



## HOUSING & REDEVELOPMENT AUTHORITY AGENDA

3RD FLOOR CONFERENCE  
ROOM

MONDAY, APRIL 13, 2026

6:00 PM

1. Call to Order/ Approve Agenda
2. Approval of March 9, 2026 HRA Meeting Minutes
3. List of Claims to be Paid
4. Program Reports
  - A. Three Rivers Manufactured Home Improvement Efforts - Quarterly Report
  - B. HRA Operating Fund (290)
5. Property Reports
  - A. RAD Repositioning Closeout Update
  - B. Scattered Sites - 20-Year Capital Needs Assessment Quotes
6. Public Hearings
7. Items for Discussion
  - A. Housing Partner Presentation - Rice County Housing and Redevelopment Authority (HRA) - Joy Watson, Director of Housing
  - B. Resolution 2026-14 Authorize the Release of the FDC Agreements associated with 227 and 229 Central Avenue and Authorize the Execution of New Agreements with a New Owner of the Property based on the Terms and Conditions of the FDC Agreements
  - C. Resolution 2026-12 Authorize Internal Repayments of Funds Due from the Scattered Sites Fund
  - D. Resolution 2026-13 Release Right of Reverter from Purchase Agreement with Chamber Trust for 728 Division Street East
  - E. Appointments to Elderly Housing Corporation Board
  - F. Review the HRA's Strategic Priorities in Relation to the HRA's Housing Needs Analysis
  - G. Focus Area #5 Address Bight for Future Opportunity - Tree and Stump Removal Program
8. Adjournment





## HOUSING & REDEVELOPMENT AUTHORITY MINUTES

3RD FLOOR  
CONFERENCE ROOM

MONDAY, MARCH 9, 2026

6:00 PM

### Meeting Items

1. Call to Order/ Approve Agenda

Chair John Rowan called a regular meeting of the Housing and Redevelopment Authority to order at 6:00 p.m. All members of the board were present. City staff present were David Wanberg, Kari Casper, and Jessica Kinser. Jake Wiensch and Anika Rychner were also present.

Motion by Travis McColley, seconded by Deborah Lyzenga, to approve the agenda as presented. The motion passed unanimously.

2. Approval of the minutes of the February 9, 2026, meeting, as well as the meeting minutes from the Special Meeting of February 26th, 2026.

Motion by Carrie Winjum, seconded by Jonathan King, to approve both sets of meeting minutes as presented. The motion passed unanimously.

3. List of Claims to be Paid

Motion by Travis McColley, seconded by Mandy Barnes, to approve the list of claims as presented. The motion passed unanimously.

4. Program Reports - None

5. Property Reports

Last report from Cornerstone, dated December 2025. Wanberg mentioned needing a capital needs assessment. There are five vacant units. McColley mentioned that the Shumway one was vacant for a year and a half. Casper mentioned that it was an insurance claim. He then asked about the 13<sup>th</sup> Street one. Casper responded by stating that the bedrooms were too small, which are 8' x 10'. He asked how long it takes to turn one of these over. Wanberg responded that we try to get them turned over within 30 days. He mentioned that one had been vacant for over 180 days. Casper mentioned that these are total renovations and that Cornerstone was in charge of this until December. Chair Rowan asked if there was legal recourse on these. Wanberg mentioned that we do have Revenue Recapture. Casper explained that RCHRA does the initial wait list pull and explained the process. McColley asked if we could do better on that. Wanberg responded that we can.

Motion by Travis McColley, seconded by Mandy Barnes, to approve the property reports as presented. The motion passed unanimously.

A. Robinwood Manor and Scattered Sites

HONESTY ▪ RESPECT ▪ DEDICATED ▪ VISIONARY ▪ ACCOUNTABILITY

6. Public Hearings - None

7. Items for Discussion

A. Adopt Final Strategic Priorities Report

Motion by Travis McColley, seconded by Carrie Winjum, to approve the proposed Memorandum presented by Allyson Brynette as presented. The motion passed unanimously.

B. Provide Direction regarding a Request from the Community Action Center to Help Fund Emergency Rental Assistance

Motion by Carrie Winjum, seconded by Deborah Lyzenga, to approve funding to the Community Action Center for Emergency Rental Assistance for \$50,000. The motion passed on a 5/2 vote, with both Mandy Barnes and John Rowan dissenting. The motion was amended, and it was agreed that the CAC will return quarterly to give reports.

A motion was made by Travis McColley, seconded by Carrie Winjum, to allow the Board Chair permission to execute the agreement between the HRA and the Community Action Center and provide the \$50,000 funding with no further action from the HRA.

C. Review of the Sale of Robinwood Manor

Motion by Mandy Barnes, seconded by Deborah Lyzenga to Approve. Motion Passed.

D. 2026 HRA Board Meeting Schedule

Motion by Travis McColley, seconded by Jonathan King, to Approve. Motion Passed.

E. Updates and Upcoming Meetings

F. Recognition and Appreciation for Tom Furman's Tenure as HRA Executive Director

This would have been Tom Furman's last meeting with the HRA; however, he was not feeling well today and went home early. A card was passed around the room for the Board members to sign for Tom Furman.

8. Adjournment

A motion to adjourn was made by Travis McColley, seconded by Mandy Barnes at 6:31 p.m. The motion passed unanimously.

By: \_\_\_\_\_



## Request for Action

**TO:** Faribault Housing & Redevelopment Authority  
**FROM:** David Wanberg, Director of Community and Economic Development  
**THROUGH:** David Wanberg, Director of Community and Economic Development  
**MEETING DATE:** April 13, 2026  
**SUBJECT:** List of Claims to be Paid

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**BACKGROUND:**

The bills in the attached spreadsheets are for finalizing Robinwood 2025 and 2026, as well as February and March 2026 Scattered Sites.

**REQUESTED ACTION:**

Approved for payment as requested.

**ATTACHMENTS:**



## Request for Action

**TO:** Faribault Housing & Redevelopment Authority  
**FROM:** David Wanberg, CED Director  
**THROUGH:** David Wanberg, CED Director  
**MEETING DATE:** April 13, 2026  
**SUBJECT:** Three Rivers Manufactured Home Improvement Efforts - Quarterly Report

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### **BACKGROUND:**

A representative from Three Rivers will provide the required quarterly report associated with its Manufactured Home Improvements efforts.

Also, Three Rivers did not receive the \$30,000 payment from the HRA for its work in Q3 and Q4 of last year. The HRA must make that payment per its Agreement with Three Rivers. However, because the HRA's payments should have been made in 2025, for accounting and audit purposes, Three Rivers requested that the HRA allow flexibility on when it uses those funds. It prefers that the HRA not set a deadline for when Three Rivers must account for the expenditure of the funds, but that the funds be used in Faribault for the Manufactured Home Improvement efforts. The CED Director suggests that the HRA require the \$30,000 from 2025 be used in the next 24 months rather than not having a deadline.

### **REQUESTED ACTION:**

Provide feedback on Three Rivers quarterly report, which will be presented at the HRA meeting. If acceptable, receive and file the report.

Authorize the HRA chair and CED Director to sign a memorandum of understanding allowing Three Rivers Community Action to place \$30,000 in the Mobile Home Rehab reserves, restricted for use only in Faribault. The \$30,000 payment for Q3 and Q4 2025 must be used for Mobile Home Rehab program activities within 24 months of receipt.

### **ATTACHMENTS:**





## Request for Action

**TO:** Faribault Housing & Redevelopment Authority

**FROM:** Kindra Papenfus, Finance Director  
Jessica Kinser, City Administrator

**THROUGH:** David Wanberg, Director of Community and Economic Development

**MEETING DATE:** April 13, 2026

**SUBJECT:** HRA Operating Fund (290)

**BACKGROUND:**

The HRA Operating Fund (290) is the fund that receives the property tax revenue as the main revenue source and covers the costs of the City's management fees, training, software, and other things. This fund is also where the revolving programs and agreements have been budgeted in the past, and includes a lot of items that are ongoing from year-to-year. The attached report is a review of where 2025 ended, with the balance sheet accounts on top, and the revenue and expenditures and associated budgets listed at the bottom. The 2024 year-end is also included as a column for comparison.

The fund balance on 12/31/25 was \$1.4 million. Of this, \$1.2 million is cash. You will note the due from other funds of \$250,000, which is an internal loan proposed to be repaid to this fund at the April meeting. This is a healthy fund balance to continue to consider ongoing programs (new or expanding) and special requests, like the loan to Rebound for the Hill Block.

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The budget report for March 2026 is also attached with this item. With property taxes being received in June, July, and December, this fund gets very little revenue until that first property tax distribution. But the fund has also seen very few expenses through the end of March as well. The largest expense is a \$15,000 payment to Three Rivers for the mobile home coordinator program.

As a reminder, there is a large budget of \$235,000 in 44600 Loans and Grants. This breaks down into the following programs/categories:

HONESTY ▪ RESPECT ▪ DEDICATED ▪ VISIONARY ▪ ACCOUNTABILITY

- Mobile Home Coordinator - \$60,000
- Tree Removal Assistance - \$60,000
- Corridor Rehab Loans - \$45,000
- Hope Center - \$10,000
- Down Payment Assistance - \$60,000

The budget was developed before priorities were developed, so program decisions might create a need for the board to consider a budget amendment in the future.

The other significant expenditure line item budget is 43090 Expert and Professional Services. The \$50,000 agreement with the City for management services will come out of this line, which leaves another \$100,000 budgeted. I cannot find anything in the budget notes that would indicate what this amount was intended for.

**REQUESTED ACTION:**

No action requested at this meeting.

For future consideration - amending budget line items to match board priority spending; determine if there is part of fund balance to move to Special Projects Fund.

**ATTACHMENTS:**

1. HRA Fund 290 2025 Year End
2. YTD Budget Report HRA

**HRA Fund 290- Operating Fund  
12/31/25**

Org	Object	Description	2025 Revised Budget	2025 Actual	2025 %	2024 Actual		
290	10100	Cash		1,207,560.91		892,495.30	<b>Balance Sheet Accounts</b>	
290	10410	Invest – FMV Adjustment		0.00		0.00		
290	10450	Interest Receivable on Invest		0.00		2,704.16		
290	10500	Taxes Receivable – Current		2,446.51		4,728.00		
290	10700	Taxes Receivable – Delinquent		2,593.43		4,454.55		
290	11500	Accounts Receivable		0.00		0.00		
290	11540	AR - Loans Receivable		0.00		0.00		
290	13100	Due from Oth Funds		250,000.00		250,000.00		
290	13200	Due from Oth Governments		0.00		0.00		
290	13700	Loans Receivable		0.00		13,603.38		
290	13710	Allow Uncollectible Loans		406,666.06		406,666.06		
290	15500	Prepaid Items		0.00		315.00		
290	16250	Property Held for Resale		0.00		0.00		
290	20200	Accounts Payable		-6,123.00		-1,506.75		
290	20201	ACI Accounts Payable		0.00		0.00		
290	20205	Accounts Payable Miscellaneous		0.00		0.00		
290	20800	Due to Oth Governments		-25,346.80		-29,513.04		
290	20910	Advances from Primary Govt		0.00		0.00		
290	22200	Deferred Revenues		-2,593.43		-4,454.55		
290	22210	Loans Receivable - Deferred		-406,666.06		-406,666.06		
<b>290</b>	<b>25300</b>	<b>Unreserved Fund Balance</b>		<b>-1,428,537.62</b>		<b>-1,132,826.05</b>		
HRA	31010	Current Ad Valorem Taxes	-416,418	-411,228.90	99%	-377,043.92		<b>Revenue Accounts</b>
HRA	31020	Delinquent Ad Valorem Taxes	0	-2,287.53		-1,487.05		
HRA	31030	Mobile Home Tax	0	-876.49		-663.57		
HRA	31035	Delinquent Mobile Home Tax	0	-370.86		-188.32		
HRA	31040	Excess Tax Increment	0	0.00		0.00		
HRA	31500	Pilot In Lieu of Taxes	0	-308.71		-419.02		
HRA	31550	Green Acres	0	-63.44		-20.70		
HRA	33160	Federal Grants	0	0.00		0.00		
HRA	33402	Market Value Homestead Credit	0	-31.13		-31.41		
HRA	33422	Oth State Grants and Aids	0	-534.05		0.00		
HRA	34108	Administrative Fees	0	0.00		0.00		
HRA	34700	Program Revenue	0	0.00		0.00		
HRA	36200	Oth Miscellaneous Revenue	-1,000	0.00	0%	-2,123.30		
HRA	36210	Interest on Invest	-11,190	2,230.08	-20%	1,491.33		
HRA	36211	Interest Market Value	0	0.00		-15,747.39		
HRA	36215	Loan Interest	-200	-239.24	120%	-612.03		
HRA	36240	Refunds & Reimbursements	0	-27.30		0.00		
HRA	36400	Loan Principal	0	0.00		0.00		
HRA	39101	Sale of Capital Assets	0	0.00		-28,500.00		
HRA	39200	Transfer In	0	0.00		0.00		
		<b>Total REVENUES</b>	<b>-428,808</b>	<b>-413,737.57</b>	<b>96%</b>	<b>-425,345.38</b>		

