 13D.04, Notice of Meetings, as amended.

Section 2. Special and Emergency Meetings

An additional or special meeting shall be held upon the call of the Chairperson; upon request of at least three (3) of the HRA Board members; or upon request of the Faribault City Council. The Chairperson shall fix the date, place, and time of a special meeting. Such meetings shall be held in compliance with the requirements of the Minnesota Open Meeting Law (Minnesota Statutes, Ch. 13D, as amended).

In the event that an emergency situation, the Executive Director of the HRA or his or her designee is hereby granted authority to make decisions for the HRA Board without calling a special meeting. The Executive Director shall notify the Chairperson of the emergency situation as soon as possible and the Chairperson shall in-turn notify the other HRA Board members, if possible, of the emergency. An emergency meeting shall be held in compliance with the requirements of the Minnesota Open Meeting Law (Minnesota Statutes, Ch. 13D, as amended).

Section 3. Meeting Notice

Adequate notice of all HRA Board meetings shall be given to encourage attendance by HRA Board members and other interested persons and to meet all requirements of the law. All meeting notices shall comply with the requirements of the Minnesota Open Meeting Law (Minnesota Statutes, Section 13D.04, as amended).

All HRA meetings shall be open to the public as required by the Minnesota Open Meeting Law (Minnesota Statutes, Section 13D.01, as amended).

Section 4. Quorum Requirements

In order for the HRA to meet, act or transact business, a quorum of the HRA Board must be present. A quorum is a majority of HRA Board members in office at any time as defined in Minnesota Statutes, Section 469.011, subdivision 1, as amended.

Section 5. Voting Requirement and Procedures

A. Requirements. The concurring vote of a majority of the quorum shall be necessary for any formal action by the HRA.

B. Procedure. Voting shall be by voice vote. A vote by roll call may be taken at the discretion of the Chairperson or upon request of any HRA Board member. In the event of a roll call vote, the Chairperson shall vote on each matter, but shall always vote last. The vote of each HRA Board member shall be recorded.

Section 6. Conflict of Interest

Any HRA Board member or HRA employee who has a financial interest in any matter that is before the HRA shall publicly state the nature of said interest, excuse himself or herself from participation in the discussion or any decision making process regarding the matter, and comply with the requirements of Minnesota Statutes, Section 469.009, as amended.

Section 7. Robert's Rules of Order

Robert's Rules of Order shall be followed by the HRA in all cases not otherwise provided for herein.

The HRA Board may at any time waive the Rules through a majority vote of a quorum of the members present.

Section 8. Public Comment

All citizen comments, written and oral, relating to an agenda item shall be presented to the HRA Board upon its consideration of such agenda item.

The public shall be allowed to participate in the discussion of an agenda item upon recognition by the Chairperson at the appropriate time during the meeting and in accordance with Robert's Rules of Order.

Section 9. Minutes of Meetings

The minutes shall be approved at the next regular meeting by formal action of the HRA Board. The minutes shall then become part of the permanent records of the HRA. The unapproved minutes shall be prepared and distributed to the HRA Board members at the following month's meeting.

ARTICLE VI COMMITTEES

Section 1. Establishment of Committees

At any regular or special meeting of the HRA, the Chairperson may establish such committees and give them charge of responsibilities as necessary and appropriate to assist the HRA in carrying out its powers and duties.

If directed by a majority vote of the HRA Board, the Chairperson shall establish a committee for a stated purpose.

Section 2. Committee Appointments

The Chairperson shall appoint committee members and select the chairperson there of and, as necessary, appoint members as replacements to fill vacancies, to add to a committee size, or to provide temporary replacement for an absent member.

HRA Board members may submit, and the Chairperson will consider, for appointment the names of prospective members of any committee.

The Chairperson may appoint non-members of the HRA Board to any committee, and those appointees shall have the right to participate and vote in such committee.

Section 3. Committee Procedures

A. Each committee may establish such rules and regulations governing its procedure as it deems necessary, or as directed by the HRA Board.

B. Each committee shall make timely reports of its findings and recommendations to the HRA Board. Committee reports shall be presented to the HRA Board by a committee member who voted with the prevailing side of such committee on the subject of the report.

C. All committee meetings shall be subject to the requirements of the Minnesota Open Meeting Law (Minnesota Statutes, Ch. 13D, as amended).

D. HRA Board members serving on any committee shall not be bound at any HRA meeting to vote in accordance with the member's vote on the same question in the committee.

