



HOUSING & REDEVELOPMENT AUTHORITY AGENDA

COUNCIL CHAMBERS

MONDAY, JANUARY 10, 2022

6:00 PM

1. Call to Order
2. Approval of the Minutes
 - A. Approval of December 13, 2021 Meeting Minutes
3. Program Reports
 - A. Mobile Home Buyout Program
 - B. Mobile Home Heat Tape Program
 - C. Monthly Loan Status
 - D. RAD Repositioning Process
 - E. Sale of 1116 2nd Street NW
 - F. 230 Central Apartments
4. Property Reports
 - A. Robinwood Manor
 - B. Public Housing
 - C. Scattered Sites
5. Action Items and Items for Discussion
 - A. Amend Contract with Braun Intertec - HUD Part 58 Environmental Review Services (Resolution 2022-01)
 - B. Summary of Available Housing Programs
 - C. Overview of Current Housing Development Projects and Opportunities
6. Public Hearings
7. Adjournment

Faribault Housing and Redevelopment Authority
Meeting Minutes
December 13, 2021

Prior to the start of the meeting; Director Kuennen administered the oath to the new member Travis McColley.

In Chair Brown and Commissioner Ahlers' absence, Commissioner Kennedy was asked to conduct the meeting.

1. Call to Order / Approval of the Agenda

Commissioner Kennedy called the meeting to order at 6:09 p.m.

Members Present: Brenden Kennedy, Travis McColley, Matt Speckhals, and Jonathan Wood

Members Absent: Loni Ahers, Matthew Steeves and Chair Brown

2. Minutes

A. Minutes of November 8, 2021.

A motion was made by Speckhals to approve the minutes of November 8, 2021 seconded by Wood as presented.

Motion carried on a 4/0 vote.

3. Program Reports

A. Mobile Home Buyout Program

No activity to report

B. Mobile Home Heat Tape Program

Kuennen stated that a number of applications for the program have been received; however, at this time Staff has been unable to find a contractor interested in doing the work on behalf of the HRA. Kuennen asked the HRA Commissioners to assist in identifying qualified/licensed contractors capable of doing the job.

C. Monthly Loan Status Report

Nothing new to report.

D. RAD/Repositioning Process

Staff was made aware that HUD has officially approved the required waiver. Clausen will participate in a meeting with Rice County and the consultants to identify next steps. In

addition, the contract with Braun is ready to be executed so that the required environmental review per unit can begin.

E. Sale of 1116 2nd St NW

Issues were identified in the title review process. The attorney's office is working on cleaning up the remaining issues so that the closing can take place as soon as possible.

F. 230 Central Avenue Apartments

Nelson provided the requested information as identified by the HRA at their last meeting. Staff will work with the attorney to draft and execute a 2nd amendment outlining the new terms of the loan.

A motion was made by McColley and seconded by Speckhals to receive and file the program reports as submitted.

Motion carried on a 4/0 vote.

4. Property Management Reports

A. Robinwood Manor

October, 2021 Program Report

Kuennen reported that September's occupancy was at 100%. The largest expenses during the month of October was Bergan KDV Auditing \$1,775.

The FreshAir Sensors were discussed. The system is still receiving readings that are suspected to be false or at least the tenants are reporting that they are not smoking. Fresh Air is standing behind the accuracy of their product. Staff will continue to monitor and report.

The parking lot is nearing completion, with the remaining punch list items that will be addressed in the spring.

B. Public Housing

October, 2021 Program Report

October's occupancy is at 100%. There was one unit turnover. Kuennen reported the year-to-date turnovers and reported there have been 22. The expenses include Recap Advisors LLC RAD Repositioning \$2,346.25 Maintenance Lawn Care and Unit Turnovers \$8,259.08, flooring \$550.

C. Scattered Sites Rental Housing

October, 2021 Program Report

October's report occupancy is at 100%. Nothing new.

A motion was made by McColley and seconded by Wood to receive and file the operating statement as submitted.

Motion carried on a 4/0 vote.

5. Public Hearings

A. PHA Annual Plan

The Annual Plan is required to be updated due to the RAD Repositioning process, which is considered a significant change.

A motion was made by McColley to open the public hearing at 6:29 p.m. Motion carried on 4/0. No one from the public was present. A motion to close the public hearing was made by Speckhals at 6:30 and seconded by McColley. Motion carried on a 4/0.

A motion was made by Speckhals and seconded by Wood to adopt Resolution 2021-11 Approving the Amended Five-Year/Annual Plan as submitted.

Motion carried on a 4/0 vote.

Introductions took place with new member Travis McColley.

6. Adjourn

A motion was made by Wood and seconded by Speckhals to adjourn the meeting at 6:49 p.m.

Motion carried on a 4/0 vote.

Respectfully Submitted,

Kari Casper, Recording Secretary



Discussion Item

TO: Faribault Housing and Redevelopment Authority
FROM: Deanna Kuennen, Com & Econ Dev Director
MEETING DATE: January 10, 2022
SUBJECT: RAD Repositioning Status Report

PURPOSE: Provide an ongoing update to the HRA regarding the RAD Repositioning process.

Current Activity:

- PHA Plan Updated to reflect RAD Repositioning project (Public Hearing held on 12/13/2021).
- Environmental Review project kick-off meeting held on January 5, 2022. Attached is the meeting summary/notes with project schedule (subject to revisions).
- Environmental Review Project contract with Braun (approved by HRA on 10/11, Res. 2021-07) requires amendment to change the date of completion from December 2021 to September 30, 2022. The project start was delayed until HUD approved the required waiver. The approval of the waiver was received on December 2, 2021.

Date: January 5, 2022

To: Kim Clausen, Faribault HRA
Deanna Kuennen, City of Faribault
Marty Smith, City of Faribault
Connie Springer, City of Faribault

From: Travis Fristed, Braun Intertec
Jennifer Wolff, Braun Intertec

Subject: Faribault HRA – HUD Part 58 EA Project Kickoff Meeting Agenda & **Minutes**

Project: B2111281

EAW Preparation & Project Understanding

1. Introductions and Roles

Travis – will be project manager

Jenn W- will be the secondary contact

Ben Ruhme – will be at future meetings

Deanna – Community and Economic Director, will be involved and supporting Kim. Kim is taking the lead to help the HRA through the process

Kim – no longer with the City, but will be the contact with this project, approvals, etc. Kim will be the primary contact (cc Deanna)

Connie – Works with public housing, and the day-to-day administration of the program. She can give Braun access to the units as needed

Marty – helping out with Kim being gone, is a secondary contact. Both Connie and Marty need to understand the process and project

2. Project Understanding

- a. Contract expiration date is listed as 12/31/21 under section 4.1 of contract. Extension needed? Deanna will amend the date. There is a meeting for the HRA on Monday (Jan. 10th). This took a while for HUD to approve the waivers, so should be administrative to City. Braun is fine either way. Deanna will draft an amendment for the HRA to execute.

