



Housing and Redevelopment Authority

December 7, 2023

7:00 PM

Fridley City Hall, 7071 University Avenue NE

Minutes

Call to Order

Chairperson Showalter called the Housing and Redevelopment Authority meeting to order at 7:00 p.m.

Present

Elizabeth Showalter
Gordon Backlund
Troy Brueggemeier
Rachel Schwankl
Kyle Mulrooney

Others Present

Paul Bolin, HRA Assistant Executive Director
Joe Starks, Finance Director
Vickie Johnson, Development Consultant

Action Items

1. Approval of Expenditures.

Motion by Commissioner Mulrooney to approve the expenditures. Seconded by Commissioner Backlund.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

2. Approval November 2, 2023, Meeting Minutes.

Motion by Commissioner Brueggemeier to approve the meeting minutes of November 2, 2023 as presented. Seconded by Commissioner Schwankl.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

3. Designation of an Official Newspaper for 2024.

Paul Bolin, Executive Director, stated that the HRA is annually required to designate an official newspaper. He stated that the Minneapolis Star Tribune continues to fill the needs of the HRA.

Motion by Commissioner Backlund to adopt HRA Resolution No. 2023-15 Designating an Official Newspaper for the Year 2024. Seconded by Commissioner Mulrooney.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

4. Resolution No. 2023-16 Designating an Official Depository for the Year 2024.

Mr. Bolin stated that annually the HRA must designate an official bank, noting that Wells Fargo has been the official bank for both the City and HRA for a number of years. Staff recommends approval of the resolution as presented.

Motion by Commissioner Brueggemeier to adopt HRA Resolution No. 2023-16 Designating an Official Depository for the Year 2024. Seconded by Commissioner Schwankl.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

5. Resolution No. 2023-17 Adopting Changes and Additions to Housing Programs and Guidelines.

Mr. Bolin stated that the last legislative session provided additional funding for the City to use towards its housing programs. He stated that the HRA and City Council met in a work session in August to discuss potential changes and additions to the programs. He stated that staff then worked with finance staff to better plan. He provided an overview of the proposed changes and additions to the housing programs. He also provided details on the anticipated timing for applications to be received in order to better match with when funding would be allocated.

Commissioner Brueggemeier recognized that the senior deferred loan program is one of the most popular programs and asked the process that is used to ensure the funds are allocated to the appropriate residents. Mr. Bolin commented that the income limit will be helpful. He stated that they did consider two rounds of funding but noted that there will only be one round of funding in 2024 as they will not be allocating funds until March or April this year.

Commissioner Backlund noted a grammatical change.

Chair Showalter referenced the downpayment assistance program and asked if that program would continue to be available under the current terms, or whether that would not be available until April. Mr. Bolin replied that would be delayed until April as well. He stated that the revolving loan fund would remain active as those funds are replenished, but the deferred loan programs will be delayed in order to avoid running a deficit. Chair Showalter referenced the home betterment loan, where it seems likely that only four projects per year would be funded, and asked how those projects would be selected. Mr. Bolin stated that this year it would be first come, first serve. Chair Showalter agreed that could make sense this year but perhaps a lottery system is used in future years.

Mr. Bolin provided details on how the programs are advertised including social media, City newsletter, and public open house.

Motion by Commissioner Backlund to adopt HRA Resolution No. 2023-17 Adopting Changes and Additions to Housing Programs and Guidelines with the noted change. Seconded by Commissioner Mulrooney.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

6. Proposed 2024 Budget

Joe Starks, Finance Director, provided background information on the proposed 2024 budget that the HRA is asked to consider tonight. He stated that the HRA budget contains three major components which are the General Fund, Housing Program Fund, and TIF District Funds. He highlighted changes related to the proposed 2024 General Fund revenue budget, General Fund expenditure budget, Housing Program Fund revenue budget, Housing Program Fund expenditure budget, and also reviewed other budget assumptions. Staff recommends approval as presented.

Commissioner Mulrooney asked the cash level in the General Fund. Mr. Starks replied that at the end of 2022, the cash balance was \$9,800,000 noting that the actual fund balance was a bit higher.

Commissioner Brueggemeier asked for more information on professional and contractual services. Mr. Starks replied that they are similar, noting that the loan servicing by CEE would fall under contractual while the use of consultants would fall under professional.

Motion by Commissioner Brueggemeier to adopt the proposed 2024 HRA budget. Seconded by Commissioner Schwankl.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

7. Amendment to the Housing Programs Administration Contract with CEE

Mr. Bolin provided details on the CEE loan program administration, noting that the HRA has contracted with CEE for this service since 1996. He stated that the contracts have been set up in three-year terms and that period is now due. He reviewed the proposed changes to the existing contract and stated that staff recommends that the HRA approve the contract extension and changes through December 31, 2026.

Commissioner Brueggemeier expressed appreciation for the relationship the HRA has with CEE, especially with the new programs anticipated.

Motion by Commissioner Backlund to approve the amendment to the housing programs administration contract with CEE. Seconded by Commissioner Brueggemeier.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

Informational Items

8. Update on Housing Programs

Mr. Bolin provided an update on the November activity within the housing programs as well as year to date information.

Commissioner Schwankl commented that the Front Door and paint programs have been scattered throughout the community and provide more pride in homeownership. She noted that often those projects spur neighbors to similarly invest in their homes.

Adjournment

Motion by Commissioner Brueggemeier to adjourn the meeting. Seconded by Commissioner Schwankl.

Upon a voice vote, all voting aye, Chairperson Showalter declared the motion carried and the meeting adjourned at 7:38 p.m.

Respectfully submitted,

Melissa Moore – City Clerk