**HRA Fund 290- Operating Fund  
12/31/25**

HRA	42010	Supplies	200	465.76	233%	173.76	Expenditure Accounts
HRA	43010	Auditing & Accounting Services	0	5,775.00		0.00	
HRA	43040	Legal Fees – Civil Process	15,000	5,512.40	37%	10,899.65	
HRA	43070	Management Services	135,970	63,434.16	47%	234.86	
HRA	43090	Expert & Professional Services	357,000	31,410.72	9%	368,038.58	
HRA	43095	Software Maintenance & Support	5,000	298.97	6%	3,596.59	
HRA	43140	Training & Education	6,000	4,975.00	83%	896.76	
HRA	43310	Travel Expense	1,000	306.50	31%	0.00	
HRA	43410	Advertising	500	2,480.62	496%	0.00	
HRA	43510	Legal Notices Publishing	500	199.38	40%	0.00	
HRA	43520	Recording Fees	400	276.00	69%	0.00	
HRA	43610	Insurance & Bonds	5,143	2,389.49	46%	10,446.00	
HRA	43810	Electric Utilities	0	0.00		0.00	
HRA	43820	Water Utilities	0	0.00		0.00	
HRA	43830	Gas Utilities	0	0.00		0.00	
HRA	43840	Refuse Disposal	0	0.00		0.00	
HRA	43850	Sewer Utilities	0	0.00		0.00	
HRA	43860	Storm Water Utilities	0	0.00		0.00	
HRA	44010	Building Maintenance	0	0.00		0.00	
HRA	44040	Vehicle Equip & Mach Repairs	0	0.00		0.00	
HRA	44320	Bad Debt	0	0.00		0.00	
HRA	44330	Dues and Subscriptions	800	477.00	60%	674.03	
HRA	44390	Taxes & Licenses	0	25.00		21.25	
HRA	44450	Claims & Damages	0	0.00		0.00	
HRA	44600	Loans & Grants	0	0.00		0.00	
HRA	45200	Building & Improvements	0	0.00		0.00	
HRA	45500	Vehicles	0	0.00		0.00	
HRA	46020	Oth LT Obligation Prncpl	0	0.00		0.00	
HRA	46120	Loan Interest	0	0.00		0.00	
HRA	47200	Transfer Out	0	0.00		0.00	
HRA	99999	Temporary acct (please change)	0	0.00		0.00	
		<b>Total EXPENDITURES</b>	<b>527,513</b>	<b>118,026.00</b>	<b>22%</b>	<b>394,981.48</b>	

NOTES:

- Ending fund balance of \$1,428,538, of which \$1.2 million is cash
- Property tax revenue received as projected; interest and market value had a negative impact
- Expenditures were down significantly from where budgeted (22% of budget was spent)
  - 43070 Amount of staff time to be billed to HRA was unknown when 2025 budget prepared
  - 43090 Program spending limited in 2025

YEAR-TO-DATE BUDGET REPORT

FOR 2026 03

ACCOUNTS FOR:	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USE/COL
290 Faribault HRA							
<b>HRA Faribault HRA</b>							
HRA 31010 Current Ad Valorem Taxes	-439,868	-439,868	.00	.00	.00	-439,868.00	.0%
HRA 36210 Interest on Invest	-3,686	-3,686	-95.85	.00	.00	-3,590.15	2.6%
HRA 42010 Supplies	450	450	.00	.00	.00	450.00	.0%
HRA 43010 Auditing & Accounting Se	5,775	5,775	.00	.00	.00	5,775.00	.0%
HRA 43040 Legal Fees - Civil Proce	15,000	15,000	91.10	29.60	.00	14,908.90	.6%
HRA 43090 Expert & Professional Se	150,000	150,000	4,055.60	4,055.60	.00	145,944.40	2.7%
HRA 43095 Software Maintenance & S	12,000	12,000	.00	.00	.00	12,000.00	.0%
HRA 43140 Training & Education	7,000	7,000	.00	.00	.00	7,000.00	.0%
HRA 43310 Travel Expense	3,000	3,000	.00	.00	.00	3,000.00	.0%
HRA 43410 Advertising	500	500	.00	.00	.00	500.00	.0%
HRA 43510 Legal Notices Publishing	500	500	.00	.00	.00	500.00	.0%
HRA 43520 Recording Fees	450	450	.00	.00	.00	450.00	.0%
HRA 43610 Insurance & Bonds	6,000	6,000	.00	.00	.00	6,000.00	.0%
HRA 44330 Dues and Subscriptions	800	800	324.00	.00	.00	476.00	40.5%
HRA 44390 Taxes & Licenses	250	250	.00	.00	.00	250.00	.0%
HRA 44600 Loans & Grants	235,000	235,000	15,000.00	.00	.00	220,000.00	6.4%
TOTAL Faribault HRA	-6,829	-6,829	19,374.85	4,085.20	.00	-26,203.85	-283.7%
TOTAL Faribault HRA	-6,829	-6,829	19,374.85	4,085.20	.00	-26,203.85	-283.7%
TOTAL REVENUES	-443,554	-443,554	-95.85	.00	.00	-443,458.15	
TOTAL EXPENSES	436,725	436,725	19,470.70	4,085.20	.00	417,254.30	

YEAR-TO-DATE BUDGET REPORT

FOR 2026 03

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USE/COL
GRAND TOTAL	-6,829	-6,829	19,374.85	4,085.20	.00	-26,203.85	-283.7%

\*\* END OF REPORT - Generated by Joyce Prahm \*\*

YEAR-TO-DATE BUDGET REPORT

REPORT OPTIONS

Sequence	Field #	Total	Page Break
Sequence 1	1	Y	Y
Sequence 2	9	Y	N
Sequence 3	0	N	N
Sequence 4	0	N	N

Report title:  
YEAR-TO-DATE BUDGET REPORT

Print Full or Short description: F  
 Print MTD Version: Y  
 Print Revenues-Version headings: N  
 Format type: 1  
 Print revenue budgets as zero: N  
 Include Fund Balance: N  
 Include requisition amount: N  
 Multiyear view: D

Year/Period: 2026/ 3  
 Print revenue as credit: Y  
 Print totals only: N  
 Suppress zero bal accts: Y  
 Print full GL account: N  
 Double space: N  
 Roll projects to object: N  
 Carry forward code: 1  
 Print journal detail: N  
 From Yr/Per: 2025/11  
 To Yr/Per: 2025/11  
 Include budget entries: Y  
 Incl encumb/liq entries: Y  
 Sort by JE # or PO #: J  
 Detail format option: 1

Field Name	Find Criteria	Field value
Fund		290
Department		
Function		
Character Code		
Org		
Object		
Project		
Account type		
Account status		
Rollup Code		



## Request for Action

**TO:** Faribault Housing & Redevelopment Authority  
**FROM:** Jessica Kinser, City Administrator  
**THROUGH:** David Wanberg, Director of Community and Economic Development  
**MEETING DATE:** April 13, 2026  
**SUBJECT:** RAD Repositioning Closeout Update

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### **BACKGROUND:**

The repositioning of the HRA's properties from public housing to no longer being public housing with Housing and Urban Development (HUD) had not been formally closed out with HUD, and communications in late March showed the final steps needed. On the financial side, there was never a date established in the financial system where the public housing was closed, even though the HRA has operated the scattered site units not as public housing for at least 2 years. HUD required the financials to be "closed". Thankfully, the City's fiscal year that ended on December 31, 2025, was not yet closed or audited. The Finance Department created a new fund for HRA Scattered Sites in the financial system as of 12/31/25, and transferred all remaining public housing balances from fund 291 to this new fund. There is also a federal form that needs to be completed to finalize the close out.

Due to this extra last minute task, a January 2026 financial report for the Scattered Sites Fund is not available at the time of publication for this meeting, but should be available for the May meeting.

### **REQUESTED ACTION:**

No action required at this time.

### **ATTACHMENTS:**



## Request for Action

**TO:** Faribault Housing & Redevelopment Authority  
**FROM:** Jessica Kinser, City Administrator  
**THROUGH:** David Wanberg, Director of Community and Economic Development  
**MEETING DATE:** April 13, 2026  
**SUBJECT:** Scattered Sites - 20-Year Capital Needs Assessment Quotes

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### **BACKGROUND:**

The Scattered Site properties have gone through a capital needs assessment (CNA) on a ten-year cycle, with history showing 2003 and 2013 reports. In 2023, one quote was obtained, but without staffing to oversee the CNA, no contract was signed, and no work was completed. While staffing is again an issue, this is a report that needs to be completed in order to ensure the HRA is retaining the appropriate capital reserves and is budgeting for known repairs on an annual basis in a proactive way, and it should not be delayed.

Quotes were requested for the following scope of work:

- 20 Year Capital Needs Assessment on each of the 49 units.
- Data to be provided in a 20-year format spreadsheet produced by Minnesota Housing (attached).
- Work to be completed in a timeframe so a draft report provided by September for a 2027 capital budget can be developed.

A bid tabulation will be available at the meeting, as the 4 responses received have not been thoroughly reviewed at the time the packet was published.

### **REQUESTED ACTION:**

A motion to approve a quote to complete the CNA process and to authorize the Chair to execute the necessary paperwork to begin the process.

**ATTACHMENTS:**



## Request for Action

**TO:** Faribault Housing & Redevelopment Authority  
**FROM:** Jessica Kinser, City Administrator  
**THROUGH:** David Wanberg, Director of Community and Economic Development  
**MEETING DATE:** April 13, 2026  
**SUBJECT:** Housing Partner Presentation - Rice County Housing and Redevelopment Authority (HRA) - Joy Watson, Director of Housing

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### **BACKGROUND:**

In bringing action to Focus Area #4- Strategic Partnerships, we will plan to have a partner in the housing community come to the regularly scheduled meetings throughout the year to talk about the services they provide, the relationship with the Faribault HRA, and areas where collaboration can happen or continue.

To start, Joy Watson, Director of Housing, for the Rice County Housing and Redevelopment Authority will be at the HRA meeting. The relationship with the County HRA is a great place to start, as they have been a partner on the scattered site properties and administering the Section 8 voucher program. Rice County HRA has also been a developer, utilizing a remnant property to plan and develop the Twin Oaks Subdivision and can offer up lessons learned that can help the HRA board think about what Focus Area #1- Development of Permanent and/or Non-Traditional Housing Options.

### **REQUESTED ACTION:**

### **ATTACHMENTS:**

1. Faribault HRA 2026



**Rice County Housing and  
Redevelopment Authority**

# Mission

Provide a sufficient supply of adequate, safe and sanitary dwellings in order to protect the health, safety, and welfare of the citizens of Rice County;

- To clear and redevelop blighted areas;
- To perform those duties according to comprehensive plans;
- To remedy the shortage of housing for low and moderate income residents; and
- To redevelop blighted areas, in situations in which private enterprise would not act without government participation or subsidies.

# United States Housing Act of 1937

It is the policy of the United States to promote the general welfare of the Nation by employing the funds and credit of the Nation, as provided in this Act—

- To assist States and political subdivisions of States to remedy the unsafe housing conditions and the acute shortage of decent and safe dwellings for low-income families;
- To assist States and political subdivisions of States to address the shortage of housing affordable to low-income families; and
- Consistent with the objectives of this title, to vest in public housing agencies that perform well, the maximum amount of responsibility and flexibility in program administration, with appropriate accountability to public housing residents, localities, and the general public;

# Minnesota Statute 469.001 to 469.047

- To provide a sufficient supply of adequate, safe, and sanitary dwellings in order to protect the health, safety, morals, and welfare of the citizens of this state;
- To clear and redevelop blighted areas;
- To perform those duties according to comprehensive plans;
- To remedy the shortage of housing for low and moderate-income residents, and to redevelop blighted areas, in situations in which private enterprise would not act without government participation or subsidies

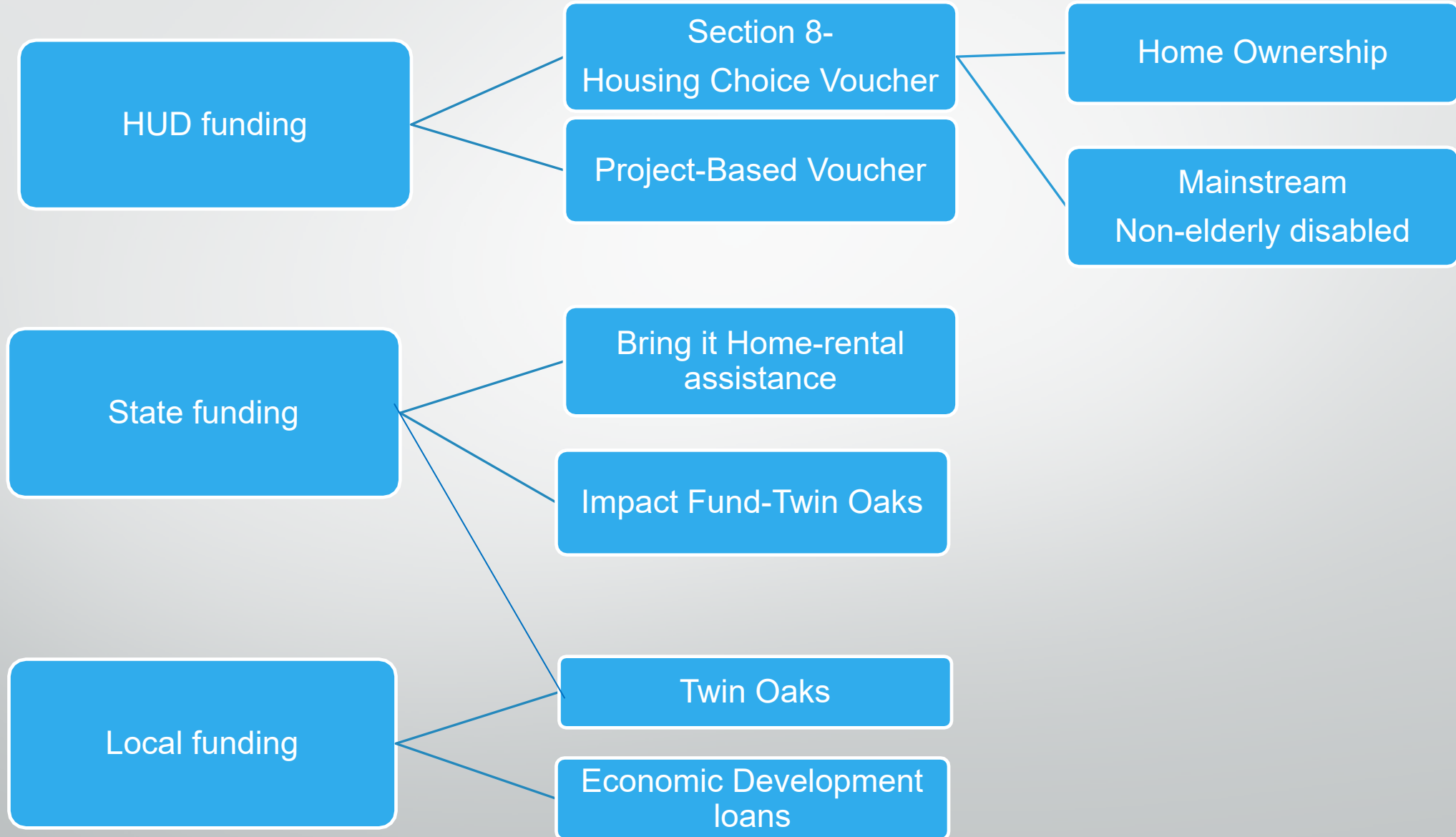
# Program Eligibility-rental assistance

- Income-based
  - Less than 50% of area median income
    - Determined each year by HUD
  - \$48,350 for a family of four
- Tenant-based
  - Assistance follows the tenant
- Project-based
  - Assistance stays with the unit
    - Scattered-site units
    - Spring Creek II-Northfield