- b. Review draft project locations maps. These are based on the addresses (from the contract) and county parcel boundaries. We want to make sure we have captured the project

boundaries appropriately (City confirmed boundaries are correctly shown). Dwelling types per address:

- 2 five-plexes with detached garages for the Western Ave addresses
- Shumway Ave – 4 sets up duplexes, 8 units total
- SW 1st St – 6plex with detached garages, railroad is adjacent to the site
- NE 14th St – single family home
- NW 2nd St – single family home
- SW 9th Ave – single family
- Hulet Ave – three units. Duplex on N side, single family on s side (1319 and 1323 7th St and 621 Hulet)
- Willow – single family
- NW 13th St – duplex and single family house
- Lincoln Ave – fourplex with huge backyard
- Spring Rd – five sets of duplexes with playground
- Division St – single family house

- c. What is the funding program and eligibility criteria for each site/unit? Two pieces – the HRA is looking taking all of these sites out of the public housing program and transitioning to RAD (Rental assistance demonstration) and Section 18 (blend of two other programs). A way to get more funding for these units, so they can operate and maintain the program and locations. The current program funds are not sustainable. The ER is one of the requirements for that process. HRA is in the middle in the process with HUD. HUD approved the waivers, waiting for the CHAP. When they get the CHAP, then they can complete other paperwork.

If this doesn't get approved or go through, then they will use this for the basis of future repair and maintenance program dollars.

No work on site right now. No other locations right now.

BIC does not need to view any of the facilities at this time. All facilities built after 1978, so no lead based paint.

- d. Proposed action for each site/unit? Was in project description sent to Travis today. Future repair activities would be in future, see list from new description. Siding and roof is in the plan for the Shumway properties this year, but might need to be reevaluated as part of this process. There is a three year schedule for drawing down the funds. 2021 Capital Funds included the Shumway project.

Needs to be 24 CFR Part 58 Review, did not discuss with HUD the tiered approach. They will check with HUD on whether the tiered approach would be appropriate.

- e. Are sites defined geographically or by program? Already discussed.
- f. Discussion on potential additional services and costs (Hazmat surveys etc.)
Unknown what other services are needed at this time. No ACM surveys done yet.

g. HRA to publish public notices or Braun Intertec?

Braun to do that. Combine notices.

3. Schedule

- a. Tier 1- draft available to City for review: Jan. 31
- b. Provide HRA comments to Braun: Feb. 11
- c. HRA approves the comments: Feb. 14
- d. Braun response to 1st round of comments: Feb. 14-18
- e. 2nd project meeting with HRA staff: Feb. 15-21
- f. Release Tier 1 report for public comment: week of Feb. 14
- g. 1st 15-day public comment period: Feb. 22- Mar. 14 (NOI/RROF & FONSI)
- h. Begin draft of Tier 2 forms: Feb. 22
- i. Respond to public comments: Mar. 21-25 (Develop comment resolution log)
- j. 2nd 15-day public comment period (RROF): Mar. 28- April 18
- k. Finalize & sign Tier 2 forms: Late April – Early May

Tentative schedule. Assumes HUD approves the Tier I. the HRA Feb meeting is Feb. 14th, so need to push that back (meet once a month on the second Monday in the evening)

What needs HRA approval vs staff level approval: releasing the Tier I and big things like that should go through the HRA. But could get the process authorization to have staff authority to prepare the steps. HRA can have the draft by the 14th, and then approve for public release. Public hearing on March 14th.

BIC will revise this list with the meeting minutes, but ask HRA to send back any changes and let us know what HRA meetings we need to meet.

4. Next Steps

- HRA to amend (extend) the contract expiration date
- HRA to confirm HUD approval of tiered approach
- Braun to revise the schedule (before Monday, Jan. 10th)
- Need purpose and need for these actions (Braun to review and revise what was sent by HRA prior to meeting)
- Another meeting (TBD) in mid to late Feb



Discussion Item

TO: Faribault Housing and Redevelopment Authority
FROM: Deanna Kuennen, Com & Econ Dev Director
MEETING DATE: January 10, 2022
SUBJECT: 1116 2nd St NW

PURPOSE: Provide an update to the HRA on the sale of 1116 2nd Street to Theodore Krause.

At the August meeting the HRA approved the sale of 1116 2nd Street to Mr. Theodore Krause, who lives at 1120 2nd Street NW – in the amount of \$25,000. Krause proposes to demolish the existing garage and build a new house for his family to live in. Mr. Krause would then rent his existing house to a low-income family (at or below 80% of the Rice County Area Median Income as determined by HUD) for no more than the Rice County Fair Market Rent for 3 years. The current income and rent limits are as follows:

HH Size	1	2	3	4	5	6	7	8
Income Limit	48,450	55,350	62,250	69,150	74,700	80,250	85,750	91,300

Bedroom Size	2	3	4
Fair Market Rent	904	1,242	1,307

Since the public hearing, Staff has been working with the City Attorney to prepare all necessary closing and recording documents. The buyer has agreed to all terms in the agreement. No closing date is set as of yet. Initially the delay was in obtaining the completed title work which took longer than anticipated. The title was not “clean” – and now the City Attorney is working with the Rice County Recorder’s Office to address the issues identified. It is necessary to have a clean title prior to the sale of the property. Mr. Krause is aware, and we are still working towards a 2021 closing.

On December 16, 2021 – US Bank finally responded to our attorney’s office. They requested additional paperwork to process the Satisfaction of Mortgage. The paperwork was submitted, and processing should be complete soon.



Discussion Item

TO: Faribault Housing and Redevelopment Authority
FROM: Deanna Kuennen, Com & Econ Dev Director
MEETING DATE: December 13, 2021
SUBJECT: 230 Central Avenue Apartments

PURPOSE: Provide monthly updates and a status report for the construction of the 230 Central Avenue Apartments project.