ARTICLE VII MEETING AGENDAS

Section 1. Order of Agenda Items

The Executive Director of the HRA shall prepare HRA Board meeting agendas with input from the Chairperson. Items shall be placed on the agenda in the following order. The order of agenda items may be rearranged at the discretion of the Chairperson, with the approval of the HRA Board, to expedite the meeting.

a) Call to Order;

b) Approval of Minutes;

c) Program Reports;

d) Property Reports;

e) Items from Staff; and/or HRA Board members; and

f) Adjournment.

Section 2. Distribution of Agendas

Staff shall make every reasonable effort to prepare and distribute to HRA Board members, a final agenda for all regular and special meetings at least five (5) days prior to the scheduled meeting.

Section 3. Posting of Agendas

Except as limited by Minnesota Statutes, Section 13D.04, and Article V of these Bylaws, the agenda for HRA meetings shall be posted for public viewing at the offices of the HRA at least five (5) days prior to the meeting.

ARTICLE VIII AMENDMENT OF BYLAWS

The bylaws may be amended at any meeting of the HRA by the concurring vote of a majority of the HRA Board members, provided that written notice of said proposed amendments is provided to each Board member at least fourteen (14) days prior to the meeting.

ARTICLE IX EFFECTIVE DATE OF BYLAWS

These bylaws shall be in effect immediately upon their adoption.

ADOPTED AND APPROVED by the Housing and Redevelopment Authority of the City of Faribault, Minnesota this 9th day of May 2016.

____
Loni Streefland, Chairperson

____
Brendan Kennedy, Vice Chairperson/Secretary

Attest:

____
Deanna Kuennen, Executive Director

Agenda Item: 6.G

Request for Action

TO:	Faribault Housing & Redevelopment Authority
FROM:	Rebecca Rand, Housing Coordinator
MEETING DATE:	November 14, 2022
SUBJECT:	2023 Statutory Tort Liability Waiver

BACKGROUND:

PURPOSE:

The purpose of this memorandum is to provide the Faribault Housing and Redevelopment Authority with information on the options regarding statutory tort liability limits. The following information was provided by Jeanne Day, Director of Finance.

DISCUSSION:

Cities/HRAs obtaining coverage from the League of Minnesota Cities Insurance Trust must decide whether or not to waive the statutory tort limits for the extent of the coverage purchased. The decision to waive or not to waive the statutory limits has the following effects:

• If the City/HRA does not waive the statutory tort limits, an individual claimant would be able to recover no more than $500,000 on any claim to which the statutory tort limits apply. The total that all claimants would be able to recover for a single occurrence to which the statutory limits apply, would be limited to $1,500,000.

• If the City/HRA waives the statutory tort limits, a single claimant could potentially recover up to $2,000,000 for a single occurrence. The total that all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to $2,000,000, regardless of the number of claimants.

This decision must be made by the HRA. Staff recommends that the HRA not waive the monetary limits on municipal tort liability. In the past, the City Council, HRA, and EDA have chosen not to waive the limits as a way of controlling liability insurance costs.

REQUESTED ACTION:

Motion to concur with staff's recommendation and continue the current

HRA policy which does not waive the monetary limits on municipal tort liability established by Minnesota Statues 466.04.

ATTACHMENTS:

1. Liability-Coverage-Waiver-Form

LEAGUE of MINNESOTA CITIES

LIABILITY COVERAGE – WAIVER FORM

Members who obtain liability coverage through the League of Minnesota Cities Insurance Trust (LMCIT) must complete and return this form to LMCIT before the member's effective date of coverage. Return completed form to your underwriter or email to pstech@lmc.org.

The decision to waive or not waive the statutory tort limits must be made annually by the member's governing body, in consultation with its attorney if necessary.

Members who obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. The decision has the following effects:

- *If the member does not waive the statutory tort limits*, an individual claimant could recover no more than $500,000 on any claim to which the statutory tort limits apply. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would be limited to $1,500,000. These statutory tort limits would apply regardless of whether the member purchases the optional LMCIT excess liability coverage.

- *If the member waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could recover up to $2,000,000 for a single occurrence (under the waive option, the tort cap liability limits are only waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is $2,000,000). The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to $2,000,000, regardless of the number of claimants.

- *If the member waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

LEAGUE OF MINNESOTA CITIES INSURANCE TRUST
145 University Avenue West
St. Paul, Minnesota 55103
PH: (651) 281-1200
TF: (800) 925-1122
FX: (651) 281-1298
www.lmc.org

LMCIT Member Name:

____

Check one:

☐ The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by Minn. Stat. § 466.04.

☐ The member **WAIVES** the monetary limits on municipal tort liability established by Minn. Stat. § 466.04, to the extent of the limits of the liability coverage obtained from LMCIT.

Date of member's governing body meeting: ____

Signature:______________________________ Position: ________________________________