## FY 2025 Income Limits Summary

FY 2025 Income Limit Area	Median Family Income <a href="#">Click for More Detail</a>	FY 2025 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
<b>Rice County, MN</b>	\$107,700	Very Low (50%) Income Limits (\$) <a href="#">Click for More Detail</a>	37,700	43,100	48,500	<b>53,850</b>	58,200	62,500	66,800	71,100
		Extremely Low Income Limits (\$)* <a href="#">Click for More Detail</a>	22,650	25,850	29,100	<b>32,300</b>	37,650	43,150	48,650	54,150
		Low (80%) Income Limits (\$) <a href="#">Click for More Detail</a>	60,350	68,950	77,550	<b>86,150</b>	93,050	99,950	106,850	113,750

# Rice County HRA Programs



# RCHRA Programs-rental assistance

- 2008 329 Housing Choice Vouchers
- 2018 17 Mainstream Vouchers added-non-elderly disabled adults
- 2021 5 new HCV-COVID funding
- 2021 15 Emergency Housing Vouchers (COVID, expired 2025)
- 2023 49 units-Faribault HRA
- 2026 45 Bring it Home-state funded
  
- HUD evaluates voucher funding based on percentage of budget spent, not percentage of vouchers leased

# Scattered-site (Faribault Public Housing LLC)

- Faribault HRA is the owner
  - Determines rents
  - Collects rents
  - Determines occupancy standards
  - Enforces lease
  - Makes repairs

# Scattered-site (Faribault Public Housing LLC)

## Rice County HRA

- Administers subsidy
- Manages wait list
- Determines eligibility
- Inspects units-housing quality standards
- Pays subsidy to Faribault HRA

# Waiting lists

- All programs have a waiting list
  - Wait depends on program type
  - Preferences move people up on the list
    - Live or work in Rice County
    - Working, elderly, or disabled
      - Other preferences by program

# Housing needs

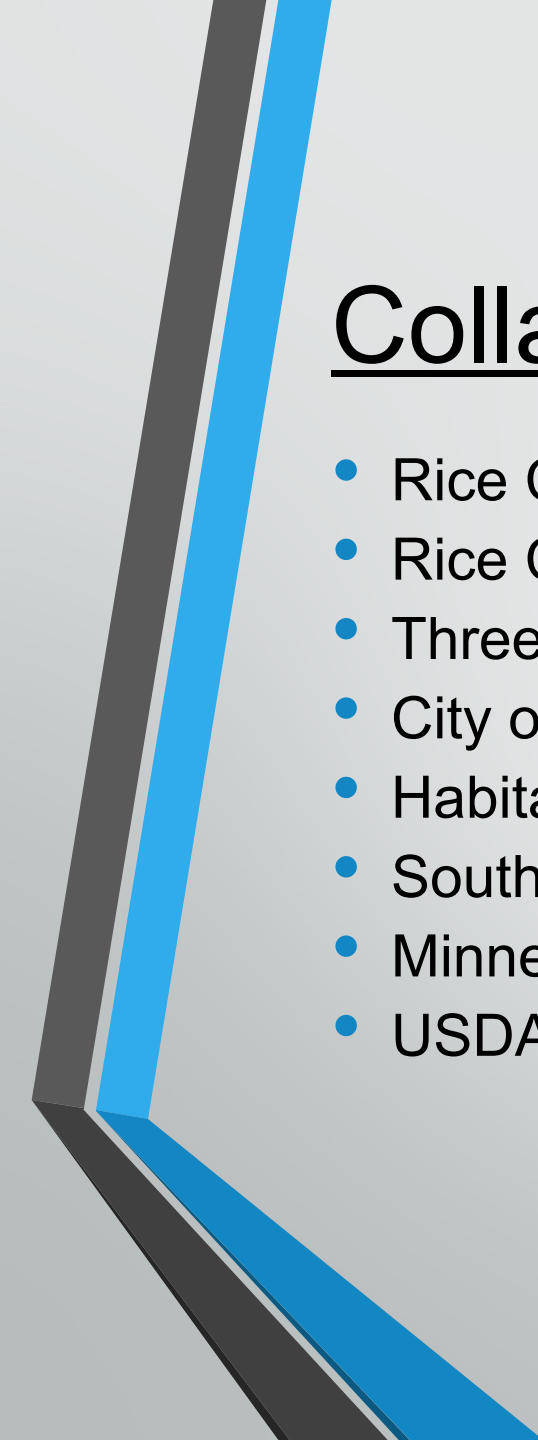
- 2012 Rice County Housing Study
  - Promote home ownership
  - Median Faribault home value \$120,000
- 2026 Faribault Housing Study
  - Home ownership continues to be a need
  - Median Faribault home value \$294,000

# Housing Development-Twin Oaks

- 2021-Rice County purchased Public Safety Center site
- 2022- RFP for builder, Three Rivers Impact Fund application
- 2023- site planning
- 2024- Site construction
- 2024-2026 Habitat builds 6 homes
- 2026 Phase II, 8 homes, Three Rivers Impact Fund award

# Twin Oaks





# Collaboration

- Rice County
- Rice County HRA
- Three Rivers
- City of Faribault
- Habitat for Humanity
- South Central College
- Minnesota Housing
- USDA



## Request for Action

**TO:** Faribault Housing & Redevelopment Authority  
**FROM:** David wanberg, CED Director  
**THROUGH:** David Wanberg, CED Director  
**MEETING DATE:** April 13, 2026  
**SUBJECT:** Resolution 2026-14 Authorize the Release of the FDC Agreements associated with 227 and 229 Central Avenue and Authorize the Execution of New Agreements with a New Owner of the Property based on the Terms and Conditions of the FDC Agreements

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### **BACKGROUND:**

Matt Drevlow intends to purchase 227 and 229 Central from Faribo Downtown Central (FDC), rehab the property, and add apartments to the upper levels. He requests that the HRA release the property from the terms and requirements of the FDC agreements, and that he enter into a new agreement with the same terms and requirements. Matt Drevlow discussed this approach with the CED Director and City Attorney. All parties agree that the proposed release and new agreements are an appropriate approach to dealing with the pending sale of the properties. City Staff requests that the HRA authorize City Staff to prepare the agreements and authorize the HRA chair and CED Director to execute the agreements with no further action from the HRA.

### **REQUESTED ACTION:**

Approve Resolution 2026-14.

### **ATTACHMENTS:**

1. Resolution 2026-14

**HOUSING AND REDEVELOPMENT AUTHORITY OF FARIBAULT,  
MINNESOTA**

**RESOLUTION 2025-14**

**AUTHORIZE THE RELEASE OF THE FDC AGREEMENTS ASSOCIATED WITH 227 AND  
229 CENTRAL AVENUE AND AUTHORIZE THE EXECUTION OF NEW AGREEMENTS  
WITH A NEW PROPERTY OWNER BASED ON THE TERMS OF THE FDC AGREEMENTS**

**WHEREAS**, 227 and 229 Central Avenue (the "Properties") were acquired, rehabilitated, or redeveloped with financial assistance from the Housing and Redevelopment Authority of Faribault, Minnesota (the "HRA") through one or more forgivable loan agreements ("Loan Agreements"); and

**WHEREAS**, the Loan Agreements include restrictions on sale, transfer, and subordination during the five-year compliance period, requiring HRA approval prior to any assignment, modification, or subordination of the HRA's mortgage interests; and

**WHEREAS**, a party wishes to purchase the Properties from Faribo Downtown Central LLC ("FDC") and has requested that the HRA authorize the release of the Properties from the Loan Agreements with FDC, and that the new party enter into new agreements based on the terms and conditions of the FDC Loan Agreements; and

**WHEREAS**, under Resolution 2025-10, the HRA affirmed a case-by-case review and approval process for assignments and subordinations to ensure continued compliance with program requirements, community benefit expectations, and the original intent of the HRA's forgivable loan program; and

**WHEREAS**, the HRA has reviewed the request related to 227 and 229 Central Avenue and finds that authorizing the release of the properties from the FDC Loan Agreements and the execution of new agreements with a new owner consistent with the terms and conditions of the FDC Loan Agreements is consistent with the goals of:

- (a) supporting reinvestment and economic vitality;
- (b) protecting public funds and enforcing compliance with the remaining forgiveness period; and
- (c) maintaining long-term redevelopment momentum within the downtown district;

**NOW, THEREFORE, BE IT RESOLVED** by the Housing and Redevelopment Authority of Faribault, Minnesota, as follows:

1. The HRA authorizes the City Attorney to take any and all necessary actions to prepare a release of the FDC Loan Agreements associated with 227 and 229 Central Avenue.
2. The HRA further authorized the City to prepare new agreements for a new owner of 227 and 229 Central Avenue that hold the new owner to the terms and conditions of the FDC Loan Agreements for the Properties.
3. The HRA further authorizes the HRA Chair and the CED Director to execute the above documents with no further review or action from the HRA.
4. This approval is contingent upon:
  - a. Receipt of all required assignment and closing documents;
  - b. Confirmation that the original Loan Agreement terms remain unchanged except as expressly approved by the HRA; and
  - c. Verification that the purchaser acknowledges and accepts the remaining five-year compliance period and all related restrictions.
5. Incorporation of Recitals.

The recitals in the preamble of this Resolution are incorporated herein as findings of the HRA.

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**Adopted:** April 13, 2026

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**ATTEST:**

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## Request for Action

**TO:** Faribault Housing & Redevelopment Authority  
**FROM:** Jessica Kinser, City Administrator  
**THROUGH:** David Wanberg, Director of Community and Economic Development  
**MEETING DATE:** April 13, 2026  
**SUBJECT:** Resolution 2026-12 Authorize Internal Repayments of Funds Due from the Scattered Sites Fund

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### **BACKGROUND:**

The HRA authorized an internal loan to the Scattered Site property fund in 2023 of \$250,000 at zero percent interest for a two-year period. The purpose of the loan was to ensure that the Scattered Site properties had enough funding to operate and cover capital costs when transitioning/transitioned out of HUD public housing status. We are now beyond the two-year loan period, and this should be repaid at this time given the balances in the Scattered Sites fund. Therefore, staff recommends the repayment of the loan in April 2026 with no additional interest.

The other aspect of this resolution was booked in the 2024 audit with the misclassification of revenues as part of the Scattered Sites revenues which should have gone to Robinwood. Fortunately, this amount would not have been subject to the sale of Robinwood, as it was above and beyond the \$1.77 million in reserves that was given to Three Rivers as part of the sale. However, the Finance Department has stressed that a number of bills not known at the time of sale are now being submitted, and these funds might need to be used to pay for outstanding invoices.

This resolution will clean-up two outstanding items for the 2026 financial statements and remove unnecessary "due to/due from" numbers from the HRA's funds.

### **REQUESTED ACTION:**

HONESTY • RESPECT • DEDICATED • VISIONARY • ACCOUNTABILITY

Approve Resolution 2026-12.

**ATTACHMENTS:**

1. 2023-07 Approve and Interfund Loan to Fund 241 from Fund 280
2. Resolution 2026-12 Authorize Internal Repayments of Funds Due from the Scattered Sites Fund

**HOUSING AND REDEVELOPMENT AUTHORITY  
OF FARIBAULT, MINNESOTA**

**RESOLUTION 2023-07**

**APPROVE AN INTERFUND LOAN TO FUND 241 FROM FUND 280**

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

Section 1. Recitals.

1.01. The HRA has created and maintains a fund for HRA general matters (the "280 Fund").

1.02. The HRA has created and maintains a fund for Public Housing – scattered site/RAD/Faribault HRA LLC (the "241 Fund").

1.03. The 241 Fund is in need of funding in the amount of \$250,000 for the operating costs and improvements of the public housing/scattered site/RAD program until such time that the Fund 241 is replenished and self-sustaining through the receipt of payments from the U.S. Housing and Urban Development ("HUD") through the RAD program.

1.04. The HRA desires to account for such operating costs and improvements through an interfund loan as described herein.

1.05. The HRA desires to make a loan in the amount of \$250,000 from the 280 Fund to the 241 Fund over two (2) years at zero (0%) percent annual interest.

1.06. The loan from the 280 Fund will be repaid from the 241 Fund, with such repayment to be made upon such terms as determined by the HRA based upon HUD's reimbursements to the HRA through the RAD program.

Section 2. HRA Approval of the Loan.

2.01. A loan in the amount of \$250,000 from the 280 Fund to the 241 Fund is hereby approved, to be repaid upon such terms as determined by the HRA based upon HUD's reimbursements to the HRA through the RAD program.

2.02. The staff of the HRA and the HRA's attorney are hereby directed to

take all other actions necessary to implement the interfund loan.

Approved by the Housing and Redevelopment Authority of Faribault, Minnesota this 28<sup>th</sup> day of April, 2023.

**HOUSING AND REDEVELOPMENT  
AUTHORITY OF FARIBAULT,  
MINNESOTA**



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Matt Speckhals, Chair

**ATTEST:**



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Brendan Kennedy, Vice Chairperson

**HOUSING AND REDEVELOPMENT AUTHORITY OF  
FARIBAULT, MINNESOTA**

**Resolution #2026-12**

**AUTHORIZE INTERNAL REPAYMENTS OF FUNDS DUE FROM THE SCATTERED SITES FUND**

**WHEREAS**, the Housing and Redevelopment Authority (“HRA”) authorized an internal loan in April 2023 on HRA Resolution 2023-07 to the scattered sites fund from the HRA operating fund; and

**WHEREAS**, the loan of \$250,000 had a zero-percent interest rate and was to be for a period of two years, in order to ensure adequate funding existed for the scattered site properties through the transition out of the public housing program; and

**WHEREAS**, the transition from public housing is now complete, and the fund balance in the scattered sites fund is adequate to repay the loan and continue to operate and make capital improvements as necessary; and

**WHEREAS**, the 2024 audit resulted in the Scattered Sites fund owing Robinwood \$89,170 as a result of misclassification of revenues, which should be repaid before the final closeout of the Robinwood financials;

**NOW, THEREFORE BE IT RESOLVED**, the City of Faribault Finance Director is hereby authorized to take action to repay the internal loan of \$250,000 from the Scattered Sites fund (291) to the HRA Operating fund (290); and

**BE IT FURTHER RESOLVED**, the City of Faribault Finance Director is hereby authorized to take action to repay the \$89,170 owed to the Robinwood Manor fund (898) from the Scattered Sites fund (291).