At the November HRA meeting, the HRA agreed to a 2nd Amendment to the Loan Agreement for the apartment project to provide a six (6) month extension – *contingent upon* the receipt of a construction schedule/project timeline and monthly progress reports/updates to be received on the 1st of every month. The following schedule was submitted by Mr. Nelson:

ENTER START DATE:		11/12/2021		
ACTIVITY	START	END	NOTES	
insulation sound , ro channel	11/15/2021	11/22/2021		
Delivery of sheet rock	11/18/2021	11/22/2021		
hanging of sheet rock	11/19/2021	12/22/2021		
Taping	12/1/2021	1/10/2021		
Painting	1/10/2022	2/10/2022		
install gypcrete floor	2/15/2022	2/17/2022		
install trim,doors, cabinets	2/25/2022	4/1/2022		
install flooring products	3/7/2022	4/1/2022		
create dumpster enclosure	12/1/2021	1/6/2022		
install finish plumbing	3/1/2022	4/1/2022		
install final electrical	3/11/2022	4/1/2022		
Elevator installation				

Current Activity – work completed as of 31-December-2021:

Per Mr. Nelson:

- Insulation is 100-percent complete
 - Sheet rock is 95-percent complete
 - Taping has begun and should be completed and ready for paint by February
 - Gypcrete for floor is scheduled for 20th of February
-
- All photos were forwarded to John Rued, Building Official for comment/review. An inspection was completed on January 4, 2022.

Submitted Photos:









Request for Action

TO: Faribault Housing and Redevelopment Authority
FROM: Deanna Kuennen, Com & Econ Dev Director
MEETING DATE: January 10, 2022
SUBJECT: Robinwood Manor Apartments

PURPOSE:

The purpose of this memorandum is to provide the Faribault Housing and Redevelopment Authority with an update on activities at Robinwood Manor.

OCCUPANCY:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<u>Occupancy:</u>	98%	98%	98%	98%	96%	98%	98%	98%	98%	100%	98%	
<u>Turnover:</u>	0	1	0	0	1	0	1	1	0	1	0	

Vacant Unit: #118 – 2 Bedroom Market Rate Unit

OPERATING STATEMENT:

Discussion: The financial report for the month of November is attached. November expenses include Legal Fees Kennedy & Graven \$185.50 Consultation 2 Bedroom Market Rate Unit, APG Media 2 Bedroom Marketing \$218.50, Olympic Fire Protection Annual Inspection \$295.

Requested Action: The Board is asked to review and approve the operating statement as presented.

PROJECT ACTIVITY:

FreshAir Sensors – see attached report
Parking Lot Reconstruction – completed

**ROBINWOOD MANOR
FOR THE MONTH ENDING NOV 30, 2021**

	<u>2021 Budget</u>	<u>% of Revenue</u>	<u>November Actual</u>	<u>Monthly Budget</u>	<u>Variance of Monthly Budget</u>	<u>Favorable/ Unfavorable</u>	<u>2021 Year-To-Date</u>	<u>Remaining Balance</u>
REVENUES								
33160 FEDERAL GRANTS	240,191.00	50.37%	25,756.00	20,015.92	28.68%	F	271,473.00	(31,282.00)
36200 OTHER MISCELLANEOUS	5,000.00	1.05%	411.75	411.00	0.18%	F	5,627.58	(627.58)
36210 INTEREST ON INVESTMEI	2,200.00	0.46%	758.20	183.33	NA	NA	5,049.70	(2,849.70)
36211 INTEREST MARKET VALUE	0.00	0.00%	-15.70	0.00	NA	NA	(8,872.18)	8,872.18
36220 RENTS	228,435.00	47.91%	17,593.00	19,036.25	-7.58%	U	163,623.87	64,811.13
36221 VACANCIES	0.00	0.00%	0.00	0.00	NA	F	0.00	0.00
36227 EXCESS UTILITIES	1,000.00	0.21%	33.00	83.33	-60.40%	U	1,893.13	(893.13)
36280 PROJECT REIMBURSEME	0.00	0.00%	0.00	0.00	NA	F	0.00	0.00
TOTAL REVENUE ACCOUNTS (G	<u>\$476,826.00</u>	<u>49.63%</u>	<u>\$44,536.25</u>	<u>\$39,729.83</u>	<u>12.10%</u>	<u>F</u>	<u>\$438,795.10</u>	<u>\$38,030.90</u>
EXPENSES								
SUPPLIES		% of Expense						
42110 GENERAL SUPPLIES	21,500.00	5.16%	1,502.53	1,791.67	-16.14%	F	9,601.83	11,898.17
42410 MINOR EQUIPMENT/TOOL	0.00	0.00%	0.00	0.00	NA	U	1,204.07	(1,204.07)
TOTAL: SUPPLIES	<u>\$21,500.00</u>	<u>5.16%</u>	<u>\$1,502.53</u>	<u>1,791.67</u>	<u>-16.14%</u>	<u>F</u>	<u>10,805.90</u>	<u>\$11,898.17</u>
OTHER SERVICES & CHARGES								
43010 AUDITING & ACCOUNTING	10,000.00	2.40%	0.00	833.33	-100.00%	F	9,501.50	498.50
43040 ATTORNEY FEES-CIVIL P	1,000.00	0.24%	184.50	83.33	121.40%	U	738.00	262.00
43070 MANAGEMENT SERVICE	45,250.00	10.87%	4,169.65	3,770.83	10.58%	U	43,150.38	2,099.62
43090 EXPERT & PROF SERVICE	7,500.00	1.80%	88.60	625.00	-85.82%	F	34,584.41	(27,084.41)
43095 SOFTWARE MAINT & SUP	0.00	0.00%	0.00	0.00	NA	NA	700.46	(700.46)
43130 TENANT SERVICES	3,000.00	0.72%	0.00	250.00	-100.00%	F	0.00	3,000.00
43210 TELEPHONE & TELEGRA	2,900.00	0.70%	0.00	241.67	-100.00%	F	349.35	2,550.65
43250 OTHER COMMUNICATION	900.00	0.22%	225.93	75.00	201.24%	U	1,321.00	(421.00)
43430 ADVERTISING - OTHER	500.00	0.12%	218.50	41.67	424.40%	U	543.50	(43.50)
43610 INSURANCE & BONDS	9,902.00	2.38%	0.00	825.17	-100.00%	F	9,730.00	172.00
43810 ELECTRIC UTILITIES	30,000.00	7.20%	2,714.03	2,500.00	8.56%	U	27,074.97	2,925.03
43820 WATER UTILITIES	2,200.00	0.53%	173.00	183.33	-5.64%	F	1,716.69	483.31
43830 GAS UTILITIES	11,500.00	2.76%	814.11	958.33	-15.05%	F	5,639.99	5,860.01
43840 REFUSE DISPOSAL	3,100.00	0.74%	233.59	184.70	26.47%	U	2,711.10	388.90
43850 SEWER UTILITIES	5,000.00	1.20%	300.14	416.67	-27.97%	F	2,975.76	2,024.24
43860 STORM WATER UTILITY	750.00	0.18%	68.74	62.50	9.98%	U	687.60	62.40
44010 BUILDING MAINTENANCE	90,000.00	21.61%	4,993.20	7,500.00	-33.42%	F	98,593.86	(8,593.86)
44040 VEHICLE/EQUIPMENT RE	0.00	0.00%	0.00	0.00	NA	NA	0.00	0.00
44050 EXTRAORDINARY MAINT	152,000.00	36.50%	0.00	12,666.67	-100.00%	F	7,463.50	144,536.50
44060 LAUNDRY SERVICES	900.00	0.22%	53.96	75.00	-28.05%	F	603.90	296.10
44160 RENTS AND LEASES	0.00	0.00%	0.00	0.00	NA	U	0.00	0.00
44200 DEPRECIATION	0.00	0.00%	0.00	0.00	NA	NA	0.00	0.00
44320 BAD DEBT EXPENSE	0.00	0.00%	0.00	0.00	NA	NA	0.00	0.00
44325 BANK FEES & CHARGES	300.00	0.07%	17.79	25.00	-28.84%	F	54.93	245.07
44370 MISC CHARGES	0.00	0.00%	0.00	0.00	NA	U	0.00	0.00
44390 TAXES & LICENSES	18,000.00	4.32%	0.00	1,500.00	-100.00%	F	125.00	17,875.00
44700 INTEREST	200.00	0.05%	0.00	16.67	NA	U	90.26	109.74
TOTAL: OTHER SERVICES & CH	<u>\$94,902.00</u>	<u>94.84%</u>	<u>\$14,255.74</u>	<u>\$32,001.53</u>	<u>-55.45%</u>	<u>F</u>	<u>\$248,356.16</u>	<u>\$146,545.84</u>
45200 BUILDING & IMPROVEMEN	<u>\$0.00</u>	<u>0.00%</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>NA</u>	<u>U</u>	<u>\$0.00</u>	<u>\$0.00</u>
TOTAL EXPENSES	<u>\$416,402.00</u>	<u>100.00%</u>	<u>\$15,758.27</u>	<u>33,793.20</u>	<u>-53.37%</u>	<u>F</u>	<u>\$259,162.06</u>	<u>\$158,444.01</u>