**Adopted:** April 13, 2026

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**ATTEST:**

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## Request for Action

**TO:** Faribault Housing & Redevelopment Authority  
**FROM:** Jessica Kinser, City Administrator  
**THROUGH:** David Wanberg, CED Director  
**MEETING DATE:** April 13, 2026  
**SUBJECT:** Resolution 2026-13 Release Right of Reverter from Purchase Agreement with Chamber Trust for 728 Division Street East

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### **BACKGROUND:**

The HRA approved resolution 2021-02 authorizing the sale of HRA-owned property at 728 Division Street East back in 2021. This parcel was a remnant from the platting of State Street for one block from Highway 60 to Division Street. This resolution approved a Purchase Agreement that transferred the parcel to the Chamber Trust for the construction of a single-family residential home on the property, subject to very specific requirements. Should nothing happen within two years of the transfer, the property would revert to the HRA. Nothing has happened with the parcel at this time, and no actions were ever taken to put the title back in the name of the HRA. The Chamber Trust is interested in donating this parcel to the newly formed Rice County Community Land Trust (RCCLT) to provide for their first opportunity for a single-family home to be built on the property.

In order for the RCCLT to eventually get a clean title, the reverter clause needs to be released, and the attached resolution accomplishes what is necessary to start that process. While the HRA can take this property back and exercise the reverter clause, it is not recommended to do so. The lot is oddly shaped, making the placement and size of a home more difficult to accommodate than a standard lot. The HRA has not had to pay mowing or snow removal costs to keep the sidewalk clear for the last 5 years. Without an immediate plan, these will again become real costs to the HRA.

**REQUESTED ACTION:**

Approve Resolution 2026-13

**ATTACHMENTS:**

1. Resolution 2026-13 Release Right of Reverter from Purchase Agreement with Chamber Trust for 728 Division Street East
2. A-742466

**HOUSING AND REDEVELOPMENT AUTHORITY OF  
FARIBAULT, MINNESOTA**

**Resolution #2026-13**

**RELEASE RIGHT OF REVERTER FROM PURCHASE AGREEMENT WITH CHAMBER TRUST  
FOR 728 DIVISION STREET EAST**

**WHEREAS**, the Housing and Redevelopment Authority (“HRA”) authorized a Purchase Agreement for 728 Division Street East with the Chamber Trust on May 10, 2021; and

**WHEREAS**, the Purchase Agreement stipulated that the Chamber Trust must construct, market and sell a single-family residential home to a family at or below 100 percent of the Rice County area median income within three years of May 10, 2021; and

**WHEREAS**, the Purchase Agreement contained a provision making the conveyance subject to a Right of Reverter, meaning should the Chamber Trust fail to meet the stipulations of the Purchase Agreement, the title to the property would automatically revert back to the HRA; and

**WHEREAS**, the Chamber Trust did not meet the required stipulations by May 10, 2024, but no actions to transfer title back to the HRA have been undertaken since that date; and

**WHEREAS**, the Chamber Trust is proposing the transfer of the property to the Rice County Community Land Trust for the construction of a single-family residential property, where the land would be held in perpetuity by the Land Trust in order to continue affordable housing in the community; and

**WHEREAS**, the HRA still desires this property as a location for an affordable single family residence regardless of the organization committing to the original goal;

**NOW, THEREFORE BE IT RESOLVED**, the HRA hereby releases the Right of Reverter in the deed to 728 Division Street East and authorizes the HRA Board Chair to execute all documents to complete this action.

**Adopted:** April 13, 2026

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**ATTEST:**

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## PURCHASE AND DEVELOPMENT AGREEMENT

**THIS PURCHASE AND DEVELOPMENT AGREEMENT** (the “**Agreement**”) is entered into this 10 day of May, 2021 (the “**Effective Date**”), by and between the Housing and Redevelopment Authority of Faribault, Minnesota, a public body corporate and politic under the laws of the State of Minnesota (the “**Seller**”) and the Chamber Trust, a Minnesota Nonprofit Corporation under Minn. Stat. § 317A (the “**Buyer**”)(collectively referred to herein as the “**Parties**” or each a “**Party**”).

### Recitals

**WHEREAS**, the Seller is the fee owner of that certain real property located in the City of Faribault, Rice County, Minnesota, and as legally described on the attached **Exhibit A** (the “**Property**”); and

**WHEREAS**, Buyer wishes to purchase the Property from Seller for the use of the Property in a pilot affordable housing program together with the Minnesota Correctional Facility - Faribault, the South Central College – Faribault Campus; and the area School District (the “**Program**”); and

**WHEREAS**, as part of the Program, Buyer desires to construct, market, and sell a residential single-family home located on the Property to a family at or below 100% of the Rice County Area Median Income, tiered by family size, as determined by the United States Department of Housing and Urban Development (the “**Project**”)

**WHEREAS**, the Seller is willing to sell the Property to Buyer under certain terms and conditions.

### Terms of the Agreement

**NOW, THEREFORE**, in consideration of the mutual agreements and covenants contained herein and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, it is mutually agreed and covenanted by and between the Parties to this Agreement as follows:

1. **RECITALS.** The foregoing recitals shall be and are hereby incorporated into and made a part of this Agreement.

2. **OFFER/ACCEPTANCE.** In consideration of the mutual agreements herein contained, Buyer offers and agrees to purchase, and Seller agrees to sell and convey the Property, pursuant to the terms of this Agreement.

3. **ACCEPTANCE DEADLINE.** This Agreement shall be null and void unless it has been executed by the Parties by July 31, 2021.

4. **PURCHASE PRICE.** The total purchase price to be paid by Buyer to Seller shall be One Dollar (\$1.00) ("**Purchase Price**"). Buyer shall pay the Purchase Price by wire transfer at Closing, as hereinafter defined.

5. **CLOSING DATE AND LOCATION.** Upon any required approval by the Seller, this Agreement for the sale of the Property shall take place no later than July 31, 2021 ("**Closing Date**"). The closing of this transaction (the "**Closing**") shall take place at the office of a title company, or such other place as may be agreed to by the Parties. Seller agrees to deliver possession of the Property to Buyer at the time of Closing. If Buyer wishes to close earlier than the Closing Date, Buyer shall notify Seller in writing no less than forty-five (45) days prior to the new Closing Date. If the Closing Date is changed pursuant to this Section, any and all costs, if prorated, shall be adjusted to the new closing date.

6. **DOCUMENTS TO BE DELIVERED BY SELLER AT CLOSING.** At Closing, Seller shall deliver to Buyer:

- A. Quit Claim Deed, in substantially the same form as attached herein as **Exhibit B** (the "**Deed**") conveying title to the Property to the Buyer in its as-is condition.
- B. Standard form Affidavit of Seller.
- C. Such other documents as may be reasonably required by Buyer's title examiner or title insurance company. The cost for such title insurance commitment and policy shall be paid by Buyer.

7. **DOCUMENTS TO BE DELIVERED BY BUYER AT CLOSING.** At Closing, Buyer shall deliver the following to Seller:

- A. Any documents as may be reasonably required by Buyer's title examiner or title insurance company.

8. **DEED/MARKETABLE TITLE.** Subject to performance by Buyer, Seller agrees to execute and deliver at the time of closing the Deed conveying title to said Property to Buyer in its as-is condition.

**9. COSTS AND PRORATIONS.** The Parties agree to the following prorations and allocations of costs regarding this Agreement:

**A. TAXES AND ASSESSMENTS.** The Parties shall pro-rate to Closing Date the real estate taxes due and payable in the year of Closing on the Property. Seller agrees to pay at closing any and all real estate taxes prorated to Seller. Buyer agrees to pay at closing any and all real estate taxes prorated to Buyer. Buyer shall pay the real estate taxes due and payable in the year following the year of closing and thereafter. Seller shall pay all special assessments due and payable and levied as of the Closing Date. Buyer shall pay all special assessments levied on said Property after the Closing Date. Seller makes no representation or warranty whatsoever concerning the amount of real estate taxes or assessments which shall be assessed or levied against the Property subsequent to the date of this Agreement.

**B. CLOSING COSTS.** The Buyer will pay: (a) the closing fees charged by the title insurance or other closing agent, if any, utilized to close the transaction contemplated by this Agreement; (b) fees for title evidence obtained by Buyer; (c) fees for any title insurance policy purchased by Buyer; and (d) the recording fee for the deed transferring title to Buyer. Seller will pay (a) any transfer taxes and Well Disclosure fees required to enable Buyer to record its deed from Seller under this Agreement (b) fees and charges related to the filing of any instrument required to make title marketable. Each Party shall pay its own attorney fees.

**10. TITLE EXAMINATION/CURING TITLE DEFECTS.** As soon as reasonably possible after execution of this Agreement by both Parties, Buyer shall obtain the title evidence determined necessary or desirable by Buyer. The Buyer shall have 30 days from the date it receives such title evidence to raise any objections to title. Objections not made within such time will be deemed waived by Buyer. The Seller may affect a cure satisfactory to Buyer or may give written notice to Buyer that Seller elects not to cure. The Buyer may then elect to close notwithstanding the uncured objections, or may declare this Agreement null and void and the Parties will thereby be released from any further obligation hereunder.

**11. CONVEYANCE SUBJECT TO RIGHT OF REVERTER.** The Seller's conveyance of the Property to the Buyer pursuant to this Agreement shall be made via the Deed which shall include a right of reverter for breach of a condition subsequent in favor of the Seller (the "**Right of Reverter**"). The condition subsequent shall be determined by the Seller in accordance with Minn. Stat. § 469.029 and as set forth in Section 12 herein. If Buyer breaches such condition subsequent, title to the Property shall automatically revert back to the Seller and Buyer shall execute any and all documents necessary to re-convey the Property back to the Seller at no cost to the Seller. If the Buyer fails to re-convey the Property to the Sellers, the Sellers may elect to exercise its Right of Reverter by commencing an action in Rice County District Court to establish the breach of the condition subsequent. If the Sellers establish a breach of the condition subsequent, title to and the right to possession of the Property and title to all improvements located thereon reverts to the Seller, and the Buyer is not entitled to any compensation from the Seller for the Property or the value of

any improvements the Buyer has made to the Property.

**12. CONDITION SUBSEQUENT.**

- A. Buyer shall formally commence the Program no later than two years from the Closing Date (the “**Commencement Date**”).
- B. Barring any unavoidable delays, as part of the Program, Buyer shall construct a residential single-family home on the Property (the “**Home**”). “Unavoidable Delays” means delays beyond the reasonable control of Buyer which are the direct result of strikes, other labor troubles, prolonged adverse weather or acts of God, fire or other casualty to the Property or Home being constructed by Buyer on the Property, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local governmental unit (other than the Seller exercising its rights under this Agreement), including without limitation condemnation or threat of condemnation of any portion of the Property, which directly result in delays. Unavoidable Delays may include delays experienced by Buyer in obtaining permits or governmental approvals necessary to enable completion of the Home but only if Buyer has submitted complete applications for the permits or approvals and the delay in obtaining the permit or approval is not caused by Buyer.
- C. The Buyer shall submit building plans for the Home to the City of Faribault as required by City Code (the “**Plans**”). The Plans must not require excessive variances to be issued prior to beginning work on the Home, as determined by the City of Faribault in its absolute and sole direction.
- D. The Buyer shall cause the Home to be sold to a family at or below 100% of the Rice County Area Median Income, tiered by specific family size, as determined by the United States Department of Housing and Urban Development.
- E. Except as otherwise expressly stated herein, the obligations contained in this Section 12 shall be completed no later than 3 years of the Deed (the “**Expiration Date**”).

**13. CERTIFICATE OF COMPLETION.** Upon entering into a purchase agreement to reconvey the Property pursuant to Section 12 herein, Buyer may request Seller to execute a certificate of completion signifying the satisfaction of the condition subsequent contained herein prior to the Expiration Date and thereby releasing the Property from the Right of Reverter. Buyer shall supply seller with all reasonable documentation at the time of said notice in order for Seller, in Seller’s sole and absolute discretion, to determine the obligations of Buyer within Section 12 have been fully satisfied. The certificate of completion shall thereafter be recorded at the closing of the subsequent transaction contemplated in Section 12.

**14. CONTINGENCIES.** The Parties acknowledge and agree that this Agreement is

contingent upon the following:

- A. Buyer's obligation to purchase the Property is contingent upon Buyer's determination of marketable title pursuant to paragraph 10 of this Agreement.
- B. Seller's obligation to sell is contingent upon approval of this Agreement by its Board.

If one or more of Buyer's or Seller's contingencies is not satisfied, or is not satisfied on time, and is not waived, this Agreement shall thereupon be void and the Parties shall execute and deliver to each other a termination of this Agreement. As a contingent Agreement, the termination of this Agreement is not required pursuant to Minnesota Statutes, Section 559.21, et. seq.

**15. DISCLOSURES REQUIRED BY LAW.** The following disclosures/provisions are required by law:

- A. Seller certifies that Seller does not know of a well on the Property.
- B. Seller discloses that, to the best of Seller's knowledge, there are no above ground or underground storage tanks located in, on, or under the Property.
- C. Seller discloses that any sewage generated on the Property will go to a facility permitted by the Minnesota Pollution Control Agency ("MPCA").
- D. Pursuant to Minnesota Statutes Section 152.0275, Seller certifies that as of the date hereof no methamphetamine production has occurred on the property.

**16. SELLER WARRANTIES.**

**A. Mechanics' Liens.** Seller warrants that, prior to the closing, Seller shall pay in full all amounts due for labor, materials, machinery, fixtures or tools furnished within the 120 days immediately preceding the Closing in connection with construction, alteration or repair of any structure upon or improvement to the Property.

**B. Notices.** Seller warrants that it has not received any notice from any governmental authority as to violation of any law, ordinance or regulation in connection with the Property.

**C. No Other Warranties.** Except as provided herein, Seller makes no representations or warranties regarding the condition of the Property, its use, or the marketability of its title. Buyer shall be satisfied solely on the basis of its own investigation.

**17. SURVIVAL OF REPRESENTATIONS AND WARRANTIES/NO MERGER.** All of the representations, warranties, covenants and agreements of the Parties hereto contained in this Agreement shall survive the Closing of the transaction contemplated herein, shall not merge

into any instruments or conveyance delivered at closing, or the delivery of any documents provided for herein and shall not be merged into any other agreement.

**18. TIME OF THE ESSENCE.** Time is of the essence in this Agreement.

**19. ADDITIONAL DOCUMENTS.** The Parties agree to cooperate with each other and their representatives regarding any reasonable requests made subsequent to the execution of this Agreement to correct any clerical errors in this Agreement and to provide any and all additional documentation deemed necessary by either Party to effectuate the transaction contemplated by this Agreement.

**20. NOTICES.** Any notice required or permitted to be given by any Party upon the other is given in accordance with the Agreement if it is directed to the Seller by delivering it personally to the Seller; or if it is directed to the Buyer, by delivering it personally to an officer of the Buyer; or to either Party if mailed in a sealed wrapper by United States registered or certified mail, return receipt requested, postage prepaid; or if transmitted to either party by facsimile, copy followed by mailed notice as above required; or if deposited by either Party, cost paid with a nationally recognized, reputable courier, properly addressed as follows:

**IF TO THE SELLER:**

**HOUSING AND REDEVELOPMENT  
AUTHORITY OF FARIBAULT, MINNESOTA**  
ATTN: Executive Director  
208 1st Avenue NW  
Faribault, MN 55021

**AND COPY TO:**

**KENNEDY & GRAVEN, CHARTERED**  
Attn: Scott J. Riggs  
Fifth Street Towers, Suite 700  
150 South Fifth Street  
Minneapolis, MN 55402

**IF TO BUYER:**

**CHAMBER TRUST**  
Attn: Kymn Anderson  
530 Wilson Avenue  
Faribault, MN 55021

Notices shall be deemed effective on the earlier of the date of receipt or the date of deposit as aforesaid; provided, however, that if notice is given by deposit, that the time for the response to any notice by the other party shall commence to run three (3) business day after

any such deposit. Any party may change its address for the service of notice by giving written notice of such change to the other party, or in any manner above specified, ten (10) days prior to the effective date of such change.

**21. EXECUTION IN COUNTERPARTS.** This Agreement may be executed in counterparts by the parties hereto.

**22. ENTIRE AGREEMENT.** This Agreement, any attached exhibits and any addenda or amendments signed by the parties shall constitute the entire agreement between the Parties, and supersedes any other written or oral agreements between Seller and Buyer. This Agreement can only be modified in writing signed by Seller and Buyer.

**23. RELEASE OF CLAIMS.** The Buyer, for itself, its attorneys, agents, employees, former employees, insurers, heirs, administrators, representatives, successors, and assigns, hereby releases and forever discharges Seller, and its attorneys, agents, representatives, employees, former employees, insurers, heirs, executors and assigns of and from any and all past, present or future claims, demands, obligations, actions or causes of action, at law or in equity, whether arising by statute, common law or otherwise, and for all claims for damages, of whatever kind or nature, and for all claims for attorneys' fees, and costs and expenses, including but not limited to all claims of any kind arising out of the negotiation, buyer consideration, execution and performance of this Agreement between the Parties, except as otherwise expressly provided herein.

**24. CHOICE OF LAW AND VENUE; INTERPRETATION.** This Agreement shall be governed by, enforced, and construed in accordance with the laws of the State of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Minnesota, and all parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

**25. BINDING EFFECT.** The terms and conditions of this Agreement shall run with the land and be binding on the Buyer, its heirs, successors, and assigns and shall be recorded against the Property upon Closing.

**26. NO BROKER INVOLVED.** The Parties represent and warrant to each other that there is no broker involved in this transaction with whom either has negotiated or to whom either has agreed to pay a broker commission. Buyer agrees to indemnify Seller for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of the Property arising out of any alleged agreement or commitment or negotiation by Buyer, and Seller agrees to indemnify Buyer for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of the Property arising out of any alleged agreement or commitment or negotiation by Seller.

**27. "AS-IS" SALE; BUILDING, IMPROVEMENTS, SOIL CONDITIONS; OTHER REPRESENTATIONS.**

- A. The Buyer acknowledges that the Seller makes no representations or warranties as to the condition of the building, improvements and soils on the Property or the fitness for their intended use or any other purpose for which the Buyer may make use of the Property.
- B. The Buyer is acquiring the Property “as is” with no right of set off or reduction in purchase price. After closing, the Seller shall have no obligation or liability to the Buyer for any unsuitability with respect to the soil conditions or the presence of any pollution, contamination, or hazardous substances on the Property.
- C. The Buyer’s acquisition of the Property in an “as is” condition means Buyer acknowledges and agrees that the Property is being sold in an “as-is,” “where-is” condition and with all faults without warranty or representation of any kind, express or implied, as to the condition, suitability, or desirability of the Property and any building or improvements contained on the Property. Buyer acknowledges that Seller has not agreed to perform any work on or about the Property prior to Buyer’s purchase of the Property.

**28. CUMULATIVE RIGHTS.** Except as may be otherwise provided elsewhere herein, no right or remedy herein conferred on or reserved to Buyer or Seller is intended to be exclusive of any other right or remedy provided herein or by law, but such rights and remedies shall be cumulative and in addition to every other right or remedy given herein or elsewhere or hereafter existing at law in equity, or by statute.

**29. ASSIGNMENT.** Buyer may not assign its rights and obligations under this Agreement to another person or entity.

**30. CAPTIONS, HEADINGS OR TITLES.** All captions, headings, or titles in the paragraphs or sections of this Agreement are inserted for convenience of reference only and shall not constitute a part of the Agreement or a limitation of the scope of the particular paragraphs or sections to which they apply.

*{The remainder of this page intentionally blank; Signature Pages to Follow}*





**EXHIBIT A**  
Legal Description of the Property

Lot 1, Block 2 of State Avenue Subdivision, according to the recorded plat thereof, Rice County, Minnesota.

**EXHIBIT B**  
Form of the Deed

**QUIT CLAIM DEED**

**eCRV number: N/A**

**Deed Tax Due: \$ \_\_\_\_\_**

**Date: \_\_\_\_\_, 2021**

**The consideration for this transaction consists of less than \$3,000.**

**FOR VALUABLE CONSIDERATION**, the Housing and Redevelopment Authority of Faribault, Minnesota, a public body corporate and politic under the laws of the State of Minnesota (the “**Grantor**”), hereby conveys and quitclaims to the Chamber Trust, a Minnesota Nonprofit Corporation under Minn. Stat. § 317A (the “**Grantee**”), the land described as follows (hereinafter referred to as the “**Property**”):

Lot 1 Block 2 of State Avenue Subdivision, according to the recorded plat thereof, Rice County, Minnesota.

Part or all of the land is Registered (Torrens) •

Together with all hereditaments and appurtenances and subject to the Right of Reverter for Breach of Condition Subsequent in favor of Grantor which is described on **Exhibit A**.

- The Seller certifies that the Seller does not know of any wells on the described real property.
- A well disclosure certificate accompanies this document or has been electronically filed. (If electronically filed, insert WDC number: \_\_\_\_\_).
- I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

**HOUSING AND  
REDEVELOPMENT AUTHORITY  
OF FARIBAULT, MINNESOTA**

By \_\_\_\_\_  
Narren Brown  
Its Chairperson

By \_\_\_\_\_  
Deanna Kuennen  
Its Executive Director

STATE OF MINNESOTA     )  
  ) ss.  
COUNTY OF RICE         )

The foregoing instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2021 by Narren Brown and Deanna Kuennen, the Chairperson and the Executive Director, respectively, of the Housing and Redevelopment Authority of Faribault, Minnesota, a public body corporate and politic under the laws of the State of Minnesota, on behalf of Grantor.

\_\_\_\_\_  
Notary Public

Tax Statements should be sent to:

CHAMBER TRUST  
Attn: Kymn Anderson  
530 Wilson Avenue  
Faribault, MN 55021

This instrument was drafted by:

Kennedy & Graven, Chartered  
Fifth Street Towers  
150 South Fifth Street, Suite 700  
Minneapolis, MN 55402  
(612) 337-9300

**EXHIBIT A**  
The Condition Subsequent

The Housing and Redevelopment Authority of Faribault, Minnesota, a public body corporate and politic under the laws of the State of Minnesota, Grantor, is conveying the Property to Chamber Trust, a Minnesota Nonprofit Corporation under Minn. Stat. § 317A, Grantee, subject to a right of reverter for breach of conditions subsequent in favor of Grantor. The condition subsequent, as set forth in Sections 11, 12, and 13 of that certain Purchase and Development Agreement between the Grantor and Grantee dated May 10, 2021 (the “**Agreement**”) is that, barring any unavoidable delays, Grantee shall construct, market, and sell a residential single-family home located on the Property to a family at or below 100% of the Rice County Area Median Income, tiered by family size, as determined by the United States Department of Housing and Urban Development as part of the Program as defined within the Agreement all within 3 years of the date herein in accordance with the specifications as outlined within the Agreement.

If Grantee breaches the condition subsequent, title to the Property shall automatically revert back to the Grantor, the Grantee shall execute any and all instruments needed to formally re-convey the Property to the Grantor, at no cost to Grantor. If the Grantee fails to re-convey the Property and deliver possession of the Property to the Grantor, the Grantor may elect to exercise its right of reverter by commencing an action in Rice County District Court to establish the breach of the condition subsequent. If Grantor establishes a breach of the condition subsequent, title to and the right to possession of all portions of the Property for which Grantor has not issued a Certificate of Release, as contemplated in the Purchase Agreement, and title to all improvements located thereon reverts to Grantor, and Grantee is not entitled to any compensation from Grantor for the value of any improvements Grantee has made to the Property.

If the Grantor determines that the condition subsequent has been adequately completed prior to the Expiration Date as defined within the Agreement, the Grantor shall furnish to the Grantee a Certificate of Release in the form attached hereto as **Exhibit B**. The Certificate of Release shall conclusively satisfy and terminate the right of reverter in favor of the Grantor and contained in this Quit Claim Deed and the Agreement.

**EXHIBIT B**  
Certificate of Release

1. Recitals.

Recital One. Chamber Trust, a Minnesota Nonprofit Corporation under Minn. Stat. § 317A (the “**Grantee**”) is the owner of the real property legally described in **Exhibit A** hereto (the “**Property**”).

Recital Two. Grantee acquired title to the Property from the Housing and Redevelopment Authority of Faribault, Minnesota, a public body corporate and politic under the laws of the State of Minnesota (the “**Grantor**”) pursuant to a deed dated \_\_\_\_\_, 20\_\_ and recorded in the office of the Rice County Recorder on \_\_\_\_\_ as Document No. \_\_\_\_\_ (the “**Deed**”).

Recital Three. The Deed includes a right of reverter for breach of conditions subsequent in favor of the Grantor (the “**Right of Reverter**”).

Recital Four. The Grantor and the Grantee are parties to a Purchase and Development Agreement dated \_\_\_\_\_, 2021 (the “**Agreement**”).

Recital Five. Pursuant to Sections 11, 12, and 13 of the Agreement, the Grantee is obligated to use the Property as part of a pilot affordable housing program (the “**Program**”) together with the Minnesota Correctional Facility - Faribault, the South Central College – Faribault Campus; and the area School District. As part of the Program, Grantee agreed to construct and sell a residential single-family home located on the Property to a family at or below 100% of the Rice County Area Median Income, tiered by family size, as determined by the United States Department of Housing and Urban Development (the “**Project**”) prior to the Expiration Date as defined within the Agreement.

Recital Six. The Grantor’s Right of Reverter would be triggered by the Grantee’s failure to satisfy the conditions as set forth in the Agreement prior to the Expiration Date.

Recital Seven. The Grantee has represented to the Grantor that the Grantee has commenced the Program and has requested this Certificate of Release from the Grantor as part of the closing of a subsequent transaction involving the Property in accordance with the Project.

2. Certificate of Release. The Grantor hereby certifies that the Grantee has satisfied its obligations with respect to the Program and the Project with relation to the Property. The Grantor further acknowledges and agrees that the Property is released from the Right of Reverter.





## Request for Action

**TO:** Faribault Housing & Redevelopment Authority  
**FROM:** Jessica Kinser, City Administrator  
**THROUGH:** David Wanberg, Director of Community and Economic Development  
**MEETING DATE:** April 13, 2026  
**SUBJECT:** Appointments to Elderly Housing Corporation Board

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### **BACKGROUND:**

The Elderly Housing Corporation is a non-profit that exists for the purpose of owning Robinwood Manor. With the sale of Robinwood, there is no additional reason for this non-profit organization, wholly owned/managed by the Faribault HRA, to exist. There are also no remaining assets in the non-profit following the sale, as the remaining cash assets now belong to the HRA. The final step to wrap-up the Elderly Housing Corporation is for the group to meet and formally dissolve.

At the November 10, 2025 HRA Meeting, two appointments were made to the Elderly Housing Corporation — Shafi Qanyare and Loni Ahlers, which left one vacancy. The Elderly Housing Corporation then met immediately following the HRA meeting on the 10th for an annual meeting at which officers were elected and the annual filing of the 990 was approved. The membership at that time included the following:

Mandy Barnes - President/Chair  
Loni Ahlers - Vice Chair  
Shafi Qanyare - Secretary  
Pat Gustafson - Director  
Vacant - Director

Though Loni's term ended on the HRA, she has said she would stay on the EHC board to see things through to the end. Shafi resigned in January, so his vacancy and the other vacant position remain to be filled by the HRA board. It is recommended that two members of the HRA board be nominated and approved to the Elderly Housing Corporation board.