Request for Action

TO: Faribault Housing and Redevelopment Authority
FROM: Deanna Kuennen, Com & Econ Dev Director
MEETING DATE: January 10, 2022
SUBJECT: Public Housing

PURPOSE:

The purpose of this memorandum is to provide the Faribault Housing and Redevelopment Authority with an update on the Public Housing program.

OCCUPANCY:

	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec
<u>Occupancy:</u>	100	100	100	98	98	96	98%	98%	100%	100%	100%	

	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec
<u>Turnovers:</u>	0	0	1	1	2	1	2	1	3	1	0	

Vacant Units:

Year to Date Transfers/Move-Outs/Move-Ins – Total 22

914 SW 1st transferred out 8/5/2021

910 SW 1st Filled with transfer from 914 8/06/2021

902 A Spring Road Moved out 8/31/2021

914 SW 1st Filled 9/02/2021

1323 NW 7th Street Moved out 9/16/2021

1323 NW 7th Street Filled 9/17/2021

902A Spring Road Filled 9/27/2021

900 D Spring Road Moved Out 9/30/2021

900 D Spring Road Filled 10/29/2021 keys given 11/01/2021 subsidy started (had a voucher)

*914 SW 1st Street and 902 A Spring Road had new flooring installed so took longer to make ready

OPERATING STATEMENT:

Discussion: The financial report for the month of November is attached.
 Expenses include Recap Advisors LLC RAD Repositioning \$250,
 Summit Fire Protection \$\$510.25 Annual Fire Extinguisher
 Charging, Lamperts Lumber \$6,380.11 for 15 Doors as identified
 for replacement in the 2019 REAC Inspection (HUD requiring all
 doors that were repaired with a patch be replaced with a new door),
 Maintenance/Lawn Care, Unit Turnovers \$7,633.08.

Requested Action: The Board is asked to review and approve the monthly operating statement as presented.

PROJECT ACTIVITY:

RAD/Repositioning: Please see Item 3D for an update report on this project.