HONESTY ▪ RESPECT ▪ DEDICATED ▪ VISIONARY ▪ ACCOUNTABILITY

The work that remains for the Elderly Housing Corporation is to take an action to dissolve the organization. Staff is working with City Attorney Scott Riggs on preparing the dissolution paperwork to be formally approved by the EHC board and filed with the Secretary of State. Per the EHC bylaws, the annual meeting is to be the second Monday in May, so we will hold the meeting before or after the regular HRA meeting. In addition to dissolution, there will also be direction on the approval of the 2025 and 2026 990 forms, which are still being developed. The HRA board will likely be the body that provides that approval when ready.

**REQUESTED ACTION:**

Make an appointment of 2 HRA board members to the EHC Board.

**ATTACHMENTS:**

1. 2025-11-10 EHC Meeting Minutes



## ELDERLY HOUSING CORPORATION MINUTES

3RD FLOOR  
CONFERENCE ROOM

MONDAY, NOVEMBER 10, 2025

8:55 PM

### Meeting Items

1. Call to Order/Agenda Approval

EHC meeting was called to order by Vice-Chair Mandy Barnes at 8:55. In attendance were Mandy Barnes, Loni Ahlers and Shafi Qanyare. Also attending was Executive Director of the HRA Thomas Furman. Motion to approve the agenda made by Loni Ahlers, seconded by Shafi Qanyare. Approved unanimously. Approval of the last meeting minutes were reviewed. Motion to to approve the November Minutes made by Shafi Qanyare, seconded by Loni Ahlers. The motion passed unanimously

2. New Member Appointments/Election of Officers

The Elderly Housing Corporation ("EHC") has a five-member Board of Directors. The HRA directed that Loni Ahlers and Shafi Qanyare from the HRA serve on the EHC Board.

The EHC Board is responsible for appointing its officers.

A motion was made by Loni Ahlers to approve a slate: President – Mandy Barnes; Vice President - Loni Ahlers; and Secretary – Shafi Qanyare. The motion was seconded by Shafi Qanyare. The motion passed unanimously.

3. An audited financial statement was provided by BergankDV, and accepted. IRS Form 990 was also reviewed and approved. Motion made by Shafi Qanyare, seconded by Loni Ahlers. Motion approved unanimously.

4. Adjournment

Chair Mandy Barnes adjourned at 9:05 p.m.

By:   
Thomas Furman, Executive Director of the HRA.



## Request for Action

**TO:** Faribault Housing & Redevelopment Authority  
**FROM:** David Wanberg, CED Director  
**THROUGH:** David Wanberg, CED Director  
**MEETING DATE:** April 13, 2026  
**SUBJECT:** Review the HRA's Strategic Priorities in Relation to the HRA's Housing Needs Analysis

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### **BACKGROUND:**

The HRA approved its Housing Needs Analysis in February 2026 and its Strategic Priorities in March 2026. However, it is unclear how much coordination there was between the two efforts. Furthermore, HRA's board changed during both efforts. Consequently, the attached Overview of the HRA's Strategic Priorities in relation to the HRA's Housing Needs Analysis is intended to highlight the findings of both efforts and clarify potential opportunities for the HRA to explore as it implements its strategic priorities.

### **REQUESTED ACTION:**

Please review the attached overview and be prepared to provide feedback. City Staff's goal is to make sure we fully understand the HRA's strategic priorities in light of the recently adopted Housing Needs Analysis. In particular, review the color-coded stars next to each action to ensure Staff and the HRA Board work closely to effectively implement the HRA's strategic priorities over the next two to three years.

### **ATTACHMENTS:**

1. An Overview of the HRA's Strategic Priorities in relation to the HRA's Housing Needs Analysis

# **AN OVERVIEW OF THE HRA'S STRATEGIC PRIORITIES IN RELATION TO THE HRA'S HOUSING NEEDS ANALYSIS**

**April 13, 2026**

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## **BACKGROUND AND PURPOSE**

Maxfield Research and Consulting completed a Housing Needs Analysis for the HRA in October 2025. Staff provided comments on the report, and Maxfield finalized the report in November 2025. The HRA approved the Housing Needs Analysis in February 2026.

In October 2025, the HRA held its first meeting with Allyson Brunette to identify the HRA's strategic priorities. Over the next several months, the HRA continued to work on its strategic priorities and, on March 9, 2026, approved the HRA's Strategic Priorities Report.

This memorandum provides an overview of the key findings of the Housing Needs Analysis in relation to HRA's Strategic Priorities Report and comments on additional opportunities the HRA may want to explore as it implements its strategic priorities.

## **APPROACH**

The HRA's Strategic Priorities Report outlines the HRA's top five strategic priorities for the next two to three years. The Housing Needs Analysis identifies Faribault's current housing needs and projects them over the next 10 years.

This memorandum outlines the key findings of the Housing Needs Analysis as they relate to each of the HRA's strategic priorities. It also comments on the proposed actions the HRA intends to take over the next two to three years. A green star (★) next to an action indicates that the HRA has completed or substantially completed the action. A yellow star (★) indicates that the HRA is working on the action. A red star (★) indicates that the HRA has significant work to do on the action. The HRA may choose to view a red star action as one that it should explore or strive to take, but may not complete in the next two to three years.

Finally, this memorandum provides conclusions regarding potential gaps that the HRA may want to address as it implements its strategic priorities. It is not the intent of this memorandum to rewrite the HRA's adopted Strategic Priorities Report.

The HRA should view its strategic actions as a living document that guides its mission, vision, and priorities. The HRA may not realize some of its adopted strategic actions as written, or may not realize them within the timeframe identified. However, the HRA must continually strive to advance its mission and move toward its vision.

## **PRIORITY 1: FACILITATE HOUSING OPTIONS**

Faribault has a strong need for additional housing of all types. The HRA intends to increase housing options by developing, or helping others develop, additional housing that meets the needs of current and future residents. As the HRA implements its strategic priorities, it should do so in light of the Housing Needs Analysis.

### **Housing Needs Analysis Findings**

The Housing Needs Analysis includes detailed information about Faribault's existing housing conditions and the need for additional housing units through 2035. Key findings of the analysis report are as follows.

### **Housing Demand Summary**

Faribault should facilitate the development of the following housing units by 2035:

**1. General occupancy (not age-restricted) owner-occupied:**

- 288 single-family units
  - 155 twin homes, townhomes, and condominiums
- 443 total general occupancy owner-occupied units**

**2. General occupancy rental:**

- 444 market-rate
  - 461 affordable (30%-60% of the area median income)
  - 461 subsidized units (30% or less of the area median income)
- 1,366 total general occupancy rental units**

**3. Senior:**

- 188 active owner-occupied market-rate units
- 181 active rental units
- 379 affordable units
- 266 subsidized units
- 216 independent living units
- 124 assisted living units
- 107 memory care units

## 1,461 total senior housing

### Demographics

1. Population growth does not equal housing unit demand. Faribault is expected to add 1,692 residents between 2025 and 2035. However, the Housing Needs Analysis shows that Faribault has a demand for 3,270 units by 2035. Of these units, we can assume that 700-900 will accommodate the expected population increase. The remainder will accommodate pent-up demand due to Faribault's low housing vacancy rate and the significant number of Faribault workers who do not live in the city but could live there. Also, household unit sizes are decreasing, requiring more housing units per capita. **In short, housing demand exceeds the number of units required to accommodate the current and projected population.**
2. Currently, the 35-44 age group (3,607 people) is the largest demographic cohort in Faribault and is expected to remain the largest until at least 2035. Generally speaking, the 35-44 cohort desires low-maintenance, single-family homes in good neighborhoods. However, many cannot afford to buy a single-family home and are choosing rentals. **There is a strong need to provide additional affordable owner-occupied units for those aged 35-54.**
3. The 25-34 age group (3,560 people) is almost as large as the 35-44 cohort. However, unlike the 35-44 cohort, the 25-34 cohort is generally looking for affordable rental property. **Many in the 25-34 cohort do not have the income or interest to buy and maintain a house.**
4. The 75 and older age group (the baby boom generation) is growing, but the baby bust generation (the 55-64 age group) is at or nearing retirement. They may choose to stay in their homes in the short term. By the time some wish to move into senior housing, it should be available if Faribault provides additional senior housing to meet current needs. **In short, through 2035, there is a strong need for additional senior housing.** After that, the need may subside for a decade or so.
5. In 2025, Faribault's median household income was estimated at \$62,430, roughly 25% lower than the county and Southeast Minnesota. **Faribault needs housing that aligns with the community's lower household incomes.**

6. Since 2010, non-family households (persons living alone or unrelated persons living in the same housing unit) have grown by 24%, **suggesting a demand for housing products other than the traditional single-family home, including single-family homes with many bedrooms.**

## Employment and Income

1. Faribault is expected to add 503 jobs by 2035. However, labor and housing availability will affect projected job growth. **Faribault must provide new housing to support Faribault's economic development goals.**
2. Roughly 7,155 workers commute to Faribault for employment, while 6,205 residents leave Faribault for employment. Only 4,468 people live and work in Faribault. **While there are likely many reasons a large percentage of workers choose not to live in Faribault, if only a small percentage of those (say 10%) chose to live and work in the city, it would have a significant economic impact on the community.**
3. A household earning the average weekly wage in Faribault (\$1,140) can afford roughly \$1,482 in monthly rent for an apartment. The average market-rate rental rate is \$1,200 per month. **Therefore, the average household can afford an average rental unit in Faribault.**
4. The average annual household income in Faribault in 2025 was \$59,820. However, a household needs a minimum annual income of \$97,320 to afford the median resale price of \$317,920 for a single-family home. **Consequently, many households cannot afford a median-priced single-family home, underscoring the need for more affordable options.**

## Housing Characteristics

1. Faribault has 9% more multi-family housing units and manufactured home community units than the region. **To have roughly the same percentage of the region's detached housing units, the community would need to provide more affordable single-family residences.**
2. Roughly 20% of Faribault's housing units were built before 1940. **While some units are well cared for, others need, or will need, substantial repair and maintenance work.**

3. In recent years, multi-family housing has grown significantly, averaging roughly 56 units per year. Whereas, single-family units average roughly 24 units per year. Recently, fewer than two townhome units have been developed per year. **In short, most of the housing developed in recent years has been multi-family market-rate apartments. However, the community needs additional housing of all types.**

### For-Sale Housing Market

1. The median resale price of a detached single-family residence has increased dramatically in recent years, reaching over \$300,000. The median price of a new single-family residence is over \$400,000. New multi-family units have a median price of nearly \$360,000. **Households at or below the area median income will find it difficult to purchase a house in Faribault. Most new multi-family housing will request financial assistance to build units that are affordable.**
2. Faribault has roughly a three-month supply of available single-family and multi-family homes for sale. However, Faribault should strive to have a roughly six-month supply of homes. The increased cost of homes is due, in part, to the limited supply. **Faribault should strive to double the supply of housing for sale.** This may involve constructing new housing or providing seniors with options to move out of their homes into senior housing and similar solutions.
3. In 2025, Faribault had roughly 143 existing vacant residential lots, 31 of which were listed for sale. **Without platting additional land for residential use, this will be insufficient to meet the projected demand through 2035.**

### Rental Housing Market

1. In 2025, market-rate rental properties had a 2.5% vacancy rate, affordable units had a 0.6% vacancy rate, and subsidized units had no vacancies. **Faribault should maintain a vacancy rate of 5% to allow for turnover and adequate supply alternatives.**
2. **The average monthly rate across all market-rate rental properties is \$1,250 (\$1.45 per square foot).** Newer properties average \$1.67 per square foot, compared to \$1.26 per square foot for older properties.

## Senior Housing Market

1. From 2010 to 2025, Faribault experienced a 71% increase in the 65- to 74-year-old population. **As this population continues to age, more people will be seeking specialized housing for seniors.**
2. By 2035, the demand for senior housing is expected to be as follows:
  - 369 active seniors (owner or rental),
  - 645 affordable or subsidized, and
  - 447 specialized (independent, assisted, memory care)

## Housing Affordability

1. Rice County administers 149 Housing Choice Vouchers in Faribault.
2. In 2025, 17% of all owner-occupied housing units and 53% of rental households were considered cost-burdened (paying more than 30% of their income for housing costs). Nearly 13% of households in Faribault were severely cost-burdened (paying more than 50% of their income for housing).
3. Roughly half of the renter households can afford to rent a studio or one-bedroom unit at the average rent of \$1,025 per month. Only 42% can afford to rent a two-bedroom unit at the average rent of \$1,200 per month.

## HRA Actions Through 2028

The HRA's adopted Strategic Priorities Report states that it will take the following actions in the next two to three years.

### Short-Term Actions (By September 2026)

- ★ 1. **Identify vacant lots.** The City has maintained a vacant lot inventory map for many years and has periodically updated it. Some property owners are actively marketing vacant lots. While others are holding on to lots for open space with no intention of developing them at this time. *Please note: We have also identified HRA land that could accommodate additional HRA housing.*
- ★ 2. **Build and maintain relationships with housing developers.** The City is currently doing this and will continue to do this.
- ★ 3. **Invite an expert to attend an HRA meeting to discuss co-ops, community land trusts, and residential development.** In the last several years, the HRA has hosted speakers who have presented on co-ops and community land trusts. However, if the

HRA desires additional meetings with experts on community land trusts and co-ops, City Staff can arrange those meetings.

- ★ 4. **Offer Board training on co-op, community land trusts, and developing new revenue-generating facilities.** Unless there is pending action expected in the next several months on the HRA's potential involvement in a community land trust or co-op, the HRA may choose to delay "training" until later. However, in the short term, the HRA could invite a representative from the Rice County Community Land Trust working group to update the HRA on the working group's efforts.

#### **Mid-Term Actions (October 2026 - October 2027)**

- ★ 5. **Bring in a consultant and/or a developer around co-op and/or community land trust development and frame what this could look like in Faribault.** The Rice County Community Land Trust is currently working on developing a community land trust. At an appropriate time, a representative from the working group can update the HRA on its efforts.
- ★ 6. **Explore intergenerational co-living/home-sharing models and what they could look like in Faribault.** The HRA may choose to consider very preliminary ideas for co-living/home-sharing models. For example, City Staff could reach out to South Central College to see whether there might be an opportunity to provide student housing through a co-living model. Again, this would be very preliminary work.
- ★ 7. **Board gains comfort and clarity with the pros/cons of a co-op model in Faribault.** It is reasonable to expect the Board to have a clear understanding of the pros and cons of a co-op development in Faribault. Ultimately, the HRA should decide what role it should play in trying to provide a new co-op development in Faribault. In other words, the HRA should consider whether it wants to facilitate others in developing additional co-op housing in Faribault or develop co-op housing itself.
- ★ 8. **Continue to meet with developers and strengthen relationships.** City Staff meet regularly with existing and potential housing developers. Staff also network with developers at housing conferences throughout the year.