**PUBLIC HOUSING
FOR THE MONTH ENDING NOV. 30, 2021**

	<u>2021 Budget</u>	<u>% of Revenue</u>	<u>November Actual</u>	<u>Monthly Budget</u>	<u>Variance of Monthly Budget</u>	<u>Favorable/ Unfavorable</u>	<u>2021 Year-To-Date</u>	<u>Remaining Balance</u>
REVENUES								
33160 FEDERAL GRANTS	286,000.00	54.85%	0.00	23,833.33	-100.00%	U	302,699.00	96,263.00
36200 OTHER MISC REVENUE	6,000.00	1.15%	782.03	500.00	56.41%	F	5,642.24	357.76
36210 INTEREST ON INVESTMENTS	4,400.00	0.84%	203.57	366.67	-44.48%	U	762.60	3,637.40
36211 INTEREST MARKET VALUE	0.00	0.00%	(4.15)	0.00	NA	F	(1,415.85)	1,415.85
36220 RENTS	225,000.00	43.15%	25,090.00	18,750.00	33.81%	F	250,597.17	(25,597.17)
36240 REFUNDS & REIMBURSEMENTS	0.00	NA	0.00	0.00	NA	F	0.00	0.00
TOTAL REVENUE ACCOUNTS	<u>\$521,400.00</u>	<u>100.00%</u>	<u>\$26,071.45</u>	<u>\$43,450.00</u>	<u>-40.00%</u>	<u>U</u>	<u>\$558,285.16</u>	<u>\$76,076.84</u>
EXPENSES								
SUPPLIES		% of Expense						
42110 GENERAL SUPPLIES	23,000.00	4.11%	10,314.38	1,916.67	438.14%	U	35,795.05	(12,795.05)
42115 TENANT SERVICES	0.00	0.00%	0.00	0.00	NA	U	0.00	0.00
TOTAL: SUPPLIES	<u>\$23,000.00</u>	<u>4.11%</u>	<u>\$10,314.38</u>	<u>1,916.67</u>	<u>438.14%</u>	<u>U</u>	<u>\$35,795.05</u>	<u>(\$12,795.05)</u>
OTHER SERVICES & CHARGES								
43010 AUDITING & ACCT SERVICES	1,500.00	0.27%	0.00	125.00	-100.00%	F	1,475.00	25.00
43040 ATTORNEY FEES-CIVIL PROCESS	1,500.00	0.27%	0.00	125.00	-100.00%	F	0.00	1,500.00
43070 MANAGEMENT SERVICES	80,484.00	14.39%	6,707.00	6,707.00	0.00%	F	73,777.00	6,707.00
43090 EXPERT & PROF SERVICES	27,500.00	4.92%	277.81	33.75	723.14%	U	11,512.39	15,987.61
43430 ADVERTISING - OTHER	500.00	0.09%	0.00	41.67	-100.00%	F	0.00	500.00
43610 INSURANCE & BONDS	34,748.00	6.21%	0.00	2,895.67	-100.00%	F	34,522.00	226.00
43810 ELECTRIC UTILITIES	1,100.00	0.20%	87.52	91.67	-4.52%	F	1,132.02	(32.02)
43820 WATER UTILITIES	800.00	0.14%	102.58	66.67	53.87%	U	1,215.25	(415.25)
43830 GAS UTILITIES	500.00	0.09%	30.71	41.67	-26.30%	F	305.50	194.50
43840 REFUSE DISPOSAL	3,000.00	0.54%	284.79	250.00	13.92%	U	2,925.64	74.36
43850 SEWER UTILITIES	500.00	0.09%	9.43	41.67	-77.37%	F	265.62	234.38
43860 STORM WATER UTILITY	700.00	0.13%	83.67	58.33	43.43%	U	852.56	(152.56)
44010 BUILDING MAINTENANCE	89,500.00	16.01%	12,096.39	7,458.33	62.19%	U	118,120.29	(28,620.29)
44050 EXTRAORDINARY MAINTENANCE	276,000.00	0.00%	0.00	23,000.00	NA	U	87,661.69	188,338.31
44325 BANK FEES & CHARGES	0.00	0.00%	284.63	0.00	NA	U	619.71	(619.71)
44370 MISC CHARGES	0.00	0.00%	0.00	0.00	NA	U	0.00	0.00
44375 UTILITY REIMBURSEMENT	7,500.00	1.34%	1,491.00	625.00	138.56%	U	9,467.00	(1,967.00)
44390 TAXES & LICENSES	10,000.00	1.79%	0.00	833.33	-100.00%	F	1,584.25	8,415.75
44700 INTEREST	300.00	0.05%	26.03	25.00	4.12%	U	189.51	110.49
TOTAL: OTHER SERVICES & CHARGES	<u>\$536,132.00</u>	<u>95.89%</u>	<u>\$21,481.56</u>	<u>\$42,419.75</u>	<u>-49.36%</u>	<u>F</u>	<u>\$345,625.43</u>	<u>\$190,506.57</u>
TOTAL EXPENSES	<u>\$559,132.00</u>	<u>100.00%</u>	<u>\$31,795.94</u>	<u>44,336.42</u>	<u>-28.28%</u>	<u>F</u>	<u>\$381,420.48</u>	<u>\$177,711.52</u>



Request for Action

TO: Faribault Housing and Redevelopment Authority
FROM: Deanna Kuennen, Com & Econ Dev Director
MEETING DATE: January 10, 2022
SUBJECT: Scattered Sites Rental Housing

PURPOSE:

The purpose of this memorandum is to provide the Faribault Housing and Redevelopment Authority with an update on activities at the scattered site rental units.

OCCUPANCY:

	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec
<u>Occupancy:</u>	100%	100%	100%	100%	100%	100	100	100	100%	100%	100%	
Unit												
<u>Turnovers:</u>	0	0	0	0	0	0	0	0	0	0	0	
<u>Vacant Units:</u>	None											

OPERATING STATEMENT:

Discussion: The financial report for the month of November is attached. There were no major expenses during this month.

Requested Action: The Board is asked to review and approve the operating statement as presented.

PROJECT ACTIVITY:

No unusual project activity.

**CITY SCATTERED SITES
FOR THE MONTH ENDING NOV 30, 2021**

	<u>2021 Budget</u>	<u>% of Revenue</u>	<u>November Actual</u>	<u>Monthly Budget</u>	<u>Variance of Monthly Budget</u>	<u>Favorable/ Unfavorable</u>	<u>2021 Year-To-Date</u>	<u>Remaining Balance</u>
REVENUES								
36211 MARKET VALUE ADJUSTMENT	0.00	0.00%	0.00	0.00	NA	F	0.00	0.00
36200 OTHER MISC REVENUE	0.00	0.00%	0.00	0.00	NA	F	0.00	0.00
36210 INTEREST ON INVESTMENTS	1,000.00	7.19%	99.92	83.33	NA	F	672.77	327.23
36211 INTEREST MARKET VALUE	0.00	0.00%	(2.08)	0.00	NA	F	(1,255.91)	1,255.91
36220 RENTS	12,900.00	92.81%	1,075.00	1,075.00	0.00%	U	11,835.00	1,065.00
36240 REFUNDS & REIMBURSEMENTS	0.00	0.00%	0.00	0.00	NA	F	0.00	0.00
TOTAL REVENUE ACCOUNTS	<u>\$13,900.00</u>	<u>92.81%</u>	<u>\$1,172.84</u>	<u>\$1,075.00</u>	<u>9.10%</u>	<u>F</u>	<u>\$11,251.86</u>	<u>\$2,648.14</u>
EXPENSES								
SUPPLIES		% of Expense						
42110 GENERAL SUPPLIES	500.00	5.70%	0.00	41.67	-100.00%	F	0.00	500.00
TOTAL: SUPPLIES	<u>\$500.00</u>	<u>5.70%</u>	<u>\$0.00</u>	<u>41.67</u>	<u>-100.00%</u>	<u>F</u>	<u>\$0.00</u>	<u>\$500.00</u>
OTHER SERVICES & CHARGES								
43040 LEGAL FEES - CIVIL PROCESS	500.00	5.70%	0.00	41.67	-100.00%	F	0.00	750.00
43070 MANAGEMENT SERVICES	1,140.00	12.99%	95.00	95.00	0.00%	F	1,045.00	95.00
43090 EXPERT & PROFESSIONAL SVCS	0.00	0.00%	0.00	0.00	0.00%	F	0.00	0.00
43430 ADVERTISING - OTHER	0.00	0.00%	0.00	0.00	NA	F	0.00	0.00
43610 INSURANCE & BONDS	583.00	6.65%	0.00	48.58	-100.00%	F	502.00	81.00
43810 ELECTRIC UTILITIES	200.00	2.28%	0.00	16.67	-100.00%	F	0.00	200.00
43820 WATER UTILITIES	300.00	3.42%	23.96	25.00	-4.16%	F	226.70	73.30
43830 GAS UTILITIES	100.00	1.14%	0.00	8.33	-100.00%	F	0.00	100.00
43840 REFUSE DISPOSAL	200.00	2.28%	0.00	16.67	-100.00%	F	0.00	200.00
43850 SEWER UTILITIES	400.00	4.56%	32.86	33.33	-1.42%	F	303.44	96.56
43860 STORM WATER UTILITY	100.00	1.14%	5.70	8.33	-31.60%	F	57.00	43.00
44010 BUILDING MAINTENANCE	3,000.00	34.20%	86.00	250.00	-65.60%	F	1,262.00	1,738.00
44160 RENTS & LEASES	0.00	0.00%	0.00	0.00	NA	U	0.00	0.00
44320 BAD DEBT	0.00	0.00%	0.00	0.00	NA	U	0.00	0.00
44390 TAXES & LICENSES	1,700.00	19.38%	0.00	0.00	NA	U	3,650.00	(1,950.00)
44700 INTEREST	50.00	0.57%	0.00	4.17	-100.00%	F	5.80	44.20
TOTAL: OTHER SERVICES & CHARGES	<u>\$8,273.00</u>	<u>94.30%</u>	<u>\$243.52</u>	<u>\$506.08</u>	<u>-51.88%</u>	<u>F</u>	<u>\$7,051.94</u>	<u>\$1,221.06</u>
 45200 BUILDING & IMPROVEMENTS	 \$0.00	 0.00%	 \$0.00	 \$0.00	 NA	 U	 \$0.00	 \$0.00
TOTAL EXPENSES	<u>\$8,773.00</u>	<u>100.00%</u>	<u>\$243.52</u>	<u>\$547.75</u>	<u>-55.54%</u>	<u>F</u>	<u>\$7,051.94</u>	<u>\$1,721.06</u>



Action Item

TO: Faribault Housing and Redevelopment Authority
FROM: Deanna Kuennen, Com & Econ Dev Director
MEETING DATE: January 10, 2022
SUBJECT: Amend Contract with Braun Intertec – HUD Part 58 Environmental Review

BACKGROUND:

As part of the RAD repositioning, a Part 58 Environmental Review is required. In October 2021 the HRA, after soliciting proposals, approved a service contract with Braun Intertec to complete the required environmental review. The kick-off of the project was then paused until HUD officially approved the waiver that allows the HRA to proceed with the repositioning request. On December 2, 2021 HUD provided approval of the waiver. Due to this delay, the contract between the HRA and Braun Intertec must be amended to establish a new contract term date as identified in Section 4.1 of the contract. Staff recommends a new term date of September 30, 2022.

RECOMMENDATION:

Approve Resolution 2022-01 amending Section 4.1 to a new expiration date of September 30, 2022.

FARIBAULT HOUSING AND REDEVELOPMENT AUTHORITY

RESOLUTION 2022-01

**AMEND ENVIRONMENTAL REVIEW SERVICES CONTRACT
WITH BRAUN INTERTEC**

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 49 scattered-site Low-Rent Public Housing through the U.S. Department of Housing and Urban Development (HUD) and

WHEREAS, the HRA has chosen to pursue repositioning its units through a RAD/Section 18 Blend and one of the application requirements is completion of an Environmental Review compliant with 24 CFR 58; and

WHEREAS, on October 11, 2021 via Resolution 2021-07, the Faribault Housing and Redevelopment Authority (HRA) awarded the Environmental Review Services Contract to Braun Intertec; and,

WHEREAS, originally the contract term was set to expire on December 31, 2021 but due to a delay in HUD approving the necessary waivers, the contract term identified in Section 4.1 must be amended to September 30, 2022.

NOW, THEREFORE, BE IT RESOLVED that the Faribault HRA approves amending Section 4.1 of the Environmental Review Services contract with Braun Intertec to reflect a new expiration date of September 30, 2022.

ADOPTED: January 10, 2022

Chairperson

ATTEST:

Secretary



Discussion Item

TO: Faribault Housing and Redevelopment Authority
FROM: Deanna Kuennen, Com & Econ Dev Director
MEETING DATE: January 10, 2022
SUBJECT: Summary of Available Housing Programs

BACKGROUND:

The HRA has identified the following programs for implementation in 2022:

CONTINUATION OF EXISTING PROGRAMS

- Mobile Home Buyout: \$20,000 – *reduced based on decreased program activity*
- Mobile Home Heat Tape: \$10,000 – *currently seeking contractor*
- Rental Rehab (Fund 244): \$100,000 – *program guidelines previously approved*

BLIGHT/REDEVELOPMENT PROGRAMS

Specific program guidelines and criteria to be determined/developed

- Downtown/2nd Floor Apartment Renovations \$100,000
- “Fix Up” Program – for home owners/exterior improvements \$50,000

HOME OWNERSHIP PROGRAM

- Down Payment Assistance: \$100,000

In addition to HRA programs, Staff has identified various other programs that citizens and property owners can access. This list is not exhaustive, and can be added to as additional programs are identified. This information will be included on the city's website.