- ★ **9. Explore what types of housing products are missing from the Faribault market that the HRA could develop.** The Maxfield Housing Needs Analysis identifies the types and numbers of housing products that are missing in Faribault. However, the HRA needs to carefully consider the pros and cons of developing housing rather than facilitating others in developing the missing housing.

### **Long-Term Actions (October 2027 - March 2028)**

- ★ **10. Bond on a site for a prefabricated home subdivision or a co-op.** The HRA can bond to develop housing. However, if the HRA is truly interested in bonding by 2028, it has significant work to do starting in 2026.
- ★ **11. Successfully develop a co-op or non-co-op development.** Again, if the HRA is truly interested in being a developer and having a successful housing development by 2028, it has significant work to do in 2028.
- ★ **12. Continue to meet with developers and strengthen relationships.** City Staff regularly meet with housing developers.

### **Success Indicators by 2028**

- 1. Five percent rental vacancy rate and a four to six-month supply of owner-occupied housing units.**

*Comments: This is a worthy goal, but it may not be a realistic outcome in 2028. In short, the HRA should continually strive to facilitate the development of additional housing until we meet this goal/outcome.*

- 2. Establish an HRA revenue-generating property.**

*Comments: The HRA developed Robinwood Manor in the mid-70s (which it recently sold), the scattered sites in the mid-80s and 90s (which the HRA will continue to own), and Trails Edge apartments in the 90s, (which it sold in 2010).*

*While the HRA "can" develop new revenue-generating housing. However, the HRA should discuss what revenue-generating means to the HRA.*

*HRA's can generally follow one of two models:*

- *The HRA can develop housing that fills a gap, then sell the housing development for a profit and reinvest the profits to*

*address other HRA needs. This is essentially what the HRA did with Trails Edge apartments.*

- *The HRA can build, hold, and reinvest in needed housing that the market is not providing. This is the HRA's scattered sites model. If the HRA chooses to, there are opportunities to build additional scattered-site housing on existing HRA land.*

*Both are legitimate models. The HRA could, for example, add to its scattered-site portfolio or develop a multi-family complex. The HRA should provide direction on how it views its desires to establish a revenue-generating property.*

**3. Ensure that at least one new housing development contributes to housing safety and availability.**

*Comments: All new housing should be safe and improve housing availability.*

**Options to Strengthen the HRA's Strategic Priorities**

1. The Housing Needs Analysis found significant demand for all types of housing in Faribault, including affordable and subsidized housing. The HRA's Strategic Priorities appropriately focus on the "development of permanent and/or non-traditional housing," which could help address Faribault's affordable and subsidized housing needs. However, new housing development, especially affordable or subsidized rental housing, often faces pushback from the public and elected officials. **The HRA may want to add actions to raise awareness and understanding of the need for all types of housing, including affordable and subsidized housing.**
2. The Housing Needs Analysis found that development costs are a significant barrier to the creation of new housing. **The HRA may want to add actions to work with the Planning Commission, City Council, Developers, and others to refine Faribault's Unified Development Ordinance to allow for affordable development options (e.g., reducing the required side-yard setback).**
3. The HRA's Strategic Priorities include bonding to develop a prefabricated home subdivision or co-op. The HRA also states it will develop a co-op or non-co-op in the next three years. However, there are many ways the HRA can facilitate new housing without bonding or developing the property. For example, the HRA can help buy down land costs to incentivize a needed type of housing that would not

otherwise occur. Alternatively, the HRA could buy blighted or dilapidated property, remove the buildings, and sell the property to a developer at a significant discount, if the developer develops needed housing. **In other words, the HRA may want to view its role as facilitating development rather than developing new housing over the next two to three years.**

4. In addition to significant demand for affordable and subsidized housing, there is also growing demand for senior housing, housing in downtown areas, and other specialized housing. **Although the HRA appears to target the need for a prefabricated home subdivision or co-op, the HRA may also want to narrow its focus to affordable, senior, or other types of housing.**
5. The HRA currently has underutilized land associated with its scattered-site properties. **If the HRA wants to develop housing in the next two to three years, it could consider building additional subsidized housing on the property it already owns.**

## **PRIORITY 2: PROMOTE HOUSING STABILITY THROUGH TARGETED ASSISTANCE**

The HRA intends to ensure safe, reliable housing for Faribault residents, which will likely require working with its strategic partners.

### **Housing Needs Analysis Findings**

The Housing Needs Analysis briefly notes that some people in Faribault are unsheltered. **However, the Analysis was not intended to help guide the HRA on how to address unsheltered residents.** Consequently, the only Housing Needs Analysis findings related to Priority 2 are that the HRA's partners (like Community Action Center and Three Rivers) assist those in need, and that the HRA has helped by providing funding to its partner organizations. Currently, the HRA relies on its partners to monitor and address the needs of unsheltered people in Faribault. The HRA can support its partners by providing limited and targeted financial assistance.

### **HRA Actions Through 2028**

The HRA's adopted Strategic Priorities Report states that it will take the following actions in the next two to three years.

#### **Short-Term Actions (By September 2026)**

- ★ 1. **Initiate conversations with CAC, Three Rivers, and others to better understand community needs.** The HRA currently has

strong relationships with CAC, Three Rivers, HCI, Habitat for Humanity, Rice County, and others. The HRA will continue to strengthen these relationships.

### **Mid-Term Actions (October 2026 - October 2027)**

- ★ **2. Evaluate if a secondary funding source is needed to support community needs.** The HRA understands that housing stability needs will exceed the funding it can provide. The HRA alone cannot address all housing stability needs in Faribault. It can, however, work with its partners to apply for, or contribute to, secondary funding to address housing stability needs.
- ★ **3. Pilot a funding project, using quarterly data measures.** The HRA recently approved funding for CAC to distribute short-term emergency rental assistance to Faribault residents as needed to help ensure housing stability. The HRA is also funding Three Rivers to address housing stability in Faribault’s manufactured home communities – that work involves quarterly data measurement reports.
- ★ **4. Develop a funding program that embodies short-term support, versus long-term enablement.** The HRA approved a short-term emergency rental assistance funding program. However, the HRA can work with other partners to provide one-time or recurring support.

### **Long-Term Actions (October 2027 – March 2028)**

- ★ **5. Evaluate if the pilot program works and if it merits continuing.** The HRA currently requires Three Rivers to provide quarterly reports on its HRA funding to assist manufactured home community residents with home improvements. The HRA reviews the quarterly reports and will decide at the end of 2026 whether to extend the program for another year.

### **Success Indicators by 2028**

- 1. The number of individuals who have unmet needs in the Faribault area stabilizes or decreases.** The HRA’s partner organizations have general information regarding the number of unsheltered people in Faribault. The HRA can tie this information to funding requests from the HRA’s partner organizations. In addition, the HRA should explore other measurement options, including but not limited to, the City’s survey efforts.

2. **Financial assistance programs have defined eligibility criteria and intended outcomes.** Currently, the HRA addresses eligibility and expected outcomes in its Agreements with partner organizations.
3. **Assistance is structured to support short-term stabilization (not long-term dependency).** To date, the HRA and its partner organizations have acknowledged that the HRA's financial support is intended to help people overcome short-term challenges in their housing situations. It is not intended to serve as a mechanism for individuals who need long-term funding for stable housing.

### Options to Strengthen the HRA's Strategic Priorities

1. Currently, the HRA provides CAC with funding to administer and distribute emergency rental assistance, it provides Three Rivers with funding to help repair and maintain manufactured home communities, and it provides funding for the Hope Center. **The HRA may simply continue its current practice, which involves providing funding tied to specific outcomes, or it could provide additional funding to additional programs.**

### PRIORITY 3: PRESERVE AND REHABILITATE EXISTING HOUSING

Roughly 20% of Faribault's housing stock was built before 1940. While some older housing is in good condition, much of the available older housing in Faribault needs rehabilitation, and the cost of that work prevents some people from buying a home. Furthermore, existing homeowners may not be able to afford the maintenance required for their homes. As a result, Faribault's housing stock may continue to deteriorate. The HRA intends to develop and implement programs to preserve and rehabilitate existing housing.

### Housing Needs Analysis Findings

The Housing Needs Analysis describes the age of Faribault's housing stock and the need to preserve and rehabilitate existing housing. It also includes a significant section on existing housing programs, many of which can assist communities and homeowners with housing rehabilitation. Such programs include but are not limited to Statewide Affordable Housing Aid (SAHA), the Low- and Moderate-Income Rental Program (LMIR), the Workforce and Affordable Homeownership Development Program, the Low Income Housing Tax Credit (LIHTC) program, Community Development Grant (CDBG) funds, and USDA Rural Development funds.

### HRA Actions Through 2028

The HRA's adopted Strategic Priorities Report states that it will take the following actions in the next two to three years.

### **Short-Term Actions (By September 2026)**

- ★ **1. Establish a baseline criteria for programs.** The HRA has several existing programs and has discussed creating new ones. The HRA should determine which existing programs align with its stated vision, mission, and strategic priorities, and create new programs as needed.
- ★ **2. Identify priority neighborhoods where programs could be targeted.** The HRA's existing Housing Rehabilitation Program is limited to specific transportation corridors. Again, in 2023, the HRA directed that the program should be revised to apply to all single-family residences in the community. Nevertheless, the HRA should discuss whether it wants to target its limited funds to certain neighborhoods.
- ★ **3. Develop a rehabilitation program with a forgivable component.** The HRA's existing Housing Rehabilitation Program provides rehabilitation loans that homeowners must repay when they sell the house. However, Staff's recent review of the program suggests that the HRA could offer a forgivable loan at five percent annually over 20 years.
- ★ **4. Develop a home rehabilitation loan program.** The HRA needs to weigh the pros and cons of various rehabilitation loan program options before finalizing a program. The HRA currently has \$60,000 budgeted for a rehabilitation loan program.
- ★ **5. Explore the development of a down payment assistance and/or first-time homebuyer program.** The HRA needs to weigh the pros and cons of various down payment assistance programs before finalizing a program. The HRA currently has a \$60,000 budget for a down payment assistance program.

### **Mid-Term Actions (October 2026 – October 2027)**

- ★ **6. Launch and accept applications for a home rehabilitation program.** Developing and launching a rehabilitation program can and should be completed by October 2027. It will be very important to inform all residents, realtors, and home contractors about the program.

- ★ 7. **Develop a downpayment assistance and/or first-time homebuyer program.** Developing and launching a downpayment assistance program can and should be completed by October 2027. It will be very important to inform all residents, realtors, and home contractors about the program.
- ★ 8. **Build awareness through marketing and storytelling of programs and their successes.** Building broad awareness and understanding of the rehabilitation and down payment assistance programs will be crucial to the program’s success.
- ★ 9. **Spread awareness of programs through faith-based communities.** It appears the HRA wishes to emphasize working with faith-based communities to spread awareness of the programs. While this is important, the HRA must ensure it spreads awareness of the programs through many different channels.

**Success Indicators by 2028**

- 1. **There are visible improvements in curb appeal and housing conditions at a neighborhood level.** This outcome will be most evident if the HRA focuses the rehabilitation program on specific corridors or neighborhoods.
- 2. **Rehabilitation programs are accessible, well-utilized, and clearly understood by community members.** This outcome requires a well-orchestrated marketing campaign.
- 3. **Existing housing stock is stabilized, remains better maintained, and is safer as a result of HRA-supported programs.**

**Options to Strengthen the HRA’s Strategic Priorities**

- 1. The HRA appears to be focusing its rehabilitation efforts on single-family owner-occupied housing. However, as the Housing Analysis Needs show, a significant share of Faribault’s housing consists of rental properties and manufactured home communities. **Perhaps, after re-establishing the HRA’s rehabilitation program, the HRA may want to explore expanding the program to rental properties as well.**
- 2. The HRA should promote existing rehabilitation programs offered by its partners and by federal and state programs, and avoid duplicating them. **The HRA may want to include actions to evaluate existing**

**programs from others and develop new HRA rehabilitation programs that fill known gaps.**

#### **PRIORITY 4: STRENGTHEN STRATEGIC PARTNERSHIPS**

The HRA acknowledges that it cannot address all housing and redevelopment issues on its own. The HRA intends to focus its resources and efforts where they will add the most value. Currently, the HRA is working with CAC on emergency rental assistance and Three Rivers on manufactured home community maintenance needs. The HRA will continue to work with other organizations to help address the community's housing and redevelopment needs that the HRA cannot address on its own.

#### **Housing Needs Analysis Findings**

The Housing Needs Analysis states that any new housing for low- to moderate-income households is almost certain to require assistance beyond what the household can provide. In particular, the Analysis identifies federal and state programs that can provide technical and financial assistance.

#### **HRA Actions Through 2028**

The HRA's adopted Strategic Priorities Report states that it will take the following actions in the next two to three years.

#### **Short-Term Actions (By September 2026)**

- ★ 1. Have conversations with Habitat for Humanity and faith-based communities around a Rock the Block initiative.** It appears the HRA wants to develop a Rock the Block initiative that would presumably improve specified residential blocks. The HRA should know that most residential blocks have a mix of homestead and non-homestead properties. Yet, the HRA notes that it intends to focus its rehabilitation efforts on single-family owner-occupied housing.

The HRA would like to partner with Habitat for Humanity and faith-based communities to develop and implement the program. However, many other partners and programs can also address the HRA's intentions. For example, at one time, Minneapolis had a Neighborhood Revitalization Program that provided funding to help neighborhoods identify and address their needs. Perhaps the HRA could work with the City's Nite to Unite efforts to improve residential neighborhoods. In short, the HRA may want to explore a variety of options and partners.