USDA Rural Development:

*Subject to USDA Rural Development Income Restrictions

- Section 504 Repair Loan
 - Interest rate of 1-percent, maximum loan of \$20,000, repaid over 20 years
 - Can be used to home repairs and remodeling
 - Work must be completed by a licensed contractor
- Section 504 Repair Grant
 - Elderly homeowners over the age of 62
 - Maximum lifetime award of \$7,500, with 3-year term and grant agreement

Agenda Item: **6B**

- Can be used to remove a health/safety hazard or make the home more accessible to household members with disability
 - Work must be completed by a licensed contractor
- Section 502 Guaranteed Loan Program
 - Assists approved lenders in providing low-and moderate-income households the opportunity to own adequate, modest, decent, safe and sanitary dwellings in eligible rural areas

Minnesota Housing:

*Subject to MN Housing Income Restrictions

- Start Up Program
 - First-time homebuyer program for “those who have not had an ownership interest in a principal residence in the last three years.”
- Step-Up Program
 - First-time homebuyer program for those who exceeds the income and purchase limits for the Start Up program.
 - Also offers a refinancing program
- Fix Up Home Improvement Program
 - Low interest loans with terms up to 20 years
 - Loan amount between \$2,000-\$75,000
 - Single-family, duplex, and triplexes are eligible
- Rehab Loan Program & Emergency Loan Program
 - Maximum loan of \$37,500, maximum term of 15 years/10 years
 - Available for home improvements addressing emergency conditions of the home or accessibility needs for a disabled household resident

Southern Minnesota Initiative Foundation:

None

Rice County Housing:

None

RECOMMENDATION:

None. This information provided for informational purposes.



Discussion Item

TO: Faribault Housing and Redevelopment Authority
FROM: Deanna Kuennen, Com & Econ Dev Director
MEETING DATE: January 10, 2022
SUBJECT: Overview of Current Housing Development Projects and Opportunities

BACKGROUND:

To ensure that the HRA is aware of housing development approved and planned in the City, the following overview is provided. There will continue to be opportunities for the HRA to be involved in housing developments and to partner with others on such projects.

Recent Multi-Family Housing Developments (under construction or completed):

- Hillside Apartments – 44 units market rate – opened Summer 2020
- Loft at Evergreen – 76 units affordable – opened Fall 2021
- Straight River Apartments – 111 units market rate – under construction/opening 2022
- The Lofts on 1st and 3rd – 8 units market rate – opened Summer 2020
- 230 Central/T. Nelson Apartments – 8 units (4 affordable) – opening Summer 2022
- Cardinal Ave/Cashin Apartments – two 16-unit buildings – one completed in late 2021
- 903 Spring Road/Bakken – two 4-plexes

Planned Multi-Family Housing Developments

- C-Alan Homes – 32 townhomes
- John Cameron/Faribault Place – 60-unit senior with services
- Redevelopment of Lockerby Property – no selected developer at this time

RECOMMENDATION:

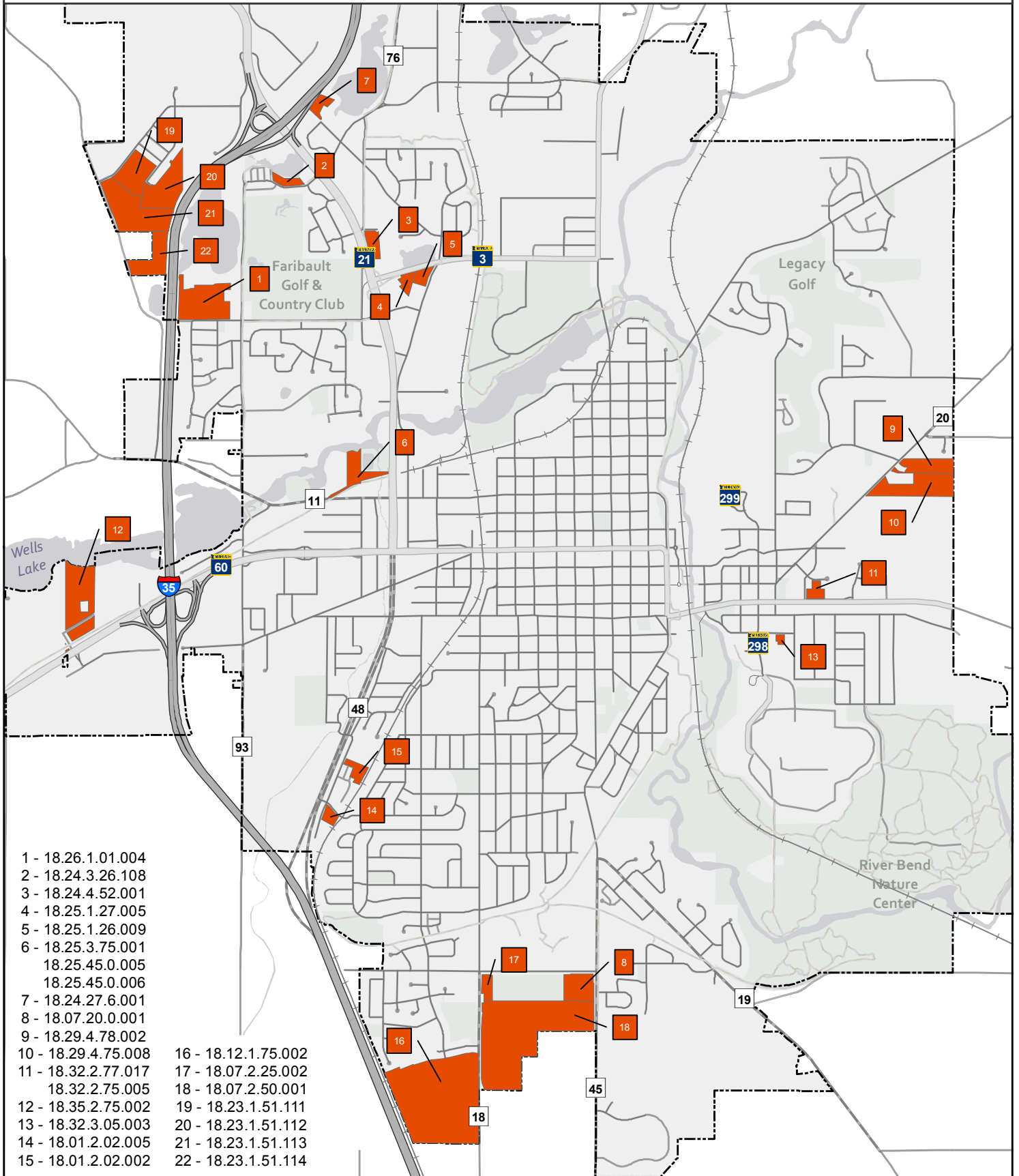
None. This information provided for informational purposes.