- ★ 2. **Continue financial support of non-profit organizations, such as Hope Center, CAC, Three Rivers, Habitat for Humanity, and others.** The HRA is currently doing and will regularly review its support as it sets its annual budget.
- ★ 3. **Host a roundtable with faith-based communities, HRA, and other non-profits to understand opportunities for collaboration.** CAC, HCI, and others already bring together government and non-profits to identify housing and other issues and opportunities. This group meets several times a year and has City representation. The HRA should consider being a part of this existing group rather than starting or hosting a separate roundtable or organization.

#### **Mid-Term Actions (October 2026 – October 2027)**

- ★ 4. **An HRA board member is appointed who represents a community-based organization, which may include faith-based, cultural, non-profit, or other civic organizations.** The City Council reviews applications for and makes appointments to the HRA Board. The HRA may want to prepare an overview of the desirable qualifications for the Board that the Council can refer to when considering Board appointments.

#### **Long-Term Actions (October 2027 – March 2028)**

- ★ 5. **Explore the feasibility of forming a co-op or neighborhood creation with a faith-based community as a financial partner.** The HRA should explore options and provide direction on how to proceed with this action.

#### **Success Indicators by 2028**

1. **Overlap and duplication with partner organizations are reduced.** It benefits all parties to address housing needs cooperatively. This will require more meetings with the HRA’s partners.
2. **The HRA has a reputation as a collaborative and reliable partner.**
3. **Regular communication and coordination occur among key community-based organizations.**

#### **Options to Strengthen the HRA’s Strategic Priorities**

1. Faribault has significant housing needs that can only be solved through partnerships. However, the HRA does not need an ownership stake in a housing development to partner with others. **The HRA may want to prioritize other partnerships before pursuing ownership partnerships.**

## **PRIORITY 5: REPLACE BLIGHT WITH HOUSING**

The HRA has the authority to address blighted properties throughout the community. However, its strategic priorities focus primarily on addressing blight in single-family owner-occupied housing units. Nevertheless, if the right opportunity presents itself, the HRA may consider its involvement in helping address a blighted housing situation (for example, in the downtown area).

### **Housing Needs Analysis Findings**

The Housing Needs Analysis identifies that roughly 20% of Faribault's housing stock was built before 1940. Consequently, many of those units need repair, improvement, or replacement. The Analysis includes a significant section on funding opportunities through various federal and state programs that could help the HRA address blight issues.

### **HRA Actions Through 2028**

The HRA does not have specific actions related to blight remediation.

### **Success Indicators by 2028**

1. **The HRA's resources are focused primarily on reducing blight by stabilizing existing single-family housing stock.** The HRA has chosen to focus on stabilizing existing single-family owner-occupied housing over the next two to three years. As the HRA makes progress on its strategic priorities, it may want to begin addressing non-homestead residential units, other redevelopment projects, and blighted properties.
2. **Downtown redevelopment efforts supported by the HRA clearly align with housing as a primary outcome.** The HRA has historically addressed blight throughout the community. In some cases, they have demolished unsafe downtown buildings and converted the property into parking for downtown residences and businesses. In other cases, the HRA has helped address blighted properties that did not specifically involve housing. Nevertheless, over the next several years, the HRA intends to address blight only if housing is a primary outcome.

- 3. Blight remediation contributes to improved housing stability.** Over the next several years, the HRA intends to focus on blight remediation related to single-family owner-occupied housing.
- 4. Investments are evaluated based on housing impact, not solely economic development outcomes.** Presumably, the HRA will focus only on the housing portion of blight remediation.

### Options to Strengthen the HRA's Strategic Priorities

- 1. The HRA is primarily focused on stabilizing single-family owner-occupied housing. While this is an appropriate goal, a considerable amount of rental housing exists in Faribault. Once the HRA works to reduce blight by promoting single-family owner-occupied housing, it may also wish to turn its attention to blighted rental and multi-family properties.**
- 2. The HRA may want to purchase and clear blighted properties, then sell the properties to a developer with clear expectations to develop housing that meets the specific needs identified by the HRA.**

Again, the HRA should view its strategic actions as a living document that guides its mission, vision, and priorities. The HRA may not realize some of its adopted strategic actions as written, or may not realize them within the timeframe identified. However, the HRA must continually strive to advance its mission and move toward its vision.



## Request for Action

**TO:** Faribault Housing & Redevelopment Authority  
**FROM:** Jessica Kinser, City Administrator  
**THROUGH:** David Wanberg, Director of Community and Economic Development  
**MEETING DATE:** April 13, 2026  
**SUBJECT:** Focus Area #5 Address Bight for Future Opportunity - Tree and Stump Removal Program

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### **BACKGROUND:**

The HRA established a diseased tree removal program in 2025 (see attached) to provide assistance to low-to-moderate income property owners with the removal of dead/diseased trees from Emerald Ash Borer. This did not get released in time to coincide with the City's voluntary special assessment program in 2025 and has not been advertised since it was created.

The City of Faribault applied for and has been awarded a ReLEAF grant through the DNR to assist income-qualifying individuals (80 percent of area median income or lower) with the removal of trees and stumps with no owner contribution. There is also grant funding for tree replacement at a 2 to 1 ratio (2 trees provided for every 1 tree removed). Community and Economic Development staff will be doing the income verification for this program. The City has not discussed a voluntary special assessment program for 2025, and is seeking to focus on tree removal through the ReLEAF grant.

At this time, it would be helpful for City staff to know if the HRA would like to use the \$40,000 annual allocation to assist with the removal of dead/diseased trees and the resulting stumps as additional funding for the ReLEAF grant. If there is a desire to collaborate using the \$40,000, here are some possible options:

1. The HRA could dedicate the \$40,000 to the grant program to assist with 50% of the costs for tree and stump removal (the grant would

assist with the other 50%) for as many owners as the funds will assist that meet the grant's income qualifications of 80% AMI. Based on the initial grant application of \$2,000 per household, this would allow for the HRA funds to impact 40 additional households and the overall grant funds to impact 120 estimated households total or 20 more than in the application.

2. The HRA could offer to use the current or altered program parameters to work with property owners at 80% AMI (or those incomes qualified already) once the grant funds are no longer available.
3. The HRA could offer to use the current or altered program parameters to work with property owners who do not qualify at 80% AMI and have applied; would recommend no higher than 115% AMI for owner-occupied households.

The 2025 voluntary special assessment program did not include the removal of any stumps. If the HRA is still interested in keeping the program as is, we can send a mailing to those properties that had trees removed in 2025 to offer the deferred loan for the removal of stumps in the front yard or boulevard. It's unknown how many owners (originally around 98) would take advantage of this program, which has a \$20,000 budget allocation for 2026.

**REQUESTED ACTION:**

Provide direction on whether or not the HRA would like to partner with the City's ReLEAF grant and define what that looks like inside or outside of the program parameters established in 2025.

**ATTACHMENTS:**

1. 2025-04 HRA Resolution Approving Tree Removal
2. 2026 HRA Operating Fund Memo

# **HOUSING AND REDEVELOPMENT AUTHORITY OF FARIBAULT, MINNESOTA**

## **Resolution #2025-04**

### **ESTABLISHING THE DISEASED AND DYING TREE REMOVAL ASSISTANCE PROGRAM.**

**WHEREAS**, the City of Faribault is experiencing widespread impacts from diseased, dying, or hazardous trees that threaten public safety, property values, and the health of our urban forest; and

**WHEREAS**, removing these trees places a financial strain on low- and moderate-income homeowners; and

**WHEREAS**, the HRA seeks to support eligible homeowners through a combination of forgivable loans and deferred loans; and

**WHEREAS**, the detailed program structure—including eligibility, repayment terms, and forgiveness criteria—is outlined in **Appendix A**, incorporated by reference;

**NOW, THEREFORE, BE IT RESOLVED**, by the Housing and Redevelopment Authority of Faribault that:

**1. Program Authorization**

- A Tree Removal Assistance Program is hereby established, offering both for a buffer **forgivable loan** and a **subordinate deferred loan**, as described in Appendix A.

**2. Appendix Adoption**

- The guidelines set forth in Appendix A are approved and shall govern the administration of the program.

**3. Administering Authority**

- The Executive Director (or designee) is authorized to administer and enforce the program and may adjust administrative details to ensure equitable and fiscally responsible implementation.


**4. Program Amendments**

- The HRA reserves the right to amend Appendix A over time to respond to changing needs or funding availability.

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**ADOPTED** by the Housing and Redevelopment Authority of Faribault on the 9th day of June, 2025.

**FARIBAULT HOUSING AND REDEVELOPMENT AUTHORITY**

By:   
Colin Maltbie, Chairperson

**ATTEST:**

By: 

## Appendix A

### Tree Removal Assistance Program Guidelines

#### Program Purpose Statement

The Tree Removal Assistance Program is designed to help protect the urban forest in the City of Faribault by reducing the spread of the Emerald Ash Borer (EAB) and removing diseased or dying trees that pose a threat to public safety and property. This program provides financial assistance to residential property owners by offering a forgivable loan for income-qualified households (up to 110% of Area Median Income) and a low-interest deferred loan option for all other residents. The goal is to make tree removal more accessible and affordable for all homeowners while supporting a healthier, safer environment for the entire community.

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#### 1. What the Program Helps With

We help homeowners remove diseased or dying trees. We will help remove any diseased trees (prioritizing ash trees infected by the Emerald Ash Beetle (EAB)). The deferred loan will also pay for stump grinding, but only in front yards or boulevard areas.

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#### 2. Who Qualifies for the Forgivable Loan

- Must live in and own a house in Faribault.
  - Household income is under 110% of Area Median Income.
  - Tree must be certified as diseased or dying by a qualified arborist.
- 

#### 3. Two Types of Help

##### A. Forgivable Loan

- Covers **50% of tree removal costs**, up to **\$2,000 per home**.
- Homeowner pays full cost, submits receipts, and we send a check—up to \$2,000.
- Funds are limited—**only \$40,000 total** is available for this.
- No interest.
- Loan forgiven if homeowner paid property taxes in 2025 and is in good standing with the city.

##### B. Deferred Loan

- Helps pay for **any amount above** the forgivable loan and/or to residents who do not qualify.
  - Homeowner can borrow up to **\$10,000**.
  - Interest is **prime rate minus 3%**, but never less than **0%**, currently at 7.5% - 3.0% = 4.5%
  - A **\$100 fee** covers loan origination and recording fees.
  - Repaid when the homeowner **sells, transfers, refinances, or moves out**.
-

## 4. Step-by-Step What to Do

### Step 1: Apply

- Fill out the application form.
- Send proof of income (if applying for forgivable portion), home ownership, and a certificate showing tree is diseased.
- Provide a contractor's cost estimate.

### Step 2: Approval

- We review your application.
- If approved:
  - Get the work done by a licensed contractor.
  - Pay the contractor and keep your receipt.

### Step 3: Submit and Get Paid

- Send us proof of payment (receipt).
  - **Forgivable Loan:** We send you a check for 50% of the cost, up to \$2,000.
  - **Deferred Loan:** You sign loan paperwork, and we place a second lien.
    - This loan only needs to be paid when you sell, refinance, or move.
- 

## 5. How We Run This Program

- The **Executive Director** manages the program.
  - Loans are given out **first-come, first-served** until money runs out.
  - The **total budget** is **\$40,000** for forgivable loans and **\$100,000** for deferred loans.
  - We may update rules to keep things fair and within budget.
- 

## 6. Key Things to Remember

- Only trees in front yards and boulevards qualify for stump grinding.
- Deferred loans stay until a big change like moving or refinancing happens.
- Program money is limited—so apply early!



## Request for Action

**TO:** Faribault Housing & Redevelopment Authority  
**FROM:** Thomas Furman - Executive Director  
**THROUGH:** David Wanberg, Director of Community and Economic Development  
**MEETING DATE:** November 10, 2025  
**SUBJECT:** Resolution 2025-08 2026 Final Budget

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### BACKGROUND:

Each year, the Housing & Redevelopment Authority (HRA) adopts an operating budget for the **General HRA Fund**, which is supported primarily by the **annual HRA Tax Levy**. This fund provides the core administrative and programmatic resources necessary to operate the HRA and implement locally directed housing initiatives that are not tied to federal or state funding sources.

Over the past several years, the HRA has focused on stabilizing operations, completing the Robinwood repositioning, and rebuilding internal capacity for program delivery. With those efforts now complete, the **2026 General HRA Budget** reflects a continuation of disciplined financial management while investing directly in community-level programs aligned with HRA goals.

### Highlights of the 2026 Proposed General HRA Budget:

- **Total Revenue:** \$439,868 (derived primarily from the 2026 Tax Levy)
- **Total Expenditures:** \$436,725
- **Projected Operating Result:** +\$3,143 (small surplus)

### Special Program Allocations (within Expenditures):

- Mobile Home Rehabilitation Program – **\$60,000**
- Tree Removal Assistance Program – **\$60,000**
- (Corridor) Rehabilitation Loans – **\$45,000**
- Hope Center Partnership – **\$10,000**
- Down Payment Assistance Program – **\$60,000**

**Core Operating Support Lines:**

- Legal Services – **\$15,000**
- Expert & Professional Services – **\$150,000**
- Software Maintenance & Support – **\$12,000**
- Training & Education – **\$7,000**
- Travel – **\$3,000**
- Auditing & Accounting – **\$5,775**
- Insurance & Bonds – **\$6,000**
- Dues & Subscriptions – **\$800**
- Taxes & Licenses – **\$250**
- Recording Fees – **\$450**

**Context and Intent:**

- **2022–2024:** Focused on compliance, repositioning, and organizational stabilization.
- **2025:** Relaunched community programs, including tree-removal assistance and homeowner support.
- **2026:** Expands those efforts through continued investment in local programs, targeted homeowner aid, and collaboration with community partners such as the Hope Center.

The proposed 2026 General HRA Budget aligns directly with the approved Tax Levy and maintains a balanced financial position while strengthening the HRA’s local impact through practical, community-driven programming.

**REQUESTED ACTION:**

Approve a resolution adopting the **2026 General HRA 2026 Final Budget** as presented, authorizing the expenditure of funds for administrative operations and the implementation of HRA programs, including Mobile Home Rehabilitation, Tree Removal Assistance, Corridor Rehabilitation Loans, Hope Center Partnership, and Down Payment Assistance.

**ATTACHMENTS:**