ATTACHMENT:

- Map – Potential Sites for MF Housing Development

Potential Sites for Multi-Family Housing Development

This map is neither a legally recorded map nor a survey. This map is a compilation data affecting the area shown; and is for reference purposes only. In using the map, you assume responsibility for the correctness all information extracted from this map.



0 2,000 4,000 Feet



POTENTIAL MULTIFAMILY SITES IN FARIBAULT, MN

1. **PID 18.26.1.01.004**
19.27 acres on 17th St NW
Owned by Midwest Property Brothers
Zoning: R3/R4 Medium/High Density Residential PUD
Comp Plan: Medium/High Density Residential
2. **PID 18.24.3.26.108**
2.06 acres by Reliance Bank
Owned by Premier Bank, contact Brian Carnes 651-777-7700
Zoning: C2 Highway Commercial/R3 Medium Density Residential PUD
Comp Plan: Medium Density Residential
3. **PID 18.24.4.52.001**
3.82 acres at 2055 Lyndale Ave
Owned by Vance Vinar, 507-254-7673
Zoning: C2 Highway Commercial
Comp Plan: Highway Commercial
4. **PID 18.25.1.27.005**
2.55 acres near the intersection of T.H. 3 and T.H. 21
Owned by Woodhurst Group, LLC, Mike Richie, mmrichie@charter.net
Zoning: C2, Highway Commercial
Comp Plan: Highway Commercial
5. **PID 18.25.1.26.009**
2.63 acres at the intersection of T.H. 3 and Hulett Ave
Owned by KGN Enterprises, LLC, Mike Richie, mmrichie@charter.net
Zoning: R4, High-Density Residential
Comp Plan: Highway Commercial
6. **PID 18.25.3.75.001, 18.25.4.50.005 and 18.25.4.50.006**
8.9 acres at 1702 7th St NW
Owned by Charles Budde, 507-334-8440
7. PENDING DEVELOPMENT - **PID 18.24.2.76.001**
3.9 acres at 1910 Cardinal Lane
Owned by Paul Gray, 507-334-3400 x232
8. **PID 18.01.2.00.001**
10.9 acres at 1740 Willow Street
Owned by City of Faribault
Tim Murray, 507-333-0355
9. **PID 18.20.4.27.007**
13 acres off East View Dr
Owned by Mra Holdings, LLC

Zoning: R3, Medium-Density Residential
Comp Plan: Agriculture

10. **PID 18.31.4.00.003, 18.31.4.00.004, 18.31.4.00.005, 18.31.4.00.006, 18.31.4.00.008, 18.31.4.00.009, 18.31.4.26.073, 18.31.4.26.074, 18.31.4.75.001**
9.3 acres at 217 Mill St
Owned by City of Faribault
Tim Murray, 507-333-0375
Zoned: I2, Heavy Industrial
Comp Plan: Industrial/Public/Semi-Public
11. **PENDING DEVELOPMENT - PID 18.32.2.75.005 and PID 18.32.2.77.017**
2.62 acres at 924 1st St NE

Zoned: C2, Highway Commercial
Comp Plan: Commercial
12. **PID 18.35.2.75.002**
Land by Dairy Queen on Highway 60
Owned by 35W & Hwy 60 W LLC
Vance Vinar, 507-254-7673
Zoning: C2 Highway Commercial
Comp Plan: Highway Commercial
13. **PID 18.32.3.05.003**
Johnston Hall – historic property for redevelopment
633 1st St SE
Owned by Allina Health, David Albrecht, 507-334-6451
Zoning: R4 High Density Residential PUD
Comp Plan: Public/Semi-Public
14. **PID 18.01.2.02.005**
2.2 acres along CR 48/Highway 21
1001 Faribault Rd
Owned by John Cameron, 612-355-7428
Zoning: C2 Highway Commercial
Comp Plan: Commercial
15. **PID 18.01.2.02.002**
3.25 acres along CR 48/Highway 21
865 Myrtle Gentry Place
Owned by John Cameron, 612-355-7428
Zoning: C2 Highway Commercial PUD (PUD already has housing approved for this site)
Comp Plan: Commercial
16. **PID 18.12.1.75.002**
77 acres by the Soccer Complex on 17th St SW
Owned by Prairie Ridge Faribault Limited Partnership, Rick Cashin, 507-334-8082
Zoning: Open Space/Agriculture
Comp Plan: High Density Residential/Low Density Residential

17. **PID 18.07.2.25.002**
3.9 acres next to the Soccer Complex on 17th St SW
Owned by James E & Kay H Kohl Trust, 607 2nd Ave NW
Parker Kohl Funeral Home, 507-334-4458
Zoning: TUD, Transitional Urban Development
Comp Plan: High Density Residential
18. **PID 18.07.2.50.001**
72 acres by the Soccer Complex on 17th St SW
Owned by FH Holdings (Joe and Duane Geiger)
Joe Geiger @ Thrivent Financial 612-221-4079
Duane Geiger @ CH Bus Sales 331-7911 or DGeiger@chbussales.com
Zoning: R3 Medium Density Residential
Comp Plan: Medium Density Residential/Low Density Residential
19. **PID 18.23.1.51.111**
12.03 acres on Belview Trail
Owned by McCue Family Farm Partnership, 952-292-6166
Zoning: R3 Medium Density Residential
Comp Plan: Medium Density Residential
20. **PID 18.23.1.51.112**
14.52 acres on Belview Trail
Owned by McCue Family Farm Partnership, 952-292-6166
Zoning: R3 Medium Density Residential
Comp Plan: Medium Density Residential
21. **PID 18.23.1.51.113**
25.96 acres on Belview Trail
Owned by McCue Family Farm Partnership, 952-292-6166
Zoning: R3 Medium Density Residential
Comp Plan: Medium/High Density Residential
22. **PID 18.23.1.51.114**
10.5 acres on Belview Trail
Owned by McCue Family Farm Partnership, 952-292-6166
Zoning: R4 High Density Residential
Comp Plan: Medium Density Residential